

Begbies Traynor Red Flag Alert Football Financial Distress Survey

Scottish Football League – May 2025



Scottish Clubs continue to battle headwinds with reduced fan spending

Five of the 42 clubs (12%) in Scotland's top four leagues are showing signs of financial distress, up 67% year on year - in the EFL four of the 72 clubs (6%) show signs of distress, two more than 12 months earlier

Football distress across the Scottish Football League is up two thirds year-on-year with pressure concentrated on lower league clubs, according to the latest Begbies Traynor Football Distress Survey.

The six-monthly Football Distress Survey (as of 31 March), conducted by business recovery specialist Begbies Traynor since 2012, has again seen five of the 42 clubs (12%) in Scotland's four top leagues showing signs of financial distress. This is up by 67% year-on-year and steady since the last data was released for the period to October 31st 2024.

“...key overheads for clubs, such as wages, National Insurance costs, energy and food and drink products are much higher than a few years ago.”

More than half of the clubs in distress in Scotland (3) were in League One and a similar trend was seen in the EFL, with distress shared equally between League One and League Two. Both divisions saw two clubs showing signs of significant financial issues.

Ken Pattullo, who leads Begbies Traynor in Scotland and Northern Ireland, said:

“We're concerned that the levels of distress in Scottish clubs seem to be steady at an unwelcome level, and the last year will be concerning for the coming season.

“We know that key overheads for clubs, such as wages, National Insurance costs, energy and food and drink products are much higher than a few years ago. The upcoming employment and tax additions to these costs will be on the mind of clubs and they will be looking at ways they can boost existing, or build new revenue streams to counter these price increases.”

The English Football League saw distress rise by 100% year on year, with four of the 72 clubs (6%) in the EFL showing signs of distress, but lower than the six clubs reported six months ago.

Ken Patullo continues: “In England we're seeing a concentration of distress in the lower two leagues, strengthening calls for a more equitable distribution of the big-ticket TV revenues enjoyed by the Premier League and the Championship. That's likely to be more ammunition for boards in League One and League Two when they meet with the Government's new Football Regulator.



“Club owners and boards in the EFL will have to resist the temptation to get carried away and gamble on chasing Wrexham up the leagues. That is a remarkable success story, and great news for the profile of the club and the game as a whole, but we now need the spotlight to fall on those smaller clubs that don't have these resources.

“Smaller clubs are a vital part of the football ecosystem and also the communities where they are based, and many could be in trouble in 12 months time if there isn't more support from those with the lion's share of the revenues.”

For Further Information

If you would like to discuss any of the issues raised in this survey or would like further details about the services we provide to help underperforming businesses, please contact:



Ken Pattullo
Partner

T: 0141 222 2230
M: 07786 951511
E: ken.pattullo@btguk.com



Offices across the UK. www.begbies-traynor.com

Begbies Traynor (Central) LLP, a limited liability partnership, registered in England and Wales No: OC306540. Registered Office: 340 Deansgate, Manchester M3 4LY
A member of the Begbies Traynor Group: Specialist Professional Services. www.begbies-traynorgroup.com

Ref: BTG 6976/05.25