

Why You Need To Check Your Credit Report Regularly

Contributed by Webmaster

By Peter Kenny

A BBC television programme recently highlighted the fact that many people have never checked their own credit files, and that many would in fact have no idea how to go about checking their credit profiles even if they wanted to. This is a worrying trend given that with the ongoing global credit crunch and the every tightening credit conditions the state of our credit files has become more important than ever.

Our credit file contains a whole lot of personal and financial information about us, and more importantly this information is used by lenders and financial firms whenever we apply for credit. The information that is in these credit files, and the credit rating that is generated from this information, will ultimately determine whether you are able to get the credit that you have applied for or whether you will end up with a rejection.

Your credit file can have a profound impact on your financial future, and whether you are applying for a credit card, store card, mortgage, personal loan, car loan, or any other type of finance you will find that the result of your application can depend on your credit file and rating. With more and more of us relying on credit for the things that we want or need in life, including a car and a home, it is vital that we do all that we can to make sure that our credit files are in good shape.

It is advisable to check your credit rating and file on a fairly regular basis, such as once a year, or more often if you have been a victim of banking, credit card, or other financial fraud. There are three companies that keep details of your credit information, and these are Experian, Equifax, and Call Credit. When you order your credit file you will normally be charged a small fee of a few pounds.

Checking your credit information is pretty straightforward. You will be able to see what your credit rating is on the file and what this credit rating means to lenders when they check your report. More importantly you will be able to see details of your financial history, including debt and bills payments, applications or credit, etc. You will therefore be able to see at a glance whether there has been any mistake made on your file, or whether there are any suspicious transactions.

Poor credit usually comes as the result of a poor repayment history of debts and bills, but sometimes there are other reasons for your credit going downhill that are not your fault. This could include mistakes, discrepancies, and out of date information on your file. It could also result from fraud, where someone has taken out finance or made applications for finance in your name, and this is something that you will be able to pick up on when you check your credit file.

There are many credit reporting agencies available that you can use and many offer a constant monitoring of your credit file. These type of services can prove invaluable in the long term and should be considered in all cases.

Peter Kenny has been writing financial articles for 10 years and is a writer for The Thrifty Scot, please visit us at [Credit Card Rewards and Compare Credit Cards](#)

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