

Company Registration No 03393234 (England and Wales)

ABSOLUTE PUBLISHING LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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ABSOLUTE PUBLISHING LIMITED

CONTENTS

| | Page |
|-------------------------------------|-------------|
| Directors' report | 1 - 2 |
| Independent auditors' report | 3 |
| Abbreviated profit and loss account | 4 |
| Abbreviated balance sheet | 5 |
| Cash flow statement | 6 |
| Notes to the cash flow statement | 7 |
| Notes to the abbreviated accounts | 8 - 15 |

ABSOLUTE PUBLISHING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the company is that of publishing magazines relating to the travel and leisure industries

The company continued its recovery from the difficult days since the recession started in 2008. Although turnover grew by £855,351 (12.7%) this was not matched by profitability due mainly to the high cost of attracting subscriptions for National Geographic Traveller. Our program for 2013 has concentrated on magazines with consistently higher page yields and consequently we are confident of a substantial boost in profits.

Description of Principal Risks and Uncertainties

As has been the case for several years the main uncertainty in our business is how far print publishing will be affected by the growth in competing digital media. Consequently we have increased our own digital offering and with many of our magazines provide the advertiser with a multiplatform opportunity.

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans to the company. The main purpose of the instruments is to raise funds to finance the company's operations. Due to the nature of the financial instruments used by the company there is no exposure to price risk.

In respect of bank balances, the liquidity risk is managed carefully budgeting to ensure no shortfall arises.

Trade debtors are managed in respect of credit and cash flow risk by ensuring that both credit limits and amounts outstanding are regularly monitored.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling. The company does not hedge against these risks.

Analysis based on key performance indicators

The key financial highlights are as follows:

| | 2012 | 2011 |
|--------------------------|-----------|-----------|
| | £ | £ |
| Turnover | 7,491,721 | 6,636,370 |
| Gross profit/(loss) | 1,313,251 | 1,147,989 |
| Gross profit % | 17.53% | 17.30% |
| Profit/(loss) before tax | 64,270 | 42,085 |

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of an ordinary dividend.

The preference share shareholders have waived their right to dividends in the year.

ABSOLUTE PUBLISHING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Directors

The following directors have held office since 1 January 2012

P D Levinger
A Leyens
A D Weiner
M E Jackson
M Pieri

Auditors

In accordance with the company's articles, a resolution proposing that Arram Berlyn Gardner be reappointed as auditors of the company will be put at a General Meeting

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

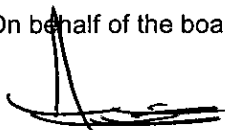
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Statement of disclosure to auditors

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

On behalf of the board



A Leyens

Director

17/9/2013

ABSOLUTE PUBLISHING LIMITED

INDEPENDENT AUDITORS' REPORT TO ABSOLUTE PUBLISHING LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of Absolute Publishing Limited for the year ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Gary Jackson (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner

30/9/2013

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

ABSOLUTE PUBLISHING LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

| | Notes | 2012 £ | 2011 £ |
|---|-------|-------------|-------------|
| Turnover | | 7,491,721 | 6,636,370 |
| Other operating income less cost of sales | | (6,178,470) | (5,488,381) |
| Administrative expenses | | (1,205,902) | (1,069,573) |
| Operating profit | 2 | 107,349 | 78,416 |
| Other interest receivable and similar income | | 1,830 | 20,000 |
| Interest payable and similar charges | 4 | (44,909) | (56,331) |
| Profit on ordinary activities before taxation | | 64,270 | 42,085 |
| Tax on profit on ordinary activities | 5 | - | - |
| Profit for the year | 13 | 64,270 | 42,085 |

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

ABSOLUTE PUBLISHING LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2012

| | Notes | 2012 £ | £ | 2011 £ | £ |
|---|-------|------------------|---------------|------------------|---|
| Fixed assets | | | | | |
| Intangible assets | 6 | 24,022 | | 30,527 | |
| Tangible assets | 7 | 128,416 | | 114,091 | |
| | | <u>152,438</u> | | <u>144,618</u> | |
| Current assets | | | | | |
| Stocks | 8 | 10,000 | | - | |
| Debtors | 9 | 2,866,989 | 2,876,606 | | |
| Cash at bank and in hand | | <u>18,692</u> | <u>11,257</u> | | |
| | | 2,895,681 | | 2,887,863 | |
| | | <u>3,048,119</u> | | <u>3,032,481</u> | |
| Capital and reserves | | | | | |
| Called up share capital | 12 | 76,285 | | 76,285 | |
| Profit and loss account | 13 | 94,462 | | 30,192 | |
| | | <u>170,747</u> | | <u>106,477</u> | |
| Shareholders' funds | 14 | | | | |
| | | | | | |
| Creditors amounts falling due within one year | 10 | 2,877,372 | | 2,886,004 | |
| Creditors amounts falling due after more than one year | 11 | - | | 40,000 | |
| | | <u>3,048,119</u> | | <u>3,032,481</u> | |

