

## The complaint

Miss H complains Frasers Group Financial Services Limited trading as Studio haven't explained why her catalogue shopping account balance has increased when it shouldn't have.

## What happened

Miss H contacted Studio to ask why her outstanding balance had increased, when she hadn't bought anything, and she was making the minimum payments.

Studio replied and said they could see Miss H was unhappy about interest being charged on her account and said this is charged when there is an outstanding balance.

Miss H referred the matter to our service, saying Studio hadn't understood her complaint – it's not about interest being charged, it's that her balance is increasing when she's saying it should be decreasing.

One of our Investigators considered things and explained he couldn't see Miss H's balance had increased incorrectly – so he didn't uphold her complaint.

In response Miss H provided some snips of the outstanding balances on her statements – and said she didn't agree – so the complaint's been passed to me to decide.

## 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'll largely focus on the time period Miss H has highlighted in her snip of statements she sent our Investigator:

- 2 September 2023 - £554.21 outstanding balance
- 2 October 2023 - £537.04 outstanding balance – reduction from previous statement
- 2 November 2023 - £548.57 outstanding balance – increase from previous statement
- 2 December 2023 - £537.76 outstanding balance – reduction from previous statement

As can be seen from this chain, the only increase in account balance was between the statements of 2 October and 2 November 2023 when the balance went from £537.04 to £548.57 – an increase of £11.53.

Miss H has provided a statement of transactions – but these are dated 24 November to 2 December 2023 – so not relevant to the time period above. That means I'll focus on the evidence Studio have provided regarding transactions.

Studio have given a full transaction list from July 2020 to March 2024. Focusing on the relevant October to November 2023 transactions these show:

- 3 October 2023 – interest of £14.05 increasing the balance to £535.01 outstanding
- 3 October 2023 – interest charged default sums £2.03 increasing the balance to £537.04 outstanding
- 16 October 2023 – purchase of £35.49 increasing the balance to £572.53
- 25 October 2023 – payment of £42.82 reducing the balance to £529.71
- 25 October 2023 – payment transfer out of £2.82 increasing the balance to £532.53
- 3 November 2023 – interest of £13.94 increasing the balance to £546.47
- 3 November 2023 – interest charged default sums of £2.10 increasing the balance to £548.57

Although the statement dates Miss H has provided from Studio are dated the second of each month, it seems Studio's transaction list aligns with the third of each month. I'm satisfied that's not causing an incorrect balance, so now it's a question of whether there is an issue regarding the increase in balance after it'd reached £537.04 on 2 / 3 October 2023.

There are debits of £35.49, £2.82, £13.94 and £2.10 coming to a total of £54.35 – and there is a credit of £42.82 to the account – the difference of those figures being an increase of £11.53.

This is the same difference between 2 October and 2 November 2023 statements where the November statement had increased from the October statement.

The reason for this seems to be purely due to a purchase of £35.49. Miss H says there is no history of orders for the relevant time period – but Studio's evidence says otherwise. If Miss H doesn't recognise the transaction, then she may want to speak to Studio to ask them to look into things for her. But, based on this, it seems it's correct for the November statement balance to be higher than the October statement balance.

### **My final decision**

For the reasons I've explained above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 3 October 2024.

Jon Pearce

**Ombudsman**