

SELF-EMPLOYED INCOME REQUIREMENTS



For self-employed applicants we generally use the most recent year's income for affordability purposes and we require a minimum trading period of one year.

Income is based on:

Sole Traders	The latest year's net profit
Partner in a partnership	The latest year's partner share of net profit
Limited Company Directors	The salaried income plus dividends received will be used, although profit after tax may be considered where the applicant(s) have a 50% share in the business
Contractors	48 weeks at current contract's daily rate

We know that many of your self-employed clients may have been affected by the pandemic, and may have had to receive support from the Government. With this in mind, we have put together this handy table so you know what we can accept as income evidence for your self-employed clients and to help you place your cases as easily and quickly as possible.

Please note, we will not accept any cases where the business has employees on furlough currently or at any time in the last 3 months.

	GOVERNMENT SUPPORT TYPE		
	SEISS Grant/Business Support Grants	Job Retention Scheme Payments (Furlough)	Bounce Back Loan/ Coronavirus Business Interruption Loan
INCOME EVIDENCE			
Annual Income (verified through SA302s/Accounts)	Accepted as part of annual income for the business	Accepted as part of annual income for the business, as long as business not using retention scheme within last 3 months	Acceptable. Loan repayments must be declared as a commitment and will be factored in to affordability
Proof of current income streams (Verified with last 3 months bank statements)	Case acceptable if grant present on bank statements but value of grants will be excluded from current income streams when assessing against annual income figure	N/A. We will not accept cases where job retention scheme payments have been present on the last 3 months bank statements	Case acceptable if loan present on bank statements but value of loan will be excluded from current income streams when assessing against annual income figure
Proof of deposit	Income from grant acceptable to be used as proof of deposit	Income from retention scheme payments acceptable to be used as proof of deposit	Income from Loans not acceptable as proof of deposit

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