



## BERNIE PURCELL'S DISGRUNTLED EMPLOYEES

Businesswoman, counsellor and occasional academic **Bernie Purcell** last hit the headlines in 2007, when it emerged that her Dublin-based counselling outfit, the Roebuck Centre, had been charging some of its clients up to €250,000 for courses (see *The Phoenix* 2/11/07). The centre closed down following the controversy but now Purcell faces other problems.

Purcell and her business partner (and hubby) **John Milton** also operated the Carraig Tur Nursing Home in



Bernie Purcell

Wexford, which ceased trading last year. As a result, 31 of the 50-odd former staff have lodged cases with the Employment Appeals Tribunal, claiming they are owed wages.

Business was booming for the husband-and-wife team a few years back. At the end of May 2006, Roebuck Consulting Ltd (the company behind the Roebuck Centre) reported impressive accumulated profits of almost €2m, with cash in the bank of over €3m. That year, the

couple splashed out €10.5m on a period mansion called Churchtown House, D14, which was once the Dutch embassy residence, and boasted an indoor swimming pool and 1,000-plus bottle wine cellar. (The house was sold

earlier this year by a receiver for around €3m.)

In 2007, Purcell and Milton became the subject of a flurry of newspaper articles while

enraged *Liveline* callers revealed dubious practices at their counselling centre. The following year, an enquiry into the centre by the National Association for Pastoral Counselling and Psychotherapy – which had formerly accredited some of Roebuck's courses – found that a Roebuck counsellor named **Claire Hoban** had “seriously, flagrantly and frequently” violated the organisation's code of ethics. At least four former Roebuck clients have taken High Court proceedings against Purcell and other parties, and in 2008 and in 2009 a number of judgment mortgages were granted in favour of these former clients.

With their ‘life mentoring centre’ in Dublin kaput, Purcell and Milton concentrated on their nursing home in Purcell's native Wexford. However in April 2010, the Carraig Tur Nursing Home ceased trading and some of its staff complained that they hadn't been paid wages in over two months. One contributing factor in the nursing home's financial difficulties was a planned major new extension. A local

building firm called R & P Builders Ltd (trading as Warrenhill Contractors) was contracted to carry out the project, which was never finished. R & P took High Court proceedings against Purcell in 2009, resulting in a €840,000 judgment the following year.

The recently filed accounts for Carraig Tur Nursing Home Ltd – where Purcell and Milton are the directors and shareholders – show that the company had accumulated losses of €520,000 at the end of September 2011. Meanwhile, Ulster Bank issued High Court proceedings against Purcell and Milton last July.

**LOOKS like Goldhawk's old pal, Darragh MacAnthony, is to face a fraud case in Spain after all (see *The Phoenix* 17/6/11). The boss of the MRI Group of property companies had huffed and puffed back in June when he was accused of “theft by swindle and misappropriation of funds” in a Madrid court by 51 ex-pat punters who purchased furniture packs through MRI which they claim**

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never arrived. The case was rejected on the grounds that the court didn't have jurisdiction and MacAnthony fired off a rambling post on his website describing the plaintiffs' lawyer, Antonio Florres, as a "travelling salesman" looking for business. MacAnthony described media coverage of the case as a "hatchet job" for which he was in "communication with my lawyers." Florres then applied to have the case heard in a Marbella court where a judge has just ruled that it can go ahead.

Meanwhile, it is unclear what – if any – action MacAnthony is going to take over the coverage of the Madrid case that so offended him.

When asked about that coverage, MacAnthony's feared libel specialist lawyers, Carter-Ruck, told Goldhawk last September: "As satisfactory proposals were not forthcoming from the newspapers to which letters of complaint were sent, we are instructed that our client



Darragh MacAnthony

intends to revisit these complaints. In particular, in relation to the Sunday World, we are instructed that Mr MacAnthony is travelling to Ireland in early November to discuss with his Irish lawyers proceeding against the newspaper." Last month, Carter-Ruck refused to respond to Goldhawk's query asking if MacAnthony had indeed issued High Court proceedings against the World. Although MacAnthony did send a solicitor's letter to the paper, he was promptly told where to stick it.

