



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

2018

Guidance note for E-Money Institution Accounts Return (FINREP)



Contents

Introduction	2
Important Notes	3
General Notes	4
Table A Questionnaire	6
Table 1.1 Assets	6
Table 1.2 Liabilities.....	7
Table 1.3 Equity	8
Table 2 Income Statement	9
Table 33 Supplementary Financial Reporting Return.....	12
Appendix 2.....	13

Introduction

1. This guidance note is relevant for all electronic money institutions authorised under S.I. no. 183 of 2011 - European Communities (Electronic Money) Regulations, 2011 (as amended). Throughout this note these firms will be collectively referred to as “EMIs” or “firms”.
2. All EMIs are required to submit their management accounts and audited year-end financial statements to the Central Bank of Ireland “Central Bank” via the Central Bank’s Online Reporting System. [The templates used for these submissions on the Online Reporting System are the European Banking Authority (EBA) FINREP rev2 templates with a number of modifications.]
3. The EBA FINREP rev2 framework was published on the 15 December 2009. Information on the framework – including implementation guidelines – is available at: [Guidelines for the implementation of the framework for consolidated financial reporting \(FINREP\) – Revision 2 \(2009\) - European Banking Authority](#) Firms should review the guidelines on the EBA website in conjunction with this guidance note.
4. The excel file entitled *Guidance note for E-Money Institution Accounts Return (FINREP) - Appendix 1* sets out the EBA FINREP rev2 templates as implemented for Irish EMIs (i.e. including modifications made by the Central Bank) and as they are presented on the Central Bank’s Online Reporting System. Hereafter these templates as set out in Appendix 1 – and as distinct from the EBA FINREP rev2 templates – are referred to as the “FINREP templates” or “FINREP”.
5. This guidance note provides information and direction for Irish EMIs on how to complete the FINREP returns. It may be updated periodically and the most up-to-date version will be available on the Central Bank website.

Important Notes

6. The EBA FINREP rev2 framework is based on International Financial Reporting Standards (IFRS)¹ and contains references to the IAS/IFRS. The Central Bank has included these references in the FINREP templates in Appendix 1 and, for the core tables, has mapped these IAS/IFRS to Irish GAAP references where there exists a direct mapping between the two sets of accounting standards. In relation to this mapping exercise the Central Bank would like to emphasise that:
 - it has been completed on a best efforts basis;
 - it will be updated as and when any issues are identified;
 - firms should engage with their audit firm in relation to any issues and in the event of conflict between the mapping provided and the audit firm's guidance the latter applies and the conflict should be communicated promptly to the relevant supervisor.
7. The Central Bank would also like to emphasise the following two points:
 - No interpretation of accounting standards should come from the standardisation of the information included in FINREP or from the direction provided in this guidance note.
 - Firms should continue to prepare their management accounts and year-end financial statements under the accounting standards appropriate for / applicable to their firm. FINREP is simply a means of collecting this information electronically in a standardised format.
8. Firms should take care to ensure that the data provided in FINREP returns is accurate and complete. Firms will be required to resubmit incorrect returns. Firms submitting incorrect returns may be subject to sanction.

¹ More information on IFRS is available at: <http://www.ifrs.org/Home.htm>

General Notes

9. The FINREP templates include the following modifications from the EBA FINREP rev2 templates:

- On Table 1.1 *Assets* the Central Bank has added a requirement to split assets into their current and non-current components.
- On Table 1.2 *Liabilities* the Central Bank has added a requirement to split liabilities into their current and non-current components.
- On Table 1.1 *Assets* row 1.1.02 *Financial assets held for trading* the Central Bank has removed the requirement to disclose the 'amount of cumulative change in the fair values attributable to changes in the credit risk'.
- The Central Bank has included two additional core tables – Table A *Questionnaire* and Table 33 *Supplementary Financial Reporting Return*.

10. FINREP contains six core tables –

- (i) Table A *Questionnaire*;
- (ii) Table 1.1 *Assets*;
- (iii) Table 1.2 *Liabilities*;
- (iv) Table 1.3 *Equity*;
- (v) Table 2 *Income Statement*; and
- (vi) Table 33 *Supplementary Financial Reporting Return*.

Table 1.1 *Assets*, Table 1.2 *Liabilities* and Table 1.3 *Equity* together make up the full Table 1 *Balance Sheet Statement*.

