



Guide to facing allegations of fraud

At Mander Hadley, our experienced Fraud Team understand that almost anybody can find themselves facing allegations of fraud when they least expect it. This can be a very frustrating and confusing time and can sometimes lead to a lengthy legal battle, involving investigations and potential prosecutions.

Fortunately, our team are on-hand to provide sound advice and support on facing allegations of fraud. At all times, it is crucial to know your rights in order to know where you stand, should you be accused of falling foul of the law.

Mander Hadley have put together a simple guide to some of the most common fraud allegations – which hopefully will answer some of your questions if ever you find yourself facing an investigation or court proceedings.

Common types of fraud

Facing allegations of fraud or financial dishonesty can be a stressful and distressing experience, particularly as many who face such an allegation have never been in trouble with the law previously. Many cases are complex and involve huge volumes of statements and exhibits, requiring careful scrutiny by experienced criminal defence lawyers.

Our specialist team at Mander Hadley are here to provide expert advice, case preparation and representation at court in relation to all types of fraud including:

- Conspiracy to defraud
- Money laundering
- Mortgage fraud
- VAT/Carousel fraud
- False accounting
- Companies Act offences
- Theft from employer
- Counterfeiting offences
- Credit card fraud
- Benefit fraud

Conspiracy to defraud

The idea of ‘conspiracy’ is a legal principle which can be applied to a wide range of offences. In short, conspiracy to defraud is a plan by two or more people to commit one or more of the following offences:

- **Conspiracy to expose a person to loss or risk** (of something they would otherwise be entitled to).
- **Conspiracy to deceive a person who is in a position of responsibility** (by deceiving such a person into acting against their responsible duty).

The former can include exposing a person to an economic risk or disadvantage, while the latter can include the intentional deception of public officials or professional advisers.

If you find yourself facing any of the above allegations, you will need to know your rights, and it is always best to seek advice from a specialist Criminal Law solicitor with the knowledge and skills to defend you effectively and answer any difficult questions which may arise.

Often, people facing allegations of conspiracy to defraud will have little or no criminal record or history with the police.

“We’ve got
your back”





Money laundering

Money laundering is the term used for concealing the origins of money acquired through illegal means. Individuals and businesses operating in a number of different sectors, such as financial firms, credit companies and estate agents, can all face allegations of money laundering if they are suspected of falling foul of Money Laundering Regulations.

Under the Proceeds of Crime Act 2002, individuals such as tax advisers, accountants and legal advisers, who work for regulated firms, must have a clear understanding of Money Laundering Regulations and must take active steps to comply with the law, e.g. by reporting suspicious activities to the police.

If you or your business finds itself under investigation for money laundering, this can have far-reaching consequences not just for you personally, or your business' image, but also for your friends and family – who could face charges themselves if a prosecuting authority has reason to believe that they could have known about any alleged activities or suspected that criminal property was in their possession.

Facing allegations of money laundering, or potential investigations into the matter can be a traumatising experience. Those found to be engaging in money laundering face fines, confiscation proceedings and imprisonment. They also risk having their assets frozen even before any finding of guilt. At difficult times like these, you need a legal adviser you can trust.

Mortgage fraud

In the eyes of the law, mortgage fraud occurs when there is a failure to disclose critical information to a mortgage provider which could have influenced and/or changed that provider's decision to lend to you, or other decisions made during the mortgage process.

Activities commonly classed as mortgage fraud include:

- Overstating a salary or income
- Changing title deeds without an owner's knowledge to aid the sale of a property
- Over-valuing a property
- Hijacking a conveyancing process
- Manipulating Land Registry data in order to take out mortgages with different lenders on one address

Individuals, estate agents, solicitors, conveyancers and others can all potentially face allegations of mortgage fraud.

Such allegations are very serious – a conviction can result in imprisonment and an irreparable credit rating, which is why it is crucial to seek specialist support in the event of facing an allegation.

VAT/Carousel fraud

Mander Hadley can advise and represent clients facing allegations of VAT or 'Carousel' fraud, the latter of which is sometimes known as Missing Trader Intra Community (MTIC) fraud.