## NIALL MELLON SUED BY FORMER PAL

THE ROW between Niall Mellon and his former builder pal Larry Cody is set for the High Court this week.

Cody – who went to South Africa on four separate occasions with the charity, Niall Mellon's Township Trust – claims that he is owed €150,000



for work carried out on a pad of Mellon's and the case has been pencilled in for two days

at the Four Goldmines. The pad in question is a Thomastown, Co Kilkenny mansion which is located in a country estate, sold by Mellon to an overseas buyer for around €3.5m earlier this year. Mellon has claimed that Ballyhale-based Cody was paid

€400,000 for work carried out in 2007 and that this was the full amount owed. Nevertheless, the builder – brother-in-law of Kilkenny hurling hero Henry Shefflin – initiated proceedings against Mellon in 2008.

This is not the only High Court dispute Mellon is involved in. His former Dublin solicitors,



Niall Mellon

O'Grady's, took proceedings against him earlier this year alleging fees were still owed, while the Taxman lodged a High Court action against Mellon in March. The following month Irish Life & Permanent took a case against Mellon.

**LIMERICK** legal eagle John A Tobin is in plenty of trouble these days, facing various High Court cases – including some taken by the Law Society – and a spat with the Taxman. To cap off a rough year, Tobin has just been hit with a hefty €200,000 judgment, courtesy of the Revenue.

The tax judgment comes not long after the solicitor, who practices as John A Tobin Solicitors in Limerick City, was convicted of failing to file income tax returns, for which he was fined €2,500 (see **The Phoenix** 1/7/11).

Earlier this year, Tobin was on the losing side of a complicated High Court action over a Clonmel property deal. This resulted in him and two businessmen – Patrick O'Meara and Anthony Fitzpatrick – being ordered to cough up €2.4m in damages to a company called Mount Kennett Investment Company Ltd, where the directors are Limerick solicitors Paul O'Brien and Denis McMahan. (That decision has been appealed to the Supreme Court.)

Tobin has since had a falling

out with his former business partners, with O'Meara and Fitzpatrick each having initiated proceedings against him. The Fitzpatrick case has been pencilled in at the Four Goldmines for a lengthy seven days in January.

## MORE HIGH COURT DRAMA FOR PHILIP MARLEY

ELY PROPERTY boss Philip Marley has plenty on his plate these days, including a personal judgment against him for £730,000 (see *The Phoenix* 29/7/11). To add to his woes, four unhappy Irish investors have alleged that one of Marley's companies – Student Accommodation Services Ltd (SAS) – has not been passing on rents collected at an apartment block the investors purchased a few years back. The dispute is now heading to the High Court.

One of Marley's businesses involves the management of student accommodation and according to SAS's outdated accounts (signed off in October 2008), it owned various subsidiary companies that managed accommodation centres in places such as

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## PADDY KERRIGAN'S STREAMLINE PUBS

Bank of Scotland has sent a receiver into a pub company called Streamline Pubs Ltd (SP) owned by low-profile Meath developer, Paddy Kerrigan. He has previously ran into trouble with the Taxman and has also recently joined the list of Nama developers.

SP operated Dorans bar, in Athboy, Co Meath and had accumulated losses of €1.2m at the end of April 2009, according to its latest accounts.

In 2007, the company ran foul of the Taxman and appeared on the Revenue's list of tax defaulters after settling for €145,000. Last September, the company had a paltry €2,000 judgment registered against it by the Irish Music Rights Organisation.



Doran's Pub

Elsewhere, Kerrigan's construction company, Midland Contractors Ltd, filed accounts earlier this year, which showed accumulated losses of almost €2.5m at the end of June 2009. A note in these stated that a bank loan of €2.7m had been received by the company last year, but that it failed to meet the repayment terms and that this loan was acquired by Nama in

December 2010.

