



Companies Act 2006

2006 CHAPTER 46

PART 38

COMPANIES: INTERPRETATION

Other definitions

1163 “Non-cash asset”

- (1) In the Companies Acts “non-cash asset” means any property or interest in property, other than cash.

For this purpose “cash” includes foreign currency.

- (2) A reference to the transfer or acquisition of a non-cash asset includes—
- (a) the creation or extinction of an estate or interest in, or a right over, any property, and
 - (b) the discharge of a liability of any person, other than a liability for a liquidated sum.

1164 Meaning of “banking company” and “banking group”

- (1) This section defines “banking company” and “banking group” for the purposes of the Companies Acts.
- (2) “Banking company” means a person who has permission under [F1Part 4A] of the Financial Services and Markets Act 2000 (c. 8) to accept deposits, other than—
- (a) a person who is not a company, and
 - (b) a person who has such permission only for the purpose of carrying on another regulated activity in accordance with permission under that Part.
- (3) The definition in subsection (2) must be read with section 22 of that Act, any relevant order under that section and Schedule 2 to that Act.

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- (4) References to a banking group are to a group where the parent company is a banking company or where—
- (a) the parent company's principal subsidiary undertakings are wholly or mainly credit institutions, and
 - (b) the parent company does not itself carry on any material business apart from the acquisition, management and disposal of interests in subsidiary undertakings.

“Group” here means a parent undertaking and its subsidiary undertakings.

- (5) For the purposes of subsection (4)—
- (a) a parent company's principal subsidiary undertakings are the subsidiary undertakings of the company whose results or financial position would principally affect the figures shown in the group accounts, and
 - (b) the management of interests in subsidiary undertakings includes the provision of services to such undertakings.

Textual Amendments

- F1** Words in s. 1164(2) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 18 para. 121](#) (with [Sch. 20](#)); [S.I. 2013/423](#), art. 3, [Sch.](#)

1165 Meaning of “insurance company” and related expressions

- (1) This section defines “insurance company”, “authorised insurance company”, “insurance group” and “insurance market activity” for the purposes of the Companies Acts.
- (2) An “authorised insurance company” means a person (whether incorporated or not) who has permission under [^{F2}Part 4A] of the Financial Services and Markets Act 2000 (c. 8) to effect or carry out contracts of insurance.
- (3) An “insurance company” means—
 - (a) an authorised insurance company, or
 - (b) any other person (whether incorporated or not) who—
 - (i) carries on insurance market activity, or
 - (ii) may effect or carry out contracts of insurance under which the benefits provided by that person are exclusively or primarily benefits in kind in the event of accident to or breakdown of a vehicle.
- (4) Neither expression includes a friendly society within the meaning of the Friendly Societies Act 1992 (c. 40).
- (5) References to an insurance group are to a group where the parent company is an insurance company or where—
 - (a) the parent company's principal subsidiary undertakings are wholly or mainly insurance companies, and
 - (b) the parent company does not itself carry on any material business apart from the acquisition, management and disposal of interests in subsidiary undertakings.

“Group” here means a parent undertaking and its subsidiary undertakings.

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- (6) For the purposes of subsection (5)—
- (a) a parent company's principal subsidiary undertakings are the subsidiary undertakings of the company whose results or financial position would principally affect the figures shown in the group accounts, and
 - (b) the management of interests in subsidiary undertakings includes the provision of services to such undertakings.
- (7) “Insurance market activity” has the meaning given in section 316(3) of the Financial Services and Markets Act 2000.
- (8) References in this section to contracts of insurance and to the effecting or carrying out of such contracts must be read with section 22 of that Act, any relevant order under that section and Schedule 2 to that Act.

Textual Amendments

- F2** Words in s. 1165(2) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 18 para. 122](#) (with [Sch. 20](#)); [S.I. 2013/423](#), art. 3, [Sch.](#)

1166 “Employees' share scheme”

For the purposes of the Companies Acts an employees' share scheme is a scheme for encouraging or facilitating the holding of shares in or debentures of a company by or for the benefit of—

- (a) the bona fide employees or former employees of—
 - (i) the company,
 - (ii) any subsidiary of the company, or
 - (iii) the company's holding company or any subsidiary of the company's holding company, or
- (b) the spouses, civil partners, surviving spouses, surviving civil partners, or minor children or step-children of such employees or former employees.

1167 Meaning of “prescribed”

In the Companies Acts “prescribed” means prescribed (by order or by regulations) by the Secretary of State.

