

The complaint

Mr C complains that Digital Moneybox Limited (trading as '*Moneybox*') fails to show clear information about the performance of his stocks and shares ISA. He feels that Moneybox may be misleading him about the nature of his investment, and it refused to give him any advice or properly address his concerns.

What happened

Mr C took out a stocks and shares (investment) ISA with Moneybox in October 2023. His account is held on an execution only basis and operated solely through Moneybox's app.

On 9 May 2024, Mr C queried his account balance with Moneybox, using its chat facility. He asked Moneybox why his balance appeared incorrect.

On 11 May 2024, Mr C asked Moneybox how he could find out the profit or loss on his holdings within the ISA.

On 13 May 2024, Mr C requested an accurate price for his holdings as he felt that his account displayed a discrepancy.

On 15 May 2024, Mr C sent screenshots of the app to Moneybox and asked it to explain the discrepancy he saw. Moneybox told Mr C how the fluctuation he saw was because the stocks he traded were from the US – meaning the exchange rate could fluctuate affecting both the number of shares purchased, and the returns.

On 19 May 2024, Mr C told Moneybox he was worried about the ownership of his shareholdings. Moneybox explained to Mr C how he was the beneficial owner of his shares within the ISA, and it sent Mr C a copy of the terms and conditions applying to his account.

On 21 May 2024, Mr C raised concerns about the way fees were taken from his investment.

On 25 May 2024, Mr C told Moneybox that he felt his account had been accessed without his authority, after he had raised his previous queries.

On 5 June 2024, Moneybox offered to speak with Mr C via telephone to help him understand how his account was operated.

On 17 June 2024, Moneybox explained to Mr C how he could review the overall gains or losses made in a particular stock by accessing the performance report.

On 21 June 2024, Mr C complained. Moneybox broke Mr C's complaint down into eight overall issues, which were:

1. Moneybox did not display Mr C's investments in the app correctly, as there were stock price irregularities.
2. He did not agree with the way fees were charged to him.

3. Fees were being deducted from his largest fund (with a conversion fee charge), instead of Moneybox taking these from the available cash.
4. He was unhappy with how the ownership of his investments was categorised.
5. He felt there was unclear information about any gains made in the investment.
6. He was not informed that Moneybox did not provide financial advice.
7. He felt Moneybox failed to respond to his questions in a timely manner.
8. Moneybox failed to send his complaint to its Chief Executive Officer as requested.

In August 2024, Moneybox rejected the complaint. It responded in turn to each of the eight areas of complaint, noting:

1. It had checked Mr C's transactions and there were no irregularities. As Mr C invested in US stocks, Moneybox explained the changing currencies gave rise to a foreign exchange risk affecting the number of stocks held, in addition to market movements between the time a buy is placed in the app and when the deal is made. It also outlined its best-execution policy when investing in stocks and directed Mr C to check the contract notes which were generated when he placed each transaction.
2. Key features information and terms and conditions issued to Mr C when he set up his account showed how the fee structure operated.
3. It hadn't taken additional fees from the funds, as Mr C suspected. The screenshots he had provided showed the value of the investments compared to the previous day. This didn't mean fees had been charged separately.
4. Mr C was the beneficial owner of the shares he held in the ISA, in accordance with Financial Conduct Authority ('FCA') custody rules.
5. Mr C could see performance of individual funds in the account using the 'performance' tab within the app. However, to aid Mr C it produced a report showing the profit and loss on all 15 investments he had made since he took out the ISA.
6. At the time Mr C applied for the account, he ticked a declaration which confirmed he accepted that Moneybox did not give any financial advice.
7. It had a service level agreement to answer queries from customers within one to two working days – and this had been met.
8. Moneybox was not required to escalate the complaint to senior staff; instead it had been appropriately handled by staff in its complaints department.

Mr C then brought his complaint to this service. He reiterated the concerns he had raised with Moneybox. He also said that he questions whether a third-party might have access to his account, something he had raised already on 25 May 2024.

An investigator reviewed the complaint, but he said he didn't think it should succeed. He hadn't seen any evidence that led him to believe that Moneybox had operated Mr C's account unfairly, or that it had permitted it to be tampered with in any way.

He also believed Moneybox had acted fairly in explaining how Mr C could review the performance of his investments through his app or ask directly for a breakdown of individual fund performance.

Mr C disagreed with our investigator. He made further written submissions to our investigator over a series of emails. In summary he said:

- He questions if it is normal for an investor to have to track their own investments.
- When he has searched for his investments on the app, it appeared as if the search box had already been completed.
- The records Moneybox produces do not tally with his own records and he feels it is concealing information from him.

