



# British Telecommunications Act 1981

## 1981 CHAPTER 38

### PART II

#### THE POST OFFICE

##### *Finance*

#### 74 Limitation of indebtedness

- (1) The Post Office shall not have the power to borrow money except in accordance with section 73.
- (2) The aggregate of—
  - (a) the amount outstanding, otherwise than by way of interest, in respect of—
    - (i) money borrowed by the Post Office or any of its wholly owned subsidiaries, other than money borrowed on excluded loans ;
    - (ii) sums issued by the Treasury in fulfilment of guarantees under section 38 of the 1969 Act; and
    - (iii) the debt assumed by the Post Office under section 33 of that Act; and
  - (b) sums received by it under section 3(1) of the Post Office (Banking Services) Act 1976 (public dividend capital),shall not at any time exceed £1,200 million or such greater sum, not exceeding £1,700 million, as the Secretary of State may from time to time by order specify.
- (3) A loan is an excluded loan for the purposes of subsection (1) if it consists of money borrowed—
  - (a) by the Post Office from one of its wholly owned subsidiaries ; or
  - (b) by one of its wholly owned subsidiaries from another such subsidiary or from the Post Office.
- (4) An order under subsection (2) shall be made by statutory instrument, and no such order shall be made unless a draft thereof has been approved by a resolution of the Commons House of Parliament.

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*Status: This is the original version (as it was originally enacted).*

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(5) This section shall come into operation on the appointed day.