

## The complaint

Mr D complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk ('MoneyBoat') irresponsibly lent to him.

## What happened

The facts of this case are familiar to both sides. With that being the case, I won't provide a detailed background here. Instead, I'll provide a brief summary.

Mr D took four loans with MoneyBoat as follows:

Loan Number	Loan Amount	Agreement date	Repayment date	No. of monthly instalments	Monthly repayment
1	£500	20/09/2024	06/12/2024	6	£137.03
2	£300	08/12/2024	02/05/2025	6	£94.25
3	£200	15/05/2025	31/10/2025	6	£60
4	£800	03/11/2025	Open <sup>1</sup>	6	£257.71

In December 2025, Mr D complained to MoneyBoat about its decision to lend. In doing so Mr D said, amongst other things, that MoneyBoat failed to conduct appropriate affordability checks prior to granting the loan and, if it had done, it would have seen that the repayments were unaffordable for him.

Later that month, MoneyBoat issued its final response in which it did not uphold the complaint. In short, MoneyBoat said it conducted reasonable and proportionate checks prior to agreeing to lend and the output from those checks did not give it cause to refuse to lend.

Unhappy with this, Mr D referred his complaint to our service.

One of our investigators reviewed Mr D's complaint and, having done so, issued their opinion in January 2026. In short, our investigator thought that MoneyBoat gathered sufficient information prior to agreeing to lend and, based on the information it obtained, it was not wrong to lend.

Mr D did not agree with our investigator and, as an agreement couldn't be reached, the complaint has been passed to me to review afresh.

### 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 also had regard to the regulator's rules and guidance on responsible lending (set out in its consumer credit handbook – CONC) which lenders, such as MoneyBoat, need to abide by. I won't set these out in detail here, but the Financial Ombudsman Service has set out its general approach to complaints about irresponsible and unaffordable lending on its website.

---

<sup>1</sup> As of December 2025.

And, having taken all of this into account along with everything else I need to consider, I do not think this complaint should be upheld. I know this will come as a disappointment to Mr D, but I'll explain why I think this is a fair outcome in the circumstances.

However, before I do, I'm aware that I've summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Lastly, I would add that where the information I've got is incomplete, unclear or contradictory, I've based my decision on the balance of probabilities.

The Financial Ombudsman Service has set out its general approach to complaints about irresponsible and unaffordable lending on its website. In essence, MoneyBoat needed to take reasonable steps to ensure that it didn't lend irresponsibly. In practice this means that it should have carried out proportionate checks to make sure Mr D could repay the loan repayments when they fell due and without the need to borrow further. These checks weren't prescriptive, but could take into account a number of different things such as how much was being lent, the repayment amounts and the consumer's income and expenditure.

So, in keeping with the information on the Financial Ombudsman Service's website, I think there are a number of overarching questions I need to consider when deciding a fair and reasonable outcome given the circumstances of this complaint:

1. Did MoneyBoat carry out reasonable and proportionate checks to satisfy itself that Mr D was likely to have been able to repay the borrowing in a sustainable way?
  - i. If MoneyBoat carried out such checks, did it lend to Mr D responsibly using the information it had?

Or

- ii. If MoneyBoat didn't carry out such checks, would appropriate checks have demonstrated that Mr D was unlikely to have been able to repay the borrowing in a sustainable way?

There are many factors that could be relevant when determining how detailed proportionate checks should have been. And while much will depend on the circumstances in question, the more obvious factors include – though aren't necessarily limited to:

- the type of credit Mr D was applying for along with the size, length and cost of the borrowing; and
- Mr D's financial circumstances – which included his financial history and outlook along with his situation as it was, including signs of vulnerability and/or financial difficulty.

And generally speaking, I think reasonable and proportionate checks ought to have been more thorough:

- the lower an applicant's income because it could be more difficult to make the repayments as a result;
- the higher the amount repayable because it could be more difficult to meet a higher repayment, especially from a lower level of income; and
- the longer the loan term, because the total cost of the credit was likely to have been greater given the longer time over which repayments have to be made.

As a result, the circumstances in which it was reasonable to conclude that a less detailed affordability assessment was proportionate strike me as being more likely to be limited to applicants whose financial situation was stable and whose borrowing was relatively insignificant and short-lived – especially in the early stages of a lending relationship.

