

## POLICY

## FRAUD



*In this Policy and its Procedures, the term “Barnaby Team” refers to any person who MBF has appointed to help deliver events/exhibitions/activities, whether volunteer or paid, and all relevant contractors.*

### POLICY STATEMENTS :

MBF Trustee/Directors will strive to ensure that all its financial, contractual and administrative processes are conducted and reported honestly, accurately, transparently and accountably and that all decisions are taken objectively and free from personal interest.

In doing this, MBF Trustee/Directors will operate the four-point plan devised for charities by The Fraud Advisory Panel:

- Treat fraud as a business risk
- Develop an anti-fraud policy
- Enhance fraud detection and controls
- Have a plan to respond to fraud

### PROCEDURES:

Trustee/Directors will

- undertake regular risk assessments of the types of fraud to which MBF is most exposed
- set in place appropriate controls to mitigate risk
- check on qualifications and take up references where appropriate
- regularly check the asset register
- agree who will lead investigations in case of fraud and control internal/external communications (Lynne Jones)

Key leaders of the Barnaby Team should be asked to:

- read the short Appendix to gain an understanding of where fraud may occur
- report any suspicions to a Trustee/Director
- be aware of the importance of the charity’s reputation and its assets
- comply with controls set in place
- offer any suggestions they have to develop and maintain effective controls

### APPENDIX

The term ‘Fraud’ is most often associated with a deliberate intent to acquire money or goods dishonestly through the falsification of records or documents and/or the deliberate changing of financial statements or other records.

Dishonestly acquiring, using or disposing of physical or intellectual property belonging to MBF is fraud. Deliberately misusing materials or equipment belonging to MBF is fraud. Exploiting a position of trust within the organisation is fraud, particularly when a position is used to wield power which disadvantages one person over another.

In law, the criminal act is the attempt to deceive; attempted fraud is therefore treated as seriously as accomplished fraud.

#### Some Types of Fraud

- misuse of the charity's bank account or credit card
- providing incomplete orders
- fraudulent credit or debit card transactions or charges
- creation of false invoices or purchase orders
- falsifying expenses
- failing to pass on money from public charitable collections
- fake fundraising events, requests for donations or grant applications

- false or exaggerated information given in applications/interviews in respect of expertise
- failure to protect intellectual property or take up licences required to use copyright material
- passing on information from the charity's databases for unauthorised private commercial use

*Agreed by the MBF Board:.... 20 May 2015    Review date:    May 2018*