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on

17/9/2013

M E Jackson
Director

A Leyens
Director

Company Registration No 03393234

ABSOLUTE PUBLISHING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

| | £ | 2012 £ | £ | 2011 £ |
|--|----------|-----------|----------|-----------|
| Net cash inflow from operating activities | | 106,653 | | 10,195 |
| Returns on investments and servicing of finance | | | | |
| Interest received | 1,830 | | 20,000 | |
| Interest paid | (44,909) | | (56,331) | |
| Net cash outflow for returns on investments and servicing of finance | | (43,079) | | (36,331) |
| Capital expenditure | | | | |
| Payments to acquire tangible assets | (54,236) | | (66,748) | |
| Net cash outflow for capital expenditure | | (54,236) | | (66,748) |
| Net cash inflow/(outflow) before management of liquid resources and financing | | 9,338 | | (92,884) |
| Financing | | | | |
| Other new long term loans | - | | 40,000 | |
| Repayment of other long term loans | (40,000) | | - | |
| (Decrease)/increase in debt | (40,000) | | 40,000 | |
| Net cash (outflow)/inflow from financing | | (40,000) | | 40,000 |
| Decrease in cash in the year | | (30,662) | | (52,884) |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

| 1 | Reconciliation of operating profit to net cash inflow from operating activities | 2012 | 2011 |
|---|---|----------------|---------------|
| | | £ | £ |
| | Operating profit | 107,349 | 78,416 |
| | Depreciation of tangible assets | 39,911 | 34,948 |
| | Amortisation of intangible assets | 6,505 | 7,881 |
| | (Increase)/decrease in stocks | (10,000) | - |
| | Decrease/(increase) in debtors | 9,617 | (214,505) |
| | (Decrease)/Increase in creditors within one year | (46,729) | 103,455 |
| | Net cash inflow from operating activities | 106,653 | 10,195 |

| 2 | Analysis of net debt | 1 January 2012 | Cash flow | Other non-cash changes | 31 December 2012 |
|---|----------------------------------|-------------------------|---------------------|------------------------|-------------------------|
| | | £ | £ | £ | £ |
| | Net cash | | | | |
| | Cash at bank and in hand | 11,257 | 7,435 | - | 18,692 |
| | Bank overdrafts | (683,594) | (38,097) | - | (721,691) |
| | | <u>(672,337)</u> | <u>(30,662)</u> | <u>-</u> | <u>(702,999)</u> |
| | Bank deposits | - | - | - | - |
| | Debt | | | | |
| | Debts falling due after one year | (40,000) | 40,000 | - | - |
| | Net debt | <u>(712,337)</u> | <u>9,338</u> | <u>-</u> | <u>(702,999)</u> |

| 3 | Reconciliation of net cash flow to movement in net debt | 2012 | 2011 |
|---|---|-------------------------|-------------------------|
| | | £ | £ |
| | Decrease in cash in the year | (30,662) | (52,884) |
| | Cash outflow/(inflow) from decrease/(increase) in debt | 40,000 | (40,000) |
| | Movement in net debt in the year | 9,338 | (92,884) |
| | Opening net debt | (712,337) | (619,453) |
| | Closing net debt | <u>(702,999)</u> | <u>(712,337)</u> |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT. Turnover is recognised on the earlier of when the company obtains the right to consideration or publication date

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life

1.5 Magazine Titles

Magazine titles are stated at cost less accumulated amortisation and written off over their estimated useful life

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

| | |
|-------------------------------|----------------------|
| Computer and Office Equipment | 25% Reducing balance |
| Office Furniture | 15% Reducing balance |

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.8 Stock

Stock is valued at the lower of cost and net realisable value

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

1.10 Barter transactions

Advertising provided in exchange for hotel rooms, which are subsequently sold for cash, are included in Sales and Cost of Sales at the amount at which they are subsequently sold on for

