

Fortune Portfolio Ltd ("the Firm") has referred this Decision Notice to the Upper Tribunal ("the Tribunal") where the Firm and the FCA will each present their cases. The Tribunal will determine what, if any, is the appropriate action for the FCA to take, and will remit the matter to the FCA with such directions as the Tribunal considers appropriate for giving effect to its determination. The Tribunal's decision will be made public on its website. Accordingly, the proposed action outlined in this Decision Notice will have no effect pending the determination of the case by the Tribunal.



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DECISION NOTICE

To: Fortune Portfolio Ltd (trading as Libra)

Address: 8-11 St. John's Lane
London
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FRN: 732984

Dated: 13 May 2026

ACTION

1. For the reasons listed below and pursuant to regulation 10(1)(a), 10(1)(c), 10(1)(e) and 10(1)(h) (as applied by regulation 15) of the Payment Services Regulations 2017 ("the PSRs") the Financial Conduct Authority ("the Authority") has decided to cancel the registration granted to Fortune Portfolio Ltd ("the Firm") as a Small Payment Institution ("SPI").

SUMMARY OF REASONS

2. The Firm is no longer meeting the conditions for registration as an SPI under the PSRs. In particular, the Firm has failed to comply with a requirement of The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("the MLRs") to be included in a register maintained under the MLRs.
3. Furthermore, the Firm did not notify the Authority that its registration under the MLRs had been cancelled and was therefore no longer meeting the conditions of its registration as required under the PSRs.
4. The Firm has not provided any payment services since its registration.
5. The Firm has not engaged in any business activity since its registration.
6. Despite repeated requests and warnings, the Firm has failed to submit its annual regulatory return, namely the FSA057 return.
7. In concluding that it is appropriate to impose the cancellation action proposed in paragraph 1 above, the Authority has decided that it is appropriate to do so, in order to advance its consumer protection and integrity objectives (sections 1C and 1D of the Financial Services and Markets Act 2000).

DEFINITIONS

8. The definitions below are used in this Decision Notice (and in the Annex):¹
 - "the Act" means the Financial Services and Markets Act 2000;
 - "the Authority" means the Financial Conduct Authority;
 - "DEPP" means the Authority's Decision Procedure and Penalties manual;
 - "ENFG" means the Authority's Enforcement Guide;
 - "the Firm" means Fortune Portfolio Ltd;
 - "the Handbook" means the Authority's Handbook of rules and guidance;
 - "HMRC" means His Majesty's Revenue and Customs;
 - "the HMRC Register" means the register maintained by HMRC under the MLRs;
 - "the MLRs" means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017;
 - "PRIN" or "the Principles" means the rules set out in the section of the Handbook entitled "Principles for Businesses";
 - "the PSRs" means the Payment Services Regulations 2017;

¹ The definitions should be the same as the definitions in the WN with the addition of DEPP and The Warning Notice in alphabetical order.

“the Return” means the FSA057 Payment Services Directive Transactions return;

“SPI” means small payment institution as defined by regulation 2(1) of the PSRs;

“the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber); and

“the Warning Notice” means the warning notice given to Fortune Portfolio Ltd dated 13 February 2026.

RELEVANT STATUTORY PROVISIONS

9. The statutory and regulatory provisions relevant to this Decision Notice are set out in the Annex.

FACTS AND MATTERS

10. On 21 January 2016 the Firm was first registered by the Authority under the Payment Services Regulation 2009. On 19 November 2018 due to the implementation of the Payment Services Directive 2, the Firm was re-registered with the Authority as an SPI under the PSRs.
11. As a condition of its registration, the Firm is required to comply with a requirement of the MLRs to be included in a register maintained under the MLRs. As the Firm is registered to carry out money remittance services only, the Firm is required to be included in a register maintained by HMRC.
12. On 30 September 2022 the Firm’s registration with HMRC was cancelled under regulation 60 of the MLRs. Since then, the Firm has failed to re-register with HMRC. On 21 October 2024 the Firm signed the undertaking agreeing to not provide any payment services until it had obtained registration with HMRC.
13. The Firm is under an obligation to inform the Authority when it becomes apparent that there is or is likely to be a significant change in circumstances relevant to its ability to fulfil certain conditions of its registration including the requirement to be included on the HMRC register. Cancellation of the Firm’s registration under the MLRs is a significant change in circumstances and therefore something that should be notified to the Authority. The Firm failed to notify the Authority that its registration with HMRC had been cancelled.
14. The Firm is also required to abide by the relevant rules and guidance, including the requirement under PRIN 11 to *“deal with its regulators in an open and co-operative way”* and to report certain information to the Authority, by way of Return, on an annual basis. The Return is made by submitting a form FSA057 and includes details of the payment services provided by the Firm in the preceding year.
15. The Firm submitted a Return for each of the years (from 1 January to 31 December) 2016, 2017, 2018, 2019, 2020, 2021, and 2022. In each Return, it reported having undertaken no payment transactions, nor any other business activity. This is consistent with its filed accounts at Companies House, which show it to have been dormant since 1 July 2014.

16. The Firm has failed to submit the Return for each of the years (from 1 January to 31 December) 2023, 2024 and 2025, and has not responded adequately to the Authority's repeated requests to do so.
17. Compliance with the requirement to submit regulatory returns on time is particularly important in terms of ensuring the accuracy of the information available to the Authority.
18. On 11 February 2025, the Firm submitted an application with HMRC for registration under the MLRs.
19. On 17 February 2025 the Firm confirmed that it had not provided any payment services and that it was taking steps to establish a fully operational remittance business; however, it failed to submit any evidence to support its claim that it is ready to commence payment services. The Firm also stated that it would submit all outstanding Returns.
20. To date, the Firm has failed to obtain registration with HMRC; has not provided any payment services or any evidence to show that it is ready to commence payment services on obtaining HMRC registration; and has not submitted the required Returns.

FAILINGS

21. The Authority considers that, on the basis of the facts and matters described above;
 - (a) The Firm has not been included on a register maintained under the MLRs, as is required by regulation 14(11) of the PSRs, since its registration with HMRC was cancelled on 30 September 2022 and is therefore failing to meet the conditions of its registration. This provides a basis for cancelling the Firm's registration in accordance with regulation 10(1)(e) (as applied by regulation 15) of the PSRs;
 - (b) The Firm failed to notify the Authority that it is no longer included on the HMRC register. Regulation 37 of the PSRs places a duty on SPIs to notify the Authority where it becomes apparent that there is, or is likely to be, a significant change in circumstances which is relevant to its fulfilment of certain conditions of its registration. This includes the condition in regulation 14(11) of the PSRs that the Firm must be included in a register maintained under the MLRs. The Authority considers that cancellation of the Firm's registration under the MLRs is a significant change in circumstances as it impacts the Firm's ability to provide payment services and meet the conditions of its registration. This provides a further basis for cancelling the Firm's registration in accordance with regulation 10(1)(e) (as applied by regulation 15) of the PSRs;
 - (c) The Firm did not provide payment services within 12 months beginning with the date on which the registration took effect. This provides a basis for cancelling the Firm's registration in accordance with Regulation 10(1)(a) (as applied by regulation 15) of the PSRs.
 - (d) The Firm's accounts filed with Companies House shows it to have been dormant since July 2015 which indicates that the Firm has ceased to engage in business activity for more than six months. This provides a basis for cancelling the Firm's registration in accordance with Regulation 10(1)(c) (as applied by regulation 15) of the PSRs.

