

# Preventing Fraud and Money Laundering in Churches

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# Fraud & Money Laundering Webinar

## Outline

1. Introduction
2. What is Fraud?
3. What is Money Laundering?
4. How are churches targeted?
5. How can churches protect themselves?
6. What to do if you are attacked?
7. Questions

A recording of this webinar will be available on our  
YouTube channel

## Introduction

- Fraud and money laundering are growing areas of crime
- Made easier by increasing remote working and technology
- Trustees have legal obligations in this area that you need to be aware of and the Charity Commission has expectations of how you protect yourselves

## What is Fraud?

- “An act of intentional deception or dishonesty perpetrated by one or more individuals, generally for financial gain.”
- Can take many forms
  - Phishing
  - False president fraud
  - Payment diversion
  - Account takeover
  - Insider fraud

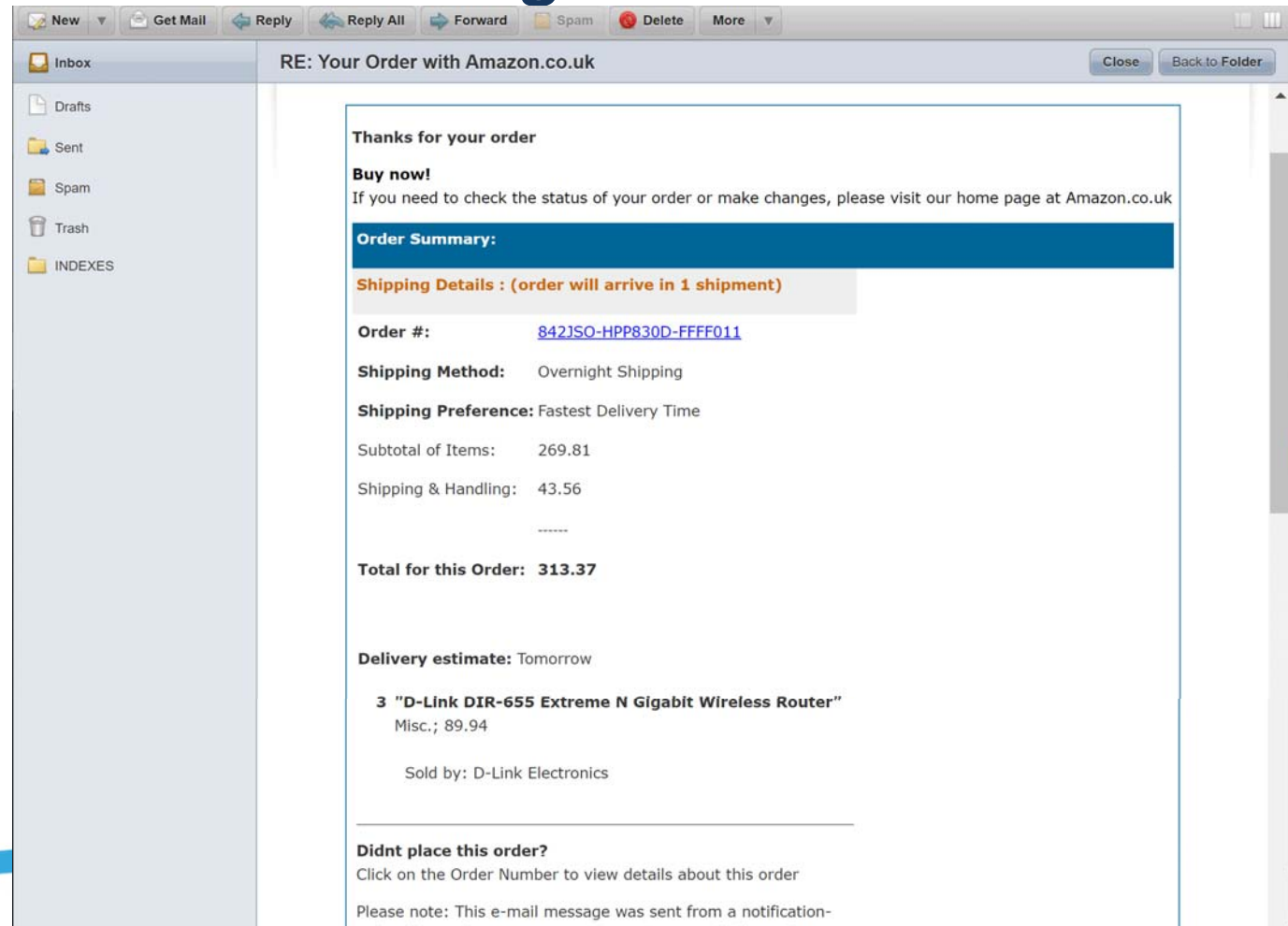
## What is Money Laundering?

