

Contractor product available through Buckinghamshire Building Society

General criteria

Copy of the contract is required and gross pay is calculated as daily rate x 5 x 48 which allows 4 weeks holiday/none earning period in the year.

Minimum contract length is 6 months so they must be in their 7th month of the contract.

We would want to see the individual had been in an established role and same nature of business as a track record.

Self employed under 1 year trading

The society has agreed to consider applications from contractors who have been contracting from 7 months onwards and in these cases accounts will not usually be available.

The society will require the following documentation:-

6 months company bank account statements

6 months personal bank account statements

3 months payslips & P60 if P60 is available

VAT registration certificate if applicable

The pay from the payslips should match receipts into the personal bank account.

The company account should show dividend payments into the personal account

Paid via an umbrella company

The contractor will need to supply 3 months payslips from their umbrella company and P60 if available. The payslip usually shows/lists the following:-

Gross Pay £1000.00 (Weekly)

Tax £200.00

Nat Ins £20.00

Expenses £80.00

Net Pay £800.00

Net income will be the net pay of £800.00 plus the re-reimbursed expenses of £80.00 = £880.00 (this will be checked against bank statements)

Monthly net Income would be $£880 \times 48 / 12 = £3520.00$

(When assessing the budget planner we would make sure that the £80 per week expenses are reflected in the figures recorded under the allowable expenses)

Calculation of gross pay

Copy of the contract is required and if applicable VAT registration certificate.

The contract will normally show a daily rate + vat. If the company is VAT registered with evidence of a VAT registration certificate, then the full amount (Day Rate + VAT) can be used. If the company is not VAT registered then the daily rate only is used.