- (e) The Firm has not provided any payment services since registration and therefore it no longer requires its registration. The Authority therefore considers that it is desirable to cancel the Firm's registration as an SPI in order to protect the interests of consumers, in accordance with Regulation 10(1)(h) (as applied by regulation 15) of the PSRs.
- (f) By failing to submit the Return and to respond adequately to the Authority's repeated requests that it do so, the Firm is failing to demonstrate a readiness and willingness to comply with its ongoing regulatory obligations and to comply with Prin 11, which requires the Firm to deal with its regulators in an open and co-operative way and to disclose to the Authority appropriately anything relating to the Firm of which the Authority would reasonably expect notice.
- (g) The significance of the failure by the Firm to submit the Return is not merely that the failure itself is material, but that it signifies a breakdown in the relationship between the Firm and the Authority, such that it appears that the Authority can reasonably conclude that the Firm may not respond adequately to future communications sent to it by the Authority and therefore it is desirable to cancel the Firm's registration in order to protect the interests of consumers, in accordance with Regulation 10(1)(h) (as applied by Regulation 15) of the PSRs.

22. Accordingly, the Authority has decided the Firm's registration should be cancelled in accordance with regulation 10(1)(h) (as applied by Regulation 15) of the PSRs.

REPRESENTATIONS

- 23. Through the Warning Notice, the Authority gave notice that it proposed to take the action described above and the Firm was given the opportunity to make representations to the Authority about that proposed action.
- 24. Annex B contains a brief summary of the key representations made by the Firm and how they have been dealt with. In making the decision which gave rise to the obligation to give this Decision Notice, the Authority has taken into account all the representations made by the Firm, whether or not set out in Annex B.

PROCEDURAL MATTERS

- 25. This Decision Notice is given to the Firm under regulation 10(3)(a) (as applied by Regulation 15) of the PSRs and it is being served on the Firm at the address last notified to the Authority as the Firm's principal place of business.
- 26. The following paragraphs are important.

Decision Maker

- 27. The decision which gave rise to the obligation to give this Decision Notice was made by an executive decision maker of the Authority.

The Tribunal

- 28. The Firm has the right to refer the matter to which this Decision Notice relates to the Tribunal. The Tax and Chancery Chamber is the part of the Upper Tribunal, which amongst

other things, hears references arising from decision of the Authority. Under paragraph 2(2) of Schedule 3 to the Tribunal Procedure (Upper Tribunal) Rules 2008, the Firm has 28 days from the date on which this Decision Notice is given to the Firm to refer the matter to the Tribunal.

29. A reference to the Tribunal is made by way of a signed reference notice (Form FTC3) filed with a copy of this Decision Notice. The Tribunal's contact details are: The Upper Tribunal, Tax and Chancery Chamber, Fifth Floor, Rolls Building, Fetter Lane, London EC4A 1NL (tel: 020 7612 9730; email: uttc@hmcts.gsi.gov.uk).
30. For further information on the Tribunal, the Firm should refer to the HM Courts and Tribunal Service website. Guidance on making a reference to the Tribunal and the relevant form to complete (Form FTC3) can be accessed from the following link:

<https://www.gov.uk/government/collections/upper-tribunal-tax-and-chancery-chamber>
31. A copy of Form FTC3 must also be sent to Shamsuz.Zaman@fca.org.uk at the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN at the same time as filing a reference with the Upper Tribunal.
32. Once any referral is determined by the Tribunal and subject to that determination, or if the matter has not been referred to the Tribunal, the Authority will issue a final notice about the implementation of that decision.

Access to evidence

33. Section 394 of the Act, as applied by paragraph 10(d)(b) of Schedule 6 of the PSRs, applies to this Decision Notice. In accordance with section 394(1), the Firm is entitled to have access to:
 - a) the material upon which the Authority has relied in deciding to give the Firm this Decision Notice. A schedule and copy of such material was enclosed with the Warning Notice and a copy of additional material is attached to this Decision Notice; and
 - b) any secondary material which, in the Authority's opinion, might undermine that decision.

Confidentiality and publicity

34. The Firm should note that this Decision Notice may contain confidential information and should not be disclosed to a third party (except for the purpose of obtaining advice on its contents). The effect of section 391 of the Act, as applied by paragraph 10 of Part 1 of Schedule 6 of the PSRs, is that neither the Firm nor a person to whom this Decision Notice is copied may publish it or any details concerning it unless the Authority has published those details. The Authority must publish such information about the matter to which a decision notice or final notice relates as it considers appropriate. The Firm should be aware, therefore, that the facts and matters contained in this Decision Notice may be made public.

Contact

35. For more information concerning this matter generally, the Firm should contact Shamsuz Zaman at the Authority (direct line: 020 7066 1695 and email: Shamsuz.Zaman@fca.org.uk).

Dharmesh Gadhavi
Executive Decision Maker

Decision made by an FCA Head of Department under Executive Procedures

ANNEX A

RELEVANT STATUTORY PROVISIONS

The Act

1. The Authority's operational objectives established in section 1B of the Act include protecting and enhancing the integrity of the UK financial system and securing an appropriate degree of protection for consumers. Section 1C of the Act provides further information on the consumer protection objective and section 1D of the Act provides further information on the integrity objective.

The PSRs

2. Regulation 15 of the PSRs provides:

"Regulations 7 to 12 apply to registration as a small payment institution as they apply to authorisation as a payment institution as if—

- (a) references to authorisation were references to registration;

[...]

- (d) in regulation 10(1) (cancellation of authorisation) for sub-paragraph (e) there were substituted—

"(e) the person does not meet, or is unlikely to meet, any of the conditions set out in regulation 14(4) to (11) (conditions for registration as small payment institution) or the financial limit referred to in regulation 8 or does not inform the FCA of a major change in circumstances which is relevant to its meeting those conditions or that requirement, as required by regulation 37 (duty to notify change in circumstance);"

[...]."

3. Regulation 14(11) of the PSRs requires an SPI to comply with a requirement of the MLRs to be included in a register maintained under the MLRs where such a requirement applies.
4. Under regulation 10(1)(a) of the PSRs (as applied by Regulation 15), the Authority may cancel the registration of an SPI where the firm does not provide payment services within 12 months beginning with the date on which the registration took effect.
5. Under regulation 10(1)(c) of the PSRs (as applied by Regulation 15), the Authority may cancel the registration of an SPI where the firm ceases to engage in business activity for more than six months.
6. Under regulation 10(1)(e) of the PSRs (as applied by Regulation 15), the Authority may cancel the registration of an SPI where the person no longer meets, or is unlikely to meet, any of the conditions for registration set out in regulation 14(4) to (11) of the PSRs.

