Meaning of “subsidiary” etc

(1) A company is a “subsidiary” of another company, its “holding company”, if that other company—
   (a) holds a majority of the voting rights in it, or
   (b) is a member of it and has the right to appoint or remove a majority of its board of directors, or
   (c) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it,
   or if it is a subsidiary of a company that is itself a subsidiary of that other company.

(2) A company is a “wholly-owned subsidiary” of another company if it has no members except that other and that other's wholly-owned subsidiaries or persons acting on behalf of that other or its wholly-owned subsidiaries.

(3) Schedule 6 contains provisions explaining expressions used in this section and otherwise supplementing this section.

(4) In this section and that Schedule “company” includes any body corporate.
1160 Meaning of “subsidiary” etc: power to amend

(1) The Secretary of State may by regulations amend the provisions of section 1159 (meaning of “subsidiary” etc) and Schedule 6 (meaning of “subsidiary” etc: supplementary provisions) so as to alter the meaning of the expressions “subsidiary”, “holding company” or “wholly-owned subsidiary”.

(2) Regulations under this section are subject to negative resolution procedure.

(3) Any amendment made by regulations under this section does not apply for the purposes of enactments outside the Companies Acts unless the regulations so provide.

(4) So much of section 23(3) of the Interpretation Act 1978 (c. 30) as applies section 17(2) (a) of that Act (effect of repeal and re-enactment) to deeds, instruments and documents other than enactments does not apply in relation to any repeal and re-enactment effected by regulations under this section.
Changes to legislation:
Companies Act 2006, Cross Heading: Meaning of “subsidiary” and related expressions is up to date with all changes known to be in force on or before 12 April 2020. 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.
View outstanding changes

Changes and effects yet to be applied to:

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
– 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):
– Ch. 1 Pt. 28 extended (Isle of Man) (with modifications) by S.I. 2019/567 Sch.
– s. 156A-156C inserted by 2015 c. 26 s. 87(4)
– 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. 494ZA(5)(a)(iii)(iv) substituted for s. 494ZA(5)(a)(iii) by S.I. 2019/177 reg. 5(b)
– s. 835E(6) words substituted by S.I. 2019/348 Sch. 1 para. 13
– s. 943(1A) inserted by S.I. 2019/217 reg. 3(b)
– s. 966(3)-(3G) substituted for s. 966(3) by S.I. 2019/217 reg. 7(4)
– s. 1047(4)(ba) inserted by S.I. 2019/348 Sch. 1 para. 14(b)(ii)
– s. 1099(3)(c)(ca) substituted for s. 1099(3)(c) by S.I. 2018/1299 reg. 62(2)
– s. 1253B(1A) inserted by S.I. 2019/177 reg. 18(c)
– s. 1286(1)(c) inserted by S.I. 2018/1299 reg. 62(3)(c)
– Sch 1C applied by 2009/2436 Sch. 1 para 14(A1) (as inserted) by S.I. 2019/217 reg. 20
– Sch. 2 Pt. 2 s. Epara. 5 omitted by S.I. 2019/217 reg. 15
– Sch. 10 para. 20A(1) Sch. 10 para. 20A renumbered as Sch. 10 para. 20A(1) by S.I. 2019/177 reg. 32(a)
– Sch. 10 para. 6(2D) inserted by S.I. 2019/177 reg. 28(e)
– Sch. 10 para. 7(2A) inserted by S.I. 2019/177 reg. 29(b)
– Sch. 10 para. 20A(2) inserted by S.I. 2019/177 reg. 32(h)
– Sch. 10 para. 13(5)(b)(ii)(iii) substituted for Sch. 10 para. 13(5)(b)(ii) by S.I. 2019/177 reg. 30(b)
– Sch. 10 para. 20A(1) words inserted by S.I. 2019/177 reg. 32(b)
– Sch. 10 para. 20A(1) words inserted by S.I. 2019/177 reg. 32(c)
– Sch. 10 para. 20A(1) words omitted by S.I. 2019/177 reg. 32(c)
– Sch. 10 para. 20A(1) words omitted by S.I. 2019/177 reg. 32(g)
– Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(d)(i)
– Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(d)(ii)
– Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(d)(iii)
– Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(i)
– Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(ii)
– Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(iii)
– Sch. 11 para. 9(5) inserted by S.I. 2019/177 reg. 34(b)