



British Telecommunications Act 1981

1981 CHAPTER 38

PART I

NEW CORPORATION FOR THE PROVISION OF TELECOMMUNICATION AND DATA PROCESSING SERVICES

The Corporation's accounts, and audit thereof

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- (1) Subject to the following provisions of this section, it shall be the duty of the Corporation—
- (a) to keep proper accounts and proper records in relation thereto;
 - (b) to prepare in respect of each accounting year a statement of accounts giving a true and fair view of the state of affairs and profit or loss of the Corporation; and
 - (c) to prepare in respect of each accounting year such a statement or statements of consolidated accounts dealing with, and giving a true and fair view of the state of affairs and profit or loss of.—
 - (i) the Corporation and all of its subsidiaries (in this section referred to as "the group"); or
 - (ii) some but not all the members of the group, as the Corporation may determine and the Secretary of State and the Treasury may for the time being approve.
- (2) If the Secretary of State with the consent of the Treasury so requires the Corporation by notice in writing, the Corporation shall, in respect of any accounting year to which the notice relates, comply with its obligation under subsection (1)(c), so far as it relates to those members of the group which are specified in the notice, by preparing a statement of consolidated accounts dealing with the members of the group specified in the notice and giving a true and fair view of their state of affairs and profit or loss.

- (3) Every statement of accounts prepared by the Corporation in accordance with this section shall comply with any requirement which the Secretary of State has, after consultation with the Corporation and with the consent of the Treasury, notified in writing to the Corporation relating to—
- (a) the information to be contained in the statement;
 - (b) the manner in which that information is to be presented ; and
 - (c) the methods and principles according to which the statement is to be prepared.
- (4) Subject to any requirement notified to the Corporation under subsection (3), in preparing any statement of accounts in accordance with this section, the Corporation shall follow with respect to each of the matters specified in paragraphs (a) to (c) of that subsection, such course as may for the time being be approved by the Secretary of State with the consent of the Treasury.
- (5) If the Secretary of State after consultation with the Corporation so directs in relation to an accounting year of the Corporation, that accounting year shall end on such date as may be specified in the direction (whether before or after the date on which it would otherwise end).
- (6) The accounts kept, and all statements prepared, by the Corporation under this section shall be audited by auditors appointed for each accounting year by the Secretary of State after consultation with the Corporation.
- (7) A person shall not be qualified for appointment under subsection (6) unless he is a member of one or more bodies of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 by the Secretary of State; but a Scottish firm may be so appointed if each of the partners therein is qualified to be so appointed.
- (8) As soon as the accounts kept, and the statements prepared, by the Corporation under this section have been audited, the Corporation shall send to the Secretary of State—
- (a) a copy of the statements ;
 - (b) copies of the statements of accounts for such of its subsidiaries as the Corporation may, with the approval of the Secretary of State and the consent of the Treasury, determine; and
 - (c) if the Secretary of State with the consent of the Treasury so requires by notice in writing, copies of the statements of accounts for each subsidiary of the Corporation which is specified in the notice,
- together with a copy of any report made by the auditors on the statements or on the accounts of the Corporation ; and the Secretary of State shall lay a copy of every statement and report of which a copy is received by him in pursuance of this subsection before each House of Parliament.