- “the concealment of the origins of illegally obtained money, typically by means of transfers involving foreign banks or legitimate businesses.”
- Potential forms
  - Donation refunds
  - Donation to be passed on to specific recipient
  - Mule account

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## How are churches targeted?

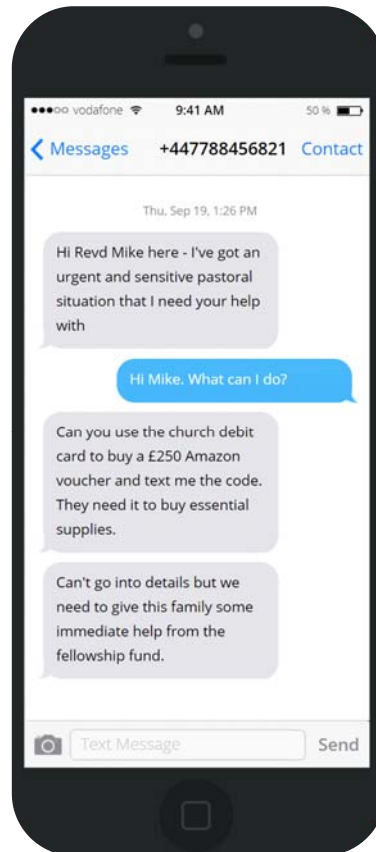
Phishing to steal  
account credentials,  
e.g. Amazon account,  
email account



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## How are churches targeted?

“False president fraud”



Can you use the church debit card to buy a £250 Amazon voucher and text me the code. They need it to buy essential supplies.

Can't go into details but we need to give this family some immediate help from the fellowship fund.

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## How are churches targeted?

“Insider fraud”

Our bank doesn't support dual authorisation for online banking, so I'll do all the payments myself. It should be much more efficient.

There have been some issues with our accounts software so I can't get the accounts to the independent examiner yet.

