

The complaint

Mr S complains Monzo Bank Ltd won't refund transactions made from his current account he says he did not make or authorise.

What happened

Mr S reported several transactions that had been made to a gambling app, I'll call B, as fraudulent in November 2025.

Monzo looked into the transactions. It said it wouldn't refund them as it thought Mr S authorised them. It also took the decision to close Mr S' account.

Following a complaint, Monzo still refused to refund the transactions and said the closure had been done in line with the terms of the account.

Mr S referred his complaint to our service. An Investigator considered the circumstances, she said in summary she thought Mr S had authorised the transactions. And agreed that Monzo had closed the account fairly in the circumstances.

Mr S didn't accept the Investigator's findings. He didn't think the Investigator had given the appropriate weight to some of the evidence.

As Mr S didn't agree, the complaint's 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 think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

Disputed transactions

Under the Payment Services Regulations 2017 ("PSRs"), generally, Monzo can hold Mr S responsible for transactions he made or authorised.

All the disputed transactions were made to the same gambling app, B. Monzo has provided evidence they were made using Mr S' card details via Apple Pay. There's no dispute that this was the Apple Wallet on Mr S' genuine device – as Mr S says his phone was used by an unauthorised individual after he'd left it unattended at a party.

Mr S has told us his phone was protected by a six-digit passcode – which was his date of birth. He says personal information, including his date of birth, had been discussed earlier in

the evening at the party. So, he believes the unauthorised individual guessed that his passcode was his date of birth which enabled them to access his phone, and then the gambling app – which he says was already logged in and didn't require any further security to access.

The first disputed transaction took place at 6.33am on 8 November 2025. Three further disputed transactions were made between then and 6.47am reducing the balance of the account to £113.78. Then at 6.51am a faster payment of £900 was made into the Monzo account. At 6.52am a £900 payment was made to B. The final disputed transaction of a further £100 took place at 6.55am. So, it seems whoever was making the transactions had some awareness of the balance of the Monzo account and the £900 payment was transferred in to fund the disputed transactions that followed it.

The £900 payment appears to have come from another account in Mr S' name. It's not clear whether this was another Monzo account or an external account, but Mr S has told us that all his banking apps are secured and do not share the same passcode as his phone. So, although Mr S has said the phone passcode would have enabled an unauthorised individual to access his phone and gambling app, there's no explanation for how an unauthorised individual could have accessed any of his banking apps to have made this transfer into the Monzo account.

B has told us that it doesn't allow funds to be transferred between two payment methods unless identification is provided and both payment methods are proved to be in the customer's name. Indeed, it seems Mr S had received winnings from B, the day before the disputed transactions took place. If an unauthorised party had successfully gained access to Mr S' phone and Apple Wallet for the purpose of stealing money from him, I find it unusual that they'd make transactions to a gambling app, which would have required any winnings to have been paid back to an account in Mr S' name.

While it's possible Mr S' phone and Apple Wallet were accessed by someone else in the way he's described, this wouldn't account for that person seemingly being aware of the account balance and being able to transfer in money from another of Mr S' accounts to continue making the disputed transactions. So, I'm satisfied it's more likely than not Mr S authorised these transactions, which means I'm not going to require Monzo to refund them.

Account closure

The terms and conditions set out that Monzo can close the account and that it will provide two months' notice unless specific circumstances apply. Here I can see Monzo contacted Mr S on 15 November 2025, to say it had taken the decision to close Mr S' account and was giving the required notice.

Monzo isn't obliged to provide a reason for its decision. So, while I understand why Mr S is unhappy, I'm satisfied Monzo has acted in line with the terms and conditions in respect of the closure of the account.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 31 March 2026.

Eleanor Rippengale

Ombudsman