

**2012 No. 1127**

**POSTAL SERVICES**

**The Postal Services Act 2011 (Penalties) (Rules for Calculation of Turnover) Order 2012**

*Made* - - - - *19th April 2012*

*Coming into force in accordance with article 1*

The Secretary of State makes the following Order in exercise of the powers conferred by paragraph 7(2) of Schedule 7 to the Postal Services Act 2011(a).

A draft of this Order has been laid before Parliament in accordance with section 89(4) of and Schedule 7 paragraph 7(5) to that Act and approved by resolution of each House of Parliament.

**Citation and commencement**

1. This Order may be cited as the Postal Services (Penalties) (Rules for Calculation of Turnover) Order 2012 and comes into force on the day following the day on which it is made.

**Rules for calculation of turnover for the purposes of Schedule 7**

2. The rules for the calculation of turnover for the purposes of paragraph 7 of Schedule 7 to the Postal Services Act 2011 shall be the rules set out in the Schedule to this Order.

19th April 2012

*Mark Prisk*  
Minister of State for Business and Enterprise  
Department for Business, Innovation and Skills

**SCHEDULE**

Article 2

**Rules for calculation of turnover for purposes of paragraph 7 of Schedule 7 to the Postal Services Act 2011**

**General rules**

1. The turnover of a person's postal services business shall be calculated in conformity with accounting practices and principles which are generally accepted in the United Kingdom.

2. The turnover shall be limited to the amounts derived from the person's postal services business after deduction of sales rebates, value added tax and other taxes directly related to turnover.

3. When a person's postal services business consists of two or more undertakings that each prepare accounts then the turnover shall be calculated by adding together the turnover of each, save that no account shall be taken of any turnover resulting from the supply of goods or the provision of services between them.

### EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order sets out rules governing the way in which the turnover of a person on whom OFCOM imposes a penalty under Schedule 7 to the Postal Services Act 2011 should be calculated.

A penalty may be imposed on a person to whom OFCOM has given a notification under paragraph 2, (contravention of a regulatory requirement), or an enforcement notification under paragraph 5(2) (contravention of a requirement in a notification under paragraph 2), of Schedule 7.

Where OFCOM determines under Schedule 7 that a person is in contravention of a requirement of a notification, it may impose on that person a penalty of up to 10 per cent of the turnover of the person's postal services business, calculated in accordance with the rules specified in this Order.

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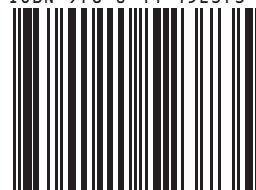
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