

The complaint

J, a limited company, complains that Barclays Bank UK PLC won't refund the money it says it lost in a scam. Mr F, as director of J, is speaking for the company.

What happened

Over several months in 2022, Mr F made a series of card payments from J's Barclays business account to his cryptocurrency account, totalling over £40,000.

Mr F explained that he was genuinely trading crypto, and some of the transactions were for his legitimate crypto purchases, whereas some of them went towards a crypto investment scam. He wasn't sure which were which.

Barclays asked for further evidence about the scam. They later turned down the claim, saying they hadn't received a response from J's and Mr F's representatives.

J came to our service. Our Investigator asked for information to show what payments from J were actually lost to any scam. Ultimately, Mr F didn't know. J's representatives provided some generic information about a scam, though they acknowledged this didn't link the scam to J's payments. They also provided the transaction histories for various crypto accounts.

Our Investigator didn't uphold the complaint. J's representatives felt it was unreasonable for us to require them to evidence J's loss, and felt we should tell Barclays to reimburse J anyway. They wanted an ombudsman's decision, so the complaint's been passed to me.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I understand that J may possibly have lost some money to a scam, and if that is the case then I'm sorry to hear that. I appreciate that scams can be cruel, and they're often not easy matters to face. And I can appreciate why Mr F would want J's money returned if it was lost to a scam. It's worth keeping in mind that it'd be the alleged scammer who'd be primarily responsible for any scam they committed, and it'd be the alleged scammer who'd really owe J any lost money back. But in this case between J and Barclays, I'm just looking at what J and Barclays are liable for.

With that said, I'm afraid it's not clear whether J did fall victim to a scam here. For example, we've been provided with some generic documents about a scam, but those don't link up to J's payments. We've also been given some limited screenshots of a group chat, though these are either undated or from other years and don't substantiate that J's payments were related. And we've been given transaction histories for various crypto accounts, but none of these display J's or Mr F's name, the phone numbers don't match the one Mr F gave us, and even if I set that aside, the dates and amounts don't seem to match up to the payments from J's Barclays account. Again, they don't seem to relate to J's particular payments.

So all I can see is that Mr F sent money from J to his crypto account. And he's explained on more than one occasion that he was genuinely investing or trading in crypto. So for all I know, that's what these payments were for. Mr F sent a very large number of payments from various accounts to various crypto wallets over a long period, his crypto transaction histories show that he was indeed trading currencies, and he's been candid about the fact that his Barclays payments were for genuine crypto purchases and he doesn't know which might've gone to a scam. Importantly, J's representatives also haven't given us any screenshots, documents or correspondence where the alleged scammer told Mr F where to send crypto to. So even if I had the correct crypto statements, I'd only be able to see that Mr F had bought crypto and presumably sent some of it somewhere. For all I know, that could've gone to another wallet in Mr F's control, or to a friend, or to someone who provided goods or services he purchased, and so on.

I'm not saying I actually think that Mr F made up the scam, or anything like that. I'm saying that I don't have enough evidence to hold Barclays liable. Essentially, I cannot fairly or reasonably tell Barclays to refund the "loss" from alleged scam payments when I don't have substantive evidence that the payments related to a scam, I don't have substantive evidence that the money was actually lost, I don't have a definite amount for what the alleged loss even is, and I've been told that at least some of the payments were genuine and were not lost to a scam at all. I don't agree with the representatives' suggestion that it's unfair to ask complainants to provide evidence which reasonably substantiates that they suffered a relevant loss. The representatives' suggested approach would allow people to simply send crypto to their other wallets or friends' wallets, falsely claim they were scammed, then get their bank to essentially double their money; or get their bank to "reimburse" them for their own genuine investments. I don't think that would be a fair or reasonable approach.

So I don't have sufficient evidence that J was scammed, or that it suffered a relevant loss here, or what such a loss might come to. Which would mean there'd be no specific scam loss for Barclays to be potentially held liable for in any case. With that said, even if I were to conclude that J was scammed here, and that J suffered a relevant loss – despite the lack of evidence – I'm afraid I still couldn't reasonably hold Barclays responsible for that alleged loss. I'll explain why.

It's not in dispute that the payments involved were authorised. So although Mr F didn't intend for the money to end up with an alleged scammer, under the Payment Services Regulations J is liable for losses from its authorised payments in the first instance. And broadly speaking, Barclays had an obligation to follow J's instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Barclays should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. I've thought carefully about whether Barclays should have done more in J's case, assuming that J did lose money to a scam here.

However, I don't think the payments involved were so unusual or out of character that Barclays needed to intervene. They were each relatively modest, not least in relation to J's other payments, which were commonly of similar or higher amounts. And they were spread out over the course of months. While the payments did go to cryptocurrency sites, people can and do make genuine crypto payments – as Mr F was doing. And the spending was not nearly large or rapid enough at any given point to have been of particular concern, not least given this was a business account, which was expected to handle larger amounts than a personal account, and which did indeed often hold significant balances or deal in significant amounts. And the payments didn't form any particularly suspicious pattern, not least given that J was apparently genuinely buying crypto anyway. So I don't find that Barclays needed to intervene in this particular case.

Next, I've considered what Barclays did to try to recover J's money after Mr F told them about the alleged scam. But I'm afraid that as these were card payments to J's director's crypto account, they were not covered by the CRM Code for scams. And the money would've then either still been available to Mr F in his account – in which case there'd be no need for Barclays to do anything with it, or it would've already been sent on – in which case it wouldn't have been possible for Barclays to recover it. Further, there was no chargeback reason which would've been appropriate here. A chargeback would've been a claim against Mr F's own genuine exchange rather than any scammers. And the exchange provided the service they were supposed to. There was no realistic prospect of success for a chargeback, and chargebacks are voluntary. So Barclays didn't need to try one in this case. And I'm afraid there was nothing more they could've reasonably done to get the money back.

So while I'm very sorry to hear that J might have potentially lost money to a scam, I don't think Barclays can fairly be held responsible for that alleged loss. And so I can't fairly tell Barclays to reimburse J in this case.

My final decision

For the reasons I've explained, I don't uphold J's complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask J to accept or reject my decision before 18 September 2025.

Adam Charles
Ombudsman