

The complaint

Mr L complains about issues that he had with a car that was supplied to him under a conditional sale agreement with Moneybarn No. 1 Limited.

What happened

A used car was supplied to Mr L under a conditional sale agreement with Moneybarn that he signed in January 2022. The price of the car was £7,995, Mr L made an advance payment of £2,500 and he agreed to make 50 monthly payments of £207.52 to Moneybarn. He didn't make all of those payments when they became due so Moneybarn terminated the conditional sale agreement in February 2023, and the car was recovered from Mr L in April 2023.

Mr L complained to Moneybarn in April 2025 that the car was faulty when it was supplied to him as the flywheel needed to be changed and new lights were required. It said that it had been unable to establish that the car was of unsatisfactory quality due to no evidence being available, so it was unable to uphold his complaint.

Mr L wasn't satisfied with its response so he referred his complaint to this service. His complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He was satisfied that Moneybarn had supplied Mr L with a car which was of satisfactory quality. Mr L hasn't accepted the investigator's recommendation, so I've been asked to issue a decision on his complaint.

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.

Moneybarn, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr L. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr L was first registered in May 2014, so was more than seven years old, the conditional sale agreement says that it had been driven for 45,000 miles, and the price of the car was £7,995. Satisfactory quality also covers durability, which means that the components within the car must be durable and last a reasonable amount of time, but exactly how long that time is will depend on a number of factors.

The car had passed an MOT test in December 2021, with an advisory about a tyre, and it was then supplied to Mr L in January 2022. Mr L says that he took the car back to the dealer about three months later because of issues with it and that it declined to repair it as it said that the warranty had ended. Mr L says that he then took the car to an independent garage and paid £1,000 to get it fixed. He's provided a handwritten receipt for a payment of £800 in August 2022 that refers to "clutch", but he's not provided any other evidence about the repair that was made to the car.

Moneybarn's notes for Mr L's account show that it phoned him about the arrears on his account in August 2022 and he said that the car had broken down so he'd need to pay for repairs. There's no further comment in those notes from that time about any issues with the car and I've seen no evidence to show that there was an issue with the car's lights.

The conditional sale agreement was terminated in February 2023 and the car was recovered in April 2023, and was then sold at auction. I've seen no evidence to show that Mr L complained to Moneybarn about any issues with the car until April 2025, two years after it had been recovered. If there had been issues with the car about three months after it was supplied to Mr L, I consider that it would be reasonable to expect him to have told Moneybarn about those issues before April 2025.

I'm not persuaded that there's enough evidence to show that there were faults with the car when it was supplied to Mr L, or that the car wasn't of satisfactory quality at that time. Mr L says that he's lost his job due to not having a car and that has placed him under strain and hardship and that he'd like his deposit back and some compensation for the stress and inconvenience that he's been caused.

I've carefully considered all that Mr L has said and provided about his complaint, but I'm not persuaded that there's enough evidence to show that Moneybarn has acted incorrectly. I find that it wouldn't be fair or reasonable in these circumstances for me to require Moneybarn to refund to Mr L the advance payment that he made for the car, to pay him any compensation or to take any other action in response to his complaint.

My final decision

My decision is that I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 4 December 2025.

Jarrold Hastings
Ombudsman