Table A *Questionnaire* and Table 33 *Supplementary Financial Reporting Return* are custom tables developed by the Central Bank for Irish EMLs.

These six core tables are mandatory for all submissions of management accounts.

11. The following general points are relevant for all of the FINREP templates:

- Words included in square brackets – that is [...] – are only a clarification of the sentence, item, label, etc.
- As a general principle data is entered as positive numbers. However there are cases where data should be entered as negative numbers. Such cases are identified below.
- All financial data should be entered in the FINREP templates on the Online Reporting System in thousands of Euros. Firms with a functional currency other than Euro should translate their accounts to Euro in accordance with the direction provided in the accounting

standards under which the firm reports (e.g. SSAP 20 or FRS 23 for firms reporting under Irish GAAP or IAS 21 for firms reporting under IFRS). Direction on how numbers should be rounded to the nearest Euro thousand is provided in Appendix 2 below.

- All of the FINREP templates depicted in Appendix 1 contain row references and in some instances column references. These references are used throughout Appendix 1 to specify rules in relation to certain rows, columns and cells. For example a rule may specify that a particular cell must equal the sum of a number of other cells. The Online Reporting System contains validations to ensure that firms adhere to these rules when populating the FINREP templates. Firms will not be able to finalise FINREP returns on the Online Reporting System until all validation errors are cleared. Firms are therefore encouraged to review the rules in Appendix 1.

12. This guidance note uses the same references as used in Appendix 1.

13. The guidance provided below on individual tables seeks to highlight some specific points of which firms should be aware. It is not a comprehensive set of instructions for firms and again the Central Bank would like to reiterate that firms should continue to prepare their management accounts and year-end financial statements in accordance with the accounting standards appropriate for / applicable to their firm.

14. If firms have any queries in relation to the submission of FINREP returns or the content of this guidance note, they should contact their supervisor.

Table A Questionnaire

15. Table A “*Questionnaire*” contains six questions (row references A.2 to A.7). Firms should answer all six questions for each submission of management accounts on the FINREP templates; Question A.6 on Table A asks firms to state their financial year-end.

The Central Bank would like to emphasise that firms should continue to separately communicate any change in their financial year-end to their supervisor.

Table 1.1 Assets

16. All data on Table 1.1 *Assets* should be entered as positive numbers.

17. Firms are required to enter data for current assets into the column labelled *Current* and to enter data for non-current assets into the column labelled *Non-current*. Firms must also enter the total of current and non-current assets into the column labelled *Total*.

18. Firms reporting under Irish GAAP that have not adopted FRS 25, 26 and 29 may have financial assets held at cost that do not fit into any of the financial assets categories in Table 1.1. In this case firms should include the relevant financial assets in row 1.1.14 *Other assets* – and subsequently in Table 33B *Breakdown of Other Assets* in row 33.B.1.6 *Investments at cost*. In addition these firms should record notice deposits in row 1.1.14 *Other assets* – and subsequently in Table 33B *Breakdown of Other Assets* in row 33.B.1.7 *Other Assets – Notice Deposits*.

19. Firms should also include the following categories of assets in row 1.1.14 *Other assets* (and subsequently in the relevant rows in Table 33B) *if they do not fit into any of the other categories in Table 1.1*:

- Trading Book Debtors
- Non-Trading Book Debtors
- Prepayments
- Inter-company Debtors
- PAYE / PRSI / VAT
- Other uncategorised assets - any other assets that do not fit into any of the other categories in Table 1.1

20. For FINREP submissions of the firm’s individual financial statements investments in subsidiaries which are held at cost should be recorded in row 1.1.14 *Other Assets* and subsequently in Table 33B *Breakdown of Other Assets* in row 33.B.1.6 *Investments at cost*.

