

Press release: 15 year disqualification for Australian wheat investment scam boss

The High Court of Justice ordered Mr Haddow's disqualification for the maximum period of 15 years, effective from 2 March 2018.

Deputy Registrar Baister stated in his judgment of 9 February 2018, that:

Misleading marketing material was disseminated to investors which seriously misrepresented to lay people the value of the investments,...duping lay people into parting with their money

This is fraudulent conduct of the nastiest kind

I regret that Parliament has restricted me to 15 years

The allegations made out in court were that he:

- had acted as a director of the company, in breach of a previous director ban
- had failed to keep, preserve, or deliver up Agri Firma's records and that
- he had caused the company to mislead its investors

This follows [disqualifications](#) for the company's two registered directors, Robert Ross White (8 years) and Richard John Lyon Henstock (9 years) in 2016 to 2017.

Agri Firma Capital Ltd offered investment in wheat-producing agricultural land in Western Australia and Lithuania.

The company misled its investors, to believe that a legitimate and valuable lease had been purchased for them for farmland in either Lithuania or Australia. However, there is no evidence that any land was purchased in Lithuania and the land purchase in Australia was never completed.

Assurances regarding the Australian wheat investment of 9% farming income and 11-15% capital gain were given, despite both professional advice being

received that such was unachievable and investor capital being reduced by undisclosed 65% up-front marketing and other fees.

The disqualifications prevent all three from directly or indirectly becoming involved (without the permission of the court) in the promotion, formation or management of a company for the duration of their bans.

Deputy Registrar Baister added that:

- Mr Haddow pulled the strings, and was ultimately in charge, of the company
- Mr Henstock and Mr White had limited knowledge of and involvement in Agri Firma's affairs; and, to the extent that they did have any involvement, only did so under Mr Haddow's direction and instruction
- Mr Haddow was the ultimate beneficial owner of the Capital Alternatives group of companies associated with Agri Firma and he, his family, and companies under his ownership and control, were the principal beneficiaries of Agri Firma's activities

Commenting on the disqualification, Mark Bruce, Chief Investigator at The Insolvency Service, said:

I can only echo the words of the Deputy Registrar in this case, the evidence showed both that this entire investment was a fraud and that it was controlled by Mr Haddow.

This case particularly illustrates, not only the excellent day-to-day relationship the Insolvency Service has with the Financial Conduct Authority, but also the vital assistance of The Malta Financial Services Authority and Australian Securities and Investments Commission. With such International co-operation, the tracing of investor monies across the world, in cases such as this, is made possible.

Renwick Robert Haddow's date of birth is in July 1968 and he has resided in recent years in Morocco, New York, Hong Kong, London and Suffolk.

Agri Firma Capital Ltd (CR0 No. 07692576) was incorporated on 4 July 2011 and traded from Mayfair House, 124 Bond St, London W1S 1DX.

The Company went into liquidation on 9 July 2014 with an estimated deficiency of at least £538,667 and AUD\$661,500.

Mr Haddow was subject to a bankruptcy order on 27 July 2016 and his discharge

from bankruptcy was suspended indefinitely on 14 July 2017.

On 9 February 2018, The High Court of Justice ordered the disqualification of Renwick Robert Haddow for 15 years from 2 March 2018. The disqualification order was pronounced by Deputy Registrar Baister, with the Nicholas Trompeter appearing on behalf of the Secretary of State.

The allegations made out in court were:

- Renwick Haddow acted as a director of Agri Firma Capital Limited (Agri Firma) from 4 July 2011 to 9 July 2014, without the leave of the court, whilst subject to a disqualification undertaking, contrary to section 13 of the Company Directors Disqualification Act 1986
- he failed to keep, preserve, or deliver up Agri Firma's records. As a consequence, it is not possible to:
 - identify all company assets. For example; a loan of AUD\$94,318 was made from Agri Firma to an offshore company on 15 July 2013. Without any company records, it is not possible to test whether the loan was ever repaid
 - ascertain the full scale of its liabilities, identify all investors, or trace the disposal of unidentified investor monies.
 - trace the disposal of estimated investor monies, put aside for product purchase, of at least £126,582.23 and AUD\$93,471.08
 - ascertain the causes of its failure
- he caused Agri Firma to mislead investors from 4 July 2011 to 9 July 2014, contributing to their losses estimated at £508,667 and AUD\$661,500:
 - marketing material, as well as a lease document issued to investors, led them to believe that a legitimate and valuable lease had been purchased for them for farmland in either Lithuania or Australia. However, there is no evidence that any land was purchased in respect of Lithuanian investment and the land purchase in Australia was never completed
 - the company brochures made assurances of Agri Firma's extensive farming experience and 16% returns received by customer in the previous quarter, when there is no evidence from available records that it ever purchased any land, upon which it could carry out

farming

- regarding the Australian investment, assurances of 9% farming income and 11-15% capital gain were misleading, when investor capital was reduced by 65% up-front marketing and other fees. The proposed agents for the Australian investment had advised the company that the 8-10% envisaged return to investors was unachievable
- a direct association between investors and a service provider was implied, misleading investors regarding their level of involvement in the investment
- follow-up communications in June 2014 indicated that the project had value and the plantation was progressing. However this was not the case and the land purchase had fallen through

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
- be a receiver of a company's property

In addition that person cannot act as an insolvency practitioner and there are many other restrictions are placed on disqualified directors by other regulations.

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Further information on director disqualifications and restrictions can be found [here](#)

The Insolvency Service administers the insolvency regime, investigating all compulsory liquidations and individual insolvencies (bankruptcies) through the Official Receiver to establish why they became insolvent. It may also use powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK. In addition, the agency authorises and regulates the insolvency profession, deals with disqualification of directors in corporate failures, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for

bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#)

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