



Leader's Report to Council 26th September 2012

Icelandic Update

I would like to update Council as to the latest position in relation to the Council's three "Icelandic" investments.

I have previously reported to Council the excellent news that the Council had received two dividend payments totalling over £1.2m in relation to the £3m Landsbanki investment. We anticipate further dividend repayments in due course; this together with an improved estimate of the overall return for this investment that will exceed the 95-98% previously reported and that in time the vast majority of our funds will be recovered.

Good progress continues to be made in relation to the recovery of the investments with the Heritable and Kaupthing Singer and Friedlander with regular dividend payments still being received, including a 12th Heritable dividend of £28.5k on the 23rd July 2012.

To date the Council has received just over £5.6m in dividends from these investments, with further payments expected throughout the year.

It is likely that the Council will continue to receive further updates on the likely settlements from all of the three banks, however, given the excellent result achieved on Landsbanki and the increases in the settlements reported for KSF and the Heritable, the total return will well exceed 90% of the original investments.

As always I will continue to update Council on the progress of the recovery of these investments, however it is good to know that we have now received almost 63% of the total outstanding and dividends repayments continue to be received.

John Champion
Leader of the Council