21. All assets in Table 1.1 should be included net of provisions.

Table 1.2 Liabilities

22. All data on Table 1.2 *Liabilities* should be entered as positive numbers.
23. Firms are required to enter data for current liabilities into the column labelled *Current* and to enter data for non-current liabilities into the column labelled *Non-current*. Firms must also enter the total of current and non-current liabilities into the column labelled *Total*.
24. Firms reporting under Irish GAAP that have not adopted FRS 25, 26 and 29 may include loans or debt securities issued in row 1.2.09 *Other liabilities* and subsequently in Table 33C *Breakdown of Other Liabilities* in row 33.C.1.8 *Other Liabilities – Loans / Debt securities issued*.
25. Firms should also include the following categories of liabilities in row 1.2.09 *Other liabilities* (and subsequently in the relevant rows in Table 33C *Breakdown of Other Liabilities*) if they do not fit into any of the other categories in Table 1.2:
- Trading Book Creditors
 - Non-Trading Book Creditors
 - Inter-Company Creditors
 - Overdraft
 - Accruals
 - PAYE / PRSI / VAT
 - Other uncategorised liabilities - any other liabilities that do not fit into any of the other categories in Table 1.2
26. Subordinated liabilities should be included in one of the following categories in Table 1.2 depending on whether they are designated at fair value through profit or loss or measured at amortised cost:
- 1.2.02.1 *Financial liabilities designated at fair value through profit or loss: Deposits*
 - 1.2.02.2 *Financial liabilities designated at fair value through profit or loss: Debt Securities issued*
 - 1.2.03.1 *Financial liabilities measured at amortised cost: Deposits*
 - 1.2.03.2 *Financial liabilities measured at amortised cost: Debt securities issued*
27. Firms should refer to Chapter 2, Section 4.6 of the EBA implementation guidelines (link provided above) for definitions of 'Deposits', 'Debt

securities issued' and 'Other financial liabilities' and for further clarification on the classification of subordinated liabilities.

Table 1.3 Equity

28. The following items on Table 1.3 *Equity* should be entered as positive numbers:
- 1.3.1 *Issued capital* and associated sub-categories
 - 1.3.2 *Share premium*
 - 1.3.5 *Reserves* and associated sub-categories
 - 1.3.6 (*Treasury Shares*)
 - 1.3.8 (*Interim Dividends*)
29. The remaining categories in Table 1.3 may be entered as positive or negative numbers, with a positive number representing an increase to equity and a negative number representing a decrease to equity.
30. Row 1.3.1 *Issued capital* includes ordinary share capital and preference share capital. Similarly row 1.3.2 *Share premium* includes the share premium on both ordinary and preference share capital.
31. Row 1.3.5.2 *Other reserves* includes retained earnings (or accumulated losses) from prior years that are attributable to equity holders of the parent. Row 1.3.5.2 also includes capital contributions and any other reserves that do not fit into any of the other categories in Table 1.3.
32. In all submissions of audited year-end financial statements row 1.3.7 *Profit (loss) attributable to equity holders of the parent* should equal row 2ii *Total Profit (Loss): Attributable to equity holders of the parent* on Table 2 *Income Statement*.
33. In all submissions of management accounts row 1.3.7 *Profit (loss) attributable to equity holders of the parent* should represent the year to date profit or loss attributable to equity holders of the parent, whereas row 2ii *Total Profit (Loss): Attributable to equity holders of the parent* on Table 2 should represent the reporting period performance (i.e. month / quarter etc.). Therefore for management accounts submissions row 1.3.7 and row 2ii will not necessarily agree.
34. Retained earnings or accumulated losses from prior years and current year to date profit / loss that are attributable to minority interests (non-controlling interests) should be included in row 1.3.9.2 *Other items*.

Table 2 Income Statement

35. Firms should record their financial performance for the reporting period in Table 2 *Income Statement*. To be clear, for submissions of management accounts, firms should record the financial performance for the month, quarter, six-month or twelve-month period (depending on the firm's frequency of submission of management accounts) ending on the reporting date and not the year to date results.

36. The following items on Table 2 *Income Statement* should be entered as positive numbers:

- 2.1.1.01 *Interest Income* and associated sub-categories
- 2.1.1.02 (*Interest expense*) and associated sub-categories
- 2.1.1.03 (*Expenses on share capital repayable on demand*)
- 2.1.1.04 *Dividend Income* and associated sub-categories
- 2.1.1.05 *Fee and commission income*
- 2.1.1.06 (*Fee and commission expenses*)
- 2.1.1.13 *Revenue from insurance and reinsurance contracts issued*
- 2.1.1.15 *Other operating income*
- 2.1.1.16 (*Other operating expenses*)
- 2.1.1.17 (*Administration costs*) and associated sub-categories
- 2.1.1.18 (*Depreciation*) and associated sub-categories
- 2.1.1.20.1 (*Financial assets measured at cost*) under the (*Impairment on financial assets not measured at fair value through profit or loss*) heading
- 2.1.1.21.3 (*Goodwill*) under the (*Impairment on non-financial assets*) heading
- 2.1.1.22 *Negative goodwill immediately recognised in profit or loss*

