

The complaint

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

What happened

Around August 2024 Mr E acquired a used car under a conditional sale agreement with Moneybarn. The car is listed with a cash price of £8,774, was approaching eleven years old and had covered around 100,000 miles. Mr E paid no deposit.

Unfortunately, Mr E says the car developed issues. He said there were some initial faults and then towards the end of February 2025 the car displayed a gearbox malfunction warning.

Mr E complained to Moneybarn at the end of February 2025. Moneybarn issued a final response on 4 March 2025.

The final response said, in summary, that Mr E told Moneybarn he had been advised the car needed a new gearbox. He said a repair had been completed at a garage I'll refer to as 'A', after he complained, at a cost of £6,500.

Moneybarn said Mr E had not given it the chance to investigate whether it was liable before getting a repair carried out. It also said Mr E had the car for several months and had covered around 8,300 miles before the repair was completed.

Mr E remained unhappy and referred the complaint to our service. He said it was "*abundantly clear*" there was an issue with the gearbox from when he acquired the car. He said the car had also had earlier problems and repairs that were carried out by the dealer.

Moneybarn provided some information from the dealer, where it explained in October 2024 a glow plug and an air filter were replaced, but no other faults were found with the car.

Moneybarn also raised concerns with the invoice from A for the repair to the gearbox carried out. It said it contained no VAT information or breakdown of any costs.

Our investigator asked Mr E about this, and he said A was not VAT registered. Mr E provided bank statements showing payments to an individual for £5,000, £500 and £1,500 during March 2025. He said this showed he paid A for the work.

Our investigator issued a view and upheld the complaint. In summary, he said Mr E had raised an issue with the gearbox to the broker in September 2024 and he said he thought Mr E had likely spoken to the supplying dealer about it. He said he thought this meant the issue was present when the car was supplied. He said Moneybarn should reimburse Mr E £6,500 and pay a further £150 to reflect the distress and inconvenience caused.

Moneybarn disagreed with the outcome. It reiterated the concerns it had about the invoice provided. It pointed out Mr E had shown he paid a person, not A, and said that the total

didn't match the invoice. It also said while Mr E had raised concerns about the gearbox with the dealer, it had been returned for a repair, and no fault was found. Moneybarn also said it didn't think the amount spent on the repair was reasonable given the car's value.

Our investigator questioned Mr E about this. He said he didn't have a further invoice and explained the additional £500 was paid for an exhaust which "*never materialised*". He said he had no other choice but to get the car repaired and mentioned some personal circumstances from the time.

Our investigator attempted to speak to A about the repairs but did not get a response.

Our investigator then asked Mr E about a social media post from A about his car. This said other work had been completed on the car along with the gearbox rebuild.

Mr E said A had done the additional work without consulting him and he was annoyed about this.

Our investigator explained to Moneybarn that this didn't change his opinion. Moneybarn continued to disagree with the outcome, so the complaint was passed to me to decide.

I sent Mr E and Moneybarn a provisional decision on 8 January 2026. My findings from this decision were as follows:

Firstly, I'd like to explain to both parties that I might not comment on every point raised or every single piece of evidence. I want to reassure Mr E and Moneybarn that I've carefully considered all of the available information. But, I'm going to focus my decision on what I consider to be 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. The CRA also sets out that the durability of goods can be considered as part of satisfactory quality.

So, in this case I'll consider that the car was used, nearly eleven years old and had covered around 100,000 miles. It also cost around £8,800, which considering the make and model is a much lower amount than it would've retailed at when new.

This means I think a reasonable person would not expect it to be in the same condition as a newer, less road worn car. I think they may accept the car might have minor faults and would expect parts of it to be reaching the end of their serviceable life. But I think they would still expect it to have been free of any significant issues and would expect trouble free motoring for a short time.

What I need to consider in this case is whether I think Mr E's car was of satisfactory quality or not.

Firstly, I need to decide whether Mr E's car developed a fault. And having reviewed the evidence, I'm satisfied it did.

I've seen a copy of an invoice for £6,500 dated 3 March 2025. This says:

"Gearbox Rebuilt + New Gearbox Control Module"

I've also seen a photo of the car's dash, showing the mileage as 108,314 and saying:

"Gearbox malfunction: please stop".

