

# Nigel Sangster KC

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Nigel Sangster KC is an exclusive criminal defence specialist.

Highly experienced in cases involving **serious fraud**, MTIC offences, **money laundering**, confiscation proceedings and other “White Collar” crimes. Regularly briefed to defend solicitors, accountants, financial advisors and other professionals.

Nigel Sangster is available for **direct / public access** work.

## Expertise

### Financial & Corporate Crime

#### Notable Financial & Corporate Crime cases

R v Chittock & Others

Allegation of defrauding the revenue by manipulating the VAT system amounting to over £17 million concerning companies trading in metals. Defendant acquitted on all counts following a 5 month trial at Southwark Crown Court.

Re: Askaris

First Tier Tax Tribunal – Appeal against the decision of HMRC to deny the client company’s claim to input tax in the sum of £809,000 in respect of VAT charged on the purchase of airtime minutes.

Operation Jericho

£17 million vat fraud involving the sale and purchase of gold and other precious metals.

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### Operation Berg Meeker and Operation Bygone

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8 month trial. Conspiracy to defraud the Secretary of State for the Home Office, by submitting false information in respect of numerous immigration applications and an associated cheating of the Public Revenue, by fraudulently reclaiming tax which had supposedly been deducted by an employer as part of the PAYE tax scheme.

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### SFO v Clay (ArckLLP)

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SFO prosecution arising from monies invested by individual investors into products which were marketed by Arck LLP. The amount invested by individuals was in the region of £40m. The Defendants created various financial products, which they made available to individual investors through Independent Financial Advisors. The charges related to the marketing and sale of three financial products: The Estrela Santiago Sale and Repurchase Contracts, the Paradise Beach SARP's and an investment scheme based on US life insurance policies known as Joyston. Cape Verde is a group of ten islands off the west coast of Africa. The development scheme proposed was for a 1000-acre resort incorporating apartments, villas, hotels, shops, restaurants, spa, sports facilities and a Nick Faldo designed golf course. The cost of the Estrela Santiago project as a whole was estimated to be €1 billion. Joyston offered the opportunity to invest in a fund of over £30m. Joyston would acquire preference shares that gave it the right to purchase a portfolio of US senior life settlement policies. The product was stated to be an arbitrage trade on the life settlement policies which guaranteed 9.98% growth over a year. A forged bank statement was shown to IFA's showing a balance on the General Client Account of £13,750,000 when the true balance at the time was £25.87.

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### Operation Bamburgh

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The case arose out of the involvement of two principal businesses: North East Property Buyers and Newcastle Home Loans. The business of NEPB was the acquisition and management of residential property. Residential properties were acquired in large numbers as part of a buy to let scheme. Mortgages were obtained in order to purchase the properties. Newcastle Home Loans was a mortgage packaging company. It had relationships with a number of mortgage lenders from whom mortgages were obtained in order to purchase properties. The mortgage providers were given false and misleading information in the mortgage applications. Ultimately the scheme failed because the defendants could not generate enough money to keep up the mortgage repayments. The scale of this fraud was massive. Mortgages were obtained from a number of mortgage providers including Southern Pacific Mortgage Lenders (SPML), The Chelsea Building Society and Mortgage Express, a subsidiary of Bradford and Bingley. In total, mortgages were completed by South Pacific Mortgage Lenders with a gross advance of £138 million. 799 mortgage were completed by Mortgage Express with a gross advance of £130 million. 135 mortgage applications were completed by the Chelsea Building Society totalling £22 million. The losses suffered by those three lenders was £111 million. Representing defendant who had worked in the mortgage industry following his retirement from professional cricket. He was a partner of NEPB.

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### R v Calcutt

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Led for the defence of a senior accountant, Martin Calcutt, in his successful contesting against a charge of Cheating the Revenue in respect of a tax avoidance scheme, which enabled a Liverpool educational charity – Rotunda – to survive a financial crisis. The Revenue had asserted that transactions, involving the gift of government gilts said to take place in a particular tax year, were ineffective, and had taken place in a different year. The team were able to demonstrate that the transactions were legally effective. HMRC nonetheless proceeded on the basis that tax relief of over £2.5m had been claimed for a year in which it was not due. After calling half its evidence and seeing what its witnesses said in cross-examination, HMRC withdrew its case – a decision with which the Judge publicly agreed.