37. The following items on Table 2 *Income Statement* may be entered as positive or negative numbers with a positive number indicating a gain or profit and a negative number indicating a loss or expense:

- 2.1.1.07 *Realised gains (losses) on financial assets & liabilities not measured at fair value through profit or loss, net* and associated sub-categories
- 2.1.1.08 *Gains (losses) on financial assets and liabilities held for trading, net*

- 2.1.1.09 *Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net*
- 2.1.1.10 *Gains (losses) from hedge accounting, net*
- 2.1.1.11 *Exchange differences [gain (loss)], net*
- 2.1.1.12 *Gains (losses) on derecognition of assets other than held for sale, net*
- 2.1.1.14 *Other income/expenses from insurance and reinsurance contracts, net*
- 2.1.1.23 *Share of the profit (loss) of investments in entities accounted for using the equity method*
- 2.1.1.24 *Profit (loss) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations*
- 2.1.1 *Profit (loss) before tax from continuing operations*
- 2.1 *Profit (loss) after tax from continuing operations*
- 2.2 *Profit (loss) after tax from discontinued operations*
- 2. *Total Profit (Loss) and associated sub-categories*

38. The following items on Table 2 *Income Statement* may be entered as positive or negative numbers with a positive number indicating a charge or expense and a negative number indicating a reversal of a charge or income:

- 2.1.1.19 *(Provisions) reversal of provisions*
- 2.1.1.20 *(Impairment on financial assets not measured at fair value through profit or loss) and associated sub-categories [with the exception of 2.1.1.20.1 (Financial assets measured at cost)]*
- 2.1.1.21 *(Impairment on non-financial assets) and associated sub-categories [with the exception of 2.1.1.21.3 (Goodwill)]*
- 2.1.2 *(Tax expense) income related to profit or loss from continuing operations*

39. For FINREP submissions of the firm's individual financial statements, dividend income from subsidiaries should be disclosed in 2.1.1.15 *Other Operating Income*.

40. Depreciation charges should be included in row 2.1.1.18 *(Depreciation)* and associated sub-categories and should therefore be excluded from row 2.1.1.17 *(Administration costs)* and associated sub-categories.

41. Firms should note that rows 2.1.1.01 to 2.1 on Table 2 relate to the performance of continuing operations. Firms should record the profit or loss after tax from discontinued operations in row 2.2 *Profit (loss) after tax from discontinued operations*. Firms should use the definition of discontinued operations that is given in the accounting standards under which the firm reports (e.g. firms reporting under Irish GAAP should use the definition of discontinued operations given in FRS 3 *Reporting financial performance* and firms reporting under IFRS should use the definition of discontinued operations given in IFRS 5 *Non-current assets held for sale and discontinued operations*).

Table 33 Supplementary Financial Reporting Return

42. Table 33A *Breakdown of Expenses* is a breakdown of the administration costs reported on Table 2. Therefore row 33.A.1 *Staff Expenses* should equal row 2.1.1.17.1 (*Staff expenses*) on Table 2 and row 33.A.2 *General and Administrative Expenses* should equal row 2.1.1.17.2 (*General and administrative expenses*) on Table 2.
43. In Table 33A entering a positive number indicates a cost or charge and entering a negative number indicates the reversal of a cost or charge (for example the release of an accrual). Rows 33.A.1.5 *Group re-charge* and 33.A.2.7 *Group re-charge* represent re-charges of staff expenses and general and administrative expenses respectively to another group company. A re-charge to group should be entered as a negative number.
44. Table 33B *Breakdown of Other Assets* is a breakdown of row 1.1.14 *Other assets* on Table 1.1. Therefore row 33.B.1 *Total Other Assets* should equal row 1.1.14 on Table 1.1.
45. All items on Table 33B should be entered as positive numbers.
46. As detailed above, firms reporting under Irish GAAP that have not adopted FRS 25, 26 and 29 should record financial assets held at cost that do not fit into any of the financial assets categories in Table 1.1 in row 33.B.1.6 *Investments at cost*. In addition these firms should record notice deposits in row 33.B.1.7 *Other Assets – Notice Deposits*.
47. Table 33C *Breakdown of Other Liabilities* is a breakdown of row 1.2.09 *Other liabilities* on Table 1.2. Therefore row 33.C.1 *Total Other Liabilities* should equal row 1.2.09 on Table 1.2.
48. All items on Table 33C should be entered as positive numbers.
49. As detailed above, firms reporting under Irish GAAP that have not adopted FRS 25, 26 and 29 may include loans or debt securities issued in row 33.C.1.8 *Other Liabilities – Loans / Debt securities issued*.
50. Table 33D *Breakdown of Other Reserves* is a breakdown of row 1.3.5.2 *Other reserves* on Table 1.3. Therefore row 33.D.1 *Total Other Reserves* should equal row 1.3.5.2 on Table 1.3.
51. Row 33.D.1.2 *Capital Contribution* should be entered as a positive number while the remaining categories in Table 33D may be entered as positive or negative numbers, with a positive number indicating an increase to equity and a negative number indicating a decrease to equity.

