

The complaint

Mrs Z complains about the interest applied to her credit agreement with Creation Consumer Finance Limited (CCF).

What happened

On 14 October 2024 Mrs Z purchased a television from a merchant and entered into a Buy Now Pay Later (BNPL) agreement. The purchase price of the television was £2072.49. The terms of the BNPL agreement were that the purchase was interest free for 12 months until 14 October 2025.

In or around November 2025 Mrs Z noticed that a new direct debit had been set up on her bank account in favour of CCF. Mrs Z checked her CCF account and noticed that over £700 of deferred interest had been added to the balance and that a 36 month payment plan had been set up.

Mrs Z paid the purchase price of £2,072.49 on 6 November 2025. She borrowed money from friends and used a credit card to do this.

Mrs Z complained to CCF. She said the credit agreement and BNPL offer hadn't been properly explained to her when she purchased the television. She said she hadn't received any reminders about the BNPL expiry date.

CCF didn't uphold the complaint. In its final response dated 7 November 2025 it said the terms and conditions of the BNPL gave Mrs Z the opportunity to settle the purchase free from interest provided that the balance was paid by 14 October 2025. CCF explained that if the purchase price wasn't paid in full by this date, the balance on the account would be charged interest from the date of purchase at the rate specified in the credit agreement. CCF said it had sent reminders of the BNPL expiry date to Mrs Z by email. It said that it wasn't able to comment on any discussions that Mrs Z had with the merchant when she purchased the television.

Mrs Z remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. They said they were satisfied that the information provided to Mrs Z about the BNPL offer was clear and that there was no evidence that CCF had treated Mrs Z unfairly.

Mrs Z didn't agree. She said the information displayed about her account in the CCF wasn't clear because it showed an outstanding balance of £723.31 with repayments of £33.77 for 36 months after she'd settled the purchase price. Mrs Z also said that if it had been made clear to her that missing the BNPL date would've resulted in her paying more than double the purchase price she would never have entered into the agreement.

Because Mrs Z didn't agree I've been asked to review the complaint.

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 reviewed the credit agreement that Mrs Z signed when she purchased the television. This states that the BNPL plan had a special offer date which expired on 14 October 2025, which meant that the full purchase price had to be paid by that date in order to avoid paying any interest.

I've also reviewed the statements that were sent from CCF to Mrs Z. These include a section titled "important information". In that section there is a clear explanation of the expiry date of the BNPL as follows:

"The special offer period for your TIMETOSUIT TV SETUP Buy Now Pay Later purchase is due to end on 14 October 2025. If you pay the full amount of £2,072.49 by this date you won't pay any interest on this purchase. If you have a balance after the special offer period has ended, your monthly direct debit repayments of £116.22 will be taken from your bank account starting on 7 November 2025".

I can see that CCF sent a reminder of the special offer date and sent this to Mrs Z on 14 April 2025. I can also see that CCF sent emails to Mrs Z between May 2025 and September 2025 confirming the special offer date and advising her on the ways in which payments could be made.

Based on what I've seen, I'm satisfied that CCF provided a clear explanation of the special offer date to Mrs Z at the time when she took out the agreement and that she was provided with reasonable reminders of the expiry of the special offer by way of monthly statements and emails.

Mrs Z has queried why there's a balance on her account when she checks the CCF app despite the fact that she's paid the purchase price. I can see that Mrs Z paid the purchase price on 6 November 2025, which was after the special offer date of 14 October 2025. The balance on Mrs Z's account is the interest which has accrued on the account since the purchase date, because she didn't pay the purchase price by the special offer date. Based on what I've seen, the interest has been added in accordance with the terms and conditions of the agreement.

I appreciate that Mrs Z is unhappy that she's been charged interest. However, I haven't seen anything to suggest that CCF has made an error or treated Mrs Z unfairly.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Z to accept or reject my decision before 18 May 2026.

Emma Davy
Ombudsman