So, I'm satisfied Mr E's car suffered a gearbox failure at the end of February 2025 as he explained. I then need to consider when this fault likely first occurred and what this means for the quality of the car.

I've seen an email that Mr E explained was sent to the broker dated 18 September 2024. This said:

"Potentially something to do with the gearbox. Only happens occasionally but when selecting Drive or Reverse the car doesn't move. I will then give it some more revs and will then find the gear and jolt in to action. I did mention on my email that a guy on a (name of model) forum had experienced the same problem and was told that he had an ecu & gearbox software update and that seemed to fix his. Not saying this is the problem but just wanted to sound it out."

Our investigator explained that he thought this showed the issue with the gearbox was present or developing at the point of supply. But I don't think this is as clear cut as he explained.

Firstly, there is little evidence of what the fault with the gearbox was in February 2025. The above invoice from A is all the testimony I have. So, it's very hard to say whether the issue described earlier is the same as what later caused the failure.

Secondly, while Mr E did raise the issue, I haven't seen a fault was confirmed by anyone at the time.

Thirdly, the car did go for a repair at the supplying dealer following this email and it explained no other work was required at the time, other than the air filter and glow plug.

Lastly on this point, Mr E continued to use the car for several months after this email was sent and likely covered several thousand more miles before the warning displayed.

Thinking about all of this, I'm not persuaded on balance that it's most likely the above email shows the issue that caused the gearbox to fail was present earlier than February 2025.

I've then considered the later gearbox failure in isolation. But considering this was around seven months after Mr E acquired the car and he'd covered well over 8,000 miles; I find this fault wasn't likely present when it was supplied. I also don't think a reasonable person would think the car wasn't durable, given it was over eleven years old at the time of failure and had covered over 108,000 miles.

It follows all of this that I find the car was most likely of satisfactory quality when supplied.

I've considered the other repairs Mr E mentioned. There is something of a lack of evidence here, but it appears these issues were put right by the supplying dealer. So, Moneybarn doesn't need to take any action on this point.

I do appreciate this is slightly finely balanced. So, I think it's worth explaining to both parties

that even if I thought differently about the above, I'd have to then very carefully consider whether it was reasonable for Moneybarn to reimburse the invoice Mr E provided.

I say this as, in summary, I share some of Moneybarn's concerns about the invoice and have also noted other issues.

I agreed with Moneybarn that it is somewhat unusual for the invoice not to contain any VAT information or any breakdown of costs, parts or labour. I've also noted the invoice is missing some very basic information I'd generally expect to see, such as the make and model of car, registration number and mileage.

I also agree with Moneybarn that Mr E has only shown he paid an individual, not A. I'll come onto the social media post in more detail below, but I've also noted this says A takes all major credit and debit cards, so it isn't clear why Mr E was paying via bank transfer to a person.

I've considered the social media post I've seen and Mr E's testimony here. The post said that in addition to the gearbox "we also carried out lots more work for the customer". The post listed a three-stage machine polish, brake callipers being painted, a full internal and external valet, fluid top ups and a "full vehicle inspection". None of this is listed on the invoice provided.

Mr E's version of events was that this work was carried out free of charge and without his permission. With respect, I don't think this is plausible.

I've also noted the amount paid to the individual. This doesn't tie in with the amount invoiced. And I'm not sure why he would pay £500 for work that hadn't been, and wasn't, completed.

Given the above, I've also considered whether the £6,500 is what I'd expect to see for the work carried out to determine if the invoice was reasonable. I will say I'm not putting too much weight on this, as it is very difficult to get a firm quote for any work without seeing the car and anything quoted online needs to be taken with a pinch of salt. But I will say from my understanding that, at the least, £6,500 is on the high side for the repair.

If I upheld the complaint, it would only be reasonable to instruct Moneybarn to reimburse this invoice if I was confident it was accurate and genuine. Ultimately, I don't need to make a finding on this specific point at this stage, but I still think it is worth setting the above concerns about this out so both parties are aware.

Finally, I want to reassure Mr E that I've carefully considered everything else he's said. But, I still do not think this complaint should be upheld.

I gave both parties two weeks to respond with any further comment or evidence. Neither Mr E nor Moneybarn replied.

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.

Having considered everything again, I still think what explained in my provisional decision is fair and reasonable under all of the circumstances.

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 E to accept or reject my decision before 25 February 2026.

John Bower
Ombudsman