

Armagh City Hotel Limited
Annual Report and Financial Statements
for the year ended 1 August 2010

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Armagh City Hotel Limited

Annual report for the year ended 1 August 2010

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Armagh City Hotel Limited

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Directors and advisers

Directors

Kieran McAnallen
Brian McCormack
Ernest Fisher
Felix Mooney

Company secretary

Anne Millar

Registered office

Armagh City Hotel
Friary Road
Armagh
Co Armagh
BT60 4FR

Solicitors

McGrigors Belfast LLP
Arnott House
12 - 16 Bridge Street
Belfast
Co Antrim
BT1 1LS

J G O'Hare & Co
37 - 41 High Street
Belfast
Co Antrim
BT1 2AB

John J Taylor
1 Mallview Terrace
Armagh
Co Armagh
BT61 9AN

Bankers

First Trust Bank
18 Scotch Street
Dungannon
Co Tyrone
BT70 1AR

Allied Irish Bank
The Diamond
Monaghan
Co Monaghan

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
32 Linen Green
Dungannon
BT71 7HB

Armagh City Hotel Limited

Directors' report for the year ended 1 August 2010

The directors present their annual report and the audited financial statements of the company for the year ended 1 August 2010

Principal activity

The company's principal activity during the year was that of the operation of a hotel complex

Business review

Development and performance

The directors consider the results for the year and the position of the company at the year end to be satisfactory

The directors are committed to long term creation of shareholder value by increasing the company's market share through organic growth. While the incoming year is likely to be very challenging both because of increased competition and the general economic climate, early results are satisfactory and the directors will closely monitor current performance

Principal risks and uncertainties

Performance in the sector is affected by general economic conditions leading to a general decline in disposable income. The management of the business and the execution of the company's strategy are also subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competitor activity, market trends and forecasts and customer behaviour

Key performance indicators (KPI)

The company's key performance indicators are as follows

	2010	2009	2008
Growth in sales	(8.3%)	(0.4%)	6.1%
Gross profit margin	18.0%	22.4%	17.8%
Growth in operating profit	(44.4%)	77.9%	(20.0%)

Environment

The company recognises its corporate responsibility to carry out its operations whilst minimising environmental impacts. The directors' continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible

Health and safety

The company is committed to achieving the highest practicable standards in health and safety management and strives to make all areas of the hotel safe environments for employees and customers alike

Human resources

Management of the company recognise that its most important resource is its people, their knowledge and experience is crucial to meeting customer requirements. Retention of key staff is critical and the company has invested increasingly in employment training and development and has introduced appropriate incentive and career progression arrangements

Financial risk management

The company's operations expose it to some financial risks which include the effects of foreign exchange interest, liquidity risk and interest rate risk. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department

Armagh City Hotel Limited

Directors' report for the year ended 1 August 2010 (continued)

Financial risk management (Continued)

Foreign exchange risk

While the greater part of the company's revenues and expenses are denominated in sterling, the company is exposed to some foreign exchange risk in the normal course of business, principally on payments received in Euro. While the company has not used financial instruments to date to hedge foreign exchange exposure, this position is kept constantly under review.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The company has interest bearing liabilities. The company has a policy of maintaining debt at a competitive rate to ensure a reasonable degree of certainty over future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Results and dividends

The company's profit for the financial year is £239,222 (2009 £440,504). The directors do not recommend the payment of a dividend (2009 £Nil).

Directors

The directors, who held office during the year and the date of signing the financial statements, are given below:

Kieran McAnallen
Brian McCormack
Ernest Fisher
Felix Mooney

Donations

The company made charitable donations amounting to £nil (2009 £100) during the year, principally for the benefit of local communities in which the company operates. No donations for political purposes were made during the year (2009 £Nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Armagh City Hotel Limited

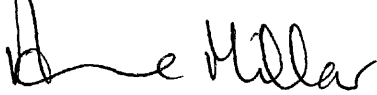
Directors' report for the year ended 1 August 2010 (continued)

Statement of disclosure of information to auditors

So far as each of the directors in office at the date of approval of these financial statements is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board



