

LETTER WHEN YOU HAVE NO MONEY TO PAY TO A CREDITOR

You can use this letter when you have no money available to offer to your **non-priority creditors**.

This template is to be used for guidance, and may not suit every situation. You may want to give details of why you are unable to make payments – you have been furloughed, you are in the vulnerable group and have to self-isolate, you are self-employed and unable to work at the moment. You should attach a copy of the LCA Income/Expenditure sheet to show that your expenditure is greater than your incomings.

If you feel that you need more help then contact us for a telephone appointment with a Money Adviser

Your address

.....
.....

Date

Creditor's name

Address

.....

Dear Sirs

REF NO/ACCOUNT NO

I am sorry that I am unable to keep up my monthly payments to your company. This is because I have been financially affected by the Coronavirus pandemic.

I enclose a copy of my financial statement. This shows my current income and expenses. You will see from this information that I am unable to make any offer of payment at the moment.

I am making every effort to improve my financial situation, and will contact you again when anything changes.

In the meantime, I should be very grateful if you could hold action on my account and agree to freeze interest and other charges to stop my debt increasing.

Thank you for your help. I look forward to hearing from you.

Yours faithfully

YOUR NAME