



PRESS RELEASE

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Clinton's Credibility is Shot: He Can't be Taken Seriously Anymore

Roy Clinton's credibility for analysis of accounts was so severely knocked during the Budget session that he does not know how to try to be taken seriously again.

Unfortunately for him, the facts get in the way of his analysis and he is no longer credible.

First of all, it is important to remind Mr Clinton that on Viewpoint last year he said that he would have done the Gibraltar Capital Assets (GCA) £300m transaction himself, that it was good money and that the GSD had done similar transactions itself. All his current criticisms have to be seen in light of the fact that under the questioning of an interviewer, Mr Scott, Mr Clinton admitted that the transaction was one he would have done himself and of the type the GSD itself had done. A mortal wound to the substance of any criticisms he is purporting to make.

Moreover, the Chief Minister has said that the Government will make statements in respect of the use of the £300m raised by the equity investment secured by GCA. The first investment announced is the investment in Gibraltar International Bank, which the Government created in the face of criticism from the GSD and is performing very well. Mr Picardo has already said that further such statements will be made when the Government is ready to announce relevant use of funds as projects or investments come to fruition. Mr Clinton will not determine when the announcements are made, however much he might want to.

In addition, the compounding of interest in the analysis presented to Mr Clinton also illustrates a profit each year in respect of housing rents, which is to the benefit of the taxpayer. The company's profit this year was £2.6 million in its first year. Mr Clinton does not say that in his statement, which is just designed to try to continue his usual scare tactics.

The fact of the matter is that the private placement notice cannot be made public because it is confidential. The Government would be in breach of the contractual terms if it were published. The documents for the transaction in respect of the hospital which the GSD did, were similarly withheld by Mr Clinton's party, the GSD, for the same reason. Mr Clinton has been told this in Parliament and is therefore just playing more games with the public by making this suggestion, knowing it puts the government in default of its obligations if it agrees to his request.

Additionally, the increase in interest rates by the Monetary Policy Committee of the Bank of England on Thursday has illustrated the decision to progress this equity investment, which is on



fixed terms. Mr Clinton is therefore particularly wrong to have taken a position against the transaction.

Finally, the Government is demonstrating that it is publishing accounts of companies. More will be published in the coming months as the catch-up process is finalised in respect of the failure of Mr Clinton's party to publish these accounts when they were in office.

The Chief Minister of Her Majesty's Government of Gibraltar, the Hon Fabian Picardo QC MP, said: "Roy is obviously still stung by the huge mistake he made interpreting the accounts of the University. He got on his high horse then and pretended there was a huge increase in the funding of the University. Roy then fell flat on his face when Gilbert Licudi demonstrated his school boy error in the interpretation of the accounts of the University of Gibraltar. That was an embarrassing illustration of Roy's failure to understand even the basics of his alleged accounting expertise, when he confused capital and recurrent expenditure provisions. An error which would have led him to fail his accountancy examinations, just as his myopic views are failing the people of Gibraltar today without concern as to what damage he might do to our creditworthiness or international reputation by his clumsy sabotage. Another example of the intellectual decline of the GSD today."