13. BORROWINGS

	30 September 2016 (unaudited) £000	30 September 2015 (unaudited) £000	31 March 2016 (audited) £000
Aviva mortgage	**2,299**	2,189	2,243
Current borrowings	**2,299**	2,189	2,243
Aviva mortgage	**88,791**	91,090	89,955
M&G mortgage	**70,000**	70,000	70,000
Bank borrowings	**150,000**	118,000	150,000
Unamortised debt arrangement costs	**(3,277)**	(3,440)	(3,435)
Non-current borrowings	**305,514**	275,650	306,520
Total borrowings	**307,813**	277,839	308,763

The Group does not hedge account for its interest rate swaps and states them at fair value, with changes in fair value included in the income statement. The loss in the income statement for the period of these interest rate swaps was £971,000 (2015: gain of £482,000). At 30 September 2016 the Group and the Armadillo Partnerships were in compliance with all loan covenants.

14. ADJUSTED NET ASSETS PER SHARE

	30 September 2016 (unaudited) £000	30 September 2015 (unaudited) £000	31 March 2016 (audited) £000
Basic net asset value	**868,249**	794,482	829,387
Exercise of share options	**884**	718	700
EPRA NNNAV	**869,133**	795,200	830,087
Adjustments:			
Fair value of derivatives	**4,654**	3,197	3,683
Fair value of derivatives – share of associates	**123**	41	69
Share of deferred tax on revaluations in associates	**631**	538	573
EPRA NAV	**874,541**	798,976	834,412
Basic net assets per share (pence)	**554.3**	510.0	530.8
EPRA NNNAV per share (pence)	**548.6**	503.5	525.5
EPRA NAV per share (pence)	**552.0**	505.9	528.3
EPRA NAV (£000)	**874,541**	798,976	834,412
Valuation methodology assumption (£000) (see note 15)	**66,674**	48,028	64,560
Adjusted net asset value (£000)	**941,215**	847,004	898,972
Adjusted net assets per share (pence)	**594.1**	536.4	569.1

14. ADJUSTED NET ASSETS PER SHARE (continued)

	No. of shares	No. of shares	No. of shares
Shares in issue	**157,765,696**	157,287,061	157,369,287
Own shares held in EBT	**(1,122,907)**	(1,500,000)	(1,122,907)
Basic shares in issue used for calculation	**156,642,789**	155,787,061	156,246,380
Exercise of share options	**1,797,279**	2,132,912	1,707,743
Diluted shares used for calculation	**158,440,068**	157,919,973	157,954,123

Basic net assets per share are shareholders' funds divided by the number of shares at the period end. Any shares currently held in the Group's Employee Benefit Trust are excluded from both net assets and the number of shares.

Adjusted net assets per share include:

- the effect of those shares issuable under employee share option schemes; and
- the effect of alternative valuation methodology assumptions (see note 15).

15. VALUATIONS OF INVESTMENT PROPERTY

The Group has classified the fair value investment property and the investment property under construction within Level 3 of the fair value hierarchy. There has been no transfer to or from Level 3 in the period.

The freehold and leasehold investment properties have been valued at 30 September 2016 by the Directors. The valuation has been carried out in accordance with the same methodology as the year end valuations prepared by Cushman & Wakefield LLP. Please see the accounts for the year ended 31 March 2016 for details of this methodology.

The Directors' valuations reflect the latest cash flows derived from each of the stores at the end of September. In performing the valuation, the Directors consider that the core assumptions underpinning the valuations including the stabilised occupancy assumptions used, rental growth, and discount rates used by C&W in the March 2016 valuations, are still appropriate at the September valuation date.

Valuation assumption for purchaser's costs

The Group's investment property assets have been valued for the purposes of the financial statements after deducting notional purchaser's cost of circa 6.1% to 6.8% of gross value, as if they were sold directly as property assets. The valuation is an asset valuation which is entirely linked to the operating performance of the business. The assets would have to be sold with the benefit of operational contracts, employment contracts and customer contracts, which would be very difficult to achieve except in a corporate structure.

This approach follows the logic of the valuation methodology in that the valuation is based on a capitalisation of the net operating income after allowing a deduction for operational costs and an allowance for central administration costs. Sale in a corporate structure would result in a reduction in the assumed Stamp Duty Land Tax but an increase in other transaction costs, reflecting additional due diligence, resulting in a reduced notional purchaser's cost of 2.75% of gross value. All the significant sized transactions that have been concluded in the UK in recent years were completed in a corporate structure. The Directors have therefore carried out a valuation on the above basis, and this results in a higher property valuation at 30 September 2016 of £1,240.0 million (£66.0 million higher than the value recorded in the financial statements). The valuations in the Armadillo Partnerships are £3.7 million higher than the value recorded in the financial statements, of which the Group's share is £0.7 million. The sum of these is £66.7 million and translates to 42.1 pence per share. We have included this revised valuation in the adjusted diluted net asset calculation (see note 14).