

Owenico Finance Ltd has referred this Decision Notice to the Upper Tribunal (the Tribunal) where Owenico Finance Ltd 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: **Owenico Finance Limited**
Address: **2-8 Fountayne Road, London N15 4QL**
FRN: **520440**
Dated: **4 June 2025**

ACTION

1. For the reasons listed below and pursuant to regulation 10(1)(h) (as applied by regulation 15) of the Payment Services Regulations 2017 ("the PSRs"), the Authority has decided to cancel the registration granted to Owenico Finance Limited as a Small Payment Institution.

SUMMARY OF REASONS

2. The Firm has failed to provide payment services since 1 January 2020.
3. In concluding that it is appropriate to impose the cancellation action proposed in paragraph 1 above, the Authority considers that it is appropriate to do so, in order to advance its consumer protection and integrity objectives (sections 1C and 1D of the Act).

DEFINITIONS

4. The definitions below are used in this Decision Notice (and in the Annex):

"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;

"EG" means the Authority's Enforcement Guide;

"the Firm" means Owenico Finance Ltd;

“the Handbook” means the Authority’s Handbook of rules and guidance;

“the PSRs” means the Payment Services Regulations 2017;

“Return” means annual regulatory report submitted by an SPI to the Authority using form FSA057;

“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 the Firm dated 25 March 2025.

RELEVANT STATUTORY PROVISIONS

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

FACTS AND MATTERS

6. On 17 March 2010, the Firm was registered by the Authority as an SPI. Due to the implementation of the Payment Services Directive 2, the Firm was re-registered as an SPI under the PSRs on 29 November 2018.
7. The Firm is required by rules made by the Authority under the PSRs to report certain information to the Authority, by way of a 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.
8. The Firm submitted a Return (covering the period 1 January to 31 December) for each of the years 2020, 2021, 2022 and 2023. In each Return, it reported having undertaken no payment transactions.

FAILINGS

9. The Authority has concluded that, on the basis of the facts and matters described above, the Firm has not provided payment services since 1 January 2020 and therefore it no longer requires its registration.
10. Accordingly, the Authority has decided to cancel the Firm’s registration as an SPI to protect the interests of consumers, in accordance with Regulation 10(1)(h) (as applied by regulation 15) of the PSRs.

REPRESENTATIONS

11. 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.

12. Annex B contains a brief summary of the key representations made by the Firm and how they have been addressed. 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

13. This Decision Notice is given to the Firm under regulation 10(3)(a) 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.
14. The following paragraphs are important.

Decision Maker

15. 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

16. 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.
17. 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).
18. 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>

19. A copy of Form FTC3 must also be sent to Misba Masood (Misba.masood@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.
20. 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

21. 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, save for document 18 listed. If the Firm requires a copy of this document, it should contact Misba Masood (see paragraph 23 below); and
- b) any secondary material which, in the Authority's opinion, might undermine that decision. There is no such secondary material.

Confidentiality and publicity

- 22. 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

- 23. For more information concerning this matter generally, the Firm should contact Misba Masood at the Authority (direct line: 020 7066 0102 and email: misba.masood@fca.org.uk).

Dharmesh Gadhavi

Executive Decision Maker

Decision made by an FCA Head of Department under Executive Procedures

ANNEX A

RELEVANT STATUTORY PROVISIONS

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.
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;
- [...]."

3. Under Regulation 10(1)(h) (as applied by Regulation 15) of the PSRs, the Authority may cancel the authorisation of a SPI where the cancellation is desirable in order to protect the interests of consumers.

RELEVANT HANDBOOK PROVISIONS

4. 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 EG. The main considerations relevant to the action stated in this notice are set out below.

Enforcement Guide

5. The Authority's policy in relation to exercising its enforcement powers is set out in EG, the relevant provisions of which are summarised below.
6. EG 19.20.2 provides that the Authority's approach to enforcing the PSRs will mirror its general approach to enforcing FSMA, as set out in EG 2.
7. EG 19.20.5 provides that, in relation to the PSRs, the Authority has decided to adopt procedures and policies in relation to the use of its sanctioning and regulatory powers, akin to those it has under the Act.

ANNEX B

REPRESENTATIONS

8. The Firm made representations to the Authority via email dated 9 May 2025 in response to the Warning Notice. A summary of the Firm's key representations (in bold) and the Authority's conclusion in respect of them, is set out below.
9. **Ground 1: the Firm stated that it has not provided payment services due to HMRC not permitting the Firm to provide payment services between 2019 and August 2023 and that it has applied to renew its license with HMRC on 7 February 2025 and will be ready to provide payment services pending approval from HMRC.**
 - 9.1 In support of this, the Firm has provided evidence of the fee being paid to HMRC for the application.
 - 9.2 The Authority considers that the Firm has had ample time to address the issues they have faced with renewing their HMRC registration. The Firm has stated in their representations dated 9 May 2025 that they've faced challenges since '2019 and August 2023'. The Firm has also not provided any new information addressing why HMRC have not renewed their registration and the reasoning for their delay in reapplying for their registration.
 - 9.3 In addition, the Firm was first contacted by the Authority regarding their lack of payment services on 27 October 2023 however, only submitted its application with HMRC on 7 February 2025. The Authority considers that since October 2023 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.
10. **Ground 2: the Firm has completed its FSA057 return for the period covering 1 January 2024 to 31 December 2024.**
 - 10.1 Whilst the Return has been submitted, the Firm has still reported no payment services and therefore the Authority considers that the Firm's registration should be cancelled as it is still not providing payment services.
11. **Ground 3: the Firm has paid their overdue balance and provided evidence of the same.**
 - 11.1 The Authority can confirm that the overdue balance has been settled but this does not resolve the issue as it is not evidence of the firm providing payment services.

CONCLUSION

12. For the reasons set out above and in the Warning Notice, the Authority still considers that the Firm is not providing payment services and has not done so since 2020. The primary reason for the Firm not providing payment services appears to be that it does not have HMRC registration, which is a condition of its registration as a SPI.

The Firm has failed to demonstrate that it has taken adequate steps to obtain HMRC registration and commence providing payment services.

- 12.1 Furthermore, the submission of the FSA057 Return and the payment of the overdue balance does not resolve the issue of not providing payment services.
- 13 Therefore, the Authority considers that it is both appropriate and proportionate to cancel the Firm's registration as a SPI.