

## **complaint**

Mrs C complains about the amount of interest she's been charged by NewDay Ltd on her store card.

## **background**

Mrs C complained to NDL about this matter. And, being unhappy with its response, she complained to this service.

Our investigator thought Mrs C's complaint shouldn't be upheld.

Mrs C disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've decided not to uphold Mrs C's complaint and I'll explain why.

Mrs C says she's unhappy about the interest charged on her store card. She says she received a letter in September 2015 about a change in the annual percentage rate (APR) which would take effect in November 2015. She says the letter said the APR would increase from 22.48% to 27.48. But she says on her statements the APR's shown as 31.2%.

Mrs C also says NDL told her the increase was meant to be not more than 5% APR. But she says it went up from 24.9% to 31.2%, an increase of 6.3%. So, she says that's what she's complaining about.

I see Mrs C's account statements refer to two different interest rates, the APR and the annual interest rate or AIR. And I see the AIR is the interest rate without any administration fees, whereas these are included in the APR, making it higher. So, for example, the statement I've seen for Mrs C's account from July 2017 shows an AIR of 27.48%, but an APR of 31.2%. And I think it's clear the letter Mrs C's referred to was dealing with the AIR, rather than the APR.

So, from the information I've seen I'm satisfied NDL's calculated the interest it's charged Mrs C correctly in accordance with the terms and conditions of her account. And this means I can't uphold her complaint.

## **my final decision**

I don't uphold Mrs C's complaint against NewDay Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 4 December 2017.

Robert Collinson  
**ombudsman**