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### Operation Vaultier

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Multi handed, multi-jurisdictional MTIC fraud involving 19 defendants alleging cheat & money laundering with estimated VAT losses of at least £20 million. The substantial and far reaching investigation four year investigation, involved a number of companies and revealed money movements through Far East, Middle East and Europe. Alleged monies were later transferred to the First Curacao International Bank (FCIB) and subsequently laundered.

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### R v X

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Allegation of laundering the proceeds of an £10m Ponzi fraud. Wealthy ex-pats in Majorca were targeted to invest in schemes promising huge returns. No legitimate investments were made and the funds were used to repay some investors their promised interest and to fund the lifestyles of the Hirst's and the Pollett's. Associated charges of misleading the supervisor of an IVA about windfall payments.

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R v X

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Allegation of running a Ponzi type fraud. 120 investors and alleged £5m losses. Issues re Consumer Credit Licensing and trusts based in Dublin, Guernsey, Isle of Man and the Bahamas.

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R v X

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Confiscation proceedings after conviction for money laundering the proceeds of one of the largest MTIC frauds brought to trial, including 4 covert operations. Initially alleged contested benefit figure of over £46m and realisable assets of over £42m. The prosecution allege that X is one of the biggest money launderers for MTIC fraudsters in the country. He was convicted of a similar offence in 2003 and was sentenced to 4 years imprisonment and ordered to pay £1.9m in confiscation proceedings, which he did. The authorities were awaiting an opportunity to charge him with a second offence, which would trigger the 'lifestyle' provisions under POCA and enable them to go for a confiscation order which they allege represents his true benefit and wealth. Millions were channelled through bank accounts throughout the world and laundered into property developments, cars and yachts.

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Operation Tulipbox

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Multi handed, multi-jurisdictional MTIC fraud alleging conspiracy to cheat the Revenue of £38 million of VAT by manipulation of the EU Emissions Trade Scheme, which regulates trade in Carbon Credits. The scheme was set up pursuant to the Kyoto Protocol as part of the process to help reduce Green House Gases. Alleged substantial profits from the trading was removed from the jurisdiction and laundered through accounts in Hong Kong, New Zealand and Australia. The trial took place at Southwark and began the spring of 2102. It lasted three months. Client was acquitted.

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Operation Echogram

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Alleged money laundering of the proceeds of a number of MTIC frauds (including 4 covert operations) which were used to purchase property. Forthcoming confiscation proceedings allege a benefit figure of over £40m.

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Operation District

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Three month trial alleging an acquisition tax fraud with evasion of £11.3m VAT due on sales of car imported from the EU.

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Operation Emmersed I & II

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MTIC VAT fraud. 9 month and 7 month trials at Wolverhampton Crown Court. Mobile phone trade. Transactions over £167 million. Loss to the Revenue of £20 million. Connected to other MTIC cases. [Operations Shepherd, Shute, Mazurka, Dunaway].

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Operation Euripus

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MTIC fraud. Four month trial at Southwark Crown Court. £250 million loss to the Revenue. Acted for Spanish based trader.

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Operation Itches

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Defended the European supplier charged with cheating the Revenue of £60 million in MTIC mobile phone VAT fraud. Believed to be the first European supplier charged. Company based in France. Listed as a two month trial before a High Court Judge at the Royal Courts of Justice.

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Operation Raiment

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Forthcoming trial alleging payroll fraud with loss to the Revenue of £17m PAYE, National Insurance and VAT.

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R v X

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Allegation of complex and sophisticated international operation to launder the profits of drug dealing in Europe back to the barons in Columbia. Described in the press as “the first £1 billion drugs ring”. Involved American banks and nine months of covert audio recordings and tailing of suspects. Prosecution intended to call a Columbian co-accused who had pleaded guilty, was debriefed over a six month period and produced a 180 page statement. He was abandoned as a witness after extensive disclosure applications about his history in Columbia. Listed as a 5 month trial at Southwark Crown Court.