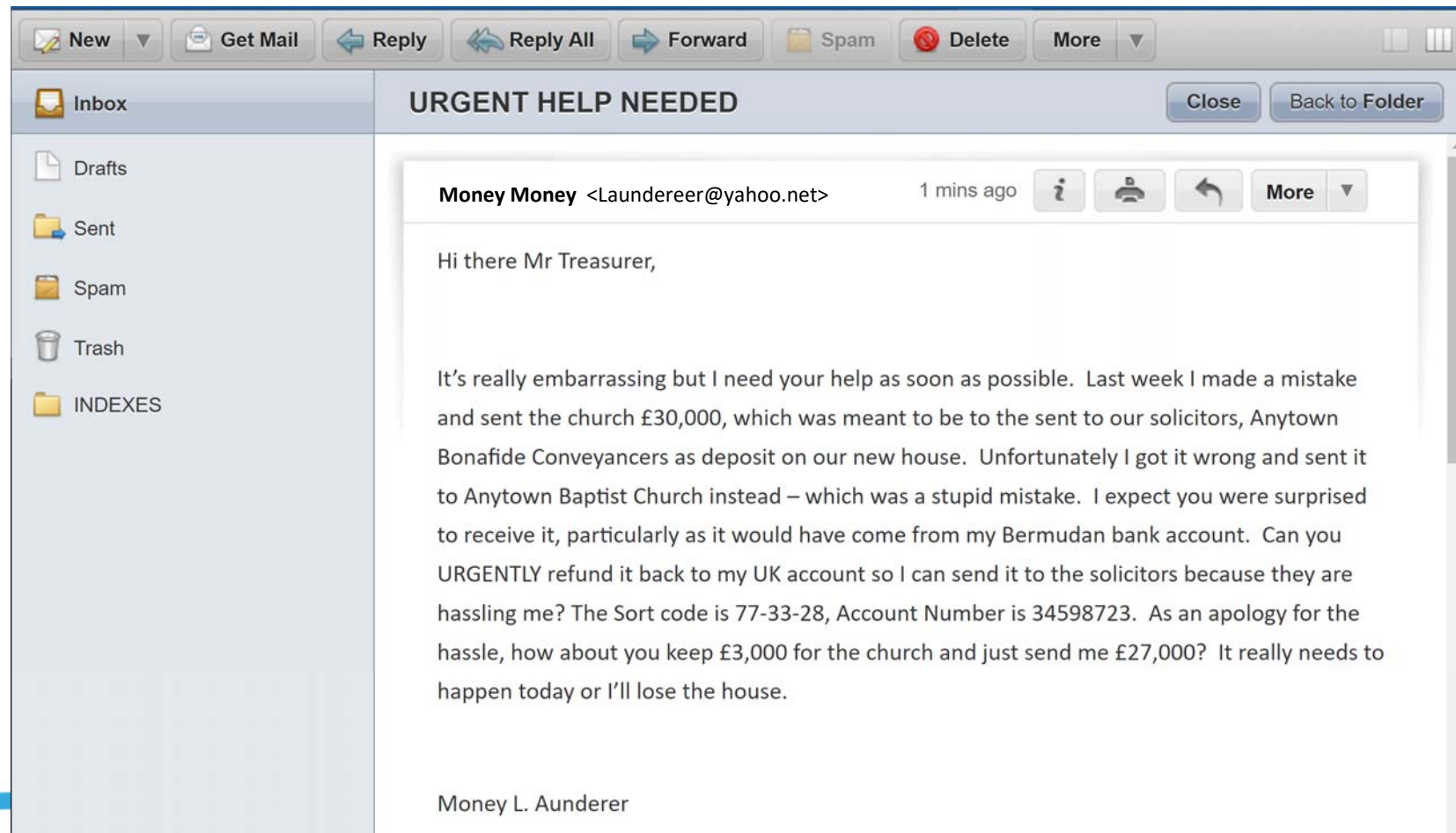
There have been some issues with the bank so some payments are being rejected. I'm sorting it out with them



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## How are churches targeted?

Donation  
refunds are a  
classic form of  
Money  
Laundering



## How can churches protect themselves?

- Good IT Security practices
  - Good passwords
  - Anti-virus / endpoint security
  - Two-factor authentication
- Dual authorisation for payments
- Training and awareness for staff, trustees and volunteers
- Healthy scepticism!

## What to do if you are attacked?

- Don't panic
- Notify your bank
- Change passwords that may have been compromised
- Report to the police & any other relevant agency
- Consider a Serious Incident Report (Guideline Leaflet C17)
- Consider whether you have an insurance claim

# Questions and Answers

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## Useful references

1. Action Fraud: [www.actionfraud.police.uk/](http://www.actionfraud.police.uk/)
2. Leaflet C17 – Serious Incident Reporting
3. <https://www.anthonycollins.com/who-we-help/charities/faith-based-charities/>
4. Contact us directly for individual queries: [supportservices@baptist.org.uk](mailto:supportservices@baptist.org.uk)