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BDO's Annual Survey of Football Finance Directors 2025

Defying Gravity: The Ever-Expanding Football Universe

BDO's Annual Survey of Football Finance Directors 2025

Now in its 20th year, BDO's Annual Survey of Football Finance Directors continues to offer a trusted lens to the financial realities of professional football, layering our own financial insights over the data and opinions of financial leaders from clubs across the domestic professional football leagues. This year our data also includes insights and responses from leaders of domestic women's teams.

In the pages that follow, we present key metrics, commentary, and sector-wide analysis to support clubs, investors, and stakeholders in making informed decisions. With contributions from Twenty First Group, we explore the risks of competition and the shifting value of player assets, alongside broader themes of financial health, investment strategy, governance, regulatory change and strategic resilience.

As ever, our annual survey stands on the honest, frank views of those running clubs day-to-day. Thank you to every club who took the time to share their valuable insights with us. Your collective contributions help sharpen the debate and encourage better standards across the game.

We hope you enjoy this year's edition.

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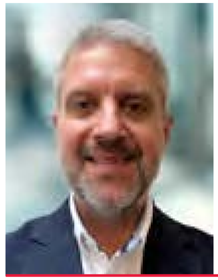
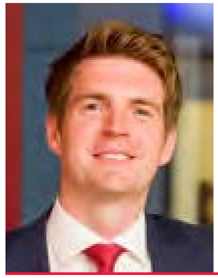
A word from Ian and Simon: The Football Universe



Ian Clayden
Partner, Head of Professional Sports



Simon Hall
Partner, Professional Sports Deal Advisory

Once again, we find ourselves talking about the ever-expanding domestic football universe:

- **Record-breaking English Premier League (EPL) club revenues in 2024 (£6.4bn)**, on the back of the Premier League's £6.7bn domestic TV rights deal, emphasising the continued global appeal for the game
- **Surging interest in women's football** and growing revenues for Women's Super League (WSL) 1 and 2 clubs, on the back of a second successive UEFA Women's Euros victory for England
- **A record-breaking summer 2025 transfer window**, with EPL spend soaring over £3bn, and the WSL transfer fee record being broken twice (the first £1m+ transfers)
- **Football club valuations continuing to rise**, with continued interest from a diverse range of investors.

But the football universe is expanding in all directions:

- **Spiralling cost of competition:** EPL clubs placed 8th to 17th in 2024 spent an average of £168m on wages to avoid relegation, a figure we expect to be even higher in 2025, with most clubs saying their wage-to-turnover ratios exceeded 70%. Average Championship (EFC) club wages grew to £37m, with ratios over 90%. But, as Twenty First Group explores – the correlation between spend and on-field results is just 57%, and a mere 35% excluding 'superclubs'
- **Declining financial health:** more than half of clubs say that their financial health 'could be better, but is not bad', but over a quarter flagged that their finances 'were in need of attention', with responses to this survey question showing a worsening trend in recent years
- **Sustained trading losses:** net losses before tax totalled £71m (average £3.6m loss per club) for EPL clubs and £317m (average £13.2m loss per club) for EFC clubs in 2024, with over 90% of clubs surveyed expecting to incur a pre-tax trading loss in 2025, even after profits from player sales
- **Increasing dependency on owners and lenders:** nearly nine out of ten clubs say they require shareholder funding in the near future, alongside escalating levels of debt
- **Widening financial disparity in the game:** maintaining the ever-expanding universe analogy, the financial gap between top and bottom clubs in each league, and the leagues themselves, are stretching further apart. Clubs are finding it harder than ever before to travel through the leagues, and even harder to stay there. The occasional comet can pass through – Wrexham, Ipswich and Sunderland have shown it can be done – but many burn out, with others finding themselves orbiting between relegation and promotion.

Of course, for decades many have suggested that football's trajectory is not financially sustainable, and yet it still grows. So, it begs the question, is the football universe infinitely expanding or will we someday see a contraction, reversal, or even a Big Crash?

There are many who expect, and even need, this expansion to continue:

- Many owners are in it for the long haul. But, the growing population of institutional investors need to generate returns before they exit, whilst leaving clear growth potential on the table for incoming investors. They are syndicating, looking further down the football pyramid for value, and using multi-club ownership to spread risk, utilise synergies and accelerate talent development. They are both contributors to, and beneficiaries of, the game's expansion
- Clubs need these investors to fund losses, and they are also inherently reliant on profits from player trading to stay within Profit and Sustainability Rule (PSR) loss limits. If player transfer values were to suddenly start falling, clubs (on average) would find themselves selling players at a trading loss, with significant financial consequences, or they simply would not sell. What could this mean for the players and the salaries they can command?

It is the regulators that are perhaps most fearful of the football universe shrinking, as they aim to minimise financial black holes, and avoid a club supernova. The introduction of the Independent Football Regulator, combined with additional UEFA and domestic spending controls, marks a watershed moment. Clubs are being held to account not only on financial outcomes, but on governance, transparency, and their cultural responsibilities to fans and communities.

But, as we look forward to 2026, will regulators' new laws of gravity bring stability to football's increasingly volatile cosmos, or simply shift the gravitational pressures elsewhere?

Key metrics and headlines

2024 financial metrics

	EPL (all clubs)	EPL (clubs placed 8th to 17th)	EFC (all clubs)
Average revenue	£319m	£245m	£40m
Average wages	£202m	£168m	£37m
Average wages as % of revenue	63%	69%	93%
Average net loss before tax	(£4m)	(£10m)	(£13m)

Latest stats/responses

£6.7bn four-year domestic **TV rights deal** starting **2025/26**

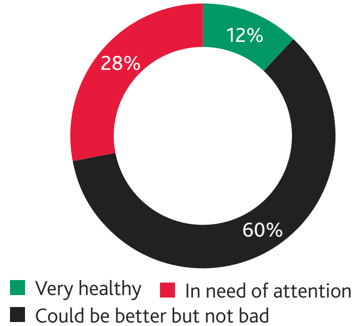
€3.6bn Summer 2025 **transfer window spend**

over **90%** of clubs expect to run at a **pre-tax trading loss** for 2025

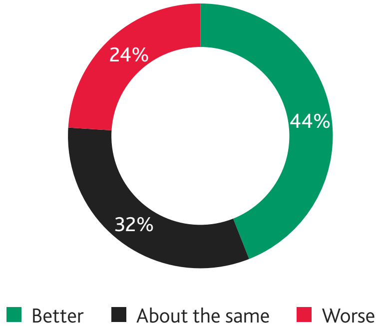
Club top 5 investment priorities:

- Player spend
- Academy development /expansion
- Stadium expansion
- Commercial and other real estate development
- Investment into women's football

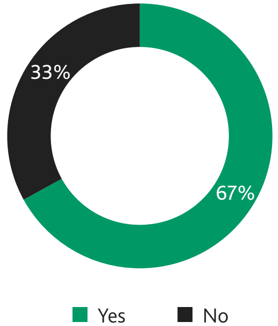
How do clubs rate their financial health:



How clubs expect profitability to change in 2025/26 versus 2024/25



Within the last 12 months has the club been subject to an informal or formal approach from prospective investors?