Anne Millar

Company secretary

24 February 2011

Armagh City Hotel Limited

Independent auditors' report to the members of Armagh City Hotel Limited

We have audited the financial statements of Armagh City Hotel Limited for the year ended 1 August 2010, which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the directors, and
- the overall presentation of the financial statements.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 1 August 2010 and of its profit and cash flows for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

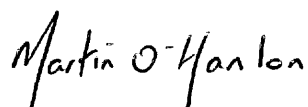
Armagh City Hotel Limited

Independent auditors' report to the members of Armagh City Hotel Limited (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and return, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Martin O'Hanlon (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Dungannon
24 February 2011

Profit and loss account for the year ended 1 August 2010

	Note	2010 £	2009 £
Turnover	2	4,442,765	4,847,074
Cost of sales		(3,661,411)	(3,760,660)
Gross profit		781,354	1,086,414
Net operating expenses	3	(499,195)	(545,346)
Operating profit	4	282,159	541,068
Interest payable and similar charges	7	(42,937)	(100,564)
Profit on ordinary activities before taxation		239,222	440,504
Tax on profit on ordinary activities	8	-	-
Profit for the financial year	18	239,222	440,504

All amounts above relate to continuing operations of the company

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above, and their historical cost equivalents

Armagh City Hotel Limited

Balance sheet as at 1 August 2010

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	9	6,328,407	6,804,534
Current assets			
Stocks	10	101,950	92,560
Debtors	11	247,739	227,467
Cash at bank and in hand		183,999	159,457
		533,688	479,484
Creditors' amounts falling due within one year	12	(687,656)	(640,743)
Net current liabilities		(153,968)	(161,259)
Total assets less current liabilities		6,174,439	6,643,275
Creditors: amounts falling due after one year	13	(2,961,248)	(3,537,072)
Deferred income	15	(1,883,606)	(2,015,840)
Provisions for liabilities	16	-	-
Net assets		1,329,585	1,090,363
Capital and reserves			
Called up share capital	17	1,539,700	1,539,700
Share premium account	18	1,013,302	1,013,302
Profit and loss account	18	(1,223,417)	(1,462,639)
Total shareholders' funds	19	1,329,585	1,090,363

The financial statements on pages 7 to 18 were approved by the board of directors on the 24 February 2011 and were signed on its behalf by


Kieran McAnallen
Director

Cash flow statement for the year ended 1 August 2010

	Note	2010 £	2009 £
Net cash inflow from operating activities	20	547,810	955,913
Returns on investments and servicing of finance			
Interest received		102	105
Interest paid		(43,811)	(118,992)
		(43,709)	(118,887)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(64,114)	(75,365)
Sale of tangible fixed assets		-	3,391
		(64,114)	(71,974)
Net cash inflow before financing		439,987	765,052
Financing			
Repayment of bank and other loans		(412,917)	(625,000)
Capital element of hire purchase and finance lease payments		(2,528)	(3,330)
		(415,445)	(628,330)
Increase in cash in the year	21-22	24,542	136,722

Notes to the financial statements for the year ended 1 August 2010**1 Accounting policies**

These financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Tangible fixed assets

Tangible fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working conditions for its intended use.

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

		%
Buildings	-	2
Plant and equipment	-	12.5
Hotel equipment	-	25
Furniture	-	25
Soft furnishings	-	20
Administration and IT equipment	-	25
Original art	-	25

The cost of land is not depreciated.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Provision is made for slow moving and obsolete stock.

Debtors

Debtors are stated after all known bad debts have been written off and specific provision has been made against all debts considered doubtful of collection.

Turnover

Turnover represents the invoiced value of goods supplied during the year excluding value added tax. Revenue is recognised when, and to the extent that, the company obtains the right to consideration in exchange for its performance.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Government grants

Grants that relate to specific capital expenditure are treated as deferred income, which is then credited to the profit and loss account over the related asset's useful economic life. Other grants are credited to the profit and loss account when received.

Notes to the financial statements for the year ended 1 August 2010 (Continued)

1 Accounting policies (Continued)

Foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date or the exchange rate of a related foreign exchange contract where appropriate. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the date of the transaction. The resulting gain or loss is dealt with in the profit and loss account.

