

*These notes refer to the Companies Act 2006 (c.46)  
which received Royal Assent on 8 November 2006*

# COMPANIES ACT 2006

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## EXPLANATORY NOTES

### TERRITORIAL EXTENT AND DEVOLUTION

#### *Chapter 2: Articles of Association*

#### *Section 18: Articles of association*

66. This section replaces section 7(1) and (3) and section 744 of the 1985 Act. It carries forward the requirement that all registered companies must have articles. The provisions of this section have been updated to reflect the changes made by section 19, which gives the Secretary of State the power to prescribe “default” model articles for different descriptions of companies. As a result of this change, some types of company that are currently required to register articles with the relevant registrar of companies (for example, private companies limited by guarantee) will have the option of not registering articles but relying on the “relevant model articles” for that description of company.
67. As now, the articles must be contained in a single document and must be divided into consecutively numbered paragraphs.
68. Generally speaking, companies formed under the 1985 Act have freedom to make such rules about their internal affairs as they see fit, subject to the qualification that if a company’s articles contain anything that is contrary to the provisions of that Act, or against the general law, then it will have no effect. This principle will also apply to the articles of companies which are formed and registered under the Act.