



Agenda Item 8

Leader's Report to Council – 25th September 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. A fourth dividend was received on 12th September 2013 totalling £150,823 and we remain optimistic, that in time 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. Since my previous report a fourteenth dividend of £167,300, being 16.73p in £ was received on 23rd August 2013, from Heritable Bank, this receipt brings the overall return for this investment to 93.98%, surpassing all previous expectations.

To date, the Council has received over £6.45m 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 could well exceed 90% of the original investments.

We have now received just under 72% of the total outstanding and dividends repayments continue to be received to count down this balance.

John Champion
Leader of the Council.