Leased assets

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful economic life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Rentals under operating leases are charged to the profit and loss account as incurred.

2 Turnover

Turnover relates to the company's main activity which is carried out in the United Kingdom.

3 Net operating expenses

	2010	2009
	£	£
Administration expenses	499,195	545,346

4 Operating profit

	2010	2009
	£	£
Operating profit is stated after charging/(crediting)		
Staff costs (note 5)	1,604,806	1,693,333
Depreciation of tangible fixed assets		
– owned assets	536,370	655,874
– assets held under finance lease and hire purchase agreements	3,162	3,162
Auditors' remuneration	8,900	8,840
Loss/(profit) on disposal of tangible fixed assets	709	(3,391)
Deferred capital grant released	(132,234)	(169,926)

Notes to the financial statements for the year ended 1 August 2010 (Continued)

5 Employee information

	2010	2009
	£	£
Staff costs:		
Wages and salaries	1,517,318	1,602,076
Social security costs	87,488	91,257
	1,604,806	1,693,333

	2010	2009
	Number	Number
The average monthly number of persons employed by the company (including directors) during the year by activity was:		
Administration	6	6
Others	119	118
	125	124

6 Directors' emoluments

The directors received no emoluments (2009 £Nil) from the company during the year

7 Interest payable and similar charges

	2010	2009
	£	£
Interest payable on bank loans	42,431	99,856
Interest payable on finance lease	506	706
Other interest	-	2
	42,937	100,564

8 Tax on profit on ordinary activities

	2010	2009
	£	£
Current tax		
UK Corporation tax on profits of the period at 21% (2009 21%)	-	-
Total current tax	-	-
Deferred tax		
Accelerated capital allowances and other timing differences	-	-
Adjustment in respect of previous periods	-	-
Total deferred tax (note 16)	-	-
Tax on profit on ordinary activities	-	-

Notes to the financial statements for the year ended 1 August 2010 (Continued)

8 Tax on profit on ordinary activities (continued)

The tax assessed for the period differs from the standard rate of corporation tax in the UK for small companies of 21% (2009 21%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	239,222	440,504
Profit on ordinary activities multiplied by standard rate in the UK for small companies 21% (2009 21%)	50,236	92,506
Effects of		
Expenses not deductible for tax purposes	1,318	1,660
Non-qualifying asset depreciation	29,110	6,907
Movement in deferred tax asset not provided for	(65,070)	(84,173)
Industrial building allowances treated as a permanent difference	(15,594)	(16,900)
Current tax charge for the period	-	-

Factors that may affect future tax charges.

The company has carried forward tax losses totalling £1,653,678 (2009 £2,089,406) Those losses have not been recognised in the deferred tax calculation as they may not be utilised in the foreseeable future However, if taxable profits do arise these losses will be available for off-set against future trading profits to reduce tax payable in the future by potentially £347,272 (2009 £438,775) Deferred tax assets have not been discounted

9 Tangible assets

	Freehold land and buildings £	Plant and equipment £	Hotel equipment £	Furniture £	Soft furnishings £	Administration and IT equipment £	Original art £	Total £
Cost								
At 3 August 2009	7,253,607	3,175,801	735,575	631,788	299,427	572,439	14,255	12,682,892
Additions	5,000	-	7,498	770	5,175	45,671	-	64,114
Disposals	-	-	-	-	-	(124,258)	-	(124,258)
At 1 August 2010	7,258,607	3,175,801	743,073	632,558	304,602	493,852	14,255	12,622,748
Accumulated depreciation								
At 3 August 2009	1,025,527	2,838,289	601,048	600,629	294,327	504,283	14,255	5,878,358
Charge for the year	136,955	284,562	53,783	16,474	4,348	43,410	-	539,532
On disposals	-	-	-	-	-	(123,549)	-	(123,549)
At 1 August 2010	1,162,482	3,122,851	654,831	617,103	298,675	424,144	14,255	6,294,341
Net book value								
At 1 August 2010	6,096,125	52,950	88,242	15,455	5,927	69,708	-	6,328,407
At 2 August 2009	6,228,080	337,512	134,527	31,159	5,100	68,156	-	6,804,534

