

The Directors consider the Group's viability as part of their continuing programme of monitoring risk. For the purposes of assessing the future prospects of the Group, the Directors have selected a three-year timeframe. This timeframe was selected as it corresponds with the Board's strategic planning horizon. The assessment has been made with reference to the Group's current position and prospects, the Group's strategy, the Board's risk appetite and the Group's principal risks and uncertainties and how these are identified, managed and mitigated (as shown on pages 26 and 27).

The strategy for the Group is included on pages 16 to 19 and its business model is on pages 10 and 11. Home Collected Credit (HCC) is a long-established offering, and parts of the Group have been undertaking this business for more than 80 years.

The Directors review and renew the three-year strategic plan at least annually. Progress against the strategic plan is reviewed every month by the Board through presentations from the Executive Management Team on the performance of their respective business units, the assessment of market opportunities, and the

consideration by the Board of its ability to fund its strategic ambitions.

In addition to standard internal governance, the Group is also monitored against key financial covenants tied in with current funding facilities. These are produced and submitted on a monthly basis with key schedules included in the monthly board papers.

The Group is profitable and cash generative. It currently has a debt facility in the form of a £25m revolving facility secured by a debenture on the assets of the business. This facility expires in March 2019 and it is the Group's policy to renew such a facility well in advance of this date. The Directors are very confident that the credit facility will be renewed prior to March 2019.

Due to the short-term nature of its products, the Group is well placed to react promptly to any changes in its liquidity requirements.

Based on the above, the Board confirms that it has a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, for the next three years.