Appendix 2

Rounding numbers on the Online Reporting System

All financial data should be entered on the Online Reporting System in thousands of Euros. In general values of €1 to €499 should be rounded **down** and values of €500 to €999 should be rounded **up**. However, in cases where a system validation is in place to ensure that a number of sub-fields add correctly to a total field, and firms are encountering validation errors due to rounding issues, the convention to be used is as follows:

- i. The total field should be entered according to the general rounding rule (i.e. round values of €1 to €499 **down** and values of €500 to €999 **up**). It is most important that the total field is correct.
- ii. Firms should then pick the sub-field(s) to round up or down as necessary so that the least difference from the actual values is reported. In the case where more than one sub-field (or more than one combination of sub-fields) satisfies this criterion, firms should simply pick one of these sub-fields (or combination of sub-fields) at their discretion.

The following three examples are illustrative:

Example 1			
Field Heading	Actual value	Value that would be input on the Online Reporting System according to the general rounding rules €000	Value to be input in order to fix the validation error €000
Field 1.1.1	€1,000	1	1
Field 1.1.2	€3,400	3	4 The entry here is changed to '4' in order to fix the validation error. There is a difference of €600 between '4' (representing €4,000) and the actual value of €3,400. Changing the entry in either of the other sub-fields here would create a larger difference from the actual value.
Field 1.1.3	€3,300	3	3
Total Field 1.1	€7,700	8 Validation error! [1 + 3 + 3 does not equal 8]	8 Total left unchanged

Example 2			
Field Heading	Actual value	Value that would be input on the Online Reporting System according to the general rounding rules €000	Value to be input in order to fix the validation error €000
<i>Field 1.1.1</i>	€2,000	2	2
<i>Field 1.1.2</i>	€3,600	4	4
<i>Field 1.1.3</i>	€3,500	4	3 The entry here is changed to '3' in order to fix the validation error. There is a difference of €500 between '3' (representing €3,000) and the actual value of €3,500. Changing the entry in either of the other sub-fields here would create a larger difference from the actual value.
Total Field 1.1	€9,100	9 Validation error! [2 + 4 + 4 does not equal 9]	9 Total left unchanged

Example 3			
Field Heading	Actual value	Value that would be input on the Online Reporting System according to the general rounding rules €000	Value to be input in order to fix the validation error €000
<i>Field 1.1. 1</i>	€3,000	3	3
<i>Field 1.1.2</i>	€4,600	5	4 The entry here is changed to '4' in order to fix the validation error. There is a difference of €600 between '4' (representing €4,000) and the actual value of €4,600. Changing the entry in sub-field 1.1.3 to '4' would have also created a difference of €600 from the actual value. Hence we could have picked either sub-field 1.1.2 or 1.1.3 to change in this instance.
<i>Field 1.1.3</i>	€4,600	5	5
Total Field 1.1	€12,200	12 Validation error! [3 + 5 + 5 does not equal 12]	12 Total left unchanged

T +353 1 224 6000 www.centralbank.ie paymentservicesupervision@centralbank.ie



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Bosca PO 559, Sráid an Dáma, Baile Átha Cliath 2, Éire
PO Box No 559, Dame Street, Dublin 2, Ireland