

Fine wine investment scheme wound-up

Global Wine Exchange Limited has been wound up in the public interest in the High Court on 22 March 2022 before Deputy Judge Shaffer. The Official Receiver has been appointed Liquidator of the company.

The court heard that Global Wine Exchange offered members of the public the opportunity to invest in fine wines with the promise of significant returns.

The Insolvency Service, however, commenced confidential investigations into Global Wine Exchange's activities after complaints were received.

Investigators uncovered that the company would cold-call potential clients, using high-pressure sales techniques. Several customers were vulnerable or elderly and one was reportedly suffering from Alzheimer's.

Global Wine Exchange also targeted people who previously invested in a separate wine scheme with Management & Consulting Partners Unlimited, trading as the Bordeaux Wine Company, which had entered liquidation in August 2021.

Global Wine Exchange would tell former customers of the Bordeaux Wine Company that they could help recover their funds in return for a fee.

But returns were never made, and some customers reported they were asked to falsify records so Global Wine Exchange could make a false claim to the liquidator of Bordeaux Wine Company.

Further misconduct caused by the company included vague ownership certificates and customers often did not receive their wine or were misinformed where it was being stored. Two of the three bonded warehouses, in which the company claimed customers' wines was stored, never had a contractual relationship with the company at any time.

Customers often paid more than the retail value of the wines and paid funds into a series of different bank accounts, including some of which were not in the company's name.

Investigators have only been able to identify wine stock purchases of just over £770,000 compared with income of more than £1.9 million between January 2019 and March 2021.

Furthermore, investigators identified that during a 9-month period between July 2019 and May 2020, the company received more than £1 million in payments. But while close to £600,000 was paid out to the director and sales consultants, only £333,000 was used to purchase wine.

Edna Okhiria, Chief Investigator for the Insolvency Service, said:

During our investigations, we found that the Global Wine Exchange carried out unscrupulous acts of misconduct. The company misled

many investors, some who were elderly or vulnerable, who did not receive the high returns they were promised.

The courts have recognised the severity of Global Wine Exchange's action and put a stop to anyone else becoming a victim of their investment scheme.

For questions about the liquidation, contact the Official Receiver:
piu.or@insolvency.gov.uk.

GLOBAL WINE EXCHANGE LIMITED (Company Reg No 11312862)

The petition was presented under s124A of the Insolvency Act 1986 on 26 January 2022 at the High Court in London.

Company Investigations, part of the Insolvency Service, uses powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK on behalf of the Secretary of State for Business, Energy & Industrial Strategy (BEIS). [Information about how to complain about a live company](#).

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