

The complaint

Mr C complains about a car supplied under a conditional sale agreement, provided by MONEYBARN NO.1 LIMITED.

What happened

Around September 2024 Mr C acquired a used car under a conditional sale agreement with Moneybarn. The car is listed with a cash price of £14,050, was around eight years old and had covered around 81,876 miles. Mr C paid a deposit of £1,301.

Unfortunately, Mr C says the car developed issues and explained he reported these to the dealer within the first two weeks.

Mr C told Moneybarn in November 2024 that the car was showing a lot of warning lights.

Later he explained a garage had noted issues with the rear differential, an oil leak and the suspension. Mr C said he'd been quoted £3,000 to repair these issues.

Mr C then complained to Moneybarn in April 2025. It issued a final response later in the month. This said, in summary, that Mr C had provided a video of the car to Moneybarn, but it said this didn't confirm any current faults were present when Mr C got it. Moneybarn said Mr C had told it he would provide an independent report about the faults, but he hadn't done so.

Moneybarn explained Mr C had contacted the broker of the finance in November 2024 and said the car had significant faults and was using too much oil. It said Mr C had asked to reject the car. But it said Mr C then didn't provide further evidence at this point either.

Moneybarn explained it didn't think it was responsible for any faults with the car.

Mr C remained unhappy and referred the complaint to our service.

The car was then taken to a local garage in August 2025. This produced a report and noted a fault with the rear differential and various other issues such as an oil leak, coolant leak and worn tyres, brakes and suspension. It also mentioned a lack of recorded servicing to the air conditioning and transmission.

Our investigator then issued a view and upheld the complaint. He said, in summary, that he thought faults with the rear differential, fault codes, oil leaks, suspension and a coolant leak were present when Mr C got the car. Our investigator said Moneybarn should arrange for these issues to be repaired and said it should arrange a service to the transmission.

Our investigator said they didn't think Mr C had used the car since April 2024. So, he said Moneybarn should reimburse all payments made past that point. And he said Moneybarn should pay him £100 to reflect the distress and inconvenience caused.

Mr C initially accepted the view.

Moneybarn responded and disagreed. It asked our investigator to explain what evidence

there was that the issues noted in the report weren't due to wear and tear.

Our investigator explained that it was clear all the issues were reported to the dealer shortly after the car was supplied. And he clarified his view should've said April 2025 for when Mr C stopped using the car.

Moneybarn responded and made an offer. It said it would make the payments as suggested and would cover the cost of a repair for the oil and coolant leaks as a gesture of goodwill. But it said the other issues from the report were due to wear and tear.

Our investigator then explained he still thought the issue with the rear differential should be covered.

Mr C got in touch and said the issues with the brakes, tyres and suspension were all caused by the car not being used and it wasn't fair he was responsible for these.

Moneybarn then made a further offer and said it would cover repairs to the oil and coolant leaks and to the rear differential as a gesture of goodwill.

Mr C said he wasn't happy with the proposed settlement and thought all of the issues apart from the tyres and servicing should be paid for by Moneybarn. He then explained he wanted to reject the car.

As Mr C remained unhappy, the complaint was passed to me to decide. I sent Mr C and Moneybarn a provisional decision on 30 October 2025. My findings from this decision were as follows:

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

Having done so, I initially do not think this complaint should be upheld. I'll explain why.

I should explain to both parties that I might not comment on every single point raised or go into detail about all of the evidence provided. I'd like to reassure Mr C and Moneybarn that I've carefully considered all of the information on the case. But I'm going to focus my decision on what I think are the key facts and the crux of the complaint. This reflects the informal nature of our service.

When considering what's fair and reasonable, I take into account relevant law, guidance and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. This says, in summary, that under a contract to supply goods, the supplier – Moneybarn here – needed to make sure the goods were of 'satisfactory quality'.

Satisfactory quality is what a reasonable person would expect, taking into account any relevant factors. I'm satisfied a court would consider relevant factors, amongst others, to include the car's age, price, mileage and description.

So, in this case I'll consider that the car was used and cost around £14,000. Considering the specific version of the model Mr C acquired, this represents a significant discount on what it would've retailed at when new. The car was also around eight years old and had covered around 82,000 miles.

This means I think a reasonable person would not have the same expectations as for a newer, less road worn model. I think they would assume parts of the car would've suffered from wear and tear and may expect minor faults. However, I think they would have expected

the car to be fully functional and would expect trouble free motoring for at least a short time.

What I need to consider in this case is whether I think Mr C's car was of satisfactory quality or not. Firstly, I need to decide if Mr C's car developed faults. And I think it's quite clear from the evidence it did.

I've seen an invoice from a garage dated 5 August 2025, where the mileage was noted as 87,731. This said:

"Attempted to move rear wheels.

Rear differential makes metallic grinding noise and is incredibly stiff to turn.

This vehicle will require the oil draining and differential stripping to confirm issues but suspect rear diff will need replacing."

