

# Asset recovery scammers target investors during coronavirus pandemic

Essex and London Properties Ltd was [wound up by the courts](#) in September 2018 and the Official Receiver was appointed liquidator of the company.

Investors in the property investment scheme have since been the target of unsolicited approaches from recovery room scammers, who falsely claim they have funds that can be returned to creditors.

The Official Receiver previously cautioned creditors of Essex and London Properties Ltd about recovery room scammers and is repeating the message ahead of [Scam Awareness Fortnight](#), as the scammers have re-emerged and are using a number of ploys to illicit funds.

Correspondence seen by the Official Receiver has shown that the scammers are using the current uncertainty during the coronavirus pandemic to urge creditors of Essex and London Properties Ltd to work with the unauthorised firms immediately to secure their returns and avoid disappointment.

Other methods being used by the scammers include telling people that money can only be distributed on a 'first-come-first-served' basis and they must pay a fee before the funds can be unlocked.

The unauthorised firms have also sent doctored bank statements showing false payments by the Official Receiver to show that funds are available for distribution and have posed as staff from the Insolvency Service. In one case, an investor was given a residential address to send £3,000 to in an envelope so that the investor could receive further payments.

Joanna Caswell, Deputy Official Receiver, said:

Many investors have reported to us that they have received unsolicited correspondence from firms that claim they have funds to distribute to them. Not only are these letters false but they use scare tactics to frighten people into action.

These schemes pose a serious threat and we strongly advise anyone who invested in Essex and London Properties Ltd to not engage with anyone who claims they can recover your investments. The Official Receiver will never contact anyone offering to recover their money for a fee or recommend another organisation offering the same service.

The Insolvency Service is working in close partnership with other government agencies during coronavirus to share intelligence and contribute to activities to help put a stop to scammers during the pandemic. If you receive unsolicited approaches from people offering to recover your investments, you

can report these activities on the [online complaints gateway](#).

Creditors of Essex and London Properties Ltd who have received an unsolicited letter or email should notify the Official Receiver immediately by email to: [piu.or@insolvency.gov.uk](mailto:piu.or@insolvency.gov.uk).

When there are updates on the progress of the liquidation of the company, creditors will be contacted by the Official Receiver directly.

## **1. Understand the insolvency process**

When a company enters liquidation, its assets are realised to repay the debts that caused the company to become insolvent. Investors in the company can register as a creditor with the company's liquidator to stake a claim on the company's assets. The liquidator will distribute any available funds to creditors once the liquidation process has been resolved.

There are no other avenues for the assets to be recovered and realised, so if you are approached by a company that offers one, you should be extremely sceptical.

## **2. Report anything you think could be a scam**

If you believe you are a victim of a scam that relates to a case being handled by the Official Receiver, contact the Official Receiver with details so we can investigate and warn other creditors if necessary. You can also report scams via the [online complaints gateway](#).

Further advice on how to protect yourself from scams is available from the [Financial Conduct Authority](#).