7. Regulation 10(1)(e) (as applied by Regulation 15) also provides that the Authority may cancel the registration of an SPI where that firm does not inform the Authority of a major change in circumstances which is relevant to its meeting those conditions as required under regulation 37 of the PSRs.
8. Under regulation 10(1)(h) of the PSRs (as applied by Regulation 15), the Authority may cancel the registration of an SPI where the cancellation is desirable in order to protect the interests of consumers.
9. Regulation 14(11) of the PSRs provides that the applicant must comply with a requirement of the MLRs to be included on a register maintained under the MLRs where such a requirement applies to the applicant.
10. Regulation 37 of the PSRs provides that where it becomes apparent to an SPI that there is or is likely to be a significant change in circumstances which is relevant to:

(b) In the case of an SPI, its fulfilment of any of the conditions set out in regulation 14(5) to (11) of the PSRs.

[...]

It must provide the Authority with details of the change without undue delay, or, in the case of a substantial change in circumstances which has not yet taken place, details of the likely change a reasonable period before it takes place.

11. Regulation 109 of the PSRs provides:

“(1) A person must give the [Authority] such information as the [Authority] may direct in respect of its provision of payment services or its compliance with requirements imposed by or under Parts 2 to 7 or regulation 105 (access to bank accounts).

(2) Information required under this regulation must be given at such time and in such form, and verified in such manner, as the [Authority] may direct.”

RELEVANT HANDBOOK PROVISIONS

12. In exercising its powers to cancel the registration of an SPI the Authority must have regard to guidance published in the Handbook and in regulatory guides, such as ENFG. The main considerations relevant to the action stated in this notice are set out below.

Enforcement Guide

13. The Authority’s policy in relation to exercising its enforcement powers is set out in ENFG, the relevant provisions of which are summarised below.
14. ENFG App 2.1.2G and ENFG App 2.2.2G state that the Authority’s approach to the exercise of its powers under the PSRs is consistent with the use of its powers under FSMA and the Authority’s general policy outlined in ENFG unless stated otherwise.

The Supervision manual

15. As of 3 June 2025, the Authority's policy in relation to the cancellation of permissions on its own initiative are set of in SUP 6B.

SUP 6B.5.2G(4) specifies that one circumstance in which the Authority will consider using its power to cancel a firm's permission under FSMA is where the firm has failed to submit or repeatedly fails to submit regulatory returns to the Authority.

16. Chapter 16 of SUP sets out the Authority's reporting requirements.
17. SUP 16.2.1G sets out the purpose of the reporting requirements are:
 - a) to enable the Authority to obtain timely and accurate information about firms on a regular basis in order to discharge its functions under the Act; and
 - b) to amplify Principle 11 by setting out in more detail the information that the Authority requires.
18. SUP 16.13.3D requires an SPI to submit to the Authority a duly completed return as set out in the table in SUP 16.13.4D.
19. The table in SUP 16.13.4D directs that an SPI is required to submit the FSA057 return annually, one month from 31 December each calendar year.
20. SUP 16 Annex 28C D specifies the format by which the FSA057 return is to be completed and submitted.

The Principles

21. The relevant principles for businesses are set out in PRIN 2.1.1R.
22. SUP 16 Principle 11 of PRIN (Relations with regulators) requires a firm to deal with its regulators in an open and co-operative way, and to disclose to the Authority appropriately anything relating to the firm of which the Authority would reasonably expect notice.

APPENDIX B

REPRESENTATIONS

1. A summary of the key representations made by the Firm on 24 March 2026 and 14 April 2026, and the Authority's conclusions in respect of them (in bold type) is set out below.

Representations sent on 24 March 2026

2. **Ground 1: The Firm has taken substantial and continuous steps towards regulated trading, but external regulatory and administrative constraints affected the commencement of trading. Between 2019 and 2026, the Firm engaged a regulated payments technology provider; completed structured operation and compliance training; secured a UK banking partner; engaged specialist developers to strengthen their platform to regulatory grade standards; executed formal commercial agreements with license payment aggregators and recruited senior personnel.**
 - 2.1 The Firm submits that it has made substantial progress towards operational readiness since registration, citing actions taken between 2019 and 2026. However, it has been registered with the Authority since 2016, and the timeline provided does not explain the period between 2016 and 2018, during which the Firm appears to have remained dormant. This is consistent with its filed accounts at Companies House, which show the Firm to have been continuously dormant since 2015, evidencing the absence of any payment services activity throughout its period of registration.
 - 2.2 The Firm has also failed to maintain HMRC registration, having not been registered since 30 September 2022. When previously registered in October 2021 and May 2022, it reported no payment service transactions. The Firm only reapplied for HMRC registration on 11 February 2025, after engagement from the Authority on the issue in February 2023 and only shortly after the Authority issued a Letter Before Action on 4 February 2025. This loss of HMRC registration has further delayed the commencement of payment services and raises concerns regarding the adequacy of the Firm's systems and controls. In addition, the Firm has failed to submit the required FSA057 returns.
 - 2.3 Despite these deficiencies, the Firm has repeatedly asserted since October 2021 that it is operationally ready and close to commencing regulated activity, including in correspondence dated 14 March 2023 and in its responses to the Letters Before Action issued in February 2025 and October 2025. However, it has consistently failed to provide any supporting evidence or to commence payment services, notwithstanding multiple opportunities and committing to do so. Similarly, the documentary evidence provided by the Firm with its representations dated 24 March 2026 is insufficient.
 - 2.4 Engagement with the Firm has extended over several years, during which it has been afforded ample opportunity to address the Authority's concerns. Nevertheless, the Firm has not carried on any payment services activity at any point since registration, nor has it demonstrated substantive progress towards doing so. The Authority therefore does not consider that the Firm's representations mitigate the seriousness or duration of its

non-compliance, nor its failure to provide payment services or to meet the conditions for registration.

3. Ground 2: External regulatory and administrative constraints affected trading commencement and that the absence of live transactional revenue should not be interpreted as inactivity or non-engagement. At the point of operational readiness for the UK–Ghana corridor, the Bank of Ghana introduced revised compliance requirements for Money Transfer Operators. These requirements imposed additional licensing and compliance conditions, materially delaying the Firm’s planned launch. The Firm states that this delay arose from regulatory changes rather than operational deficiency.

3.1 The Authority notes the Firm’s reliance on regulatory changes introduced by the Bank of Ghana in October 2024. However, the Firm had a further year after those changes to commence payment services and failed to do so. In any event, the Firm has been registered with the Authority for over 10 years, and regulatory delay does not explain its prolonged failure to provide payment services throughout that period or its failure to maintain HMRC registration after 30 September 2022.

3.2 Further, the Firm confirmed to the Authority on 24 March 2023 that it was fully ready to provide payment services, approximately seven months before the cited regulatory changes. This undermines the Firm’s reliance on those changes as an explanation for its continued non-provision of payment services.

