

## Small Electronic Money Institutions

### FSA064 Return Help Text

#### Data Elements

These are referred to by row first then by column, so 'Data Element 2A' will be the element numbered 2 in column A.

#### Currency

FSA064 Elements 27A, 28A & 29A **must** be submitted in €. All other financial data can be submitted in either € or £.

#### Currency units

Data elements should be submitted in units of thousands.

### FSA064 Small Electronic Money Institution return

#### Section 1: Capital adequacy

**Refer to Chapter 9 (Capital resources & requirements) of the Electronic Money Approach Document [<http://www.fca.org.uk/static/fca/documents/fsa-psd-approach-latest.pdf>]**

#### Part One: Capital requirement

**Element 1A** Firms should insert the firm's initial capital requirement as set out in the Electronic Money Regulations 2011. There is no initial capital requirement for small EMIs whose business activities generate (or are projected to generate) average outstanding e-money of less than €500,000. If this figure is exceeded the Own Funds requirement is calculated as 2% of 'average outstanding electronic money at the end of each calendar day over the preceding 6 months' (2% x the figure in Element 4A).

Small EMIs that have not completed a sufficiently long period of business to calculate the amount of average outstanding e-money for these purposes should use the projected figure submitted in the business plan in their application for authorisation (subject to any adjustments that we have required).

If the figure for 'average outstanding electronic money' (Element 4A) is less than €500,000 enter figures into Elements 3A and 4A only.

#### Part Two: Total capital resources

**Element 7A** Insert the total paid up capital, including share premium accounts, but excluding amounts arising in respect of cumulative preference shares.

**Element 8A** Insert the total of all reserves, other than revaluation reserves, fair value reserves related to gains or losses on cash flow hedges of financial instruments at amortised cost and that part of profit & loss reserves that arises from any gains on liabilities valued at fair value that are due to changes in the firm's credit standing.

**Element 9A** Insert the profit or loss brought forward as a result of the application of the final profit or loss for the period. Interim profits may only be included if they are verified by the firm's auditors and are reported net of any foreseeable charge or dividend.

**Element 10A** Insert the total revaluation reserves.

**Element 11A** Insert the total eligible provisions. General and collective provisions are only eligible if they are freely available to the firm, they are fully disclosed in internal accounting records and their amount has been verified by a statutory auditor or audit firm.

**Element 12A** Insert the total eligible securities and instruments. Securities and instruments are only eligible if the following conditions are met:

- they are fully paid up;
- they may not be reimbursed on the bearer's initiative or without the agreement of the FCA;
- the electronic money institution must have the option to defer any interest payments on the debt;
- the debt is subordinated to those of all non-subordinated creditors; and
- the documents governing the issue of the securities must provide for debt and unpaid interest to be such as to absorb losses whilst leaving the firm in a position to continue trading.

**Element 13A** Insert the total of non-fixed term cumulative preference shares.

**Element 14A** This field applies only to 'co-operative' firms. These institutions should insert the total amount of uncalled capital and the total amount of non-refundable payments that can be demanded of members to offset any losses that the institution incurs.

**Element 15A** This field applies only to firms organised as 'funds'. These institutions should insert the total amount of uncalled capital and the total amount of non-refundable payments that can be demanded of borrowers to offset any losses that the institution incurs.

**Element 16A** Insert the total of all fixed term cumulative preference shares and subordinated loans.

**Element 17A** This figure is the sum of Elements 7A-16A.

### **Deductions**

**Element 18A** Insert the total of own shares at book value held by the firm.

**Element 19A** Insert the total of intangible assets.

**Element 20A** Insert the total of material losses in the current financial year.

**Element 21A** Insert the total holdings of shares in credit and financial institutions that exceed 10% of their capital.

**Element 22A** Insert deductible participations. These are participations which the firm holds in an insurance undertaking, reinsurance undertaking or insurance holding company.

**Element 23A** Insert deductible instruments: these include shares held in another credit institution, insurance undertaking, reinsurance undertaking or insurance holding company that are temporarily held for the purposes of a financial assistance operation designed to reorganise and save that entity.

**Element 24A** This is the sum of Elements 18A-23A.

**Element 25A** This is calculated by the following equation: Element 17A minus Element 24A.

**Element 26A** Input the £/€ exchange rate as at the end of the reporting period. Current and historical rates can be found on the [InforEuro website](http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=home&Language=en) [<http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=home&Language=en>].

**Element 27A** Insert the 'euro equivalent' of Element 56A.

**Element 28A** Insert the same figure that you have reported in Element 6A.

**Element 29A** This figure is calculated by the following equation: Element27A minus Element 28A.

## **Section 2: Method of safeguarding of client assets**

***Refer to Chapter 10 (Safeguarding) of the Electronic Money Approach Document***  
***[<http://www.fca.org.uk/static/fca/documents/fsa-psd-approach-latest.pdf>]***

**Elements 1A-5A & 1B-5B** Enter X in all the relevant box(es) to identify the method(s) used by the firm to safeguard client assets. At least one method must be selected.

**Elements 1C-5C** Enter the names(s) of the firms used to safeguard client assets.

## **Section 3: Supplementary Information**

**Element 1A** If the average outstanding electronic money for your firm was equal to or below €5,000,000 then answer 'Yes'. Otherwise answer 'No' and you must provide us with an explanation in the box provided.

**Element 2A** If the rolling monthly average of unrelated payment transactions is equal to or below €3,000,000 then answer 'Yes'. Otherwise answer 'No' and you must provide us with an explanation in the box provided.

**Element 3A** Only answer this question if the average amount of electronic money outstanding during the reporting period is equal to or over €500,000. Answer 'Yes' if your firm's own funds have been equal to or greater than 2% of that average figure. Otherwise answer 'No' and you must provide us with an explanation in the box provided.

**Element 4A** Answer 'Yes' if you have always complied with the safeguarding requirements of client assets during the reporting period. Otherwise answer 'No' and you must provide us with an explanation in the box provided.

**Element 5A** Enter the total number of e-money accounts your firm had open at the end of the reporting period.

**Element 6A** Enter the number of agents the firm had at the end of the reporting period.