1.11 Preference shares

Preference shares are classified and accounted for, according to the substance of the contractual arrangement, as either financial liabilities or equity instruments

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

| | | | |
|--------------|--|-------------------|-------------------|
| 2 | Operating profit | 2012 | 2011 |
| | | £ | £ |
| | Operating profit is stated after charging | | |
| | Amortisation of intangible assets | 6,505 | 7,881 |
| | Depreciation of tangible assets | 39,911 | 34,948 |
| | Loss on foreign exchange transactions | 20,350 | 15,221 |
| | Operating lease rentals | 90,461 | 87,149 |
| | Auditors' remuneration (including expenses and benefits in kind) | 14,900 | 12,000 |
| | | <u> </u> | <u> </u> |
| 3 | Investment income | 2012 | 2011 |
| | | £ | £ |
| | Other interest | 1,830 | 20,000 |
| | | <u> </u> | <u> </u> |
| 4 | Interest payable | 2012 | 2011 |
| | | £ | £ |
| | On bank loans and overdrafts | 38,875 | 43,512 |
| | On overdue tax | 6,034 | 12,819 |
| | | <u> </u> | <u> </u> |
| | | 44,909 | 56,331 |
| | | <u> </u> | <u> </u> |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

| 5 | Taxation | 2012 | 2011 |
|---|---|----------|----------|
| | Total current tax | - | - |
| | Factors affecting the tax charge for the year | | |
| | Profit on ordinary activities before taxation | 64,270 | 42,085 |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 21.00%) | 12,854 | 8,838 |
| | Effects of | | |
| | Non deductible expenses | 4,277 | 7,338 |
| | Depreciation add back | 7,982 | 6,124 |
| | Capital allowances | (7,123) | (14,862) |
| | Tax losses utilised | (17,990) | (3,238) |
| | Other tax adjustments | - | (4,200) |
| | | (12,854) | (8,838) |
| | Current tax charge for the year | - | - |

The company has estimated losses of £ 597 (2011 - £ 88,718) available for carry forward against future trading profits

| 6 | Intangible fixed assets | Magazine Titles £ | Goodwill £ | Total £ |
|---|---|-------------------------|---------------|------------|
| | Cost | | | |
| | At 1 January 2012 & at 31 December 2012 | 86,020 | 10,000 | 96,020 |
| | Amortisation | | | |
| | At 1 January 2012 | 58,493 | 7,000 | 65,493 |
| | Charge for the year | 5,505 | 1,000 | 6,505 |
| | At 31 December 2012 | 63,998 | 8,000 | 71,998 |
| | Net book value | | | |
| | At 31 December 2012 | 22,022 | 2,000 | 24,022 |
| | At 31 December 2011 | 27,527 | 3,000 | 30,527 |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

7 Tangible fixed assets

| | Computer and Office Equipment £ | Office Furniture £ | Total £ |
|-----------------------|--|--------------------------|------------|
| Cost | | | |
| At 1 January 2012 | 262,513 | 45,265 | 307,778 |
| Additions | 52,173 | 2,063 | 54,236 |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2012 | 314,686 | 47,328 | 362,014 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| At 1 January 2012 | 168,077 | 25,610 | 193,687 |
| Charge for the year | 36,653 | 3,258 | 39,911 |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2012 | 204,730 | 28,868 | 233,598 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 31 December 2012 | 109,956 | 18,460 | 128,416 |
| | <hr/> | <hr/> | <hr/> |
| At 31 December 2011 | 94,436 | 19,655 | 114,091 |
| | <hr/> | <hr/> | <hr/> |

8 Stocks

| | 2012 £ | 2011 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 10,000 | - |
| | <hr/> | <hr/> |

9 Debtors

| | 2012 £ | 2011 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 1,773,564 | 2,205,216 |
| Other debtors | 80,931 | 71,398 |
| Prepayments and accrued income | 1,012,494 | 599,992 |
| | <hr/> | <hr/> |
| | 2,866,989 | 2,876,606 |
| | <hr/> | <hr/> |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

| 10 Creditors. amounts falling due within one year | 2012 £ | 2011 £ |
|--|------------------|------------------|
| Bank loans and overdrafts | 721,691 | 683,594 |
| Trade creditors | 1,043,323 | 1,038,326 |
| Taxes and social security costs | 382,497 | 194,058 |
| Directors' current accounts | 50,797 | 25,797 |
| Other creditors | 48,916 | 174,258 |
| Accruals and deferred income | 536,348 | 676,171 |
| Preference shares classed as a financial liability | 93,800 | 93,800 |
| | <u>2,877,372</u> | <u>2,886,004</u> |