- He also questions how this service can agree with evidence that hasn't been provided.
- Moneybox periodically updates its terms and conditions, and he feels it is because customers like himself have spotted flaws in the wording.
- He believes the entire history of his investments with Moneybox should be reviewed as it has made deductions without explanation.
- The investigator didn't investigate the situation at all but merely said he did.
- He would also like to consider court action.
- He has additional issues with the investment that he has never been able to discuss with Moneybox.
- He wants an ombudsman to look at the complaint.

Our investigator told Mr C how he could refer any new complaint to Moneybox directly if he wished to do so. He otherwise wasn't prepared to change his opinion on the complaint.

Moneybox didn't have anything else to add.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I thank both parties for their considerable patience whilst this matter has awaited an ombudsman's decision, given the current demand for our service.

I've fully reviewed the file and considered the full representations Mr C made after our investigator's assessment. I have also set out a detailed summary of the chronology in the background to this decision, to assist Mr C.

However, in reaching my findings, I've focused on what I consider to be the key issues. Our rules allow me to take this approach; it reflects the informal nature of our service, as a free alternative to the courts.

As I've said, I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome based on all of the information before me. Though I realise my decision will be a disappointment for Mr M, I do not consider that it should be upheld.

For the following reasons I agree with the conclusion reached by our investigator:

- We do not act in the capacity of a regulator; that remit falls to the FCA.
- I have noted the regulator's function here because the crux of this complaint relates to how Moneybox has operated, specifically in relation to its process regarding shareholdings in Mr C's investment ISA.
- Though Mr C may believe otherwise, it is not my role to determine how Moneybox devises terms and conditions or how it complies with regulatory provisions.
- Nor can I command Moneybox to operate differently, as my role does not extend to informing a business how to conduct commercial operations. Instead, I have looked at whether it has treated Mr C fairly when administering his stocks and shares ISA on his behalf. And I believe Moneybox has behaved reasonably in the circumstances.
- When Mr C opened the account with Moneybox, he was asked to confirm he'd read, understood, and accepted its terms and conditions.

- The terms explained that *“It’s important to note that Moneybox is not allowed to give financial advice...please speak to a financial adviser if you want to understand whether any of our products suit you and your particular circumstances”*.
- I am satisfied that Moneybox has not inferred to Mr C that it can offer financial advice, and his account is operated on an execution only basis.
- Moneybox has also clearly set out its fees and charges to Mr C (those being a 0.45% annual platform fee paid monthly and a 0.45% currency conversion fee which is listed in the buying price).
- I do not find this to be misleading or unclear; I note Mr C was given the information about the fee structure at the outset, at the time he applied for the account.
- In terms of fluctuations in prices, Moneybox has explained to Mr C how it completed trades once per day, and stock prices are subject to change on that basis. I consider that reasonable, and in line with the agreed terms and conditions.
- I also note that in addition to explaining how Mr C could review the performance of a particular stock within the app (though it cannot do the same for funds), he could request fund performance at any time and access relevant information on Moneybox’s website.
- Furthermore, Moneybox produced a one-off performance document to help Mr C understand the activity within his account from the outset to August 2024. This included the total amount contributed and withdrawn from his ISA, as well as the total amount of fees charged. I consider that Moneybox went further than it was obliged to do in order to assist Mr C. And an objective reading of all the evidence does not show any anomalies or tampering with the account, as Mr C has suggested.
- Moneybox has also explained the relevant custody rules it must comply with, which are set out by the FCA. It has also explained how though it was the legal owner of the shares as a nominee, Mr C was the beneficial owner. I have seen no reason to disbelieve this confirmation, and I believe it accurately reflects the ownership of the holdings.
- I realise Mr C would like this service to undertake a forensic analysis of the operation of his account and the service he has provided. I have already explained why it is not my role to do that.
- Nonetheless, I have reviewed all of the submissions from both parties, and I cannot find any objective evidence that Moneybox has caused any mistake that ought to be put right, financially or otherwise.
- From everything I’ve seen, it has operated the account fairly, in accordance with the terms and it has provided timely responses to Mr C’s queries about the nature of his investment.
- It follows that I cannot uphold this complaint, or make any award to Mr C.
- Mr C remains free to reject my decision and pursue the matter at court if he wishes to do so.
- Similarly, Mr C can raise any additional concerns he has with Moneybox (if this is still the case) directly, if appropriate. This complaint has only looked at the issues addressed by Moneybox in the final response letter of August 2024.

My final decision

Despite my sympathy for Mr C, I cannot uphold this complaint. That is since I do not believe Moneybox has acted unfairly or unreasonably in the operation of his stocks and shares ISA.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr C to accept or reject my decision before 24 April 2025.

Jo Storey

Ombudsman