

The complaint

Miss S complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk (“MoneyBoat”) provided her with a loan which wasn’t affordable and MoneyBoat would’ve known this by carrying out sufficient affordability checks.

What happened

In June 2025, MoneyBoat advanced one loan of £800. This was to be repaid in five monthly instalments of £239.22 followed by a final instalment of £239.07. The loan was settled in September 2025.

MoneyBoat considered the complaint and concluded it had made a reasonable decision to lend because it had carried out proportionate checks. Unhappy with this response, Miss S then referred the complaint to the Financial Ombudsman.

The complaint was considered by an Investigator, who didn’t uphold the complaint. Miss S didn’t agree and I’ve summarised her responses below.

- Her income wasn’t as high as the figure MoneyBoat believed it was.
- Miss S already had significant amounts of existing debt – including high-cost loans and credit cards.
- The disposable income MoneyBoat calculated wasn’t correct.
- Miss S said she had received a decision from another Ombudsman that upheld her complaint for lending that occurred before this loan and her position had not improved by the time she borrowed from MoneyBoat.

These comments didn’t change the Investigator’s mind and as no agreement could be reached the complaint has been passed 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.

We’ve set out our general approach to complaints about this type of lending - including all the relevant rules, guidance and good industry practice - on our website.

MoneyBoat had to assess the lending to check if Miss S could afford to pay back the amount she’d borrowed without undue difficulty. It needed to do this in a way which was proportionate to the circumstances. MoneyBoat’s checks could have taken into account a number of different things, such as how much was being lent, the size of the repayments, and Miss S’s income and expenditure.

With this in mind, I think in the early stages of a lending relationship, less thorough checks might have been proportionate. But certain factors might suggest MoneyBoat should have done more to establish that any lending was sustainable for Miss S. These factors include:

- Miss S having a low income (reflecting that it could be more difficult to make any loan repayments to a given loan amount from a lower level of income);
- The amounts to be repaid being especially high (reflecting that it could be more difficult to meet a higher repayment from a particular level of income);
- Miss S having a large number of loans and/or having these loans over a long period of time (reflecting the risk that repeated refinancing may signal that the borrowing had become, or was becoming, unsustainable);
- Miss S coming back for loans shortly after previous borrowing had been repaid (also suggestive of the borrowing becoming unsustainable).

There may even come a point where the lending history and pattern of lending itself clearly demonstrates that the lending was unsustainable for Miss S. The investigator didn't consider this applied to Miss S's complaint as there was only one loan and I agree.

MoneyBoat was required to establish whether Miss S could sustainably repay the loan – not just whether she technically had enough money to make her repayments. Having enough money to make the repayments could of course be an indicator that Miss S was able to repay her loan sustainably. But it doesn't automatically follow that this is the case.

I've considered all the arguments, evidence and information provided in this context, and thought about what this means for Miss S's complaint.

Miss S has provided a reference number for another complaint about a different loan provider which provided her with loans before the one provided by MoneyBoat. This other complaint was partially upheld in her favour. So, I think the inference Miss S is drawing is that because the other complaint has been upheld for unaffordable lending therefore it follows this complaint should also be upheld.

But my role is to consider the individual circumstances of the complaint taking account of any relevant law and regulation. What that does mean is that there are times when what appear to be similar circumstances can lead to different outcomes depending on the type and nature of the borrowing and the types of check(s) any lender may have carried out and what those checks show.

In short, another final decision doesn't set a precedent that I'm bound to follow. I'm satisfied in this case, I've fully considered the information Miss S gave to MoneyBoat as well as the checks it conducted, what those checks showed.

MoneyBoat has supplied the application data inputted by Miss S where she declared a monthly income of £2,300. But MoneyBoat didn't just accept what Miss S told it. MoneyBoat went about cross checking this income with a tool provided by a credit reference agency. The results of this check have been provided, which show the amount declared by Miss S was broadly accurate.

It was entirely reasonable and proportionate for MoneyBoat to have relied on Miss S's declaration as well as the results of the cross check for a first loan. MoneyBoat didn't need to do any more.

MoneyBoat also asked Miss S about her day to day living costs and MoneyBoat was told all of her costs came to £650 per month. However, I can see that MoneyBoat again didn't just accept what Miss S declared, it increased Miss S's declared outgoings by a further £956 – taking them to £1,609 per month.

This increase was made off the back of the results of the credit search (which I come on to below) and/or statistical data that MoneyBoat used to check what Miss S had told it. But even with the increased living costs MoneyBoat calculated Miss S had sufficient disposable income to afford her repayments. For a first loan I think it was entirely fair and reasonable for MoneyBoat to have relied upon the information provided by Miss S as well as the results of its further checks.

Miss S didn't declare any costs for housing, but she did tell MoneyBoat she lived at home with parents, so it was entirely fair and proportionate for MoneyBoat to have relied on this. It meant Miss S wouldn't be subject to the same sort of priority debts that someone with a mortgage or rent would have been.

MoneyBoat also carried out a credit search, and I've considered the results it received. Firstly, there were no defaults, missed payments, insolvencies or County Court Judgments so it was reasonable for MoneyBoat to have believed that Miss S was on top of her finances and was managing them.

In saying that, in total Miss S did have around £57,000 of debt but I can see that around £39,000 of that total related to a motor vehicle hire purchase agreement Miss S had recently started which was costing her £474 per month.

So, Miss S had around £18,000 of other debts spread across credit cards, loans and mail order accounts. While I can see that Miss S did have other loans – given the amounts advanced and how long some had been running for they weren't payday loans – but they may well have been high-cost credit loans.

But MoneyBoat took the monthly payments Miss S was committed to into account for its affordability assessment which is what I would've expected it to have done. There wasn't anything solely from the credit search results which would've prompted further checks.

Overall, it was reasonable for MoneyBoat to have relied on the information Miss S provided to it and the results of its own checks– which showed she had sufficient disposable income to afford the loan repayments – without the need to verify or cross check beyond what it did.

This means I don't think MoneyBoat needed to have reviewed Miss S's application more closely such as through bank statements – in my view doing so would've been disproportionate to the circumstances of the application.

I am therefore not upholding Miss S's complaint.

Finally, I've also considered whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think MoneyBoat lent irresponsibly to Miss S or otherwise treated her unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

For the reasons I've explained above, I'm not upholding Miss S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 19 March 2026.

Robert Walker

Ombudsman