Commencement Information

- I1** S. 1167 wholly in force at 30.9.2007; s. 1167 not in force at Royal Assent, see s. 1300; s. 1167 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), [art. 3\(3\)](#) (subject to [art. 5](#), [Sch. 1](#) and with [arts. 6, 8](#), [Sch. 5](#)); s. 1167 in force at 30.9.2007 by [S.I. 2007/2607](#), [art. 2\(2\)](#)

1168 Hard copy and electronic form and related expressions

- (1) The following provisions apply for the purposes of the Companies Acts.
- (2) A document or information is sent or supplied in hard copy form if it is sent or supplied in a paper copy or similar form capable of being read.

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References to hard copy have a corresponding meaning.

- (3) A document or information is sent or supplied in electronic form if it is sent or supplied—
- (a) by electronic means (for example, by e-mail or fax), or
 - (b) by any other means while in an electronic form (for example, sending a disk by post).

References to electronic copy have a corresponding meaning.

- (4) A document or information is sent or supplied by electronic means if it is—
- (a) sent initially and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data, and
 - (b) entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means.

References to electronic means have a corresponding meaning.

- (5) A document or information authorised or required to be sent or supplied in electronic form must be sent or supplied in a form, and by a means, that the sender or supplier reasonably considers will enable the recipient—
- (a) to read it, and
 - (b) to retain a copy of it.
- (6) For the purposes of this section, a document or information can be read only if—
- (a) it can be read with the naked eye, or
 - (b) to the extent that it consists of images (for example photographs, pictures, maps, plans or drawings), it can be seen with the naked eye.
- (7) The provisions of this section apply whether the provision of the Companies Acts in question uses the words “sent” or “supplied” or uses other words (such as “deliver”, “provide”, “produce” or, in the case of a notice, “give”) to refer to the sending or supplying of a document or information.

Commencement Information

I2 S. 1168 wholly in force at 1.10.2009; s. 1168 not in force at Royal Assent, see s. 1300; s. 1168 in force for specified purposes at 1.1.2007 and 20.1.2007 by [S.I. 2006/3428](#), {arts. 2(2)(f), 3(2)(c)} (subject to art. 5, Sch. 1 and with arts. 6, 8, Sch. 5); s. 1168 in force for further specified purposes at 6.4.2007 by [S.I. 2007/1093](#), [art. 2\(2\)\(g\)](#) (with [art. 11\(1\)](#)); s. 1168 in force for specified purposes at 1.10.2007 and 15.12.2007 by [S.I. 2007/2194](#), [arts. 2\(3\)\(j\), 4\(2\)\(a\)](#) (with saving in [art. 12](#)); s. 1168 in force for further specified purposes at 6.4.2008 and 1.10.2008 by [S.I. 2007/3495](#), [arts. 3\(3\)\(i\), 5\(3\)\(b\)](#) (with savings in [arts. 7, 12](#)); s. 1168 otherwise in force at 1.10.2009 by [S.I. 2008/2860](#), [art. 3\(u\)](#) (with [arts. 5, 7, 8, Sch. 2](#)) (as amended by [S.I. 2009/1802](#), [art. 18](#))

1169 Dormant companies

- (1) For the purposes of the Companies Acts a company is “dormant” during any period in which it has no significant accounting transaction.

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- (2) A “significant accounting transaction” means a transaction that is required by section 386 to be entered in the company's accounting records.
- (3) In determining whether or when a company is dormant, there shall be disregarded—
- (a) any transaction arising from the taking of shares in the company by a subscriber to the memorandum as a result of an undertaking of his in connection with the formation of the company;
 - (b) any transaction consisting of the payment of—
 - (i) a fee to the registrar on a change of the company's name,
 - (ii) a fee to the registrar on the re-registration of the company,
 - (iii) a penalty under section 453 (penalty for failure to file accounts), or
 - (iv) a fee to the registrar for the registration of [^{F3}a confirmation statement].
- (4) Any reference in the Companies Acts to a body corporate other than a company being dormant has a corresponding meaning.

