

The numbers

Thanks to our action, over **£64 million** of funds have been, or are due to be, returned to victims

This includes:

- a settlement in a global agreement against a company that did not keep reasonably accurate records
- a restraint order that prevented suspects from moving funds. In this case we returned the money direct to victims

We recovered around
£10 million in assets

We have over **100** cases either at investigation, prosecution and compensation stages (up from 86 last year) with an average work force of **300** staff

We have maintained a high conviction rate – **84%** of the defendants we brought to trial were found guilty

and...

100% of the cases we brought before the courts resulted in at least one conviction

17 cases involving **31** defendants went to trial.
... **26** defendants were found guilty...
... and got an average jail sentence of **30.1** months

We processed **70 million** documents of evidence – equivalent to a stack of paper **200 miles** high

We worked with over **30** jurisdictions

We cost just **64p** for every person of the UK in 2010-11 (9p down on last year)

Contacting the Serious Fraud Office

If you would like further information regarding the Serious Fraud Office, please visit our website www.sfo.gov.uk, or email our press office on press.office@sfo.gsi.gov.uk or call 0207 239 7001



Richard Alderman,
Director of the SFO

Director's foreword

I am pleased with our performance in 2010-11. Investigation times have been slashed, conviction rates remain high and huge sums of money are being returned to the victims of economic crime. And all of this is being done at less expense to the public purse.

Our remit is to tackle serious and complex economic crime. When money can be moved across the world in seconds and hidden from sight by unscrupulous fraudsters, an organisation like the SFO with its skilled investigators and prosecutors is vital for safeguarding the public.

Only the SFO can track economic criminals across the world, obtain justice for victims and work with ethical British businesses to enhance the reputation of UK Plc.

Over the past year we have made over 100 presentations and taken part in panel sessions talking with businesses about the implications of the new Bribery Act, encouraging them to report problems to us. We have developed around one third of our cases in-house by using our expanding intelligence gathering capability.

We have dramatically reduced the time it takes us to investigate cases. For example, since 2008 the average time it takes us to charge in a case is only 15 months. This means that we are getting justice for victims quicker and reducing our investigation costs.

By continuing to put victims at the heart of what we do, we have identified over £64 million in payments to victims of economic crime.



Serious Fraud Office

Elm House
10-16 Elm Street
London WC1X 0BJ

Telephone: +44 (0)20 7239 7272
Fraud hotline: +44 (0)20 7239 7388

2010-11 in brief

www.sfo.gov.uk

Stronger

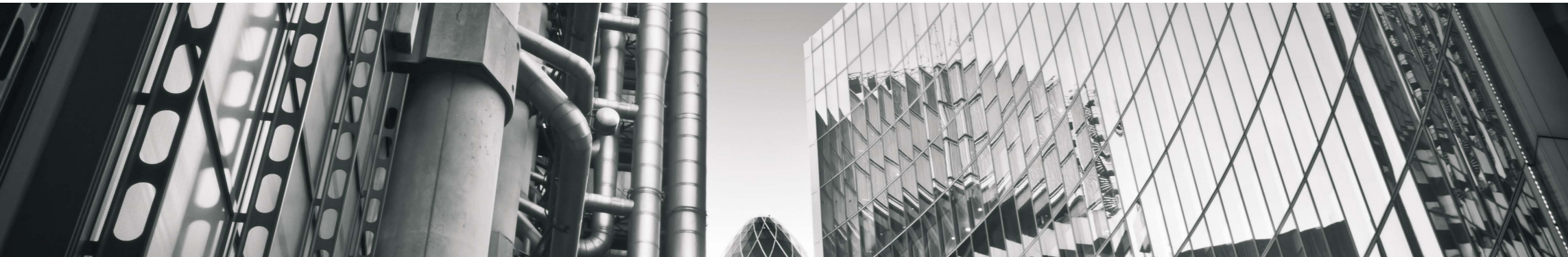
Delivering justice to the victims of complex economic crime

Faster

Delivering value for money: building capability and deploying this effectively

Leaner

Achieving more for less



Philippa Williamson,
Chief Executive of the SFO

Chief Executive's commentary

The SFO continues to innovate so that we can deliver more for less and improve our service for the victims of economic crime.

We have launched our first victim and witness survey to find out how satisfied they are with the service we give them. The lessons we learn will help us find better ways of working in the future as will building on our success in targeting illegal hoards, freezing them (under the Proceeds of Crime Act 2002) and securing them for the victims of economic crime.