#### Did MoneyBoat carry out reasonable and proportionate checks?

Prior to agreeing to lend Loans 1-4, Mr D was asked to provide details of his net monthly income, which he declared as being £3,000 for Loans 1-2 and £3,100 for Loans 3-4.

Mr D was also asked for details of his monthly expenditure, which included asking for how much he paid to rent, credit commitments, food, transport and other spending. For Loans 1 - 4, Mr D declared his monthly outgoings were between £975, £1,400, £1,100 and £1,100 respectively.

As part of the application, MoneyBoat used information from its credit search (which I'll come on to discuss below) and/or used information from the "Common Financial Statement". Having done so, it made an upward adjustment to Mr D's declared outgoings. It increased these figures by £375, £417, £878 and £889 for each loan respectively. So, based on the information MoneyBoat obtained, it could see Mr D had sufficient disposable income to afford his repayments.

These weren't particularly large loans, and the monthly repayments were not substantial in relation to Mr D's declared income. With all of this in mind, I think MoneyBoat proceeded with a proportionate amount of information. However, as I've said before, once MoneyBoat had the information it thought it needed, it then had to evaluate it because it still had to reasonably assess whether Mr D could afford to meet the loan repayments in a sustainable way over the term of the loans.

#### Did MoneyBoat lend to Mr D responsibly using the information it had?

Using the information MoneyBoat gathered about Mr D's income against what it gathered about his existing credit commitments, as well as what Mr D declared about his expenditure, it looked like he had £1,650, £1,183, £1,122 and £1,111 in disposable income per month for Loans 1-4 respectively. So, MoneyBoat was satisfied that the loan repayments for these loans should've been affordable for Mr D on a simple pounds and pence basis.

On the face of it, it is difficult to reconcile such a significant amount of monthly disposable income - and loan applications for only between £200 and £800 – especially when it came at quite a high cost. However, I acknowledge that people make all sorts of decisions for all sorts of reasons. And it isn't for me to impose my own view on the merits of applying for loans like the ones in question only to then conclude that MoneyBoat should have refused to lend on that basis alone.

And, of course, the loan payments being affordable on a pounds and pence basis might be an indication a consumer could sustainably make their repayments. But it doesn't automatically follow this is the case. This is because the relevant regulations define sustainable as being without undue difficulties and in particular the customer should be able to make repayments on time, while meeting other reasonable commitments; as well as without having to borrow to meet the repayments. And it follows that a lender should realise, or it ought fairly and reasonably to realise, that a borrower won't be able to make their repayments sustainably if they're unlikely to be able to make their repayments without borrowing further.

As I've said, MoneyBoat also carried out a credit check prior to granting each loan and it has provided the results. So, I've turned to look at what these checks revealed. Here, for the sake of clarity, I'll discuss the contents of each credit check separately.

#### *Credit check – Loan 1*

The report shows Mr D had experienced previous difficulties with credit. I say this noting that there was a County Court Judgment (CCJ) which was satisfied in May 2020. Further, there were a number of defaults present on the report all of which were still showing as having a current balance, suggesting they had not yet been settled. However, I note these defaults were applied between three to five years prior to the lending in question. Noting the timelines, I think these adverse entries could reasonably be considered historic and MoneyBoat would have reasonable grounds to conclude this was not representative of Mr D's current financial situation.

It is worth adding that, in any event, it isn't unusual for lenders in the sector MoneyBoat operates in to lend to a customer who has previously defaulted on credit. More importantly there isn't a prohibition on lending to a customer that has previously defaulted on credit.

Unsurprisingly, the CCJ and various defaults which I think Moneyboat had cause to consider historic were present on the credit searches carried out for Loans 2-4. To avoid repetition, my position with regards to these adverse entries remains the same for all further loans.

The report also indicated that Mr D had total debt of around £6,178 at the time. Of this, around £2,000 was revolving credit of which he was using around 77% of his available limits. So, I don't think Mr D's overall indebtedness (particularly relative to what MoneyBoat understood to be his income) or credit card utilisation ought to have given MoneyBoat cause for concern.

I can see Mr D had been over the agreed limit on his overdraft at points in the months prior to the lending in question. But I am not persuaded that this, in and of itself, ought to have given MoneyBoat cause to make more searching enquiries or otherwise refuse to lend. I say this noting the size of the lending in question, as well as what the rest of the credit report (and the information Mr D declared) indicated about his financial circumstances.