Meanwhile, Kerrigan is also behind a struggling company called Irish Property Guide Ltd, which publishes various property-related guides. The latest accounts here showed accumulated losses of €850,000 at the end of 2010.

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Dublin, Navan and Dundalk. The four punters claim that they invested in an apartment block on the basis that SAS would let the units out for a fee and pass on the rest of the rent to them. They allege that SAS has stopped making payments.

The investment syndicate was put together by the Mullingar accountant **Malachy Stephens**, who will be familiar to fans of Goldhawk through his roles as chairman and accountant at St Francis Private Hospital in Mullingar and as a former chairman of a State agency called the Management Board for Product Development. This dished out huge tourism grants to his client, **Michael Hehle** (see *The Phoenix* 27/3/98).

Along with Stephens, the other investors are Westmeath business people **Angela**

**Buckley, John Daly and Peter Cassidy**. All four took Circuit Court proceedings against SAS and Marley earlier this year and were granted judgment in July. Marley then lodged an Appeal and this dispute is back up in the High Court this month.

SAS was struck off by the Companies Registration Office (CRO) last April, having not filed accounts since those for 2007. The company has since been reinstated to the Company's Registrar on the order of the Circuit Court although its overdue sets of accounts have yet to be filed. Last year, Marley told the *Sunday Times*, "We are mercilessly

extracting ourselves from Irish multi-landlord developments. They can't appreciate what it costs to run them and we just ain't carrying them."

True to his word, his company Ely Property Group Ltd was struck off by the CRO last April for failing to file



*Philip Marley*



*"Right, I drink, I smoke, I drive a 2-litre saloon and my Dad's in a nursing home. Gimme your best shot."*

accounts. Two of his Irish companies – Student Accommodation Services (Limerick Village) Ltd and Verum Way Ltd – are currently listed for striking off.

Marley's problems don't end with SAS. He is also a director of a company called Metic Solutions plc, which acts as an investment holding company. In 2008 it bought the share capital of a UK-based designer and installer of glass fixtures called Melayway Glass Assemblies Ltd. According to Metic Solutions' outdated accounts, "Melayway re-negotiated certain business contracts

previously owned by Portal Limited, another UK glass assembler" in 2008. Portal went into administration in 2009 and later that year, the Portal administrators registered a whopping £730,000 judgment against Marley personally. The administrators are currently seeking to have that judgment enforced by the Irish courts and issued High Court proceedings against Marley in November 2010.

**SPARE A THOUGHT for property investors Rosaleen Cunningham and Tony McDonagh, who were hit last**

month with a whopping €4.2m judgment, courtesy of AIB.

The judgment was in relation to a failed development in Grange, Co Sligo. In 2007, Cunningham – who lives in Ballsbridge, D4 – applied for permission from Sligo County Council for a major scheme in the village, which would include a civic courtyard, library, care centre, retail and residential units, etc. The council shot down the project the following year, stating that it would be "seriously injurious to the visual amenities of the area."

McDonagh runs a Celbridge-based company called McDonagh Consulting Ltd (trading as Laboratory Systems Consulting), which provides IT services for laboratories. A note in the company's most recent accounts states: "Allied Irish Bank has also taken legal action seeking a judgment against Mr Tony McDonagh, as the representative of a partnership in which McDonagh Consulting Ltd holds an investment in the Grange site in Co. Sligo." The accounts, made up to the end of November 2009, also showed accumulated losses of more than €2m.

On top of this, the Revenue has also issued proceedings against Cunningham.

## RICK FITZ'S PALS FALL FOUL OF ANGLO

TWO FORMER business associates of the dentist-turned-developer **Rick Fitzgerald** have come out on the losing side of a multi-million euro case taken against them by Anglo Irish Bank.

**Denis Collins** and **Michael Kiernan** argued that they were not liable for €6.9m Anglo claimed was due over a Co Kerry development. They said that a lawyer for Anglo had altered personal guarantees given to the bank. While it was accepted that the guarantees had been altered **Judge Elizabeth Dunne** ruled that the two boys were liable for the full amount claimed by Anglo. This still left Anglo's legal eagle, **Philip O'Leary**, a partner with the Cork firm Fitzgerald Solicitors, with egg on his face for his cock-up. Judge Dunne said she was sure it "had caused him many sleepless nights."