We have transformed our digital forensics capability to be predominantly an 'e-Discovery house'. While traditional computer forensics techniques dig deep into a handful of computers, e-Discovery enables us to quickly distil the huge volumes of data captured in our search operations and to focus on material likely to have greatest evidential yield.

The benefits are clear. We can now handle up to 100GB of new information each day – a 2,000% increase year on year. It is also allowing us to respond quickly to court requirements – in one case we were able to identify and produce over 47,000 emails overnight to satisfy a judge's order. Such speed of response would have been impossible before.

There is no doubt that the SFO could do even more given greater powers and we are pressing for them. The Government is committed to combating economic crime and arming agencies with the powers required to deal fraudsters a body blow that white collar criminals have previously been able to avoid. These powers are still a matter for discussion. In the meantime, the SFO's skills and determination will continue to bring fraudsters to book, deliver justice to victims and provide value for money.

- Our **conviction rate remains high** as are the sentences passed in our cases. These demonstrate the quality of the investigation and prosecution work we present to juries.
- Our work has identified over £64m for **payments to the victims of economic crime**. These will be enforced through the court service as compensation or voluntary payments.
- Our **International Assistance** team helped 30+ overseas jurisdictions with their investigations. The sum at risk in these cases is over £68 billion.

Case outcome – Kevin Foster, a convicted fraudster, was jailed for 10 years for running an unauthorised investment business and stealing investors' funds. The investors had lost £17m+ in the scheme.

- We launched our **talent management** strategy which incorporates career paths, succession planning, and ongoing coaching and mentoring. We also encourage our people to pursue development opportunities outside the workplace – one of our lawyers passed Middle Temple's advocacy course and is now qualified to teach advocacy to the Inns of Court and at Cumberland Lodge.
- We have introduced a new **quality and standards framework** to assure the quality and consistency of our operational processes; help us identify gaps and to develop and share good practice.

Case outcome – The SFO is the only enforcement authority that actively takes civil recovery action against corporates. This year we recovered £7m from a company that had not been involved in corruption but benefited from share dividends that were based on profits that had arisen from contracts won through corruption.

- Improved processes are continually allowing us to **reduce the time it takes us to investigate a case**.

Year	Average investigation time
2010-11	24 months
2009-10	33 months
2008-09	45 months
2007-08	Over 48 months

- We now source cases in-house. In 2010-11 around a third of our cases were sourced this way. This allows us to tackle and disrupt criminal activity quicker and get redress for the victims of economic crime sooner.

Case outcome – Thanks to our swift action, £33m was returned to victims even before the fraudsters went to trial. When we spotted an opportunity to restrain substantial funds that were in the hands of suspected fraudsters, we got a restraint order preventing them from moving the funds. We worked with the court and the Swiss authorities to return the money to the victims. This is an excellent example of how our positive relations with international partners is helping us do more for the victims of economic crime.

- Our cutting-edge investigation and prosecution IT system allows us to process evidential material faster than ever before – up to 2,000% faster. In 2010-11 we processed over 1,200 bags of evidence – over 70 million documents.
- We are working closely with **law enforcement colleagues in the UK and in 30+ other jurisdictions**. We also work with organisations like the World Bank and Charity Commission.

- Our budget has been reducing year on year for the past five years. Funding for 2010-11 was £39.6m, down from £42.9m in 2009-10. Despite this we are **dealing with more cases**, 100+ compared to just over 60 five years ago.
- **Over 80%** of our people are **frontline staff**. They work flexibly across the range of our cases. Matching their skills and experiences to the right cases, at the right time, means that we only engage temporary staff when there are exceptional peaks of operational activity or where we need specialist skills we do not have.
- Our people get **more training in a wider variety of areas** including in-house events on leadership and management, investigation techniques, a range of legal issues, ethics and the latest IT and technological developments.
- We attended **100+ events to talk about the Bribery Act and our work**. To reduce costs and get our message to even more people, we gave talks by video link and our General Counsel recorded a podcast which has been downloaded over 2,000 times in countries around the world.
- Running the SFO costs just 64p for each person in the UK – 9p cheaper than in 2009-10.

Case outcome – This year we have secured over £750,000 as large costs awards. One corporate was ordered to pay us over £500,000 in costs. This is another sign that we are ensuring those who profit from criminal activity do not benefit from their ill-gotten gains.