

The complaint

Mr K complains about Barclays Bank UK PLC.

He says that he has been the victim of an investment scam and would like Barclays to refund him the money he has lost as a result.

What happened

Mr K was introduced to an investment opportunity, 'Q', based in Singapore by an accountant. Following the introduction, Mr K began communicating with a representative of Q who explained that the minimum investment was usually \$100,000 – but they would make an exception and allow an initial deposit of \$33,000.

Mr K then made multiple payments to Q totalling £26,370.

Interest payments were made for over a year before the representative informed them that due to the war in Ukraine having an adverse effect on the market, payments would cease for six months and payments due would be converted into equity.

After this time, Mr K contacted Q to ask what was happening, and they were told that they should move to a different agreement for an additional investment – this was made by Mr K's wife. Five further interest payments were made, but no further money was received.

Mr K now says that he has fallen victim to a scam and would like Barclays to refund the money he has individually lost, and he made a complaint to Barclays about what had happened.

Barclays didn't uphold the complaint, so the complaint was brought to our Service. Our Investigator looked into things, but didn't think that the complaint should be upheld.

Mr K asked for an Ombudsman to make a final decision, so the complaint has 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.

Having done so, I have decided not to uphold this complaint. I know this will be disappointing for Mr K, and I am very sorry for the situation he finds himself. I can fully understand that he would want to attempt to recover the money that has been lost. However, my role is to decide if Barclays needs to refund them the money they have lost, and I'm afraid that I can't say that it does.

It isn't in dispute that the payments made to Q were authorised. Because of this the starting position – in line with the Payment Services Regulations (PSR's) 2017 – is that Mr K is liable for the transactions. But Mr K says that he has been the victim of an authorised push

payment (APP) scam.

Barclays has signed up to the voluntary CRM Code, which provides additional protection to scam victims. Under the CRM Code, the starting principle is that a firm should reimburse a customer who is the victim of an APP scam (except in limited circumstances). But the CRM Code only applies if the definition of an APP scam, as set out in it, is met.

I have set out the definition of an APP scam as set out in the code below;

... a transfer of funds executed across Faster Payments...where:

(i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or

(ii) The Customer transferred funds to another person for what they believed were legitimate purposes, but which were in fact fraudulent.

The CRM Code is also explicit that it doesn't apply to private civil disputes. The wording in the code is as follows:

"This Code does not apply to:

b) private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services, or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier."

I've therefore considered whether the payments made to Q fall under the scope of an APP scam as set out above – and having done so I am not persuaded that they do. I'll explain why in more detail.

Not every investment complaint referred to us is in fact a scam - some simply involve high-risk investments that resulted in disappointing returns or losses. Whilst customers who lost out may understandably regard their loss as fraudulent, they do not necessarily meet the high legal threshold or burden of proof for fraud, i.e., dishonestly making a false representation and/or failing to disclose information with the intention of making a gain for himself or of causing loss to another or exposing another to the risk of loss (Fraud Act 2006).

At the time Mr K made his payments to the investment, Q was active and based in Singapore – unfortunately for Mr K, Q has now entered into administration and is in the hands of a liquidator. Mr K received paperwork from Q outlining the details of the investment and also received some returns. I am unsure if Mr K has made contact with the liquidator – but he may wish to do so to see if any of his funds could be reimbursed.

As part of his submission, Mr K's representatives have provided the messages that were exchanged between Mr K and Q to support that he has been scammed – but I am afraid that this isn't enough to show that Q set out deliberately to scam him from the outset. And while I acknowledge that Q attempted to extract further funds from Mr K after the winding up application had been made, I can't say that this is enough to say that he was the victim of a scam at the time, although this is clearly not an ethical business practice.

I'm also aware that Q said that it would return Mr K's funds but did not do so – while this may have been a false promise, given that Q had entered liquidation, I am also not able to conclude that this means that Q was operating as a scam at the time he made his payments.

I've also considered if there was anything Barclays could have done to prevent the payment

in the first place, but although I would expect Barclays to ask questions about a payment of this nature, I don't think that there would have been anything concerning to Barclays had it intervened in the payment. It would have asked Mr K what he was doing, and while I have no doubt Mr K would have answered honestly, he would have told it that he was making a payment to a legitimate investment opportunity, and there would have been nothing to alert Barclays that this may not have been the case.

I empathise with the fact Mr K invested a significant sum, and it hasn't gone to plan. But this does appear to be a legitimate investment opportunity that has gone wrong, rather than an investment scam.

It is possible that in the future further information may come to light which could suggest that Q was operating as a scam after all – if such information should become available then Mr K can refer the matter to Barclays again and ask it to reconsider his complaint. And if he is not happy with this, bring the matter back to this office.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 13 January 2026.

Claire Pugh
Ombudsman