Key metrics and headlines

Ownership and governance

over **1/3** of & **2/3** of
domestic clubs **EPL clubs**
part of Multi-Club Ownership models

67%
of clubs subject to an approach from prospective investors in last 12 months

Independent Football Regulator established to protect and promote club financial soundness, the financial resilience of English football, and safeguard football heritage.

Football Governance Act 2025 four pillars:

01	Financial Resilience
02	Corporate Governance
03	New Test for prospective Owners, Directors and Senior Executives (ODSE)
04	Minimum Standard for Fan Engagement

Financial health of clubs

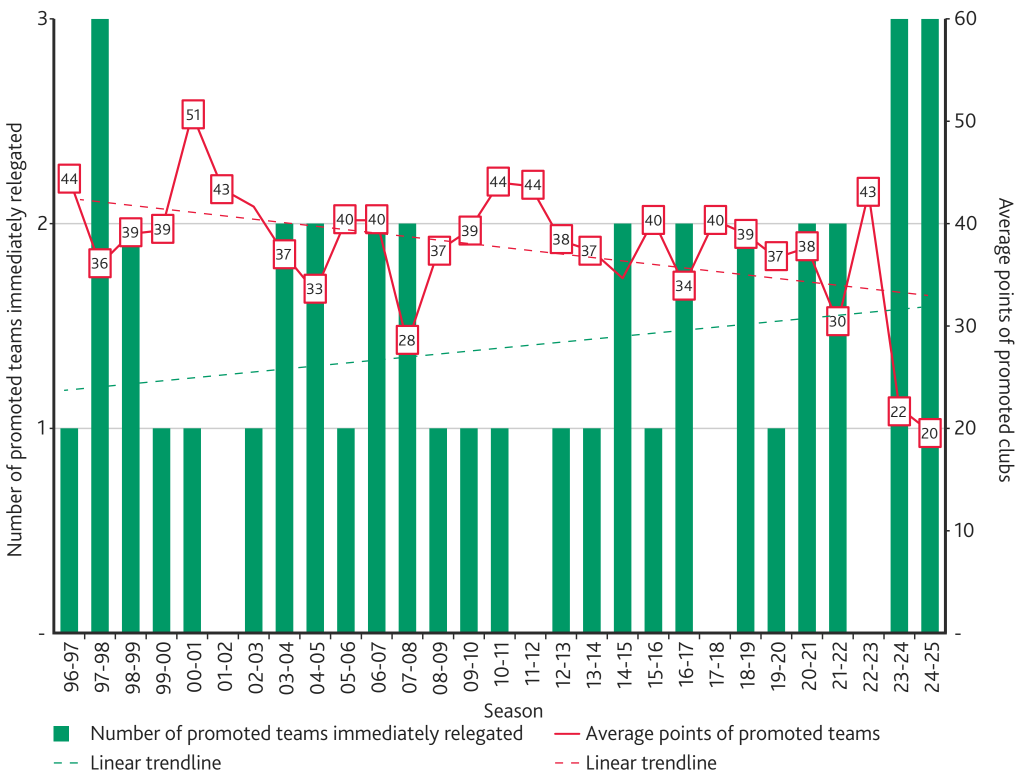
The Yo-Yo club phenomenon

Big four, top six, or should we now be talking about ‘the seventeen’. Following two successive seasons where the three clubs promoted to the EPL have gone straight back down in the following season, many have asked whether this is expected to be a continuing trend. After all, before the 2022/23 season this had only happened once, way back in the 1997–98 season.

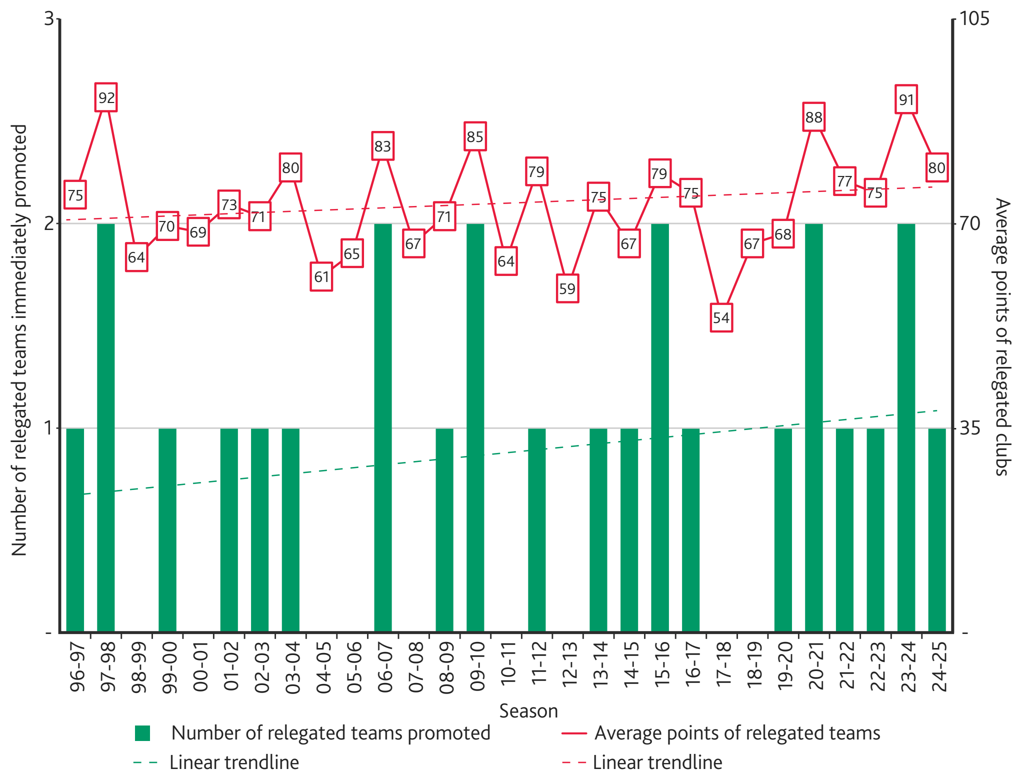
Looking back over the EPL since it changed to a 20-team league, the average number of points achieved by the three promoted clubs has been on a steady decline. Over the last five seasons, of the 15 clubs to be relegated, ten of those places have been taken by the promoted clubs. Go back to the five seasons between 2015 and 2020 it was only six clubs. Five years further back and it was only five. This is further evidence of the ever-widening gap between the EPL and the EFC, a trend we have been reporting on for some time.