The net book value of administration and IT equipment includes £3,162 (2009 £3,162) in respect of assets held under finance lease agreements

Notes to the financial statements for the year ended 1 August 2010 (Continued)
10 Stocks

	2010	2009
	£	£
Consumables	101,950	92,560

11 Debtors

	2010	2009
	£	£
Trade debtors	68,873	78,269
Amounts owed by related undertakings	5,369	8,093
Other debtors	43,587	30,689
Prepayments and accrued income	129,910	110,416
	247,739	227,467

The amounts due from related undertakings are not secured, interest free and recoverable on demand

12 Creditors: amounts falling due within one year

	2010	2009
	£	£
Other loans	35,000	35,000
Trade creditors	215,885	172,706
Obligations under finance lease agreements	2,530	2,529
Other tax and social security	169,451	158,950
Other creditors	26,935	26,719
Accruals and deferred income	237,855	244,839
	687,656	640,743

13 Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Bank loan	2,125,000	2,500,000
Other loans	20,416	58,333
Amounts due to related undertakings	815,621	975,999
Obligations under finance lease agreements	211	2,740
	2,961,248	3,537,072

Other loans, which are repayable after five years, are being repaid by monthly instalments of £2,917 per month. Interest is charged on this loan at a rate of 0% per annum.

The amounts due from related undertakings not secured, are interest free and recoverable on demand.

Notes to the financial statements for the year ended 1 August 2010 (Continued)

14 Loans and other borrowings

	2010	2009
	£	£
Bank loans, overdraft and other loans	2,180,416	2,593,333
Obligations under hire purchase and finance lease agreements	2,741	5,269
	2,183,157	2,598,602
	2010	2009
	£	£
Maturity of financial liabilities.		
In one year or less or on demand	487,530	487,530
In more than one year, but not more than two years	470,627	487,740
In more than one year, but not more than five years	1,288,000	1,373,333
In more than five years	-	249,999
	2,183,157	2,598,602

The bank loan is repaid by an annual capital repayment of £450,000. Interest is charged at 1.75% per annum varying being 1.25% above the banks base rate.

Security

The company's bank loan is secured as follows

Mortgage debenture incorporating a fixed and floating charge over all company assets present and future including a specific charge over Armagh City Hotel Limited, a legal mortgage over 5.51 acres at Friary Road, Armagh and a counter indemnity in respect of contract/ guarantee bond in favour of Bass Ireland Limited in the sum of £380,000.

Directors of the company Mr Kieran McAnallen, Mr Brian McCormack, Mr Ernest Fisher and Dunadry Development Company Limited, have provided letters of undertaking to First Trust Bank.

15 Deferred income

	£
Capital grants	
At 3 August 2009	2,015,840
Release for the year	(132,234)
At 1 August 2010	1,883,606

Notes to the financial statements for the year ended 1 August 2010 (Continued)

16 Provisions for liabilities

		Deferred taxation £
At 3 August 2009		-
Charged to the profit and loss account		-
At 1 August 2010		-
Deferred tax comprises:	2010 £	2009 £
Accelerated capital allowances	-	-
Other	-	-
	-	-
	2010 £	2009 £
Potential deferred taxation asset		
Other	(336,258)	(470,376)

17 Called up share capital

	2010 £	2009 £
Allotted and fully paid		
1,154,775 (2009 1,154,775) ordinary A shares of £1 each	1,154,775	1,154,775
384,925 (2009 384,925) ordinary B shares of £1 each	384,925	384,925
	1,539,700	1,539,700

18 Reserves

	Share premium Account £	Profit and loss account £
At 3 August 2009	1,013,302	(1,462,639)
Profit for the financial year	-	239,222
At 1 August 2010	1,013,302	(1,223,417)

19 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	239,222	440,504
Opening shareholders' funds	1,090,363	649,859
Closing shareholders' funds	1,329,585	1,090,363

Notes to the financial statements for the year ended 1 August 2010 (Continued)

