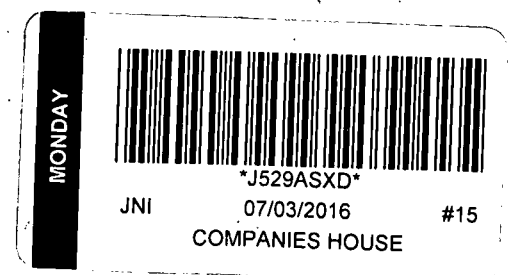
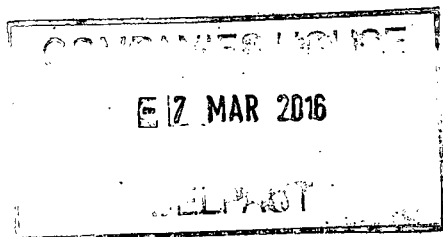


Armagh City Hotel Limited

Annual report

For the year ended 31 July 2015



Armagh City Hotel Limited

Company Information

Directors

Kieran McAnallen
Brian McCormack
Ernest Fisher
Felix Mooney

Company secretary

Gareth Robinson

Registered number

NI030708

Registered office

Friary Road
Armagh
Co Armagh
BT60 4FR

Independent auditors

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

Bankers

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

Solicitors

Carson McDowell LLP
Murray House
Murray Street
Belfast
Co Antrim
BT16DN

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

Armagh City Hotel Limited

Contents

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report to the members of Armagh City Hotel Limited	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Reconciliation of net cash flow to movement in net debt	8
Notes to the financial statements	9 - 18

Armagh City Hotel Limited

Strategic report

For the year ended 31 July 2015

Business review and future developments

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 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

The management of the business and the execution of the company's strategy are 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. These risks are addressed by the board carrying out regular strategic reviews including assessments of competitor activity and the board's active review of competitor prices both provides protection and maximises opportunities. These risks are also addressed through strong customer service as well as investment in its people and facilities.

Key performance indicators

The company's key performance indicators are as follows:

	2015	2014	2013	2012
Increase/(decrease) in sales	(2.5%)	3.2%	(6.9%)	(2.4%)
Gross profit margin	37.5%	38.2%	18.2%	18.2%

In the current accounting period costs have been re allocated which has resulted in presentation change to the 2014 figures. The KPI's as stated above have been adjusted for in 2014 to reflect this change.

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.

This report was approved by the board on 2 March 2016 and signed on its behalf.


Gareth Robinson
Company secretary

Armagh City Hotel Limited

Directors' report For the year ended 31 July 2015

The directors present their report and the audited financial statements of the company for the year ended 31 July 2015.

Principal activities

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

Results and dividends

The profit for the year, after taxation, amounted to £224,670 (2014 - £275,104).

The directors do not recommend the payment of a final dividend (2014: £nil).

Future developments

The section on future developments which is detailed in the strategic report is included in this report by cross reference.

Directors

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

Kieran McAnallen
Brian McCormack
Ernest Fisher
Felix Mooney

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 prepared 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;
- 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 31 July 2015

Political and charitable contributions

The company made charitable donations amounting to £50 (2014: £225) during the year for the benefit of local communities in which the company operates. No donations for political purposes were made during the year (2014: £nil).

Financial risk management

The company's operations expose it to a variety of financial risks that include, interest rate, cash flow risk and liquidity risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. 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.

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 and 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.

Statement of disclosure of information to auditors

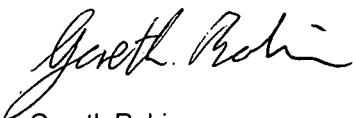
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Gareth Robinson
Company secretary

Date: 2 March 2016

Armagh City Hotel Limited

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

Report on the financial statements

Our opinion

In our opinion, Armagh City Hotel Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 July 2015 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.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the balance sheet as at 31 July 2015;
- the profit and loss account for the year then ended;
- the cash flow statements for the year then ended;
- the reconciliation of net cashflow to movement in net debt for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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 returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Armagh City Hotel Limited

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of director's responsibilities set out on page 2, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & 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.

