

The complaint

Miss T complains that New Day Ltd (trading as Aqua) closed her account and hasn't returned funds to her that were credited to the account, shortly before it was closed.

What happened

In January 2025, Miss T received a payment of £6,798 to her Aqua credit card. After the payment credited Miss T's account, it left Miss T's credit card balance £2,874.72 in credit.

Following this, Aqua received a fraud report from a third party bank, stating that Miss T's account was in receipt of fraudulent funds. Aqua wrote to Miss T in January 2025, to explain it had withdrawn her credit facility with immediate effect.

Miss T got in touch with Aqua to enquire why her account had been closed. She explained she had asked a third party to transfer funds of approximately £6,000 to her Aqua account, for her rent and so she could apply for a visa, to remain in the UK. She said the individual who transferred the funds to her was a friend, who was also a money exchanger. Miss T informed Aqua of the name of her friend and Aqua confirmed the funds hadn't come from an account in her friend's name and since the payment had been reported as fraud, it wouldn't be reopening her account.

Miss T complained to Aqua about the matter in February 2025. Aqua responded in March 2025 and in summary, it said:

- Aqua became concerned about Miss T's account activity on 14 January 2025 and correctly closed her credit facility
- Aqua had the authority to close Miss T's account if it had any concerns and its process aligned with the terms of the credit agreement and Aqua's fraud prevention policy
- The account balance was zero and no further action was needed by Miss T
- Aqua had followed the correct process regarding the security of the account

Miss T referred her complaint to our service. She explained that she had been diagnosed with cancer in 2024 and had been receiving treatment since then. This meant she couldn't work and her family who lived abroad had arranged to transfer the funds in question to her as she urgently needed to make a visa application.

Miss T provided evidence to show she needed funds to pay legal fees regarding her visa in January 2025. She added that she'd asked for the payment from her family to be sent to her credit card because it was the only card she had in her possession as her other bank cards and laptop were lost and she'd reported this to the police in December 2024.

One of our Investigators looked into things and didn't uphold Miss T's complaint. In summary, they said:

- Aqua was complying with its legal and regulatory obligations when it closed Miss T's account and Aqua's reasons for doing so were commercially sensitive
- Aqua had followed its processes, so it didn't need to do anything else

- No funds were owed to Miss T, when the account was closed

Miss T disagreed. In addition to previous points she'd made, she reiterated that due to the difficult position she was in, she required financial assistance from her family abroad and that the only way to receive the funds from them, was to use a money exchanger. She added that she urgently needed Aqua to return the funds, since she was in financial difficulties and experiencing ill health due to radiotherapy treatment she was receiving.

Miss T considered Aqua should contact the sender of the funds if there was an issue with the payment, rather than confiscating the funds from Miss T. Miss T also submitted additional evidence to show conversations that her brother who lived abroad had with the money exchanger regarding the transfer of the funds to the money exchanger and Miss T's subsequent issue regarding them.

Miss T explained that due to sanctions imposed by the UK on her native country, she'd used a money exchange service many times to transfer and receive funds, without any problems. And since the funds were credited to her Aqua account, the money exchanger who arranged the transfer stated they bear no further responsibility regarding the transfer.

Miss T didn't consider Aqua had treated her fairly, as it was obligated to and the situation had exacerbated her health issues and financial difficulties.

As no agreement could be reached, the matter has been passed to me to decide.

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've read and considered all of Miss T's submissions regarding her complaint, but I'll concentrate on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Account closure

Financial businesses in the UK, like Aqua, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means businesses need to restrict, or in some cases go as far as closing, customers' accounts.

Aqua is entitled to close an account just as a customer may close an account with it. But before Aqua closes an account, it must do so in a way, which complies with the credit agreement for the account, which Miss T agreed to when it was opened.

The agreement says Aqua can close the account by giving two months' notice and can cancel use of the account under certain circumstances. Having reviewed the information provided to me by Aqua in confidence, I'm satisfied it was entitled to close the account in the way that it did.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from regulated businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Aqua has provided is information I consider should be kept confidential.

Funds

Aqua received a fraud report from a third party bank, explaining that Miss T wasn't entitled to the funds that she received to her credit card account. I've carefully considered what Miss T has said about the purpose of the payment and the arrangement her family made to send

the funds to her, including the name of the individual Miss T told Aqua was the sender of the funds.

From the evidence I've received, the name of the person who Miss T says she expected to receive the funds from, doesn't match the name on the account the funds were sent from. And Miss T hasn't provided any compelling evidence to show why she would've received the funds from the sender of the account the funds were debited from.

Having considered Miss T's detailed submissions alongside the information Aqua has provided, including information it has provided in confidence, overall I'm not persuaded by the explanation Miss T's given and evidence she's provided to show that she was entitled to the funds. It follows that I don't think Aqua has done anything wrong in not returning the funds to her and I won't be asking Aqua to do anything further.

I appreciate Miss T is experiencing significant financial and health challenges and this will not be the outcome Miss T was hoping for, but I'm satisfied Aqua acted reasonably in the circumstances of this complaint. I know Miss T will be disappointed with the decision I've reached, but I hope it provides some clarity around why I won't be asking Aqua to take any further action.

My final decision

For the reasons above, I have decided to not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 4 March 2026.

Khadijah Nakhuda
Ombudsman