4. Ground 3: The Firm acknowledges that its HMRC registration expired due to an administrative oversight. Upon identifying the lapse, it states that immediate corrective steps were taken. The Firm further explains that subsequent delays arose due to issues with the Government Gateway, which affected the processing of the application. To resolve this, the affected application was withdrawn and replaced with a new submission, which remains under review. The Firm states that this demonstrates prompt remediation and continued regulatory engagement.

4.1 The Firm has failed to obtain HMRC registration, contrary to regulation 14(11) of the PSRs.

4.2 As set out in the Authority’s publicly available guidance, HMRC registration is a mandatory and ongoing condition for registration under the PSRs. The Authority’s ‘Payment Services and Electronic Money – Our Approach’ document treats AML supervision, including HMRC registration where applicable, as a precondition to registration, rather than a requirement that may be satisfied on a provisional or future basis. An application for HMRC registration that has not been approved does not amount to compliance with the PSRs.

4.3 This is supported by regulation 14(11) of the PSRs, which requires that a firm is registered with HMRC for anti-money laundering supervision, where applicable. The regulation does not provide for an exception where an application is pending or under consideration.

4.4 The Firm’s assertion that HMRC registration is being actively pursued does not alter this position. The Authority notes in particular that:

- i. the Firm’s most recent HMRC application on 11 February 2025 continues to be pending; and

- ii. additionally, when the Firm was registered with HMRC in October 2021 and May 2022, it failed to provide any payment service transactions.
 - iii. the Firm has been registered as an SPI with the Authority since 2016 and its HMRC registration expired in September 2022, therefore it has had ample opportunity to obtain HMRC registration.
 - iv. The Firm states that it took immediate action to rectify the issue. However, it failed to renew its HMRC registration on 30 September 2022 and failed to notify the Authority that it was no longer registered with HMRC; and
 - v. On 21 October 2024, the Firm signed a voluntary undertaking, at the Authority's request, agreeing not to provide any payment services until it had secured HMRC registration. The Firm only reapplied on 11 February 2025 following further escalation with the Authority .
- 4.5 The Authority considers that since 4 February 2025 the Firm has known that its registration with the Authority may be cancelled on the basis that it was not providing payment services, the primary reason being because it was not registered with HMRC and therefore has had ample time to resolve the issue.
- 4.6 The Authority is therefore not required to delay regulatory action pending a speculative future outcome.
- 5. Ground 4: The Firm acknowledges that the FSA057 returns remain outstanding. It states that this occurred during a transitional non-operational phase and was not the result of intentional non-compliance. The Firm further states that it is now ready to submit all outstanding returns without further delay.**
- 5.1 The Firm asserts that the FSA057 returns remain outstanding due to a transitional non-operational phase. However, it fails to acknowledge the importance of submitting these returns. The FSA057 brings together key information upon which the Authority relies to advance its operational objectives and to carry out effective risk-based regulation.
- 5.2 Further, while the Firm maintains that the outstanding returns arose during a non-operational period, the Authority issued repeated requests between 31 December 2022 and 31 December 2025 requiring submission of the returns. Despite these requests, and assurances from the Firm that the returns would be submitted, the Firm has failed to do so.
- 5.3 The Firm has therefore been afforded ample opportunity and repeated reminders to submit the FSA057 returns. Notwithstanding its continued assurances that it is now ready to submit the returns without further delay, the returns still remain outstanding. The Authority is therefore of the view that, based on the Firm's conduct to date, it is likely that the returns will continue to remain outstanding.
- 5.4 The Authority further notes that the Firm's failure to submit the FSA057 returns, and its failure to respond adequately to the Authority's repeated requests to do so, indicates a breakdown in the regulatory relationship between the Firm and the Authority. This conduct has led the Authority to conclude that the Firm is not ready and willing to comply with its regulatory obligations or to deal with the Authority in an open and co-operative

manner, as required by Principle 11 of the Principles of Business in the Authority's Handbook.

6. Ground 5: The Firm states that it has taken remedial measures which it says demonstrate good faith and regulatory responsibility. It explains that its HMRC application remains under review and is being actively monitored, and that all outstanding regulatory returns will be submitted promptly. The Firm further states that it has provided documentary evidence of operational readiness and, in response to delays relating to the Ghana corridor, has established a remittance corridor to Nigeria. The Firm asserts that this provides operational launch capability upon completion of the remaining administrative approvals and demonstrates its continued good faith and responsible engagement with regulatory requirements.

- 6.1 The Firm states that its HMRC application remains under review and is being actively monitored, however, the Authority refers to Ground 3, which highlights the Firm's failure to take prompt action to reapply for HMRC registration following the expiry of its registration, and notes that regulatory action is not required to be delayed pending a speculative future outcome. Further, the Firm has made little progress in resolving the concerns identified by the Authority and has previously provided similar assurances, none of which have resulted in those concerns being adequately addressed, specifically the HMRC registration which the Firm has failed to obtain since September 2022.
- 6.2 The Authority further refers to Ground 4, which sets out the Firm's continued failure to submit the outstanding FSA057 returns despite repeated requests and assurances that it would do so. The Firm has been afforded ample opportunity to submit the returns; however, they remain outstanding. The Firm has now received numerous chaser/reminder emails and two LBA's requiring submission of the FSA057 returns, yet it has still failed to comply, demonstrating its continued non-compliance with its regulatory reporting obligations.
- 6.3 Further, the Authority also refers to paragraph 2.3 which confirms that the documentary evidence provided by the Firm with its representations dated 24 March 2026 is insufficient. The Authority has considered the evidence submitted in relation to the establishment of a remittance corridor to Nigeria; however, the documentation primarily relates to compliance arrangements and new guidelines for the Nigeria corridor and does not satisfy the Authority that the Firm is ready to commence payment services. Further, the Firm has not resolved its failure to obtain HMRC registration, which continues to prevent it from commencing payment services.
- 6.4 The Authority further notes that some of the links provided by the Firm, including a link to the firms' application, are inaccessible. In any event, even if accessible, the links would not satisfy the Authority that the Firm is ready to commence payment services. This is because the Firm has previously provided similar links to its live website and testing platform in 2022 and 2023 yet still failed to commence any payment service transactions.
- 6.5 The Authority also notes that it has previously received similar assurances and documentary material from the Firm in 2021, 2022, 2023 and 2025. On each occasion, the Firm failed to commence payment services or to resolve the issues relating to HMRC registration. In these circumstances, the Authority does not consider that the matters

relied upon by the Firm mitigate its prolonged non-compliance or demonstrate that it is ready and able to commence payment services.

7. Ground 6: The Firm states that its permissions have been utilised in substance and not merely held in reserve. It explains that regulated remittance activity necessarily involves extensive preparatory implementation prior to revenue generation, including infrastructure development, compliance integration, partner onboarding, staffing and governance arrangements, and transaction testing. The Firm asserts that these activities are intrinsic to operating within a regulated framework and constitute meaningful commercial utilisation of its permissions, and that revenue generation represents the culmination of these preparatory stages rather than the sole indicator of regulatory use.

