

The complaint

Miss M complains that The Enterprise Fund Limited (trading as GC Business Finance) lent to her irresponsibly, and without taking into account her ADHD.

What happened

In 2023, Miss M applied for a Start Up Loan from GC Business Finance. Her intention was to use the money for her sole trader business. GC Business Finance agreed to lend her £17,000 over a five-year term, and she accepted that offer in September 2023.

Miss M later experienced financial difficulties, and her business closed in April 2024 – just a few months after the loan had been drawn down.

In October 2024 Miss M complained that the loan should never have been approved. She said GC Business Finance had failed to take proper account of her ADHD and its effect on her behaviour. She also said the lender had failed to take account of her poor financial position, persistent debt, and lack of experience in respect of some of the specific services she intended to offer.

GC Business Finance did not uphold her complaint. It was aware that Miss M had ADHD, but it said it is an inclusive lender and her neurodivergence was not a factor in its lending decision. Instead, it said it evaluated her application based on three main criteria: credit viability; business viability; and personal affordability. After considering those factors, it was not prepared to lend the £20,000 that Miss M had originally requested, but it was still prepared to lend £17,000 and it did so. It is satisfied that it did not do anything wrong.

One of our investigators looked at this complaint but did not uphold it. Miss M did not accept our investigator's conclusions, so her complaint was referred to me.

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 can see that the circumstances that led to this complaint have been extremely difficult for Miss M, and I was very sorry to hear about her poor health. However, whilst I am sorry to further disappoint her, I don't think it would be fair for me to uphold this complaint. I will explain why below.

I accept that Miss M was, and remains, a vulnerable person. She has described herself as a "physically and cognitively disabled adult". But I think it would have been wrong for GC Business Finance to have refused to lend to her because of those disabilities – indeed, if it had refused to lend to her on that basis that decision might itself have amounted to unlawful discrimination. Instead, I would expect GC Business Finance to have properly assessed her application, taking into account her personal circumstances and her business plan. I am satisfied that is what it did.

GC Business Finance asked Miss M if she had any accessibility requirements, and she said she did not. It's clear that GC Business Finance knew that she had ADHD, but in the circumstances, I don't think it needed to do anything to adapt its communication with her. In addition, I think it would have been wrong for GC Business Finance to have attempted to force Miss M to accept any additional support it had available given that she had said she did not want adaptations.

It is very unfortunate that Miss M's business was not successful. Although Miss M now says that her business proposal was never viable, it's clear that she thought it would be successful when she made her application. Looking at the evidence both parties have provided, I don't think either Miss M or GC Business Finance could possibly have known that her business would fail at the time it approved her application for a loan. If everything had gone as Miss M hoped, she would have had no difficulty in meeting her repayments.

Miss M has suggested that it should have been obvious her business plan was not viable, but I disagree. Her business was in an area in which she had considerable experience. Whilst she might not have previously provided the exact services that she intended to offer, she had offered very similar services. I see nothing in her business plan that leads me to conclude that GC Business Finance should not have lent to her.

There was of course a risk that Miss M would not achieve the income she expected, or indeed that her business would fail entirely. But I can see that I can see both GC Business Finance and Miss M thought about how she would repay the loan if that happened. She explained that she was using a significant proportion of the loan to pay for physical equipment, which would retain some value and which she would be able to sell if necessary (as she eventually did). She also gave what I think is a plausible explanation as to why she didn't expect any difficulties in returning to employment if that became something she had to do.

Miss M had existing financial commitments, and I can see that GC Business Finance considered those before it agreed to lend to her. I can also see that it chose not to lend as much as she had requested. I don't see anything unfair about GC Business Finance's decision here. The fact a prospective borrower has existing commitments does not necessarily mean that it is wrong for a lender to allow the borrower to add to those commitments. Miss M hoped that the loan would let her increase her income significantly, and in these particular circumstances I don't criticise GC Business Finance for lending the amount that it did on the terms that it did.

Overall, I consider that GC Business Finance acted fairly and reasonably when it made its lending decision.

My final decision

My final decision is that I do not uphold this complaint against GC Business Finance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 4 March 2026.

Laura Colman
Ombudsman