

## Has 'Auditor's Nose' ceased to exist?

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A regular commentator on this blog sent me a mail saying this yesterday:

*I came across this article today.*

<https://www.thebureauinvestigates.com/stories/2019-05-07/how-major-banks-turned-a-blind-eye-to-the-theft-of-billions-of-pounds-of-public-money>

I did know about it, having been warned in advance, and then promptly forgot it. I should not have done. This is about a massive VAT evasion scandal in which many leading banks were involved, not least in London. I recommend reading the article. But then note what my correspondent had to say:

*The ease with which such huge frauds could be carried out is staggering, aided to no small extent by*

- \* *multiple failures by the banks to perform even rudimentary due diligence on the traders and the sources of the trades,*
- \* *the lack of communication by both banks and traders with tax authorities,*
- \* *the slow reaction of tax authorities to shut down an obvious threat when it appears that knowledge of carbon credit frauds was widespread across Europe (how long did it take HMRC from first suspicions to get these trades zero-rated?),*
- \* *the naivete of all players throughout the scams (did nobody have any suspicions given the simplicity of the scam?).*
- \* *The manifest reluctance of UK authorities to prosecute financial crimes and the confidence this gives bankers and the finance industry that personal punishment is unlikely.*

*Personally I find it inconceivable that nobody seems to have been sufficiently concerned to voice his/her suspicions. Has 'Auditor's Nose' ceased to exist?*

The answer is yes, of course. Money made it extinct too long ago. And it needs to be

brought back from the dead.