

---

STATUTORY INSTRUMENTS

---

**2015 No. 1493**

**The European Grouping of Territorial  
Cooperation Regulations 2015**

**PART 2**

**PROVISIONS RELATING TO THE ESTABLISHMENT OF AN EGTC**

**Establishment of an EGTC and eligibility to participate in the activities of an EGTC (Article 4(3) of the EU Regulation)**

**3.—**(1) Any entity falling within one of the categories set out in article 3(1) of the EU Regulation which by virtue of any enactment is restricted in its ability to be a member of a company will be restricted to the same extent in its ability to be a member of an EGTC.

(2) Any entity that falls within one of the categories set out in article 3(1) of the EU Regulation and, which has its registered office in the UK must not engage in the activities of an EGTC until its membership of that EGTC has been approved by the Secretary of State in writing.

**Acquisition of legal personality (Article 5(1) of the EU Regulation)**

**4.—**(1) For the purposes of article 5(1) of the EU Regulation the statutes referred to in article 9 of the EU Regulation, the convention, and any subsequent amendments to the statutes or to the convention must be published—

- (a) in the case of a UK EGTC with a registered office in England and Wales, in the London Gazette;
- (b) in the case of a UK EGTC with a registered office Scotland, in the Edinburgh Gazette;
- (c) in the case of a UK EGTC with a registered office in Northern Ireland, in the Belfast Gazette.

**Competent Authority (Articles 4(4) and 13(1) of the EU Regulation)**

**5.—**(1) The Secretary of State is the competent authority for the purpose of receiving notifications and documents under article 4(2) and 4(6) of the EU Regulation.

(2) The Secretary of State is the competent body under article 13 of the EU Regulation for the purpose of prohibiting any activity carried on by an EGTC in the United Kingdom which contravenes—

- (a) any enactment or rule of law providing for public policy, public security, public health or public morality, or
- (b) the public interest of the United Kingdom.

**Proceedings in relation to the winding-up of a UK EGTC (Article 14(1) of the EU Regulation)**

6.—(1) The High Court is the competent court for the purpose of ordering the winding-up of a UK EGTC which has its registered office in England and Wales or in Northern Ireland.

(2) The Court of Session will be the competent court for the purposes of ordering the winding-up of a UK EGTC which has its registered office in Scotland.

**Budget (Article 11 of the EU Regulation)**

7.—(1) The following provisions in the 2006 Act will apply to a UK EGTC as if it were a company entitled to prepare accounts in accordance with the small companies regime—

- (a) Chapter 2 of Part 15 (accounting records);
  - (b) section 390 (financial year);
  - (c) section 391 (accounting reference periods and accounting reference date), except that references to the date of being incorporated and of incorporation are treated as references to the date of publication in the Gazette of the EGTC's statutes and convention pursuant to these Regulations;
  - (d) Chapters 4, 5 and 7 of Part 15 (annual accounts, directors' report and publication);
  - (e) Chapter 11 of Part 15 (revision of defective accounts and reports), except section 456(2) and (7);
  - (f) section 464(2) (accounting standards);
  - (g) section 469 (preparation and filing of accounts in euros);
  - (h) section 471 (meaning of "annual accounts" and related expressions);
  - (i) section 472 (notes to accounts);
  - (j) section 475 (requirement for audited accounts), except—
    - (i) the words "section 477(small companies), or" in subsection (1)(a);
    - (ii) subsection (1)(b);
  - (k) section 476 (right of members to require audit);
  - (l) sections 480 and 481 (exemption from audit: dormant companies);
  - (m) sections 495 and 496 (auditor's report);
  - (n) section 498 to 501 (duties and rights of auditors);
  - (o) section 503 (signature of auditors report), except that the reference in subsection (3) to the senior statutory auditor will be read as a reference to the person who signed the report on behalf of the firm;
  - (p) section 505 (names to be stated in published copies of the auditor's report), except—
    - (i) that the reference in subsection (1)(a) to the senior statutory auditor shall be read as a reference to the person who signed the report on behalf of the firm, and
    - (ii) subsection (1)(b).
- (2) A UK EGTC must—
- (a) ensure that its latest accounts are available for inspection at its registered office by any person, without charge and during business hours;
  - (b) supply a copy of those accounts to any person on request at a price not exceeding the administrative cost of making and supplying the copy.

(3) The members of a UK EGTC must appoint an auditor in accordance with the decision-making procedures contained in the statutes of that UK EGTC.

(4) The auditor of a UK EGTC must be a person who—

- (a) is eligible for appointment as a statutory auditor under Part 42 of the 2006 Act, and
- (b) if the appointment is an appointment as a statutory auditor, would not be prohibited from acting by section 1214 of the 2006 Act (independence requirement).

#### **Insolvency and winding up (Article 12(1) of the EU Regulation)**

**8.—(1)** A UK EGTC will be wound-up as an unregistered company—

- (a) if its registered office is in England and Wales or in Scotland, under Part 5 of the 1986 Act; or
- (b) if its registered office is in Northern Ireland, under Part 6 of the 1989 Order.

(2) The provisions of the 1986 Act or the 1989 Order and the Insolvency Rules apply to a UK EGTC that is being wound up in accordance with paragraph (1), with the modifications set out in Parts 2 and 3 of the Schedule to The European Grouping of Territorial Cooperation Regulations 2007<sup>(1)</sup>.

---

<sup>(1)</sup> S.I. 2007/1949.