#### *Credit check – Loan 2*

I note that by the time Mr D applied for Loan 2, the credit check revealed Mr D's overall indebtedness had increased significantly. He now owed £21,116 – this represented an increase of nearly £15,000<sup>2</sup> additional debt in less than three months. On the face of it, this may seem problematic. However, I note the vast majority of the additional debt was in the form of a hire-purchase agreement as opposed to other forms of borrowing (such as high-cost lending) which may point to financial strain. Further, Mr D's revolving credit balance had

---

<sup>2</sup> A portion of this would have been Loan 1.

remained broadly stable and his revolving credit utilisation had decreased to 68%. In that context, I don't think the increase in overall indebtedness would have been a concern.

What's more, Mr D appeared to be managing his existing commitments well, with no active arrears or missed payments. So, looking at things in the round – and noting the size of the lending in question - I am not persuaded that there was sufficient adverse information for MoneyBoat to gather more information about Mr D's circumstances or otherwise refuse to lend.

#### *Credit check – Loan 3*

This credit search showed Mr D's overall indebtedness had decreased slightly to £20,923. And his revolving credit utilisation had further decreased to 66%. Further, the results suggested Mr D was maintaining his existing commitments.

And, as with Loan 2, there was no evidence (such as active arrears or missed payments) to suggest that Mr D was struggling with his existing commitments.

With that being the case – and noting the size of the lending in question as well as the size of the monthly repayments relative to what MoneyBoat understood to be Mr D's income – I don't think there was sufficient adverse information within the credit search to lead me to conclude that MoneyBoat was wrong to lend.

#### *Credit check – Loan 4*

The credit search results for Loan 4 are less detailed than the prior loans. However, I can see that Mr D's overall indebtedness remained broadly stable since Loan 3. Further, Mr D's revolving credit balance had not increased significantly whilst his revolving credit utilisation had decreased to 61%. And there was no evidence of active arrears or missed payments.

In other words, Mr D's financial situation seemed to have remained relatively fixed since the earlier loans. With that being the case, in my view, there was insufficient evidence to suggest that Mr D was in a pattern of increased borrowing or otherwise experiencing problems meeting his existing commitments. So, I don't think this ought to have given MoneyBoat cause to refuse to lend.

I understand Mr D's financial situation may have been worse than the information MoneyBoat gathered at the time suggested. And I accept that a more forensic analysis of Mr D's financial situation – such as a granular review of his bank statements from the time or similar – may have revealed some of the difficulties Mr D says he was having at the time. However, for the reasons I've explained, I think MoneyBoat carried out proportionate checks and it relied, reasonably in my view, on the information it gathered. And given the size of Mr D's monthly repayments, I don't think it was unreasonable of MoneyBoat to grant the loans in question with all of that being the case.

In summary, keeping in mind the size and duration of the lending in question, I think MoneyBoat carried out reasonable and proportionate checks prior to agreeing to lend. And I don't think there was sufficient information within the checks MoneyBoat carried out that ought to have alerted it to the possibility that Mr D would struggle to afford the monthly repayments over the term of the loans in question.

#### Did MoneyBoat act unfairly or unreasonably in some other way?

I recognise Mr D had taken out four loans with Moneyboat in a little over one year. And I accept that this *may* be an indicator that a consumer is reliant on credit to get by. But I note

that the level of borrowing did not increase with each lending decision. This is not, in my view, indicative of either debt which is spiralling to an unsustainable level or of borrowing in a way that is harmful or problematic. In that context – and noting what the rest of the information MoneyBoat gathered suggested – I don't think this ought to have given it cause to refuse to lend.

In determining this matter, I've also considered whether MoneyBoat acted unfairly or unreasonably in some other way given what Mr D has complained about, including whether their relationship with him might have been viewed as unfair by a court under s.140A Consumer Credit Act 1974.

However, for the reasons I've already given, I don't think MoneyBoat lent irresponsibly to Mr D or otherwise treated him unfairly. I haven't seen anything to suggest that Section 140A or anything else would, given the facts of this complaint, lead to a different outcome here. With that being the case, whilst I understand this will come as a disappointment to Mr D, I do not uphold this complaint.

With that being the case, whilst I understand this will come as a disappointment to Mr D, I do not uphold this complaint.

### **My final decision**

For the reasons I've outlined above, I do not uphold Mr D's complaint about Evergreen Finance London Limited trading as MoneyBoat.co.uk.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 10 April 2026.

Ross Phillips  
**Ombudsman**