7.1 The Authority notes the Firm's assertion that it has utilised its permissions in substance and that regulated remittance activity inherently requires extensive preparatory implementation prior to revenue generation. The Firm states that it has been taking the necessary preparatory steps to generate income from payment services and that such steps require sufficient time and preparation. However, the Firm has been registered with the Authority since 2016 and has therefore had over ten years to commence payment services. Further, since the Authority's engagement with the Firm in 2021, the Firm has repeatedly asserted that it was working towards becoming fully operational. In 2023, the Firm confirmed that it was fully operational and ready to commence payment services, yet in 2025 and again in its most recent representations it states that it is only now close to becoming operational. The Firm continues to submit dormant company accounts on Companies House. Despite these repeated assurances, the Firm has failed to commence any payment services to date.

8. Ground 7: The Firm states that cancellation would be disproportionate, having regard to the level of financial and operational investment it says it has made, the progress it claims to have achieved, the regulatory constraints it asserts it has encountered, and the remedial measures it states it has undertaken. The Firm further contends that a proportionate supervisory response would allow a reasonable period for the completion of outstanding administrative matters and the commencement of payment services. The Firm further states that immediate cancellation would risk dismantling a compliance infrastructure which it considers to be prepared, without delivering a clear regulatory benefit.

8.1 The Authority does not accept that cancellation would dismantle a fully developed compliance framework. The Firm has not provided any payment services since registration, has made only limited progress towards doing so, and remains in breach of its regulatory obligations. In particular, over the course of more than ten years of registration, the Firm has failed to commence payment services, failed to obtain and maintain HMRC registration, and failed to submit the outstanding FSA057 returns. Taken together, these matters give rise to concerns regarding the adequacy of the Firm's systems and controls to ensure ongoing compliance.

8.2 Further, the Authority considers that cancellation of the Firm's registration is proportionate and delivers regulatory benefit. The Firm has been afforded ample opportunity since 2021 to resolve the identified concerns but has failed to do so. In these circumstances, cancelling the registration of a Firm that continues to lack HMRC registration, has provided no payment service transactions since registration, and has

failed to submit required regulatory returns is appropriate and consistent with the Authority's objectives of maintaining market integrity and protecting consumers.

8.3 In assessing proportionality and consistency, the Authority has considered comparable cases where firms were cancelled for similar reasons. In particular, the Authority notes:

- i. the cancellation of *Vinoka Sajini Adikari Mudiyansele* in May 2025, which was based on the firm's non-provision of payment services and failure to obtain and maintain HMRC registration; and
- ii. the cancellation of *Fidelity Payment Services Limited* in May 2025, which was based on prolonged non-provision of payment services.

8.4 These cases demonstrate that cancellation is a consistent regulatory response where firms remain registered while failing to provide payment services and/or failing to meet mandatory conditions under the PSRs. Applying the same approach in the present case therefore supports, rather than undermines, the proportionality of the proposed action.

8.5 The Authority further notes that proportionality is assessed by reference to the Firm's current regulatory position and established non-compliance, rather than on the basis of potential future remediation. Assertions that compliance may be achieved at a later stage do not outweigh the need to act where the conditions for registration are not met at the time of the decision.

9. Ground 8: The Firm states that there is no evidence of consumer detriment, financial loss, or systemic risk arising from the Firm's current position. The Firm has not onboarded customers, accepted funds, or executed any payment transactions, and its systems remain inactive in live trading terms. In these circumstances, there has been no operational exposure to consumers, and the Firm states that its continued registration during the remediation period does not give rise to any measurable regulatory or consumer risk.

9.1 The Authority notes that regulation 10(1)(a) of the PSRs does not require evidence of consumer harm or consumer risk in order to cancel a firm's registration. The statutory test is whether the Firm has failed to provide payment services within 12 months beginning with the date on which the registration took effect. The Firm did not provide payment services within 12 months of becoming registered as an SPI and, to date, has failed to provide any payment services.

9.2 The Authority further considers that the Firm's continued registration while not providing payment services gives rise to inherent regulatory and consumer risk, irrespective of the absence of transactional activity. In particular, prolonged unused registration may mislead consumers about the regulatory status of the Firm and the products/services it can offer. There is a risk that firms that are not providing payment services and therefore not using their registration under the PSRs may be exploited because of the "halo effect" it creates, to the detriment of consumers. In this regard, since January 2021, the Authority has been actively undertaking a 'use it or lose it' exercise reminding firms approved under Part 4A of the Financial Services and Markets Act 2000 ("FSMA") to regularly review their permission and to ensure they are up to date and removed if not needed. Likewise, the Authority expects SPIs to regularly review whether they are providing payment services (and therefore need

to remain registered with the Authority) and to apply for cancellation when they are not doing so.

9.3 Accordingly, the Authority considers that the Firm's reliance on the absence of consumer harm does not address the underlying regulatory concern, namely its prolonged failure to provide payment services, as evidenced by its regulatory returns. In particular, the Firm did not provide payment services within 12 months of its registration as an SPI and therefore does not displace the statutory grounds for cancellation under regulation 10(1)(a) of the PSRs.

10. Ground 9: The Firm states, having undertaken substantial investment and implementation in reliance on its authorisation, the Firm held a legitimate expectation that it would be afforded a reasonable opportunity to complete the final stages of operational readiness. The remedial actions now underway demonstrate the Firm's commitment to achieving full compliance and support continued supervisory engagement rather than cancellation at this stage. The Firm remains fully committed to transparent and constructive engagement with the FCA and stands ready to agree appropriate supervisory timelines and to participate in any compliance review processes the Authority considers necessary. The Firm therefore welcomes further engagement as required.

10.1 The Firm states that it has made substantial investment and undertaken significant implementation work in reliance on its registration, and that it expected to be afforded a reasonable opportunity to complete the final stages of operational readiness. However, the Authority notes that the Firm has been afforded repeated opportunities since 2021 to become fully operational. Throughout its engagement with the Authority, including in response to two LBA's dated 4 February 2025 and 21 October 2025 and through subsequent communications by email and telephone, the Firm has consistently asserted that it was ready to commence payment services.

10.2 Further, although the Firm has been registered with the Authority since 2016 and claims to have spent the past ten years developing systems, testing its platform, entering into contracts and progressing towards operational readiness, it has failed to provide any payment services during that period. This includes periods when the Firm was registered with HMRC and, from 2021 onwards, repeatedly asserting that it was ready to commence payment services. The Authority therefore considers that the Firm has been afforded more than sufficient time to commence payment services, obtain HMRC registration and submit the outstanding FSA057 returns, and that any further extension would not be justified.

10.3 The Firm further states that it remains committed to transparent engagement with the Authority and is willing to agree timelines. However, for the reasons set out at paragraph 10.2, the Authority does not consider that affording the Firm further opportunities for engagement would lead to a resolution of the issues. The Authority has been engaging with the Firm since 2021, with communications recommencing in 2025, yet the Firm has failed to obtain HMRC registration, commence payment services or submit the outstanding FSA057 returns. In these circumstances, any further opportunities would serve only to delay the regulatory process.

