

Responsibilities of Company Directors

If your organisation is incorporated (i.e., registered) as a limited company, your Management Committee members are also usually the Company Directors.

This has several implications which you should be aware of:

1. Duties of Company Directors

Since October 2007, there are now statutory duties of company directors, under the Companies Act 2006. All Management Committee members need to be aware of their duties to:

- Act within their powers
- Promote the success of the company
- Exercise independent judgement
- Exercise reasonable care, skill, and diligence

For more information, see NICVA's article on [Running a charitable company](#).

2. Changes to Company Directors

[Companies House](#) must be advised within 14 days of any changes to the Company Directors. This means that if a member of your management committee resigns or you conduct new elections to your committee, you will need to advise Companies House promptly.

Submit the relevant forms online through [Companies House WebFiling service](#).

3. Conflicts of Interest

Since October 2008, Directors have a statutory duty to avoid conflicts of interest. Directors are required to declare an interest in a proposed or existing transaction or arrangement with the company. They are also not allowed to accept benefits from third parties.

For more information, see NICVA's article on [Conflicts of Interest](#)

4. People with Significant Control

From 6 April 2016 companies, including not for profit companies, are legally required to keep a register of individuals or legal entities that have control over them, known as 'people with significant control (PSC)' and 'relevant legal entities (RLEs)'.

For more information, please see NICVA's information sheet – [People with significant control register \(PSC Register\)](#)

Other useful links

- [Companies House guidance on the role and responsibilities of Directors and Secretaries](#)
- [Company Law Help! Sheet](#)