

Loan Decline Appeal Pack: Letter Template + Checklist

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Two documents: a letter asking a lender for the specific decline reason and a reconsideration, and a checklist to work through before you send it, or reapply anywhere else. General information, not financial advice.

PART 1: THE APPEAL LETTER

[Your name]

[Company name], company number [number]

[Address]

[Date]

[Lender name] [Lender address or the email address on your decline notice]

Dear [name or "Business Lending Team"],

Re: application [reference], declined on [date]

Thank you for considering our application for [amount] over [term]. I am writing to ask for two things.

First, please confirm the specific reason or reasons the application was declined. If a credit reference agency was used in the decision, please tell me which one, so I can check the underlying data is accurate.

Second, I would like to ask you to reconsider, because: [choose what applies and evidence it]

- The information the decision was based on was incomplete or has changed: [e.g. the filed accounts predate a strong recent period; attach up-to-date management accounts] - A specific issue on the file has been resolved: [e.g. the CCJ dated [date] was satisfied on [date], certificate attached; the overdue confirmation statement was filed on [date]] - The affordability picture is stronger than the headline numbers suggest: [attach a 12-month cash flow forecast showing repayment cover, and note one-off costs that depressed last year's profit]

I have attached: [list: management accounts, cash flow forecast, satisfied CCJ certificate, bank statements, updated business plan].

If the facility as applied for is not something you can approve, I would welcome a conversation about what you could approve: a smaller amount, a shorter term, or a secured structure.

Yours sincerely,

[Name], [role]

PART 2: BEFORE YOU SEND IT, OR REAPPLY ANYWHERE: THE CHECKLIST

- 1. Get the decline reason in writing. You cannot fix what you cannot name.
- 2. Check the company's credit file, and the file of every director who gave a personal guarantee. Dispute anything inaccurate with the credit reference agency.
- 3. Companies House housekeeping: accounts and confirmation statement filed on time, correct SIC code, no undischarged charges that should have been satisfied.
- 4. Satisfy or arrange payment on CCJs and defaults where possible, and keep the paperwork.
- 5. Prepare management accounts no older than 3 months, plus your last filed accounts.

- 6. Build a 12-month cash flow forecast that shows the repayment line being covered every month, including VAT and Corporation Tax months.
- 7. Be ready to explain, in one paragraph each: what the money is for, how it comes back, and what happens if sales dip 20%.
- 8. Check you applied for the right product. Declines are often product mismatches: equipment need vs unsecured loan, seasonal gap vs long-term loan.
- 9. Space out applications. A burst of hard searches in a short window lowers approval odds with the next lender.
- 10. Consider whether a specialist lender fits the decline reason better than reapplying to a mainstream bank with the same facts.

By Adam Parker. FundBiz is owned and operated by Best Business Loans Ltd, directed by Oliver Mackman. General information, not financial advice. Full page, FAQs and downloadable PDF: fundbiz.co.uk/templates/loan-decline-appeal-pack/