Further Representations on 14 April 2026

- 11. Ground 10: The Firm states that the Authority's present assessment places disproportionate reliance on historic inactivity, understates demonstrable operational progress, and does not sufficiently consider current remediation capability or forward compliance trajectory. These matters are material to the proportionality of cancellation.**
- 1.1 The Authority has considered all matters relating to its engagement with the Firm since its first contact in 2021 in relation to similar concerns. Reliance on historic inactivity is relevant and not disproportionate, as it evidences repeated engagement concerning the Firm's failure to provide payment services. Despite providing numerous assurances to the Authority that it was progressing towards becoming fully operational, the Firm has not provided any payment services since becoming registered in 2016.
- 11.2 The Authority has also taken into account the Firm's recent representations dated 24 March 2026 and 14 April 2026, in which it asserts that it has made demonstrable operational progress and submitted additional documents and agreements. However, similar assurances have been provided previously without resulting in the commencement of payment services. The Authority is therefore not satisfied that the Firm is in a position to commence payment services, particularly given the continued absence of HMRC registration since 30 September 2022 and the Firm's failure to submit the outstanding FSA057 returns which, according to the Authority's records, remain outstanding for the 2023, 2024 and 2025 reporting periods despite repeated requests. This continued non-submission raises further concerns regarding the adequacy of the Firm's processes and controls.
- 11.3 The Firm further asserts that the Authority has understated its demonstrable operational progress. However, this assertion does not acknowledge that the Firm has relied on broadly the same narrative of progress since 2021, including references to testing activity, the signing of new contracts, and platform development. Based on the Firm's own statements, these activities have been ongoing for a substantial period and form part of a continuous progression over approximately 10 years. In those circumstances, the Authority considers that the Firm's description of current progress fails to account for the length of time over which such progress has been pursued without resulting in the commencement of payment services. Accordingly, the Authority does not consider that the Firm's asserted remediation capability or forward compliance trajectory materially alters the proportionality assessment.
- 12. Ground 11: The Firm states that the Authority's reliance on dormancy and limited activity during the early post-registration, formation and structural development phase, specifically between 2016 and 2018 as evidence of sustained inactivity risks placing disproportionate weight on formation-stage inactivity, rather than on subsequent substantive implementation activity. From 2019 onward, the Firm undertook structured implementation steps, including engagement of regulated payments infrastructure providers, deployment of AML and CDD frameworks, integration of transaction processing functionality, execution of third-party commercial agreements, establishment of governance structures, and completion of system validation testing. The Firm submits that**

these developments are inconsistent with the Authority's conclusion that the Firm has remained substantively inactive.

- 12.1 The Authority has considered the documents provided by the Firm in support of its assertions about the structured implementation steps it has taken.
- 12.2 Although the Payment Services Regulations 2017 allows the Authority to cancel the registration of firms that do not provide payment services within 12 months beginning with the date on which the registration took effect, the Authority has not considered this fact in isolation and does not place determinative weight on formation-stage inactivity as the only reason to cancel the Firm's registration.
- 12.3 The Authority has assessed the Firm's overall operational progress across the entirety of its registration period, from 2016 to date, including the evidence submitted with the Firm's representations in March and April 2026. This assessment includes consideration of both the limited activity during the early post-registration phase, and the subsequent implementation steps the Firm states it has undertaken. However, despite those asserted steps, the Firm has now been registered with the Authority for over 10 years and has not undertaken any payment service transactions during that period. The Authority therefore considers that the issue is not confined to early-stage dormancy but reflects a sustained failure to progress from preparation to actual provision of payment services over a prolonged period despite being given ample opportunity to do so.
- 12.4 The Authority notes that while preparatory and developmental activities may form part of a firm's progression towards operational readiness, the Firm is required to demonstrate its capability and readiness to commence the provision of payment services. In the absence of any payment service activity over an extended period, structured implementation steps alone are insufficient to evidence effective operational readiness.
- 12.5 The above is supported by the Firm's filed accounts at Companies House, which indicate that the Firm has remained continuously dormant since 2015.

13. Ground 12: At paragraph 6.1 of the Authority's response, it is asserted that the Firm has made "little progress" towards commencing payment services. However, this is inconsistent with the Authority's acknowledgment of the Firm's development of infrastructure, the implementation of compliance arrangements, engagement with commercial partners, the completion of testing activity, and the development of a Nigeria remittance corridor. The presence of integrated infrastructure, executed commercial agreements, and completed testing cycles evidences measurable operational advancement. The Firm submits that its status is more accurately characterised as one of delayed commencement following staged implementation.

- 13.1 The Authority acknowledges all the steps taken by the Firm to commence payment services activity however notes that 10 years is a significant delay during which the Firm has not provided a single payment service. In those circumstances, the Authority does not consider that the progress asserted is proportionate with the length of time elapsed. Further, the evidence provided does not sufficiently demonstrate that the steps taken by the Firm to commence the provision of payment services have been substantively completed or progressed over that period leading to the Firm being ready to provide payment services. Since the Authority's engagement with the Firm commenced in 2021,

the Firm has continued to rely on broadly similar descriptions of progress yet remains in the same position of working towards becoming fully operational. The Authority does not consider that a period of 10 years to reach operational readiness is justified in these circumstances.

13.2 In light of the prolonged period since registration, the Authority remains minded to conclude that even if the Firm's status is characterised as 'delayed commencement following stage implementation' it does not alter the fact that the Firm has not provided any payment services in the 10 years it has been registered and that it is currently not in a position to become fully operational and provide payment services. While the Authority has reviewed the documents and agreements submitted with the Firm's representations, these do not satisfy the Authority that the Firm is in a position to commence the provision of payment services, particularly given the continued absence of HMRC registration.

14. Ground 13: The Firm submits that the following material facts in relation to its HMRC registration require recognition: A valid application for HMRC registration has been submitted (Exhibit C17) and remains under active review; no refusal decision has been issued; and, the Firm has voluntarily refrained from trading pending the outcome of that application. These steps demonstrate corrective engagement with the regulatory framework, rather than regulatory disengagement. The Firm submits that the Authority's position appears to treat the pending status of the HMRC application as functionally equivalent to non-engagement. This characterisation does not accurately reflect the Firm's current compliance trajectory.

14.1 The Authority has previously emphasised the importance of HMRC registration in its response to the Firm's representations dated 24 March 2026 (Ground 3). Compliance with the Money Laundering Regulations, including registration with HMRC, is a mandatory pre-condition to the provision of payment services and cannot be satisfied by intention, future plans, or prospective remediation. The requirement is a condition for continued registration and is not met by engagement alone.

14.2 The Firm only submitted its application to HMRC on 11 February 2025, following the commencement of enforcement action. This further demonstrates that the Firm is not ready to commence payment services, as it failed to identify that its HMRC registration had lapsed until it was notified by the Authority, and over two years after its registration with HMRC had lapsed. The Authority also notes that during the periods the Firm was registered with HMRC it failed to undertake any payment service transactions. Accordingly, the existence of HMRC registration in itself has not resulted in the commencement of payment services activity. The Authority therefore considers that an application for HMRC registration does not provide sufficient evidence of the Firm's readiness to provide payment services.