When you look at the same data for the EFC, the reverse trend appears. There is a gradual increase in points haul from relegated clubs and an increase in the number of these clubs that are promoted.

First year EPL performance post promotion from EFC



First year EFC performance post relegation from EPL



Source: EPL/EFC results table

Financial health of clubs

So, what is creating the increasing gulf? Money. EPL broadcasting deals and – as a result – the sheer cost of competition (namely wages and transfer fees) have grown to such levels, that many believe that the tables are already tilted against those clubs promoted from the EFC. Whilst it does not mean it is impossible to compete – after all, the three clubs promoted in the 22 – 23 season (Fulham, Bournemouth and Nottingham Forest) remain in the EPL with some success – promoted clubs are becoming more and more reliant on shareholder investment, a tactical edge or even just the luck of the bounce of a ball.

One quirk of the commercial success of the EPL is the need to support clubs that get relegated. Without this support, relegated clubs could suffer financial ruin with player wages significantly disproportionate to the revenue clubs will bring in whilst in the EFC. The EPL grants parachute payments to any relegated club for the following three seasons on a reducing scale (unless they return back to the EPL).

Illustrative parachute payments for 2024/25 season

	Percentage of Premier League Equal Share component	Approximate value in 2023/24 season
Year 1	55%	£49m
Year 2	45%	£40m
Year 3	20%	£17m

However, whilst this revenue provides relegated clubs with respite allowing them to manage the transition to the EFC, these payments ultimately create a tiered structure in the EFC; those with parachutes and those without. This is of course not dissimilar to the EPL where there is the so called 'Big 6' and the rest. Whilst it is noticeable that the EPL has seen the three-up, three-down phenomenon in the last couple of years, over the last five seasons two-thirds of promoted clubs in the EFC were clubs benefitting from parachute payments (seven of which were immediate bounce backs).

The average revenue from the three teams relegated in the 23 – 24 season (Burnley, Luton, Sheffield United) was £135m. Comparing that to the average revenue of EFC clubs without parachute payments over the same season was £25m; a stark discrepancy, with the difference inevitably spent on squad investment which – save for a few exceptions – generally leads to a significant on field advantage.

The combination of an increasing financial gap between the top of the EPL and the rest, and the top of the EFC and the rest, is clearly exacerbating the yo-yo effect we have seen over the last couple of seasons. But will it continue, and how can clubs break the cycle? Twenty First Group explores the growing cost of competition (on page 17).

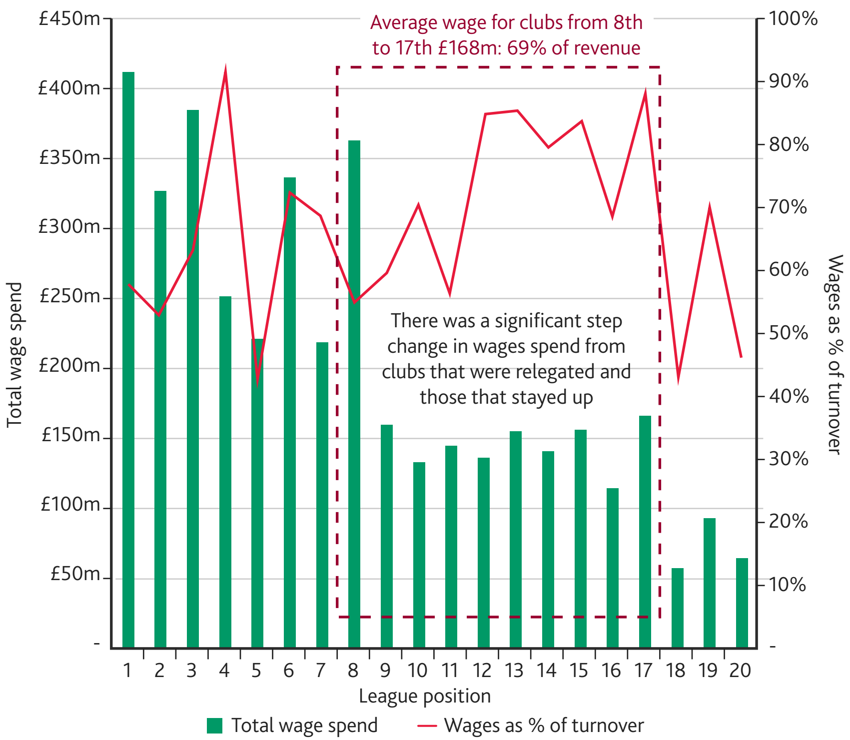
Financial health of clubs

Financial health of the EPL and EFC

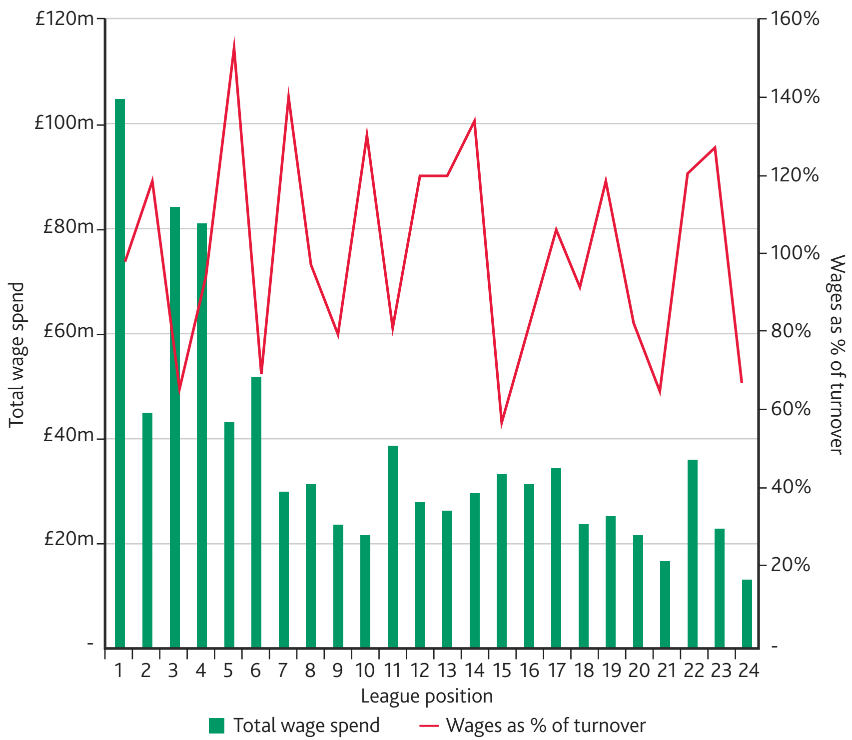
In recent years, the greater revenues of the EPL (and even the EFC as compared with the lower leagues) has not necessarily led to a healthier financial footing (indeed respondents in the top two leagues reported less favourably on their financial health than two years ago).

