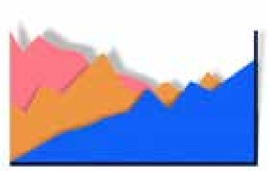
Julie is a director of a limited company that provides computer equipment to businesses. She's a 50% shareholder and wanted to remortgage with some extra borrowing.

Her broker found that other lenders would assess her using salary + dividends after corporation tax, leaving her unable to borrow the amount she needed.

But Julie and her partner in the company have limited the amount of dividends they've taken in order to keep the company profitable.

We assessed Julie's case using her share of net profit after corporation tax plus salary, rather than dividends.



We also based our lending on the company's last year's profits, rather than an average of the last two accounting periods, because there wasn't a substantial difference between the two.

Taking into account their share of net profit after deduction of corporation tax plus salary allows clients to leave money in the business – they don't need to draw everything out of it.