A checklist from the same time noted a lack of specific service records to the air conditioning and transmission and said:

"Severe issues with rear diff"

"Numerous sporadic faults. All saved and erased" (in relation to a diagnostic scan)

"Small oil leak from turbo inlet pipe."

"recommended that a coolant change be carried out."

"The brake pads have 5mm remaining"

"Front brake discs are slightly corroded, it is recommended that the front brake discs are replaced when the pads wear out."

"Rear brake discs are corroded, it is recommended that the rear brake discs and pads are replaced."

"Both sides front lower arm rear bushes are peeling and require replacement"

"Oil leak from the timing chain covers. Unable to determine whether it's upper or lower. Will require full clean and recheck after extensive roadtest."

"Coolant leak from the waterpump"

The checklist also noted that three of the tyres should be changed.

I'm satisfied this report shows Mr C's car had various issues. However, the report was carried out not far off a year after Mr C got the car. And it had covered around 6,000 miles.

The report contains no testimony or commentary about when the issues it identified likely appeared. Thinking about this, the report itself doesn't persuade me the faults noted were present or developing when Mr C got the car.

So, I've gone on to consider when I think it's most likely these faults appeared. I think it's worth specifically pointing out up front that my thinking differs quite significantly from our investigator here. He told Moneybarn it was clear the issues noted in the report were all raised with the dealer shortly after Mr C got the car. But, having reviewed things, I haven't seen enough to persuade me this was likely the case.

I say this as, while I have seen some communication from Mr C at this time, this isn't enough to make me think the specific issues noted above were either present or complained about. I've seen an email Mr C said was to the supplying dealer from September 2024 which states:

"Here is that noise again from the cabin quite loud"

But I've no other evidence from the time. I will however of course consider anything further Mr C provides in response to this decision on this point.

I've then seen a further email from the dealer at the start of November 2024, where it explained it would contribute to a diagnostic if Mr C got one and then would try to resolve things for him. But I haven't seen further evidence to show what any issues were at the time.

I can see from Moneybarn's system notes that Mr C contacted it in mid-November 2024 and said the car displayed warning lights. But there aren't further details. And I can't see he then contacted Moneybarn again until around five months later in April 2025, where he mentioned a garage had seen the car and identified various faults.

I've reviewed a video Mr C provided. This is taken from underneath what is presumably his car. At the end of the video, a third party who I've assumed is a mechanic explains the car needs:

"two CV boots, oil leak, so timing case cover possibly"

They say –

"there's a bit of a leakage here from the coolant"

And:

"diff, somethings not right with the gears"

The video file isn't dated. But, based on the very limited information I have, I think it's most likely this was from around April 2025 - when Mr C told Moneybarn the car had been diagnosed with faults.

So, thinking about all of this, I'm satisfied Mr C's car had issues with the suspension, a coolant leak and the differential around April 2025. But I haven't seen enough to persuade me these faults were presenting earlier than this. And I can't see any earlier evidence of the additional issues noted in the report from August 2025.

I've then considered what this means for the satisfactory quality of the car. In April 2025 Mr C had the car for around seven months. And I believe the mileage at this time would be similar to that noted in August 2025 – so he'd covered around 6,000 miles in the car.

Given the lack of any expert testimony explaining otherwise, I think it's most likely the issues noted around April 2025 weren't present at the point of supply and have instead occurred through wear and tear. And I think a reasonable person would've considered the car durable when the faults appeared, given the nature of them and that the car was about nine years old and was approaching 90,000 miles.

For the same reasoning as above, I also find the additional faults noted in August 2025 were also likely not present when Mr C got the car and do not mean it wasn't durable.

Having thought about everything, I think it most likely that the car supplied to Mr C was of

satisfactory quality at the time.

It's worth commenting separately on the servicing records the report mentioned. While Mr C has said the car was sold with a full-service history, I haven't seen evidence this was the case. So, in any event, I wouldn't ask Moneybarn to act on these points.

I would once again like to reassure Mr C that I've carefully considered everything else he's said. I've also reviewed the other videos he sent, but without further information these aren't enough to make me think differently about the conclusions above.

I gave Mr C and Moneybarn two weeks to come back with any further comments or evidence.

Moneybarn responded and said it accepted the decision.

Mr C responded and said my decision was terrible. He made a few points for me to consider.

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 very carefully thought about what Mr C said in response to my decision.

He said the car was a 'death trap' and he never viewed it in person. But this doesn't change my opinion.

Mr C said he'd shown a video of the 'diff whining' when he had the car for three days. I've thought about this, but I've still not seen enough to persuade me faults presented earlier than I set out above.

Mr C said the video from the garage was from around four months after he had the car. But I haven't seen any evidence of the date from this video. I've considered this again, but this video still doesn't persuade me faults were present or developing at the point of supply.

I'd like to reassure Mr C that I've carefully considered everything else he said, but I still do not think this complaint should be upheld. This is for the same reasons I explained in my provisional decision and set out above.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 December 2025.

John Bower
Ombudsman