The pressure of competition creates a dynamic which players (and their agents) can leverage. This leads to a significant proportion of a club's revenue spent on player wages, around 67% for the average EPL club in 2024 (and over 70% excluding the Big Six) versus over 90% in the EFC. There is some correlation of wage spend to team success (although Twenty First Group suggests not as much as you might think), with those clubs able to spend more money on players generally finishing higher up the leagues.

EPL total wage spend* by league position and wages as % of turnover – FY24



EFC total wage spend* by league position and wages as % of turnover – FY24

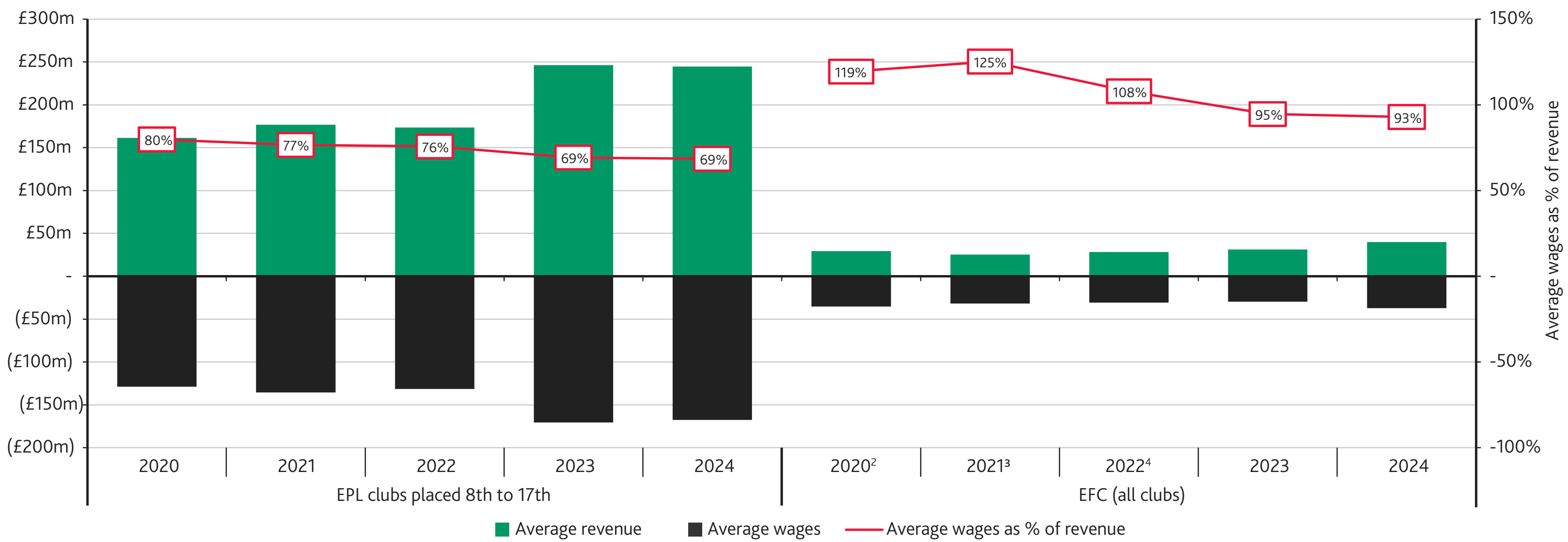


*Total payroll costs include salaries and associated employment taxes for players, managers and staff.

Source: BDO benchmarking analysis

Financial health of clubs

Average revenue, wages[1] and wages as % revenue



1. Total payroll costs include salaries and associated employment taxes for players, managers and staff.
2. 2020 missing data for Derby County, Wigan Athletic, Luton Town as Company changed names / went into administration or small company exempt accounts.
3. 2021 missing data for Derby County and Wycombe Wanderers as Company changed names / went into administration.
4. 2022 missing data for Derby County as Company changed names / went into administration.

Source: BDO benchmarking analysis

- We were originally seeing a downwards trend in wages as a % of revenue in the EPL and EFC, but this percentage somewhat levelled off in 2023 and 2024
- Purely on financial terms, EPL clubs placed 8th to 17th (and therefore avoided relegation) in FY24 spent an average of £168m on total wages (including coaching, management and other staff). This equated to 69% of average revenues earned by those clubs. In the context of minimum broadcasting distributions of £108m, it is easy to see how clubs with lower commercial income (e.g. smaller stadia or less lucrative sponsorship deals) are loss-making and therefore dependant on shareholder funding, player trading profits and debt injections (as echoed in survey responses below)
- The gap between the implied wages needed to stay up in the EPL and the average wage spend on an EFC Club (a £130m delta) or even a top end EFC Club benefitting from parachute payments (a £80m+ delta) is so significant it is no wonder we are seeing more yo-yo clubs
- This gap in overall wage spend is increasing year on year. There continues to be an unsustainable wage spend across the EFC as clubs look to bounce back into the EPL by maintaining their squad base rather than look to profit through player disposals and reduce the wage bill to more sustainable levels.

To aid the financial health and sustainability of clubs, there were recent discussions in November 2025 between EPL clubs, whereby clubs voted to replace the pre-existing PSR rules with a series of new tests, including the Squad Cost Ratio (SCR), which would limit club spending to a fixed percentage of revenue from football club operations, as well as Sustainability and Systematic Resilience tests (SSR). We explore this and the wider governance framework in football from page 38.

