

## Notes to the financial statements

for the year ended 31 March 2015

**21 Bank loans**

	Consolidated	
	2015 £'000	2014 £'000
<b>Bank borrowings</b>		
Amount falling due:		
– between two and five years	<b>105,000</b>	85,000
	<b>105,000</b>	85,000
Loan issue costs	<b>(1,540)</b>	(583)
	<b>103,460</b>	84,417

The loan facility was secured by guarantees given by all material subsidiaries of KCOM Group PLC in favour of the lending banks.

The bank borrowings are fully repayable in June 2019 and attract an interest rate of LIBOR plus a margin dependent on specific covenants. For further information on interest rate swaps, see Note 27. The above bank facilities were refinanced in June 2014. See Note 27 for further detail.

The fair value of bank borrowings is £91.6 million (2014: £80.7 million). The fair value of cash flows has been estimated using a rate based on the weighted average borrowing rate of 3.2% (2014: 3.9%).