



Agenda Item 7

Leader's Report to Council – 24th July 2013

Icelandic Update

I have previously reported to Council the excellent news that the Council had received three dividend payments totalling over £1.4m in relation to the £3m Landsbanki investment. Further dividend repayments are expected in due course and we remain optimistic that the vast majority of these 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 continuing. Since my previous report a tenth dividend of £150,000, 3p in £ was received on 6th June 2013 from Kaupthing Singer and Friedlander, this receipt brings the overall return for this investment to 79%.

To date the Council has received over £6.1m in dividends from these investments, with further payments anticipated.

It is likely that the Council will receive further updates on the likely settlements from all of the three banks, however, given the excellent result achieved in maintaining "priority status" for Landsbanki and the increases in the settlements reported for KSF and the Heritable, the total return remains projected as a significant portion 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 just over 68% of the total outstanding and dividends repayments continue to be received to count down this balance.

John Campion
Leader of the Council.