Financial health of clubs

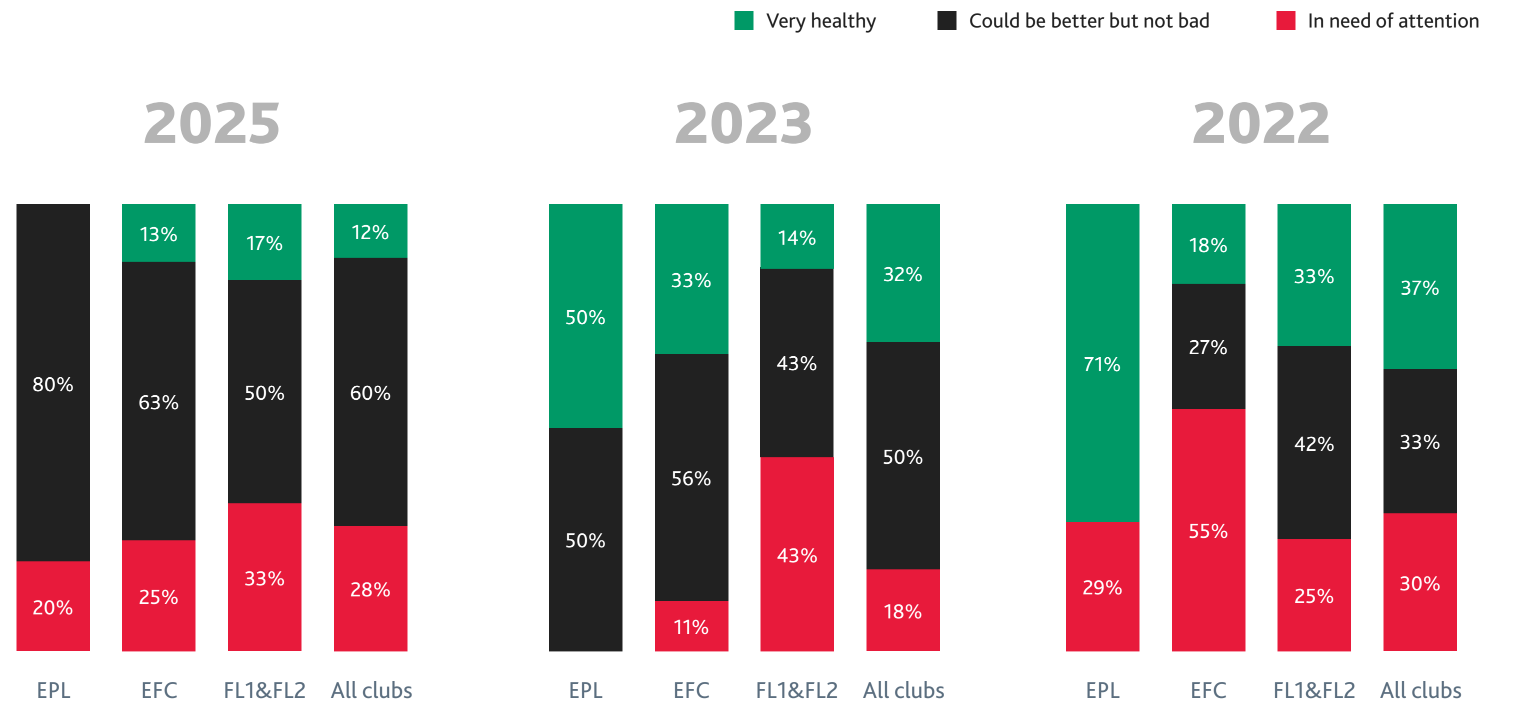
Financial health of the football pyramid as a whole

The survey respondents for this year have suggested a slight weakening in the financial health of clubs across all leagues, with a gradual shift away from 'very healthy' and towards a rating of 'could be better but not bad'. This is a continuation of the trend seen since the Pandemic, where clubs required short term financial support from shareholders, the Premier League and Football League, together with advancement of broadcasting and transfer fee income to plug financial gaps; effectively increasing debt levels and mortgaging future income streams.

The EPL and EFC responses are less surprising given all that has been said earlier, but it is notable that clubs in FL1 and FL2 believe that they are not much worse off than in 2023. Lower league clubs rely much more heavily on matchday income with only a relatively modest amount of solidarity payments trickling down from the EPL. However, many clubs in these leagues can run with lower (and more manageable) wages and losses, unless their goal is to rapidly progress through the leagues (as Wrexham have done).

Another general feature of the FL1 and FL2 is shorter player contracts, with some clubs opting for annual contract renewals; this means a lot of work for management over the summer transfer window, but – if managed correctly – means clubs can have more control over wage levels.

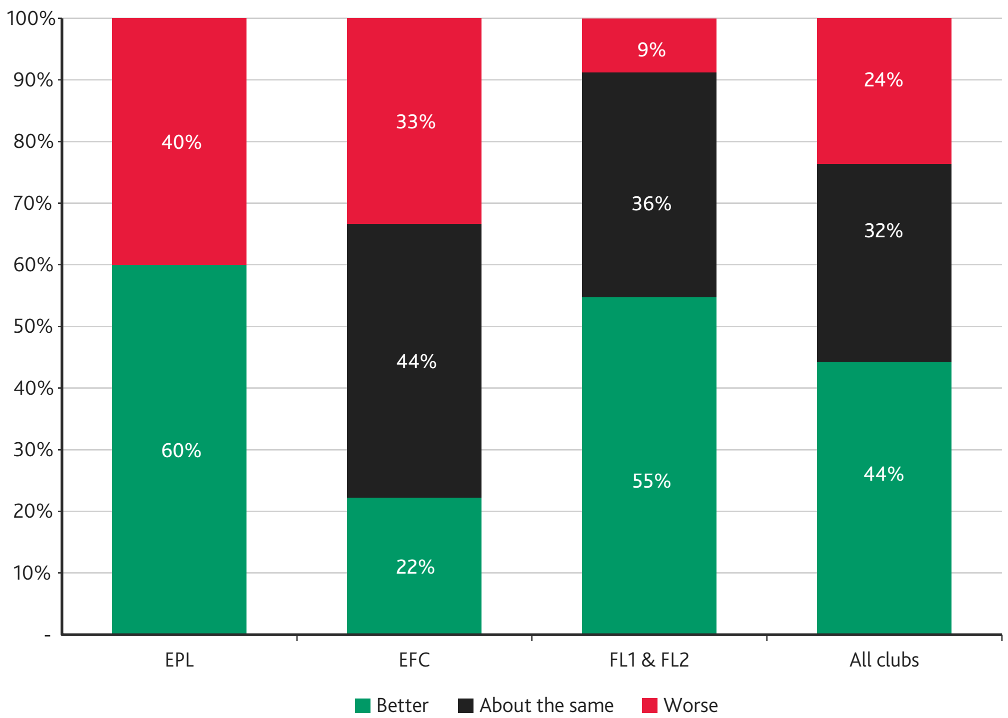
How would you rate your club's current financial position?



Source: BDO Survey Results

Financial health of clubs

How do you expect your profitability to change in 2025/26 versus 2024/25?

