



Are they really one of your regular suppliers?

Invoice fraud – check twice, or pay the price



Financial Fraud Action UK
Working together to prevent fraud



Do you ever stop to consider whether an invoice or request to amend bank details is genuine?

Invoice Fraud happens when a company or organisation is tricked into changing bank account payee details for a sizeable payment. Criminals pose as regular suppliers to the company or organization and will make a formal request for bank account details to be changed.

Criminals who specialize in Invoice Fraud are often aware of the full details relationships between companies or organisations and suppliers and they know when regular payments are due. Equipped with sophisticated information, they make contact with finance teams within companies and organisations, posing convincingly as suppliers. Payments are repeatedly made to them and the fraud is often only discovered at the point when the legitimate supplier of the product or service chases for non-payment of invoice. At that point recovery of the funds from the fraudulent account is very difficult.

Every company or organisation is vulnerable to Invoice Fraud. The vigilance of every member of staff within a company or organisation is the key to prevention.

Following the simple steps below will protect against invoice fraud:

- Ensure that all staff who process supplier invoices and who have the authority to change bank details are vigilant. They should always check for irregularities including changes to supplier names and addresses and changes to invoiced amounts.
- Changes to supplier financial arrangements should always be verified with that supplier using their established on-file details.
- When a supplier invoice has been paid, it is good practice to inform that supplier of the payment details made, including the account the payment was made to.
- Check company or organisation bank statements carefully. All suspicious debits should be reported to your bank immediately.
- If you are suspicious about a request, ask if you can call back. Do so using their on-file contact details to establish if they are the genuine supplier of the goods or services.
- Perpetrators of fraud often conduct extensive online research to identify suppliers to particular companies and organisations. Consider if it would benefit your company or organisation to remove this information from your website and other publicly available materials.
- Never leave sensitive material such as invoices unattended on your desk. These provide details of standing orders and direct debits.

- Establish a designated point of contact with suppliers to whom your company or organisation makes regular payments. Raise all invoice issues and concerns with this person.
- Consider a more vigilant strategy for larger invoices. A meeting with the supplier involved will ensure the payment is made to the correct bank account before the transfer is made.
- Look carefully at every invoice. Counterfeit invoices won't often withstand scrutiny. Compare suspicious invoices with those you know are genuine.
- Logos on counterfeit invoices are often blurred and these invoices often contain account details to which the payment should be made.
- Be vigilant for amendments to contact numbers and email address on company invoices. Amendments to these may be so minor that they are difficult to spot. For example a previous email address may have read **.org** and now reads **.com**.

For further advice and guidance visit
www.financialfraudaction.org.uk/invoicefraud

If you think you may be a victim of this type of fraud please contact Action Fraud to report it on **0300 123 2040 or via the website reporting template at **www.actionfraud.org.uk****



Financial Fraud Action UK
Working together to prevent fraud



@FFA UK



Financial Fraud Action UK