

Helping you get it right first time

Uploading the correct documents at application will reduce the processing time

Payslips

- ✓ Be within 6 weeks for monthly pay or within 2 weeks for weekly pay at submission
- ✓ Customers name – this should match the name as it appears on the application
- ✓ Employers name – this should match the employers name as declared on the application
- ✓ Show pay date and method of payment e.g. BACS

Commission/Bonus/Overtime

- ✓ 3 month's or 12 weeks' payslips required
- ✓ All must be dated within 4 month period
- ✓ If commission is paid annually or half yearly a P60 or year-end payslip will be required

Shift allowance/Car allowance/ Large town allowance

- ✓ 1 month or 4 weeks' payslips
- ✓ All must be dated within 1 month period

Maternity pay

We will accept 100% of statutory maternity pay (SMP) for affordability purposes.

Where an applicant is due to **return to work** following a period of maternity/paternity leave, then we can consider their prospective future earnings, providing this will be within the next 3 months.

Any **savings** to cover income gaps during this period of maternity/paternity leave can also be considered.

Self employed

We consider applicants self employed if:

- Employed and has a company shareholding of 30% or more

- Limited company directors with more than 30% shareholding
- Sole traders
- Partners in a partnership
- Members in a limited liability partnership

How to evidence self employed income

We recommend using our Accountants Certificate, available from our website and to be completed by the applicant's accountant.

Alternatively we will accept:

- Latest 2 years tax calculations (SA302s) accompanied by the last 3 years tax years overviews, or
- Annual accounts covering the last 2 years – documents must be originals and most recent within 9 months

The Accountants Certificate or accounts must be signed by a qualified accountant who is a member of one of the following bodies:

- Institute of Chartered Accountants, C.A., A.C.A. or F.C.A.
- Institute of Chartered Accountants in Scotland, I.C.A.S., F.C.A.S.
- Institute of Chartered Accountants in Ireland, I.C.A.I.
- Chartered Association of Certified Accountants, A.C.C.A. or F.C.C.A.
- Chartered Institute of Taxation, A.T.I.I. or F.T.I.I.
- Association of Authorised Public Accounts, A.A.P.A., or F.A.P.A.
- Chartered Institute of Managements Accountants, C.I.M.A., A.C.M.A. or F.C.M.A.
- Association of Accounting Technicians, M.A.A.T. or F.M.A.A.T.
- Association of International Accountants, A.A.I.A. or F.A.I.A.

Self Employed Contractors

If applicant's earnings are \geq £50,000 gross pa and LTV is \leq 90%, income can be considered based on contractual day rate multiplied by the number of days worked per week multiplied by a maximum of 46 weeks. Otherwise it will be assessed as self-employed using net profit/salary & dividends over the last 2 years.

Bank statements

All applicants will be required to provide 3 months bank statements, the most recent transaction must be within 6 weeks.

How we use income in the assessment:

Primary income (100% used)	Secondary income (60% used)
Gross basic Income	Commission
Second job	Bonus (guaranteed)
Self-employed (Drawings, Dividends, Net profit)	Overtime (guaranteed)
Pension	Bonus (regular/annual)
Contractor income	Overtime (regular/fluctuating)
Employers allowances: Shift allowance, Housing Allowance, Long term large town allowances, Car allowance, Flexible benefits (Cash)	Carers allowance
Rental income	Disability living allowance
Statutory maternity pay	Attendance allowance
	Foster carers allowance
	Child benefit
	Child tax credit
	Maintenance payments

The statement should contain the following information:

- ✓ Customer's name and address as declared in the application
- ✓ Bank sort code and account number
- ✓ Evidence the salary credits
- ✓ Evidence general expenditure and bill payments
- ✓ Be the account where the mortgage direct debit will be collected
- ✓ Where applicants have multiple accounts i.e. one account for bill and subsequent accounts for general expenditure bank statements will be required for all accounts
- ✓ Bank statements should be in good order and showing running balances with no transaction gaps

Bank statements can also be used to evidence certain sources of income:

- Rental income (excluding self-employed income)
- Maternity leave
- Maintenance payments
- Pension
- Benefits and allowances

[Our Income and ID guide can provide more detail on how to evidence these.](#)

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