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SFO v Ostrich Farming Corporation

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Alleged scam obtaining millions of pounds from members of the public by persuading them to invest in ostriches. Due to the BSE crises, the high protein, low fat meat from ostriches, was considered an up and coming source of food. High financial returns were promised, to be guaranteed from the number of chicks that your ostrich [which cost £10,000] would produce. The prosecution calculated that in order to guarantee the number of chicks promised from each ostrich, a farm the size of Australia would be required within two years, and the size of the entire earth within five years! Although the largest recorded shipment of live birds were brought from South Africa to the companies farm in Belgium, the ostriches did not like the wet European weather and refused to breed! Although the general public invested with enthusiasm, the DTI closed the scheme down claiming it was a scam offering unsustainable rewards.

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R v X

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Alleged insurance scam involving the theft of hundreds of new 4 wheel drive vehicles in Japan; their importation to the UK; their seizure from innocent UK purchasers by a co-accused traffic police officer in Dorset; false information being sent to Japanese insurance companies, who had already settled claims with the original owners, about the condition of the vehicles, their value and the police compound storage costs; their sale at below true value, leading to the Japanese insurance companies being induced to accept a falsely low settlement figure. Described in a BBC documentary about the case as “the biggest car fraud in the world”. Listed as a three month trial at Kingston Crown Court.

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DTI v X

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Allegation against a company of a major fraud on the NHS. The company entered into agreements with a number of NHS Trusts to take over the running of the boiler houses at major hospitals. They were thus able to re-claim the VAT on the diesel used, as a legitimate business cost, something the NHS trusts had been unable to do. Split the VAT refund with the NHS, thus benefiting the NHS by millions of pounds.

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The Fraudulent Operation of the Claims Bureau UK Scheme

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Substantial review and written opinion on the ongoing litigation between the Bank of Scotland and Lloyds Syndicate 1234 as to whether there was a prima facie case of criminal offences having been committed by any individual concerned in the management or ownership of Claims Bureau UK.

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R v X

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Senior solicitor charged with theft from clients and The Legal Services Commission. Over £1 million involved. Three month trial at Lincoln Crown Court.

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R v X

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Allegations against a senior solicitor of fraud on the Land Registry on behalf of his clients and attempting to pervert the course of justice.

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R v X

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Allegation against an accountant of conspiring with his clients to defraud the Revenue by wrongly claiming roll-over relief on the sale of pubs and forging documents.

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R v X

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Senior solicitor charged with laundering the proceeds of drugs offences on behalf of his client. Three month trial at Newcastle Crown Court.

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## Extradition Law

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### Notable Extradition Law cases

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R v Ronnie Biggs

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Went to Brazil in 1997 to advise the "Great Train Robber" on contesting extradition proceedings. Although the Brazilian court refused the UK's request for his extradition, thus giving him the right to remain in Brazil for the rest of his life, following a severe stroke, Ronnie Biggs returned voluntarily to the UK in 2002. I petitioned the Criminal Cases Review to refer his case to the Court of Appeal, but they refused to do so. When, in 2009, Jack Straw overruled the Parole Board recommendation and refused to grant parole, I drafted an application for Judicial Review of his decision, on the grounds that it was unreasonable. The Court granted leave, but before the case was heard, Straw released Biggs on compassionate grounds.

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## Memberships

- Association of Regulatory and Disciplinary Lawyers (ARDL)
- Financial Services Lawyers Association (FSLA)
- Fraud Lawyers Association (FLA)
- Proceeds of Crime Lawyers Association (POCLA)

## Appointments

- Leader of the North-Eastern Circuit (2016-2019)
- Bencher of the Middle Temple (2008)
- Former Head of Chambers at St Pauls Chambers (1995-2006)
- Member of the Bar Council (1992-2002 & 2012 onwards)
- Recorder of the Crown Court (1996)
- Kings' Counsel (1998)