What an audit of financial statements involves

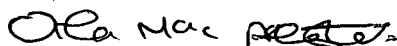
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Orla MacAllister (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

32 Linen Green
Dungannon
Co Tyrone
BT71 7HB

2 March 2016

Armagh City Hotel Limited

Profit and loss account For the year ended 31 July 2015

	Note	2015 £	Restated 2014 £
Turnover	1,2	4,326,238	4,437,033
Cost of sales		(2,704,561)	(2,740,968)
Gross profit		1,621,677	1,696,065
Administrative expenses		(1,298,371)	(1,384,862)
Operating profit	3	323,306	311,203
Interest payable and similar charges	5	(22,023)	(36,099)
Profit on ordinary activities before taxation		301,283	275,104
Tax on profit on ordinary activities	6	(76,613)	-
Profit for the financial year	15	224,670	275,104

All amounts relate to continuing operations.

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 are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The notes on pages 9 to 18 form part of these financial statements.

Armagh City Hotel Limited
Registered number: NI030708

Balance sheet
As at 31 July 2015

	Note	£	31 July 2015 £	£	27 July 2014 £
Fixed assets					
Tangible assets	7		5,658,503		5,703,713
Current assets					
Stocks	8	111,510		103,300	
Debtors	9	204,449		217,855	
Cash at bank and in hand		21,350		90,147	
			<u>337,309</u>	<u>411,302</u>	
Creditors: amounts falling due within one year	10	(863,482)		(964,745)	
Net current liabilities			<u>(526,173)</u>	<u>(553,443)</u>	
Total assets less current liabilities			<u>5,132,330</u>	<u>5,150,270</u>	
Creditors: amounts falling due after more than one year	11	(583,003)		(835,139)	
Provisions for liabilities					
Deferred tax	12	(54,724)		-	
Accruals and deferred income	13	(1,657,616)		(1,702,814)	
Net assets			<u><u>2,836,987</u></u>	<u><u>2,612,317</u></u>	
Capital and reserves					
Called up share capital	14	1,539,700		1,539,700	
Share premium account	15	1,013,302		1,013,302	
Profit and loss account	15	283,985		59,315	
Total shareholders' funds	16		<u><u>2,836,987</u></u>	<u><u>2,612,317</u></u>	

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 March 2016.


Kieran McAnallen
Director

The notes on pages 9 to 18 form part of these financial statements.

Armagh City Hotel Limited

Cash flow statement For the year ended 31 July 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	17	482,225	379,089
Returns on investments and servicing of finance	18	(23,242)	(34,965)
Capital expenditure and financial investment	18	(176,905)	(80,146)
Net cash inflow before financing		282,078	263,978
Financing	18	(350,875)	(292,337)
Decrease in net cash in the year		(68,797)	(28,359)

Reconciliation of net cash flow to movement in net debt For the year ended 31 July 2015

		2015 £	2014 £
Decrease in net cash in the year		(68,797)	(28,359)
Cash outflow from movement in debt		350,875	292,337
Movement in net debt in the year		282,078	263,978
Net debt at 28 July 2014		(694,069)	(958,047)
Net debt at 31 July 2015	19	(411,991)	(694,069)

The notes on pages 9 to 18 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 July 2015**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention, and in accordance with 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.

1.2 Comparative information

Certain comparative information has been restated to reflect a fairer comparison with the current year disclosure. This restatement relates to the reclassification of cost of sales items to administrative expenses. This restatement has not had any effect on reported results for the year ended 27 July 2014 or on total shareholders' funds as at 27 July 2014.

1.3 Turnover

Turnover represents net sales to customers and excludes value added tax. Turnover is recognised when, and to the extent that, the company obtains the right to consideration in exchange for its service.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold buildings	-	2% straight line
Plant and equipment	-	12.5% straight line
Motor vehicles	-	25% straight line
Hotel equipment and furniture	-	25% straight line
Administration and IT equipment	-	25% straight line
Soft furnishings and original art	-	20-25% straight line

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is determined on a first in first out basis.

1.6 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.

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

1. Accounting policies (continued)

1.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

1.8 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.

2. Turnover

The whole of the turnover is attributable to the company's principal activity.

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	222,115	211,888
Auditors' remuneration	9,500	8,840
Difference on foreign exchange	(27)	(5)
Profit on disposal of tangible fixed assets	-	(16,500)
Deferred capital grant released	(45,198)	(46,292)

During the year, no director received any emoluments (2014 - £NIL).

4. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,572,629	1,524,848
Social security costs	64,028	64,972
Other pension costs	11,296	529
	<u>1,647,953</u>	<u>1,590,349</u>

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

4. Staff costs (continued)

The average monthly number of employees employed by the company, including the directors, during the year by activity was as follows:

	2015 Number	2014 Number
Administration	7	7
Selling	164	170
	<u>171</u>	<u>177</u>

5. Interest payable and similar charges

	2015 £	2014 £
On bank loans and overdrafts	21,127	34,759
Other interest payable	896	1,340
	<u>22,023</u>	<u>36,099</u>

6. Tax on profit on ordinary activities

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	21,889	-
Deferred tax (see note 12)		
Origination and reversal of timing differences	54,724	-
Tax on profit on ordinary activities	<u>76,613</u>	<u>-</u>

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

6. Tax on profit on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20% (2014:20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before taxation	301,283	275,104
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	60,257	55,021
Effects of:		
Accelerated capital allowances and other timing differences	(54,724)	-
Expenses not deductible for tax purposes	26,472	28,492
Income not taxable	(9,031)	(9,259)
Movement in deferred tax asset not provided for	(1,085)	(74,254)
Total current tax (see note above)	21,889	-

Factors that may affect future tax charges

The UK corporation tax rate currently in force is 20%. This rate will be reduced to 19% from 1 April 2017, and to 18% from 1 April 2020. Both of these rate changes were enacted by Finance (No.2) Act 2015 on 18 November 2015; and were substantively enacted (for UK GAAP and IFRS purposes) on 26 October 2015.

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

7. Tangible fixed assets

	Freehold land and buildings £	Plant, equipment and motor vehicles £	Hotel equipment and furniture £	Administration and IT equipment £	Soft furnishings and original art £	Total £
Cost						
At 28 July 2014	7,258,607	3,220,831	1,500,466	516,047	317,562	12,813,513
Additions	-	49,258	74,124	49,862	3,661	176,905
At 31 July 2015	<u>7,258,607</u>	<u>3,270,089</u>	<u>1,574,590</u>	<u>565,909</u>	<u>321,223</u>	<u>12,990,418</u>
Accumulated Depreciation						
At 28 July 2014	1,709,632	3,186,766	1,403,171	497,241	312,990	7,109,800
Charge for the year	136,786	15,800	54,920	12,291	2,318	222,115
At 31 July 2015	<u>1,846,418</u>	<u>3,202,566</u>	<u>1,458,091</u>	<u>509,532</u>	<u>315,308</u>	<u>7,331,915</u>
Net book value						
At 31 July 2015	<u>5,412,189</u>	<u>67,523</u>	<u>116,499</u>	<u>56,377</u>	<u>5,915</u>	<u>5,658,503</u>
At 27 July 2014	<u>5,548,975</u>	<u>34,065</u>	<u>97,295</u>	<u>18,806</u>	<u>4,572</u>	<u>5,703,713</u>

Included in land and buildings is freehold land at cost of £410,843 (2014: £410,843) which is not depreciated.

8. Stocks

	2015 £	2014 £
Goods for resale	54,410	50,700
Consumables	57,100	52,600
	<u>111,510</u>	<u>103,300</u>

9. Debtors

	2015 £	2014 £
Trade debtors	77,632	86,159
Other debtors	41,424	7,077
Prepayments and accrued income	85,393	124,619
	<u>204,449</u>	<u>217,855</u>

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

10. Creditors: Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	226,001	343,560
Other loans	8,064	29,244
Trade creditors	209,253	219,469
Amounts owed to related undertaking	26,010	13,037
Corporation tax	21,889	-
Taxation and social security	169,938	159,984
Other creditors	9,389	23,614
Accruals and deferred income	192,938	175,837
	<u>863,482</u>	<u>964,745</u>

11. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	194,572	398,644
Other loans	4,704	12,768
Amounts owed to related undertaking	383,727	423,727
	<u>583,003</u>	<u>835,139</u>

Included within the above are amounts falling due as follows:

	2015 £	2014 £
Between one and two years		
Bank loans	156,192	343,560
Other loans	4,704	12,768
Between two and five years		
Bank loans	38,380	55,084
Over five years		
Amounts owed to related undertakings	383,727	423,727

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable other than by instalments	383,727	423,727

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

12. Deferred taxation

	2015 £	2014 £
At beginning of year	-	-
Charge for year	54,724	-
At end of year	<u>54,724</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	31 July 2015 £	27 July 2014 £
Accelerated capital allowances	<u>54,724</u>	<u>-</u>