20 Reconciliation of operation profit to net cash flow from operating activities

	2010 £	2009 £
Operating profit	282,159	541,068
Deferred capital grant release	(132,234)	(169,926)
Depreciation of tangible fixed assets	539,532	659,036
Loss / (profit) on disposal of tangible fixed assets	709	(3,391)
Movement in stocks	(9,390)	10,270
Movement in debtors	(20,374)	83,556
Movement in creditors	(112,592)	(164,700)
Net cash inflow from operating activities	547,810	955,913

21 Analysis of net debt

	3 August 2009 £	Cash flow £	1 August 2010 £
Cash at bank and in hand	159,457	24,542	183,999
Net cash	159,457	24,542	183,999
Debt due after one year	(2,558,333)	412,917	(2,145,416)
Debt due within one year	(35,000)	-	(35,000)
Hire purchase and finance leases	(5,269)	2,528	(2,741)
	(2,598,602)	415,445	(2,183,157)
Net debt	(2,439,145)	439,987	(1,999,158)

22 Reconciliation of net cash flow to movement in net funds

	2010 £	2009 £
Increase in cash in financial year	24,542	136,722
Cash inflows from movement in debt	415,445	628,330
Change in net debt resulting from cash flows	439,987	765,052
Movement in net debt in the year	439,987	765,052
Net debt at 3 August 2009	(2,439,145)	(3,204,197)
Net debt at 1 August 2010	(1,999,158)	(2,439,145)

23 Contingent liability

There is a contingent liability to repay government grants under the terms of the letter of offer if the company fails to achieve and maintain specified conditions. In the opinion of the directors the terms of the letter of offer have been complied with and no loss is expected.

Notes to the financial statements for the year ended 1 August 2010 (Continued)

24 Related party transactions and ultimate controlling party

Each of the shareholders of the company holds an equal number of shares in the company, and therefore there is deemed to be no ultimate controlling party

The company has identified the following transactions, which must be disclosed under the terms of Financial Reporting Standard 8 "Related Party Disclosures"

- (a) Dunadry Development Company Limited a shareholder in Armagh City Hotel Limited traded with the company during the year under the same terms as those available to other customers in the ordinary course of business. During the year Dunadry Development Company Limited raised a management charge of £170,471 (2009 £215,585) to Armagh City Hotel Limited

The amount due to Dunadry Development Company Limited at 1 August 2010 was £10,471 (2009 £55,586)

- (b) Friary Road Enterprises Limited, of which Mr Kieran McAnallen, Mr Ernest Fisher, Mr Brian McCormack and Mr Felix Mooney are directors, traded with Armagh City Hotel Limited under the same terms as those available to other customers in the ordinary course of business

The amount due from Friary Road Enterprises Limited at 1 August 2010 was £5,102 (2009 £8,093)

Armagh City Hotel Limited has received loans of £575,000 from Friary Road Enterprises Limited during 2005 and 2006, which are unsecured and there are no agreed repayment terms. At 1 August 2010, the amount due by the company was £575,000 (2009 £575,000)

- (c) At 1 August 2010, Mr Kieran McAnallen and Mr Brian McCormack, directors of and shareholders in Armagh City Hotel Limited had loans outstanding to the company of £nil (2009 £57,537). Mr Ernest Fisher, a director of Armagh City Hotel Limited is also a director of Fisher Holdings (NI) Limited, which owns 25% of the issued share capital of Armagh City Hotel Limited. At 1 August 2010, the balance outstanding on a loan made by Fisher Holdings (NI) Limited to the company was £115,075 (2009 £115,075). Development Company Limited, which owns 25% of the issued share capital of Armagh City Hotel Limited had a the balance outstanding on a loan made to the company of £115,075 at the 1 August 2010 (2009 £115,075)
- (d) The First Trust Bank has been provided with letters of undertaking in relation to shortfall in repayment of facilities by Mr Kieran McAnallen, Mr Brian McCormack and Mr Ernest Fisher, and Dunadry Development Company Limited,
- (e) TYR-ARM Properties Limited of which Mr Kieran McAnallen is a director traded with Armagh City Hotel Limited under the same terms as those available to other customers in the ordinary course of business

Total purchases from TYR-ARM Properties Limited amounted to £7,500 (2009 £Nil)

