

# Charity Fraud Report 2025 Is Out With Important Findings

02.25.26 | Linda J. Rosenthal, JD



The year 2025 marks “the [fifth year that BDO and the Fraud Advisory Panel](#) (both UK-based) worked together in partnership to combat charity fraud, coinciding with the tenth anniversary of Charity Fraud Awareness Week.” The purpose: “to raise the profile of fraud affecting charities, focusing on key trends and offering insights into how charities can better protect themselves.” See [Preliminary Report on Charity Fraud Awareness Week 2025](#) (December 10, 2025) *FPLG Blog*, citing our real-time reports from 2019, 2021, 2023, and 2024.

Charity Fraud Awareness Week, while having originated in the UK as a combined project of the Charity Commission of England and Wales and the Fraud Advisory Panel, [has expanded to a truly global scope](#) including charity regulators, law enforcement, and fraud experts from the Commonwealth nations as well as the United States.

The much anticipated annual report was published several weeks after Charity Fraud Awareness Week (2025) in early December, but is well worth the wait. See [Charity Fraud Report – A Five-Year Review](#) [34 pp. PDF] (January 30, 2026, updated February 11, 2026) Jill Halford *et al*, *BDO UK*. As the title suggests, it is more expansive than the usual single-year analysis.

Among the most intriguing and provocative findings are:

- While charities are much more aware than before of [the “evergreen” threat](#) of fraud (even in the smallest organizations) and have taken certain precautions, they are still not prepared enough to prevent and combat it effectively;



- There has been, and continues to be, a persistent disconnect between the perception by many charities of the types of fraud that are most commonly perpetrated vs. the evidence/data about actual occurrences of fraud. Most particularly, the top choice for “perceived” threat is cyberfraud. In reality, the most common events are insider theft/embezzlement – see e.g., [Charities fear cyber fraud, but human risks still dominate](#) (February 20, 2025) Steph Brown, *Finance Magazine* (UK);
- The newest threat is cybercriminals exploiting artificial intelligence to perpetrate fraud – see, e.g., [AI And Your Charity: A Friendly Starter Guide](#), Oli Buckley, Professor in Cyber Security at Longborough University, [preventcharityfraud.org.uk](#).
- One of the most difficult factors in terms of fraud prevention is the element of “chaos.” See, e.g., [A Timely Warning About a Projected Rise in Charity Fraud](#) (June 19, 2025) FPLG Blog [“Not only are rates of charity fraud historically high, but they tend to spike in periods of turmoil, uncertainty, and chaos.’ It was clear early on that, particularly for the U.S., 2025 was going to be affected by the intentional and targeted disruptions and challenges imposed by the current administration.

### ***The 2025 Report***

Instead of being a single-year analysis, the research team took a more comprehensive, multi-year approach, including a five-year retrospective, and a look into the future.

“We’re excited to announce the launch of the ‘Charity Fraud Report: A Five-Year Review,’ marking the fifth year of our collaboration with the Fraud Advisory Panel. This comprehensive report is a crucial resource in our ongoing fight against charity fraud,” explained the lead researchers from BDO UK.

“This year, we’ve achieved a record number of survey respondents, providing valuable insights into fraud trends and prevention strategies from 2021 to 2025. By sharing experiences and best practices, we continue to enhance fraud awareness across the sector.”

They summarized the “key findings” as:

- “Over a third (34%) of charities reported incidents of fraud or attempted fraud in the last year;
- 38% of perpetrators were insiders within the charity;
- Almost three quarters (73%) of charities suffered a financial loss due to fraud, with only 32% recovering losses; and
- Despite improvements in fraud awareness, over half (52%) of charities expect the threat of fraud to increase by 2026.”

See also, e.g., [Taking fraud seriously: lessons from the 2025 Charity Fraud Conference](#) (December 12, 2025) Glyn Sheldon, *Charity Fraud Group*; [Charities and fraud: It will never happen to us](#) (February 5, 2026) Janine Mansfield, *Richard Luckin, Chartered Accountants (UK)*; [Charities expect fraud threat to increase this year, survey finds](#) (February 10, 2026) Fiona Condren, *News Alert, BDO UK*; [Significant result’ as charities report lowest level of fraud in five years](#) (February 11, 2026) Andy Ricketts, *Third Sector UK*;



## **Conclusion**

In [his article, above](#), Glyn Sheldon of the UK's [Charity Fraud Group](#) lists “eight key takeaways for charities” from the 2025 Charity Fraud Conference. First on that list is “Treat fraud as a strategic risk: Build fraud explicitly into your risk register, planning cycles, and board agendas, with trustees and leadership teams visibly championing a zero-tolerance culture.”

— *Linda J. Rosenthal, J.D., FPLG Information & Research Director*