



British Telecommunications Act 1981

1981 CHAPTER 38

PART II

THE POST OFFICE

Finance

73 Borrowing powers of the Post Office and its wholly owned subsidiaries

- (1) The Post Office may borrow temporarily, by way of overdraft or otherwise.—
- (a) in sterling from the Secretary of State; or
 - (b) with the consent of the Secretary of State and the approval of the Treasury, in sterling or a currency other than sterling from a person other than the Secretary of State,
- such sums as may be required for meeting the obligations and discharging the functions of the Post Office or any of its wholly owned subsidiaries.
- (2) The Post Office may borrow, otherwise than by way of temporary loan.—
- (a) in sterling from the Secretary of State; or
 - (b) with the consent of the Secretary of State and the approval of the Treasury, in sterling or a currency other than sterling from a person other than the Secretary of State,
- such sums as may be required by the Post Office or any of its wholly owned subsidiaries for all or any of the purposes mentioned in subsection (3).
- (3) The said purposes are—
- (a) provision of money for meeting any expenses incurred by the Post Office or any of its subsidiaries in connection with any works the cost of which is chargeable to capital account;
 - (b) provision of working capital required by it or any such subsidiary;
 - (c) subscription for, or acquisition of, securities of an incorporated company or other body corporate, promotion of the formation of an incorporated company

Status: This is the original version (as it was originally enacted).

- or participation in the promotion of such a company or acquisition of an undertaking or part of an undertaking ;
- (d) repayment of any money borrowed by it or any such subsidiary and repayment of any sums issued by the Treasury in fulfilment of a guarantee under section 38 of the 1969 Act;
 - (e) repayment of any part of the debt assumed by it under section 33 of that Act; and
 - (f) any other purpose for which capital moneys are properly applicable.
- (4) The Post Office may borrow from any of its wholly owned subsidiaries without any consent, approval or other authority.
- (5) References in this section and section 74 to borrowing by the Post Office do not include references to receiving any money in its capacity as the provider of any services or the supplier of any apparatus, or using money received in that capacity.
- (6) It shall be the duty of the Post Office to secure that none of its wholly owned subsidiaries borrows otherwise than from the Post Office or from another of its wholly owned subsidiaries except with the consent of the Secretary of State and the approval of the Treasury.
- (7) A person lending money to the Post Office shall not be concerned to inquire whether the borrowing of the money is legal or regular or whether the money raised was properly applied and shall not be prejudiced by any illegality or irregularity or by the misapplication or non-application of any of the money.
- (8) This section shall come into operation on the appointed day.