



# Companies Act 2006

## 2006 CHAPTER 46

### PART 10

#### A COMPANY'S DIRECTORS

### CHAPTER 9

#### SUPPLEMENTARY PROVISIONS

#### *Meaning of “director” and “shadow director”*

#### **251 “Shadow director”**

- (1) In the Companies Acts “shadow director”, in relation to a company, means a person in accordance with whose directions or instructions the directors of the company are accustomed to act.
- (2) A person is not to be regarded as a shadow director by reason only that the directors act <sup>F1</sup>—
  - (a) on advice given by that person in a professional capacity;
  - (b) in accordance with instructions, a direction, guidance or advice given by that person in the exercise of a function conferred by or under an enactment;
  - (c) in accordance with guidance or advice given by that person in that person's capacity as a Minister of the Crown (within the meaning of the Ministers of the Crown Act 1975)]
- (3) A body corporate is not to be regarded as a shadow director of any of its subsidiary companies for the purposes of—
  - Chapter 2 (general duties of directors),
  - Chapter 4 (transactions requiring members' approval), or
  - Chapter 6 (contract with sole member who is also a director),

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**Status:** Point in time view as at 26/05/2015.

**Changes to legislation:** Companies Act 2006, Section 251 is up to date with all changes known to be in force on or before 04 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

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by reason only that the directors of the subsidiary are accustomed to act in accordance with its directions or instructions.

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**Textual Amendments**

- F1** Words in s. 251(2) substituted (26.5.2015) by [Small Business, Enterprise and Employment Act 2015](#) (c. 26), [ss. 90\(3\)](#), [164\(3\)\(g\)\(iii\)](#)

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