



A tool to help you decide which debts to prioritise, manage, or renegotiate when cash is tight.

1. Why Prioritise Debt?

- Not all debts carry the same urgency, penalties, or consequences.
- Prioritisation helps you protect the business, reduce legal risk, and manage relationships strategically.

2. Key Categories to Consider

List your business debts under the following categories:

- HMRC (VAT, PAYE, Corporation Tax)
- Commercial rent or mortgage
- Staff wages
- Suppliers or subcontractors
- Loans and credit cards
- Directors' loans or personal guarantees

3. Debt Prioritisation Grid

Use the matrix below to review each debt:

- Creditor: _____
- Amount owed: £ _____
- Payment terms: _____
- Consequences of late payment: _____
- Risk of enforcement/legal action: _____

• Flexibility or willingness to negotiate: _____

• Priority level: ☐ High ☐ Medium ☐ Low

4. Action Plan

- Contact high-priority creditors early and request a plan.
- Make minimum payments to those with highest risk if you can't pay in full.
- Communicate your situation with low-priority creditors to delay where possible.
- Log all conversations and agreements in writing.

5. Template Notes

Use a copy of the prioritisation grid for each debt you carry. Reassess weekly based on cashflow and any creditor responses.