The development is in Glanerought, Kenmare, where Collins, Kiernan and



"I'm not being funny, right, but..."

Fitzgerald, bought land using Anglo loans in 2005. Fitzgerald was the main mover in the project and over the years, the three signed a series of facility letters guaranteeing the liabilities of a company called MDZ Ltd, set up to develop the 92-unit development. In 2008, O'Leary was told by Anglo to prepare guarantees, which he sent to the defendants' solicitors. Through inadvertence, he sent out guarantees which included non-recourse provisions, rather than the unlimited versions, which is what he was supposed to send out. After discovering the error a few

days' later, he sent out the correct versions to the defendants' solicitors.

The guarantees that came back to O'Leary were unlimited, he said, but the solicitor noticed that the defendants had signed on the wrong page. He then put a line through the word "Borrower" on a page headed "For Completion by the Borrower," and wrote in the word, "Guarantor." He also crossed out the reference to "MDZ Limited" on the same page and wrote in the name of the relevant guarantor in its place on each document.

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O'Leary told the High Court that although he was embarrassed by what he had done, the alterations made were to reflect the true position of the parties and that they had not altered what had already been agreed. Kiernan, for his part, told the court that the guarantee he had signed

was non-recourse – not the one before the court. He accused the bank of having taken the signature page of the non-recourse guarantee and inserting it into an unlimited guarantee.

However, Judge Dunne was less than impressed with the quality of Kiernan's testimony, saying that he "prevaricated, was hesitant and had poor recollection about almost every detail relating to the signing of the guarantee..." Ultimately she found as "fact" that the two boys "well knew when they signed the guarantees that they were



Mark Daly

signing unlimited guarantees."

Meanwhile, an interesting name to pop during the course of this case was that of Fianna Fáil Senator, **Mark Daly**. The defendants had alleged that the receiver, **Michael Cotter**, appointed by the bank to the Glanerought development, was negligent in his handling of the sale of its units. One of their grounds of complaint was that

Cotter appointed an auctioneer called **Malcolm Tyrell** from a Cork City firm, and not someone who knew the Kenmare market, such as the previous selling agent, **Sean Daly** (Mark's father) of the firm Sherry Fitzgerald Daly. Sean Daly told the court that the

receiver's auctioneer was seeking too low a price for the units. Such was his concern according to Judge Dunne's judgment that "his son Senator Mark Daly contacted **Mr Aynsley**, chief executive of Anglo Irish Bank..." Senator Daly told Goldhawk that he was concerned that the bank was



"He knows everything about art but he doesn't know what he likes."

underselling the current market value and thus losing the taxpayer money. He also said that he had emailed Mike Aynsley and called him, although he wouldn't furnish Goldhawk a copy of the email.

Judge Dunne concluded that the defendants fell far short of providing the court with "the necessary evidence to show that they have suffered any loss by reason of the actions of Mr Cotter or Mr Tyrell."

**NOT for the first time, Peter Farrell, the erstwhile publican from Castleknock, D14, has ran into trouble with the dreaded Taxman. The man behind the boozier Ryan's (on Dublin's**

**Parkgate Street) before it went into receivership in 2002, has now been hit with a judgment of €130,000, courtesy of the Revenue.**

**In 2001 Farrell was hit for a whopping £460,000 by the Revenue. In 2007, the businessman was disqualified from acting as company director for five years, in relation to his property company Novowood Ltd, which went bust in 2005.**

**Elsewhere, Goldhawk's old pal, solicitor Cathal O'Sullivan of O'Sullivan & Associates, D2 – who himself appeared on the list of tax defaulters after he settled for a massive €790,000 last year – registered a €160,000 judgment against Farrell in 2002 but this was finally satisfied last year.**