Textual Amendments

- F3** Words in s. 1169(3)(b)(iv) substituted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\), ss. 93\(6\), 164\(1\); S.I. 2016/321, reg. 6\(b\)](#)

Modifications etc. (not altering text)

- C1** S. 1169 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008 \(S.I. 2008/1911\), reg. 53](#)
- C2** S. 1169 applied by 2004 c. 12, s. 279(1E) (as inserted (15.3.2018 for specified purposes, 6.4.2018 in so far as not already in force) by [Finance Act 2018 \(c. 3\), Sch. 3 paras. 1\(6\), 2\(1\)\(c\)\(2\)\(c\)\(3\)](#))

1170 Meaning of “EEA State” and related expressions

In the Companies Acts—

[^{F4} “ EEA State ” has the meaning given by Schedule 1 to the Interpretation Act 1978;

“ EEA company” and “ EEA undertaking” mean a company or undertaking governed by the law of an EEA State.]

Textual Amendments

- F4** S. 1170: definition substituted (9.3.2007) by [The Companies \(EEA State\) Regulations 2007 \(S.I. 2007/732\), reg. 3](#)

[^{F5}1170A Receiver or manager and certain related references

- (1) Any reference in the Companies Acts to a receiver or manager of the property of a company, or to a receiver of it, includes a receiver or manager or (as the case may be) a receiver of part only of that property and a receiver only of the income arising from the property or from part of it.
- (2) Any reference in the Companies Acts to the appointment of a receiver or manager under powers contained in an instrument includes an appointment made under powers

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that by virtue of an enactment are implied in and have effect as if contained in an instrument.

Textual Amendments

- F5** Ss. 1170A, 1170B inserted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 2(1), **Sch. 1 para. 260(8)** (with art. 10)

1170B Meaning of “contributory”

- (1) In the Companies Acts “contributory” means every person liable to contribute to the assets of a company in the event of its being wound up.
- (2) For the purposes of all proceedings for determining, and all proceedings prior to the final determination of, the persons who are to be deemed contributories, the expression includes any person alleged to be a contributory.
- (3) The reference in subsection (1) to persons liable to contribute to the assets does not include a person so liable by virtue of a declaration by the court under—
 - (a) section 213 of the Insolvency Act 1986 or Article 177 of the Insolvency (Northern Ireland) Order 1989 (fraudulent trading), or
 - (b) section 214 of that Act or Article 178 of that Order (wrongful trading).]

Textual Amendments

- F5** Ss. 1170A, 1170B inserted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 2(1), **Sch. 1 para. 260(8)** (with art. 10)

1171 The former Companies Acts

In the Companies Acts—

“the former Companies Acts” means—

- (a) the Joint Stock Companies Acts, the Companies Act 1862 (c. 89), the Companies (Consolidation) Act 1908 (c. 69), the Companies Act 1929 (c. 23), the Companies Act (Northern Ireland) 1932 (c. 7 (N.I.)), the Companies Acts 1948 to 1983, the Companies Act (Northern Ireland) 1960 (c. 22 (N.I.)), the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)) and the Companies Consolidation (Consequential Provisions) (Northern Ireland) Order 1986 (S.I. 1986/1035 (N.I. 9)), and
- (b) the provisions of the Companies Act 1985 (c. 6) and the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9) that are no longer in force;

“the Joint Stock Companies Acts” means the Joint Stock Companies Act 1856 (c. 47), the Joint Stock Companies Acts 1856, 1857 (20 & 21 Vict. c. 14), the Joint Stock Banking Companies Act 1857 (c. 49), and the Act to enable Joint Stock Banking Companies to be formed on the principle of limited liability (1858 c. 91), but does not include the Joint Stock Companies Act 1844 (c. 110).

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 1989/638, Sch. 4 by [S.I. 2024/410 Sch. 2 para. 1](#)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 479A(2)(c)(zi) inserted by [S.I. 2019/177 reg. 4\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 4 substituted by regs. 4, 4A immediately before IP completion day by S.I. 2019/1392, regs. 1(2), 4)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34 by [S.R. 2024/78 reg. 31\(4\)](#)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34A by [S.R. 2024/78 reg. 31\(5\)](#)
- s. 1087A-1807C applied by S.I. 2009/2436, Sch. 1 para. 20(1)(ca) (as substituted) by [S.I. 2024/410 Sch. 2 para. 5\(d\)\(ii\)](#)
- Sch. 10 para. 6(2D) inserted by [S.I. 2019/177 reg. 28\(e\)](#) (This amendment not applied to legislation.gov.uk. Reg. 28(e) omitted immediately before IP completion day by virtue of S.I. 2020/523, regs. 1(2), 14(e)(iv))
- Sch. 10 para. 7(2A) inserted by [S.I. 2019/177 reg. 29\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 29 substituted immediately before IP completion day by S.I. 2020/523, regs. 1(2), 14(f))