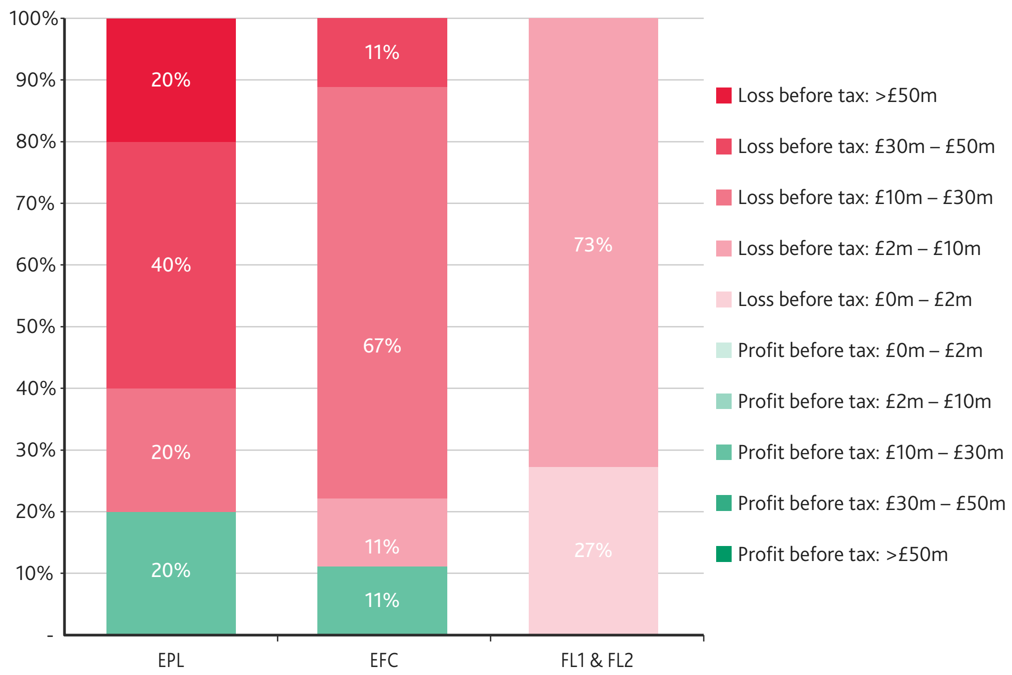


Source: BDO Survey Results

When asked about the expectations for the short-term future, EPL clubs were surprisingly divided, with 60% of respondents (somewhat skewed towards those who have been mainstays in the EPL) anticipating an improvement in their financial health, and 40% expecting things to get worse.

Both EFC and FL1 respondents were relatively evenly spread across all three categories, albeit none of the FL2 respondents suggested that they expect a worst situation. The relative stability of the lower leagues, and the ability to invest-to-progress up the football pyramid, is one of the factors contributing to the increased institutional investor interest in these leagues, in particular from the US (explored later).

What is your pre-tax profit/loss expected to be 2024/25?

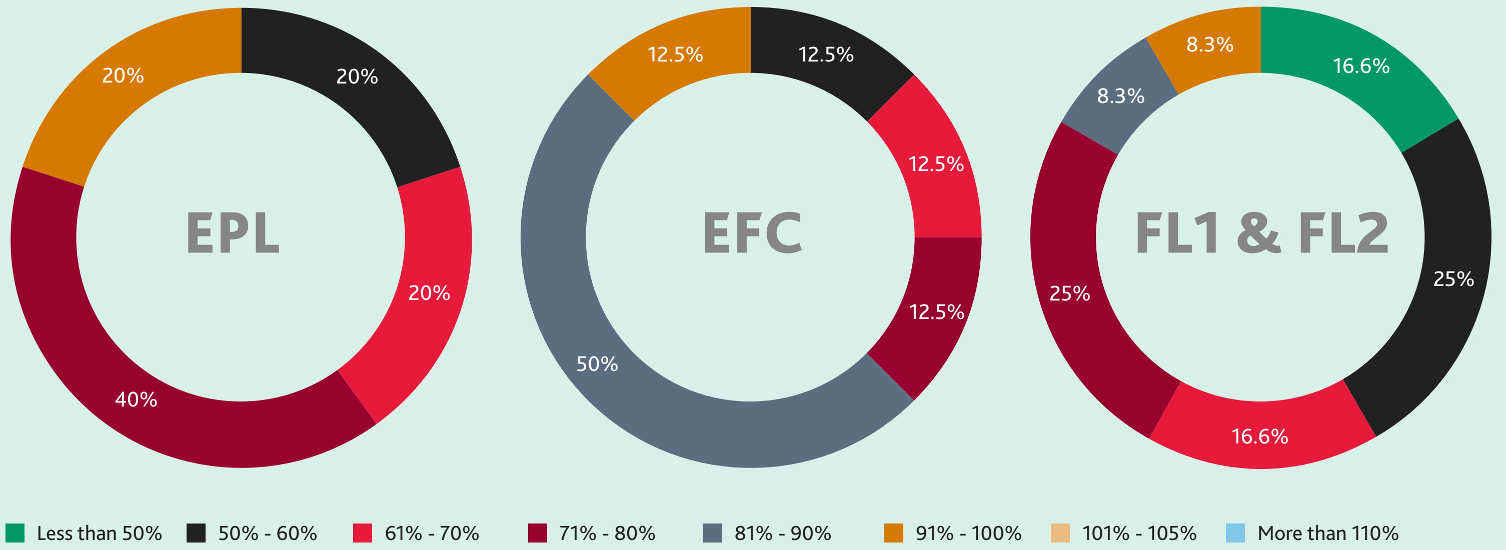


Source: BDO Survey Results

Financial health of clubs

What wages to turnover ratio do you currently operate in (2024/25 season)?

Source: BDO Survey Results



Financial health: perception versus reality

One of the interesting dynamics of the football industry (and in doing our survey each year) is the comparison of clubs' financial metrics to their own perception of their financial health (from our survey responses).

While more than half of clubs across all leagues classify their health as "could be better, but not bad", over 90% of the same respondents told us that this meant running at a loss for the 2024/25 season (even after player trading, which until recently, clubs were able to use to offset losses). Over half of respondents said that this involved operating with a wage-to-turnover ratio of over 70%. In recent years, the EPL has transitioned to a loss-making model as standard, a model which was previously mainly an EFC and lower league phenomenon.

Financial health of clubs

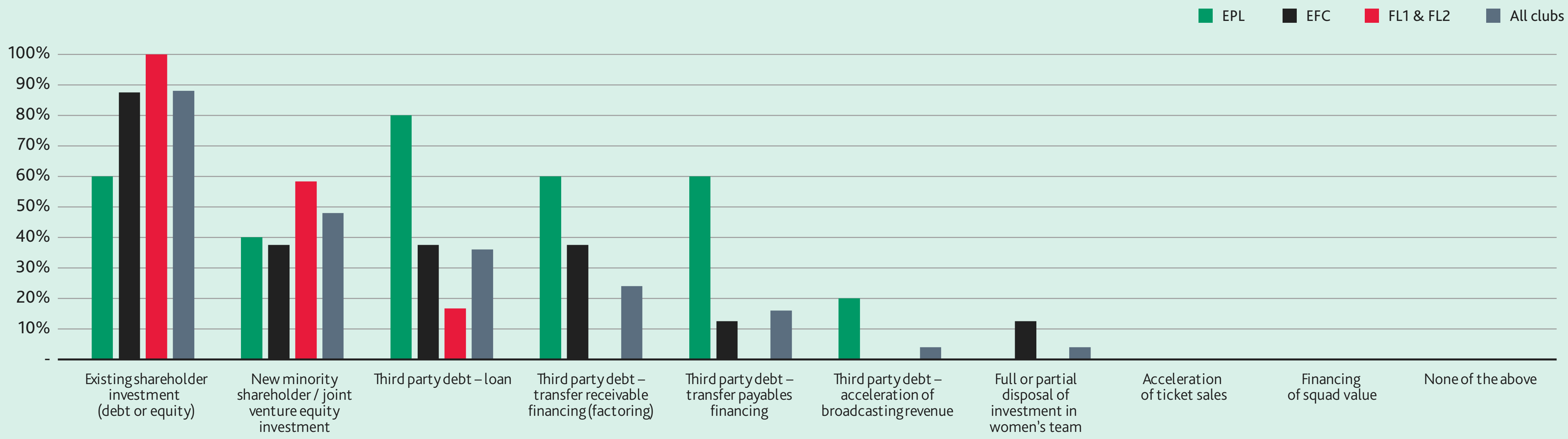
These losses need to be funded from somewhere, and nearly 90% of clubs stated that they would need shareholder funding in the near future, with just under half recognising that this may require some form of minority or joint venture investment.