Potential deferred taxation asset:

	2015 £	2014 £
Accelerated capital allowances and other timing differences	-	30,893
Losses	-	(31,978)
Total	<u>-</u>	<u>(1,085)</u>

13. Accruals and deferred income

	Grants £
At 28 July 2014	1,702,814
Released to the profit and loss account	(45,198)
At 31 July 2015	<u>1,657,616</u>

14. Called up share capital

	2015 £	2014 £
Allotted, called up and fully paid		
1,154,775 (2014: 1,154,775) ordinary A shares of £1 each	1,154,775	1,154,775
384,925 (2014: 384,925) ordinary B shares of £1 each	384,925	384,925
	<u>1,539,700</u>	<u>1,539,700</u>

Armagh City Hotel Limited

**Notes to the financial statements
For the year ended 31 July 2015**

15. Reserves

	Share premium account £	Profit and loss account £
At 28 July 2014	1,013,302	59,315
Profit for the financial year		224,670
	<u>1,013,302</u>	<u>283,985</u>
At 31 July 2015		

16. Reconciliation of movements in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	2,612,317	2,337,213
Profit for the financial year	224,670	275,104
	<u>2,836,987</u>	<u>2,612,317</u>
Closing shareholders' funds		

17. Net cash flow from operating activities

	2015 £	2014 £
Operating profit	323,306	311,203
Depreciation of tangible fixed assets	222,115	211,888
Profit on disposal of tangible fixed assets	-	(16,500)
(Increase)/decrease in stocks	(8,210)	690
Decrease in debtors	13,406	56,473
Decrease in creditors	(23,194)	(138,371)
Deferred capital grant release	(45,198)	(46,294)
	<u>482,225</u>	<u>379,089</u>
Net cash inflow from operating activities		

18. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	(23,242)	(34,965)

Notes to the financial statements
For the year ended 31 July 2015

18. Analysis of cash flows for headings netted in cash flow statement (continued)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(176,905)	(97,386)
Sale of tangible fixed assets	-	17,240
Net cash outflow from capital expenditure	(176,905)	(80,146)
	2015 £	2014 £
Financing		
Repayment of loans	(321,631)	(257,796)
Repayment of other loans	(29,244)	(34,541)
Net cash outflow from financing	(350,875)	(292,337)

19. Analysis of changes in net debt

	28 July 2014 £	Cash flow £	Other non-cash changes £	31 July 2015 £
Cash at bank and in hand	90,147	(68,797)	-	21,350
Debt:				
Debts due within one year	(372,804)	350,875	(212,136)	(234,065)
Debts falling due after more than one year	(411,412)	-	212,136	(199,276)
Net debt	(694,069)	282,078	-	(411,991)

20. Contingent liabilities

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.

Armagh City Hotel Limited

Notes to the financial statements For the year ended 31 July 2015

21. Related party transactions

The company has identified the following transactions which are disclosable under the terms of FRS 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 £132,500 (2014: £120,000) to Armagh City Hotel Limited.

The amount due to Dunadry Development Company Limited at 31 July 2015 was £19,887 (2014: £9,943)

b) Friary Road Enterprises Limited, of which Kieran McAnallen, Ernest Fisher, Brian McCormack and 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 to Friary Road Enterprises Limited at 31 July 2015 was £2,868 (2014: £613).

Armagh City Hotel Limited 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 31 July 2015, the amount owed by Armagh City Hotel Limited was £383,727 (2014: £423,727).

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

(d) Wellington Park Hotel Limited and Dunadry Inn Limited, subsidiaries of Dunadry Development Company Limited, traded with Armagh City Hotel Limited under the same terms as those available to other customers in the ordinary course of business.

The amount owed to Wellington Park Hotel Limited at 31 July 2015 was £432 (2014: £864)

The amount owed to Dunadry Inn Limited at 31 July 2015 was £2,823 (2014: £1,617)

(e) At 31 July 2015 there was a balance due from the directors of the company of £4,585 (2014: £2,728) as disclosed in other debtors (note 9). This movement consists of amounts due to the directors that have been credited to them offset by amounts withdrawn from the company by them.

22. Ultimate controlling party

Each of the shareholders has an equal shareholding in the share capital of the company and there is deemed to be no ultimate controlling party.