



Coal Industry Act 1977

1977 CHAPTER 39

Finance

1 Borrowing powers of National Coal Board

(1) For section 1(3) and (4) of the Act of 1965 (subsection (3) of which limits the sums borrowed by the Board and their wholly owned subsidiaries to £1,100 million or such greater sum not exceeding £1,400 million as the Secretary of State may by order specify) substitute the following subsections—

“(3) Without prejudice to subsection (4) of this section, the aggregate amount outstanding in respect of the principal of—

- (a) sums borrowed by the Board otherwise than from any of their wholly owned subsidiaries (including any sum which under section 1(4) of the Coal Industry Act 1973 is deemed to have been so borrowed), and
- (b) sums borrowed by any wholly owned subsidiary of the Board otherwise than from the Board or from another such subsidiary,

shall not exceed the limit of £1,800 million, but the Secretary of State may with the approval of the Treasury, on not more than two occasions, by order made by statutory instrument increase or further increase that limit by £400 million (so that the limit becomes £2,200 million or on the second occasion £2,600 million).

(4) The aggregate of the amounts outstanding in respect of sums borrowed temporarily by the Board under subsection (1) and subsection (2A) of this section—

- (a) shall not at any time exceed such limit as the Secretary of State may from time to time direct, and
- (b) at the end of any financial year of the Board shall not be such as to permit any accumulated deficit on the Board's revenue account to exceed £50 million or such lesser or greater sum, but not exceeding £100 million, as the Secretary of State with the approval of the Treasury may specify by order made by statutory instrument.”

Status: This is the original version (as it was originally enacted).

- (2) In Part I of Schedule 1 to this Act the provisions of the said section 1 of the Act of 1965, and of section 2 of the Act of 1973 (which also relates to the borrowing powers of the Board and its subsidiaries), are set out as amended by the enactments specified in Part II of that Schedule.