14.3 The Authority also notes that the Firm's decision to refrain from trading pending the outcome of its HMRC application does not mitigate the fact that, at present, it does not meet the conditions for registration. Voluntary non-trading does not substitute for compliance with mandatory regulatory requirements, nor does it alter the Firm's current non-compliant status. Furthermore, the Authority considers that the Firm's decision to

refrain from trading is not solely because the firm is not registered with HMRC but because it is not ready to provide payment services even if it was registered with HMRC.

14.4 In light of the length of time the Firm has been registered with the Authority (over 10 years), its failure to maintain HMRC registration, and its failure to commence the provision of payment services, the Authority considers that the Firm has been afforded more than sufficient opportunity to resolve these matters. The continued pending status of the current HMRC application does not alter this assessment, nor does it affect the Authority's conclusion that the Firm no longer meets the conditions for registration and has not done so since September 2022.

14.5 A pending application for HMRC registration does not affect the current enforcement action, as the Firm is, at present, in breach of the conditions for registration. The Authority is therefore not required to delay regulatory action pending a speculative future outcome.

15. Ground 14: The Firm states that the present position differs materially from the historical position in that all outstanding FSA057 returns have now been completed, verified and submitted and that continued reliance on historic delay without appropriate recognition of the Firm's current remediation capability risks overstating the present regulatory risk.

15.1 The Authority has considered Exhibit C19 provided by the Firm as evidence of the submitted returns. The Authority notes that Exhibit C19 refers to the submitted REP018 and FIN074 returns, not the FSA057 returns. Furthermore, the Authority notes that to date the FSA057 returns remain outstanding for the 2023, 2024 and 2025 reporting periods. In those circumstances, the Authority is not able to accept the Firm's assertion that the position has been fully remediated.

16. Ground 15: The regulatory changes introduced by the Bank of Ghana had a material impact on the final operational launch phase, in particular in relation to corridor readiness timelines, compliance certification requirements, and partner alignment processes. The relevance of the external regulatory changes lies in their effect on final deployment timing, rather than on the earlier development stages.

16.1 The Authority has previously addressed the Firm's reliance on external regulatory changes in its response to the Firm's representations dated 24 March 2026 (Ground 2).

16.2 The Authority has considered the Firm's assertions regarding regulatory changes introduced by the Bank of Ghana and their asserted impact on the final operational launch phase. However, the Authority notes that the Firm accepts that such changes do not explain its prolonged earlier inactivity, nor the absence of any payment service activity over an extended period following registration.

16.3 The Authority does not consider that the existence of external regulatory developments affecting a specific corridor or final deployment phase materially alters its decision. The Firm has been registered as a Small Payment Institution since 2016 and has had a prolonged period in which to progress from development and preparation to the provision of payment services across its regulated business. Regulatory changes impacting a particular corridor do not displace the requirement for the Firm to demonstrate effective

operational readiness or explain the absence of any payment service activity over approximately 10 years.

16.4 Accordingly, while the regulatory changes relied upon by the Firm may be relevant to aspects of its proposed launch plans, they do not mitigate the sustained absence of operational activity, nor do they alter the Authority's overall conclusion that the Firm has not provided any payments services since registration and is currently not in a position to commence the provision of payment services. Additionally, the changes introduced by the Bank of Ghana do not explain the Firm's failure to submit its returns and meet the conditions for registration.

17. Ground 16: The Firm has provided documentary evidence in the form of platform validation records, partner integration documentation, compliance manuals, governance materials, and test transaction logs, all of which were previously inaccessible.

17.1 The Authority confirms that all documents are now accessible and have been reviewed and considered as part of this response. In addressing each of the grounds submitted by the Firm, the Authority has taken into account all material provided.

17.2 However, the Authority concludes that the documents do not satisfy Authority that the Firm is in a position to commence payment services activity.

17.3 Accordingly, the Authority does not consider that the material provided alters the decision to cancel the Firm's registration.

18. Ground 17: Each case must be assessed on its own factual matrix and the reliance of previous cancellation cases as precedents cannot be relied on to determine the proportionality of cancellation action against the Firm.

18.1 The cases referred to in Ground 7 of the Authority's response to the Firm's representations dated 24 March 2026 are of a similar nature, in that they concern firms' non-provision of payment services and failure to obtain HMRC registration, including prolonged periods of inactivity. These matters are similar to the concerns identified by the Authority in relation to the Firm.

18.2 The Authority has taken into account the Firm's assertions regarding its operational infrastructure, executed integration arrangements, verified system functionality, and ongoing regulatory remediation, together with all evidence submitted. Having reviewed all the evidence provided, the Authority has reached its conclusion based on the material facts of this case and has not relied on previous cases to determine whether the Firm's registration should be cancelled.

19. Ground 18: Cancellation at this stage would not materially advance the statutory objectives of regulation including consumer protection, market integrity, and the stability of the financial system. In particular, no customer funds have been received, no consumers have been exposed to risk, and no payment services have been executed. Any identified compliance deficiencies are capable of immediate remediation. Conversely, cancellation would result in the removal of an entity that has invested significant resources in achieving

regulated operational readiness. A structured remediation period would preserve regulatory oversight while supporting the completion of outstanding compliance requirements.

- 19.1 The Authority has previously addressed the Firm's assertions concerning proportionality, regulatory objectives, the availability of a structured remediation period, and the absence of consumer harm in its response to the Firm's representations dated 24 March 2026 (Grounds 7, 8 and 9).
- 19.2 The Authority does not accept that the absence of consumer detriment mitigates the seriousness of the breaches identified. A prolonged inability to commence regulated activity, comply with ongoing reporting obligations, or maintain mandatory HMRC registration demonstrates the Firm's inability to have processes in place to rectify the concerns in a timely manner.
- 19.3 Since January 2021, the Authority has been actively undertaking a 'use it or lose it' exercise reminding firms approved under Part 4A of the Financial Services and Markets Act 2000 ("FSMA") to regularly review their permission and to ensure they are up to date and removed if not needed. Likewise, the Authority expects payment institutions to regularly review whether they are providing payment services (and therefore need to remain registered with the Authority) and to apply for cancellation when they are not doing so. Protecting consumers from potential risk means ensuring that consumers are not harmed by being misled about the regulatory status of firms and the products/services which they offer. There is a risk that payments firms which are not using their registration under the PSRs may be exploited by those seeking to rely on its "*halo effect*" to the detriment of consumers.
- 19.4 Further, the Firm states that any identified compliance deficiencies are capable of immediate remediation; however, the Authority notes that the Firm has consistently advanced similar assurances throughout the period of enforcement engagement since 2021 and again following renewed engagement in 2025. Despite those assurances, the Firm has failed to submit the outstanding FSA057 returns, obtain HMRC registration, or commence the provision of payment services.
- 19.5 The Authority has reviewed and taken into account the new evidence provided by the Firm in its representations dated 24 March 2026 and 14 April 2026. Having considered the evidence, the Authority's position remains unchanged for the reasons set out above and at Grounds 7, 8 and 9 of its response to the Firm's representations dated 24 March 2026. In light of the Firm's prolonged period without HMRC registration, repeated non-compliance, continued failure to meet core regulatory requirements, and failure to provide payment services for over 10 years the Authority does not consider that granting the Firm a further remediation period would be proportionate.
- 20. Ground 19: The Firm's current regulatory trajectory is materially different from its historical position. Specifically, an active HMRC registration application, completed regulatory reporting returns, an established compliance framework, tested transaction capability, and developed operational corridors. Taken together, these factors demonstrate forward progress towards compliance rather than regulatory stagnation.**