Both types of fraud usually involve complex intra company trading agreements between UK and European Union (EU) nations. In the case of the latter, the 'Carousel' name derives from a large number of companies repeating an export-import process on loop which unlawfully takes advantage of the fact that sale of goods between EU member states is effectively VAT-free.

An enquiry into alleged Carousel or VAT fraud carried out by investigative bodies alongside HM Revenue & Customs (HMRC) can be very daunting, lengthy and far-reaching for companies or individuals thought to be involved with such fraud.

Convictions can be serious and may include multiple and substantial prison sentences. Trusted support and advice are essential.



False accounting

In the eyes of the law, false accounting occurs when an employee or organisation alters, destroys or defaces accounts information in such a way that it no longer reflects the true value of the financial activity of that company or person. This can include overstating assets or understating liabilities in order to effectively make a company 'appear' stronger or weaker than it actually is.

This could be:

- To report unrealistic profits or losses
- To inflate a share price
- To mask theft within the company
- To unlawfully obtain finance from a bank or alternative provider
- To unlawfully achieve a performance-related bonus

If you or your business finds itself facing allegations of false accounting, you could face up to seven years' imprisonment. For offences deemed to have been committed by a company, that firm's directors can be considered personally liable – as can any other persons within the business who may be believed to have assisted in the fabrication of accounts.

Theft from employer

If you are accused of stealing from your employer, this can potentially have a drastic impact on your workplace relationships, and day-to-day life at work.

Worse still, such an accusation could come paired with a dismissal – not to mention a time-consuming investigation and a potential court case.

If you are convicted, you could face a custodial sentence, which is why it is important to consult legal experts to support you at the earliest possible opportunity. At Mander Hadley, we can provide you with step-by-step guidance on what to do in the event of facing allegations of workplace theft. Where possible, we will help you to fight your case by providing a pro-active defence.

Counterfeiting offences

Counterfeiting offences can range from the use or handling of fake bank notes or coins, to producing or dealing in counterfeit goods. Such offences come under the arc of intellectual property (IP) crime, and can sometimes lead to serious consequences and run-ins with the likes of Trading Standards or HM Revenue & Customs (HMRC), as well as the police.

For such crimes, you could face up to ten years' imprisonment. For dealing in counterfeit goods, the consequences could be far more severe. In some cases, such goods may even be considered dangerous for human use or consumption.

Credit card fraud

Allegations of credit card fraud can arise in instances ranging from using another person's credit or debit card to withdraw cash without the owner's permission, to actively forging cards, or even facilitating email 'phishing' scams in order to 'enable' credit card fraud on the internet.

In a worst case scenario, you could be accused of involvement in conspiracy or organised crime. Expert advice – and representation where necessary – is essential.

Benefit fraud

If you are suspected of supplying incorrect or misleading information to an authority which pays your benefits, you could face a criminal investigation into alleged fraud.

This will usually occur in the event that you are deemed to have dishonestly or deliberately claimed benefits which you would otherwise not be entitled to, had you not supplied false information. If investigators discover enough evidence to suggest that you have committed substantial fraud, your case may be referred to the Crown Prosecution Service (CPS).

In some cases, you may be asked to attend an interview under caution. If this occurs, it is strongly advised that you seek advice from a criminal defence solicitor immediately.

A prosecution following a benefit fraud investigation can be incredibly costly. Those found guilty will usually need to pay back any benefit they have been overpaid, as well as facing a criminal penalty which may include imprisonment.



How can Mander Hadley help?

Mander Hadley's expert Fraud Team are able to offer specialist advice and representation to clients who are facing allegations of fraud. Our key aim will always be to defend and preserve you and your rights.

For more information about our Fraud services, or how Mander Hadley could help you, please contact us.



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Gurjit represents clients in a wide range of criminal cases, including fraud-related offences. He aims to put clients at ease during difficult times and provide a robust defence in an approachable manner.



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Greg specialises in supporting clients who face serious criminal charges. He is a Fellow of the Institute of Legal Executives with extensive experience in Crown Court matters and case preparation. Greg will guide you through the process step-by-step.

