Notes to the consolidated annual financial statements – continued

for the year ended 31 March 2017

26 Interest bearing debt	Group 2017 Rm	Group 2016 Rm	Company 2017 Rm	Company 2016 Rm
Non-current interest bearing debt	**4 744**	4 566	**4 661**	4 306
Total interest bearing debt	**6 285**	5 269	**6 168**	4 826
Gross interest bearing debt	**6 677**	5 803	**6 660**	5 448
Discount on debt instruments issued	**(502)**	(637)	**(502)**	(637)
Finance leases	**110**	103	**10**	15
***Less:* Current portion of interest bearing debt**	**(1 541)**	(703)	**(1 507)**	(520)
Local debt	**(1 500)**	(654)	**(1 500)**	(500)
Bond	**–**	(154)	**–**	–
Commercial paper bills	**(800)**	–	**(800)**	–
Other loans	**(700)**	(500)	**(700)**	(500)
Foreign debt	**(2)**	(18)	**–**	(15)
Finance leases	**(39)**	(31)	**(7)**	(5)
Total interest bearing debt is made up as follows:	**6 285**	5 269	**6 168**	4 826
(a) Local debt	**6 050**	4 994	**6 048**	4 668
Telkom debt instruments	**6 048**	4 668	**6 048**	4 668
Name, maturity, rate p.a., nominal value				
TL20, 2020, 15% (2016:15%), R2 500 million (2016: R2 500 million)	**1 998**	1 868	**1 998**	1 868
Commercial paper bills,2018, 8.348%	**800**	–	**800**	–
Other loans, 2019 - 2021, 8.983% - 9.625% (2016: 8.45% - 8.742%), R3,250 million (2016: R2 800 million)	**3 250**	2 800	**3 250**	2 800
Total interest bearing debt is made up of R6 285 million debt at amortised cost (2016: R5 269 million debt at amortised cost). Finance costs accrued on debt are included in trade and other payables (refer to note 30).				
Other loans are repayable quarterly and biannually, and have maturities ranging from 2019 to 2021.				
Commercial paper bills are repayable at maturity with six and 12 months settlement periods.				
BCX debt instruments	**2**	326	**–**	–
Rand Merchant Bank	**–**	216	**–**	–
The loan was repaid in the current financial year.				
Cisco Capital	**–**	103	**–**	–
The loan was repaid in the current financial year.				
IBM Global Finance	**2**	2	**–**	–
Repayable over 43 months at a fixed rate of 10.7%, unsecured				
Astfin Western Cape Proprietary Limited	**–**	5	**–**	–
The loan was repaid in the current financial year.				
(b) Foreign debt	**125**	172	**110**	143
Telkom				
Maturity, rate p.a., nominal value	**110**	143	**110**	143
Euro: 2022 - 2025, 0.14% (2016: 0.14%), €7.6 million (2016: €7.6 million)	**110**	128	**110**	128
USD: 2011 - 2016, Nil (2016: 2.7055%), USD Nil (2016: USD 1.4 million)	**–**	15	**–**	15

26 Interest bearing debt – continued	Group 2017 Rm	Group 2016 Rm	Company 2017 Rm	Company 2016 Rm
(b) Foreign debt - continued				
BCX	**15**	29		
Stanbic Tanzania	**3**	7	**–**	–
US Dollar denominated loan, repayable over 60 months at interest at a US base rate of 9%, guaranteed by Business Connexion Proprietary Limited.				
Barclays Commercial Mortgage	**4**	6	**–**	–
A pound sterling denominated loan repayable over 20 years at an interest rate of UK prime + 2%, secured by freehold building with a carrying value of R11.4 million.				
Akiba Bank	**8**	16	**–**	–
A Kenyan shilling denominated loan repayable over 48 months at an interest rate of 15%, guaranteed by Business Connexion Proprietary Limited.				
(c) Finance leases	**110**	103	**10**	15
Telkom Content Delivery Platform Software	**10**	15	**10**	15
This amount is repayable within a period of five years at an approximate interest rate of 12.10%.				
BCX various leases	**94**	82	**–**	–
Finance leases are in respect of capitalised leased assets with a carrying value of R72 million (2016: R63 million). BCX has the option to purchase these assets at the end of the lease term. These amounts are repayable between periods of three and five years. Interest rates vary between 6.62% and 9.25%. A variable rate based on the base rate of the Bank of England plus 2% applies to a lease denominated in Great British pounds.				
Trudon various leases	**6**	6	**–**	–
The amounts are repayable between periods of one and five years. Interest rates vary between 5% and 10%.				
Included in non-current and current debt is:				
Debt guaranteed by the South African government	**109**	128	**109**	128

The company may issue or re-issue locally registered debt instruments in terms of the Post Office Amendment Act 85 of 1991. The borrowing powers of the company are set out as per note 21.

Repayments/refinancing of current portion of interest bearing debt
The current portion of interest bearing debt of R1 507 million (2016: R520 million) (nominal) as at 31 March 2017 is expected to be repaid from available cash or operational cash flow and other borrowings.

Management believes that sufficient funding facilities will be available at the date of repayment.