- 20.1 The Authority considers that this position is materially unchanged from the assertions made by the Firm since the Authority's engagement began in 2021 and again in 2025. The indicators now relied upon largely replicate the same forward-looking assertions previously advanced and do not constitute a material change in regulatory position.
- 20.2 Throughout this prolonged period of engagement, the Firm has consistently asserted that it was progressing towards full operational readiness, including claims of system development, platform testing, contractual arrangements, and launch preparedness. Despite these repeated assurances, the Firm has failed to provide any payment services during that period. This includes periods when the Firm was registered with HMRC.
- 20.3 The Firm has had since September 2022 to obtain HMRC registration but only submitted its application in February 2025. The Firm is therefore largely responsible for the delay in obtaining HMRC registration.
- 20.4 The Firm's FSA057 returns are still outstanding despite the Firm's assertions that all outstanding returns have been submitted.
- 20.5 In light of the length of time the Firm has held FCA registration (10 years), the repeated assurances provided, and the continued absence of any payment service activity, the Authority considers that the Firm has been afforded more than sufficient opportunity to commence the provision of payment services, obtain HMRC registration, and submit the outstanding FSA057 returns. The Authority therefore considers that the asserted "current compliance trajectory" does not materially alter its assessment, and that any further extension would not be justified.
- 21. Ground 20: The Firm has engaged with the Authority on a continuous basis over a number of years. During that engagement, remediation steps were identified, corrective actions were undertaken, and operational documentation was developed. It is respectfully submitted that this sustained engagement, coupled with progressive remediation efforts, gave rise to a legitimate expectation that the Firm would be afforded a reasonable period of time to complete the implementation of its compliance arrangements. Immediate cancellation at this stage risks undermining that legitimate expectation, notwithstanding the ongoing remedial progress.**
- 21.1 The Authority has previously addressed the Firm's assertions concerning Procedural Fairness and Legitimate Expectation in its response to the Firm's representations dated 24 March 2026 (Grounds 9).
- 21.2 The Authority's position remains unchanged. The Authority does not accept that continued engagement will resolve the concerns, as the Firm has been afforded numerous opportunities to do so but has not made sufficient progress leading to the commencement of payment services, despite repeated assurances from the Firm and ample opportunities by the Authority.
- 21.3 The Authority has been engaging with the Firm since 2021, with communications recommencing in 2025. In those circumstances, the Authority considers that the Firm has been afforded a reasonable and proportionate opportunity to remediate the concerns, which remain unresolved.

21.4 The Authority first informed the Firm of its proposed cancellation action in February 2025. The Firm has therefore been aware of the likelihood of cancellation for some time.

22. Ground 21: The Firm proposes a structured compliance resolution comprising the submission of all completed FSA057 returns, ongoing monitoring of HMRC registration progress, the provision of updated operational readiness reports, the agreement of milestone-based compliance deadlines, and periodic supervisory review intervals. Such an approach would provide measurable regulatory assurance while maintaining effective supervisory oversight.

22.1 The Authority has considered the Firm's proposed structured compliance resolution and has reviewed Appendix D, the Structured Remediation and Compliance Completion Plan submitted by the Firm. The plan sets out proposed milestones, including immediate corrective actions, defined compliance milestones, governance oversight arrangements, measurable completion indicators, and regulatory reporting checkpoints.

22.2 Despite the content of the proposed plan, the Authority does not consider that the milestones suggested provide sufficient assurance that the concerns identified would be resolved if the Firm were afforded further time. The Firm has been given numerous opportunities since 2021 to address these issues and has repeatedly assured the Authority that it would do so, without delivering the required outcomes. In those circumstances, the Authority does not consider that the further milestones or supervisory checkpoints suggested by the Firm would represent an effective or proportionate regulatory response.

22.3 In particular, the Firm has failed to commence the provision of payment services despite repeated assurances that it was ready to do so, continues to have outstanding regulatory FSA057 returns despite assurances that these would be submitted promptly, and has not obtained HMRC registration.

22.4 The Firm maintains that a structured supervisory solution would represent the most proportionate regulatory response. However, the Firm fails to acknowledge that the concerns identified have been ongoing since 2021 and the failure to provide payment services has been ongoing since the Firm's registration. The Firm has engaged in numerous communications with the Authority by email, letter, and telephone, and has provided repeated assurances that the issues would be resolved. Those assurances have not been met.

22.5 Having considered the prolonged history of non-compliance and repeated unfulfilled commitments, the Authority considers that affording the Firm further supervisory engagement would serve only to delay regulatory enforcement action and would not be a proportionate and acceptable use of the Authority's resources.

CONCLUSION

23. For the reasons set out above and in the Decision Notice, the Authority still considers that the Firm is in breach of the PSRs and therefore has decided its registration as an SPI should be cancelled. Specifically, the Firm has:

- i. provided no payments services within 12 months beginning with the date on which its registration as an SPI took effect;

- ii. not provided a single payment service since registration as an SPI in 2016;
 - iii. consistently breached the conditions for registration, as set out in the PSRs, by failing to obtain HMRC registration, in breach of regulation 14(11) of the PSRs; and
 - iv. failed to submit the FSA057 returns despite repeated requests to do so.
24. The Firm's representations place emphasis on the status of its HMRC registration, the lack of consumer harm, operational challenges, and the prospect of future compliance. These arguments do not address, mitigate, or override the Firm's sustained failure to meet the conditions for registration, nor do they undermine the statutory grounds on which cancellation is determined.
25. In light of the above the Authority continues to consider that the Firm is in breach of the Payment Services Regulations and that its registration as a Small Payment Institution should therefore be cancelled. In particular, the Firm has failed to provide any payment services within the 12-month period following the date on which its registration took effect and has not undertaken a single payment service since becoming registered in 2016. The Firm has also consistently failed to meet the conditions for registration under the PSRs, including by not obtaining or maintaining HMRC registration, in breach of regulation 14(11). In addition, the Firm has failed to submit required FSA057 regulatory returns despite repeated requests from the Authority to do so. The Firm's remediation steps and proposed remediation steps do not satisfy the Authority that the Firm should remain registered.
26. The Authority remains satisfied that cancellation of the Firm's registration as an SPI is appropriate and proportionate.