

Equifax Plc has developed an automated expert scoring system, which identifies companies with varied risk profiles and produces a suggested Credit Limit and Credit Score for the company in question.

The ScoreCheck knowledge base examines a number of financial indicators, which build a complete picture of a company's risk status.

The system examines company accounts and ratios along with County Court Judgements and Gazette Information registered against a company. This examination is designed to supplement traditional trade credit assessment.

ScoreCheck

- Delivers a dynamic score for all limited companies based on all the information available.
- Reflects the latest available data. All movements, including ongoing updates on the corporate file will be weighted to determine whether or not a change to the current rating is required.
- Presents results in a consistent and balanced manner giving an instant evaluation of the company's performance.

What are the Scores?

The Score calculated by ScoreCheck will range from 0 to 100.

- Identifies the degree of corporate risk accurately independently and without bias.

What Information Does ScoreCheck Use to Calculate the Credit Limit and Credit Score?

- Accounts Data
- Full Accounts
- Medium Sized Company Accounts
- Small Company Accounts
- Age of Accounts
- Trading Stability
- Profitability
- Working Capital
- Gearing
- Legal and Court Information

The ScoreCheck Score

Providing the company is trading and has filed up to date accounts, ScoreCheck will compute a Score and an alpha Rating.

What are the Ratings?

The Ratings calculated by ScoreCheck are A, B, C, D, E and F. Additionally, each rating may be divided into 3

groups, for example, A+, A and A-. Thus, there are 18 possible Ratings that may be returned.

How does the Score Equate to the Ratings?

Score	Rating
0 - 4	F-
5 - 14	F
15 - 19	F+
20 - 24	E-
25 - 29	E
30 - 34	E+
35 - 39	D-
40 - 44	D
45 - 49	D+
50 - 54	C-
55 - 59	C
60 - 64	C+
65 - 69	B-
70 - 74	B
75 - 79	B+
80 - 84	A-
85 - 94	A
95 - 100	A+

In addition to the above Ratings, the following may also be returned:

- G** Serious Gazette code present
- I** The company is technically insolvent
- O** The company is late in filing its latest accounts at Companies House
- N** Companies House classifies the company's accounts as "dormant company accounts"

- NA** The company has not filed accounts yet
- NR** No report
- NT** The company's accounts state that the company does not trade

How often is ScoreCheck Updated?

Because ScoreCheck is an on-line, real time inquiry system, it will re-evaluate a company every time the company is retrieved.

Benefits to the Client

- The scoring system allows customers to be categorised on a risk basis. Those having the highest risk will require the closest supervision during the lifetime of the account. This also allows the client to assess new business in relation to their existing book, to determine the overall risk profile of their business.
- The Scores and Ratings can be used to help decide on payment terms, for example, cash only, or direct debit.
- It is consistent, and easily understood by users. It helps clients to free up more time for complex cases and undertake comprehensive risk management strategies.

**For more information on Scorecheck, please telephone
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