Sourcing external debt is also more commonplace, and is evolving to include more traditional loans and transfer payable financing, in addition to the tried-and-tested football club methods of seeking advancement of broadcasting distributions and transfer receivables.

In any other industry, this combination would be neither healthy nor sustainable, but it recognises the commercial reality and equilibrium that exists in football: clubs now plan to run at a loss, with player spend maximised, pushing the limits of PSR; to do so, they are reliant on support from shareholders and debt providers in the normal course of business; thankfully, owners/lenders are prepared to provide this support, at least for the moment.

Do you currently require or envisage requiring in the near future the following types of external financing?

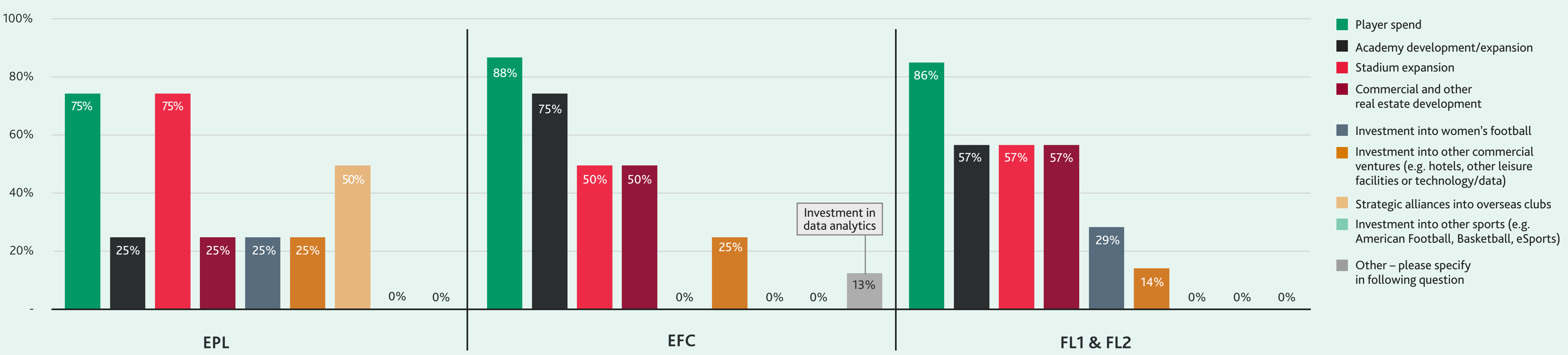
Source: BDO Survey Results



What are clubs' investment priorities?

Investment priorities – what types of investments ranked within the top three priorities of clubs