Bank loans and overdrafts and Other creditors of £40,000 (2011 £160,000) are secured by fixed and floating charges over the assets of the company

The Redeemable Preference shares do not confer any right to the holder to vote at any general meeting of the company and are redeemable at par at the discretion of the company. The holders of the redeemable preference shares are entitled to receive a fixed 7% preferential dividend each year, where the company has profits available

| 11 Creditors. amounts falling due after more than one year | 2012 £ | 2011 £ |
|--|-----------|-----------|
| Other loans | - | 40,000 |
| Analysis of loans | | |
| Wholly repayable within five years | - | 40,000 |
| | - | 40,000 |
| Loan maturity analysis | | |
| In more than one year but not more than two years | - | 40,000 |

| 12 Share capital | 2012 £ | 2011 £ |
|---|---------------|---------------|
| Allotted, called up and fully paid | | |
| 1,285 Ordinary shares of £1 each | 1,285 | 1,285 |
| 75,000 'B' Ordinary shares of £1 each | 75,000 | 75,000 |
| | <u>76,285</u> | <u>76,285</u> |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

13 Statement of movements on profit and loss account

| | Profit and loss account £ |
|-----------------------------|------------------------------------|
| Balance at 1 January 2012 | 30,192 |
| Profit for the year | 64,270 |
| | <hr/> |
| Balance at 31 December 2012 | 94,462 |
| | <hr/> |

14 Reconciliation of movements in shareholders' funds

| | 2012 £ | 2011 £ |
|-------------------------------|-----------|-----------|
| Profit for the financial year | 64,270 | 42,085 |
| Opening shareholders' funds | 106,477 | 64,392 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 170,747 | 106,477 |
| | <hr/> | <hr/> |

15 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

| | Land and buildings | | Other | |
|-------------------------------|--------------------|-----------|-----------|-----------|
| | 2012 £ | 2011 £ | 2012 £ | 2011 £ |
| Operating leases which expire | | | | |
| Within one year | 2,750 | 21,242 | 4,410 | 4,410 |
| Between two and five years | 77,696 | 39,920 | 14,122 | 10,405 |
| In over five years | - | - | - | 3,717 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 80,446 | 61,162 | 18,532 | 18,532 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

| | | |
|--|------------------|------------------|
| 16 Directors' remuneration | 2012 | 2011 |
| | £ | £ |
| Remuneration for qualifying services | <u>258,375</u> | <u>261,542</u> |
| Remuneration disclosed above include the following amounts paid to the highest paid director | | |
| Remuneration for qualifying services | <u>115,083</u> | <u>90,855</u> |
| 17 Employees | | |
| Number of employees | | |
| The average monthly number of employees (including directors) during the year was | | |
| | 2012 | 2011 |
| | Number | Number |
| Management | 2 | 2 |
| Sales | 32 | 25 |
| Editorial | 25 | 22 |
| Adminstration | 7 | 7 |
| | <u>66</u> | <u>56</u> |
| Employment costs | 2012 | 2011 |
| | £ | £ |
| Wages and salaries | 2,918,416 | 2,598,164 |
| Social security costs | <u>287,206</u> | <u>200,941</u> |
| | <u>3,205,622</u> | <u>2,799,105</u> |

ABSOLUTE PUBLISHING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

18 Related party relationships and transactions

During the year management fees of £29,900 (2011 £4,400) were paid to the partnership of P D and B A Levinger, of which P D Levinger, a director of the company, is a partner. At the year end the company owed the partnership £2,760 (2011 £30,431 owed by) and Mr P D Levinger £25,197 (2011 £12,697).

During the year management fees of £32,315 (2011 £9,038) were paid to Weiner Associates, a partnership of which A D Weiner, a director of the company, is a partner. At the year end the company owed Weiner Associates Limited £3,232 (2011 £nil) and A D Weiner £25,000 (2011 £12,500).

During the year license fees amounting to £33,000 (2011 £54,000) and interest of £11,520 (2011 £16,699) were paid to APL Global Limited, a company in which P D Levinger, A Leyens and M E Jackson are directors. At the year end the company owed APL Global Limited £40,000 (2011 £160,000).

P D Levinger, A Leyens, M E Jackson and A D Weiner, directors of the company, have provided personal guarantees for the company's bank overdraft in total of £600,000 (2011 £500,000).