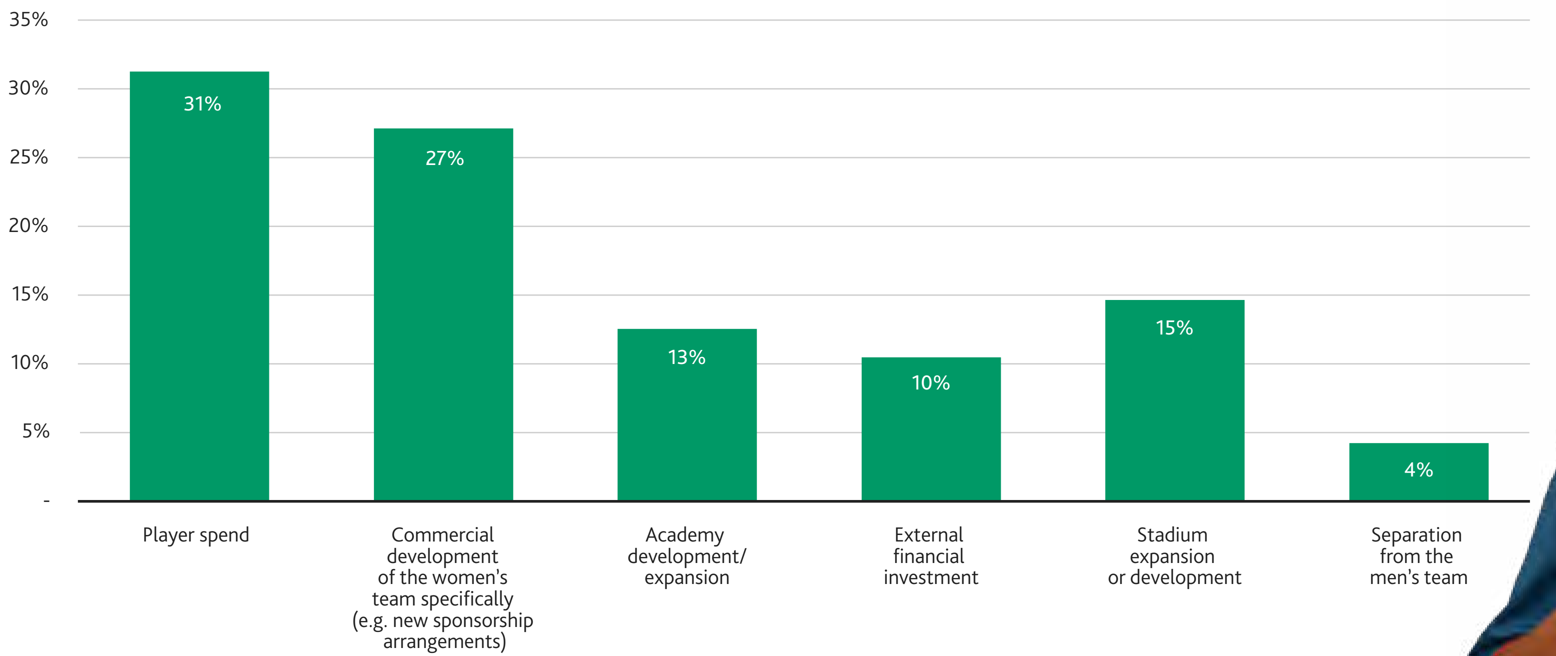
Source: BDO survey responses

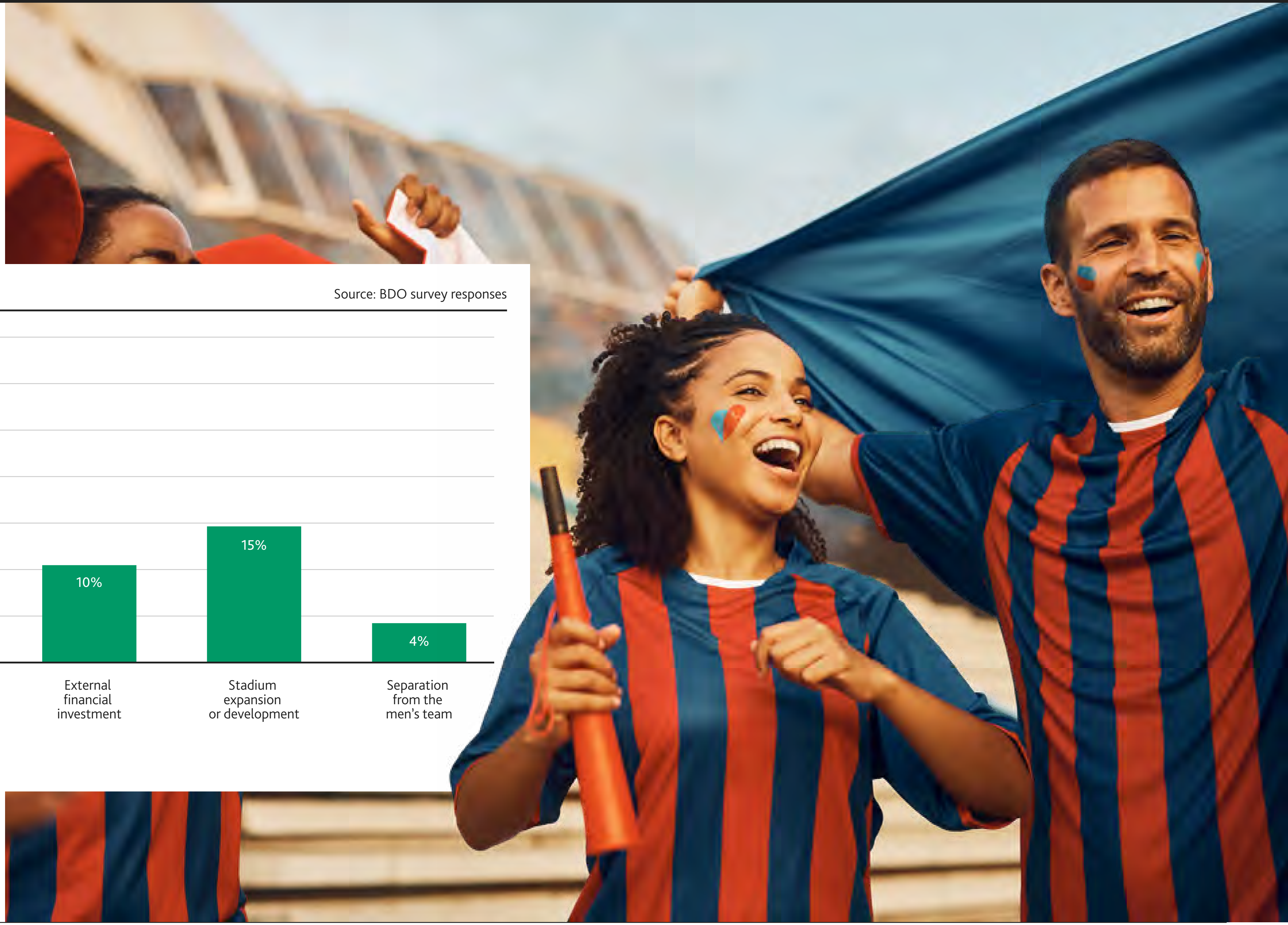


What are clubs' investment priorities?

Top 3 investment priorities – women's clubs

Source: BDO survey responses





What are clubs' investment priorities?

With discretionary spend at a premium, and shareholders already reaching into pockets to fund losses, it is not surprising that men's and women's club investment strategies are geared towards maximising on field performance – through direct player spend (over 75% across the leagues) and academy development (in particular in the EFC (57%) and FL1 & FL2 (57%)) – and increasing broader commercial revenues.

While player spend is understandably most clubs' top priority, and the cost of competition is getting ever higher, the on-field return on this investment is no longer as rewarding as you would think. We explore this further, with insight from Twenty First Group, later.

In the modern game, clubs see youth development as more than just a pathway for bringing players through to supplement their first team. Academies are now commonly seen as a profit-generating unit, with gains from player trading helping fund the rest of the business, and academy ROI being a key metric tracked by clubs.

As a result, youth development has needed to become more sophisticated, transforming academies into high tech talent incubators. With most club academies in the EPL and EFL boasting the highest (Cat 1) Elite Player Performance Plan (EPPP) grading, clubs need to differentiate their academy offering to attract the best young talent. This includes:

- More investment in (and better use of) data to identify the best talent at the outset and monitor the performance and development of players. Currently, this includes reams of data, and even AI to assess performance, fatigue, recovery and injury risk to allow for tailored development of players
- Investment in coaching and training, including education on life-skills, mental resilience, emotional intelligence, and growth mindset in additional to the usual academic subjects
- Investment into the best infrastructure, including altitude chambers, hydrotherapy pools, augmented reality and motion-capture technology, to give youth players the best chance of succeeding
- In general, strategically positioning and marketing their academies to make their offering more attractive to young talent.

As we explore later (on page 34), the increasing prominence of the Multi-Club Ownership (MCO) model is shaping a lot of this development, by encouraging the sharing of intelligence and methods whilst offering players international development pathways.

Stadia and other commercial/real estate development remain top priorities of clubs this year (in line with our last survey). A few years ago, these were a much lower priority for the EPL and not an affordable priority in the EFC. The change is a feature of both the evolution of the investors in the sports sector (more sophisticated institutional investment with strategies targeting growth and returns) and the need to maximise revenue through every avenue to cover costs.

Women's football rounds-off clubs' top five investment priorities this year. Over the last three years respondents have indicated the increasing emphasis on women's football investment. This is positive news, especially where some clubs have noted anecdotally that they felt that their women's team had historically been overlooked. We discuss investment in the women's game in more depth in (on page 23).

TWENTY FIRST GROUP_

Guest contributor: Twenty First Group
The cost of competition

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Omar is one of football's leading advisers in the use of data-driven decision-making. Since joining Twenty First Group in 2014, he has worked with world-leading football clubs, investment groups, domestic leagues and federations – including organisations such as Tottenham Hotspur, RedBird Capital, the Premier League and US Soccer – utilising analytics to inform business-critical decisions around strategy, performance and recruitment and ensuring it has practical usage with clients.

Beyond the Balance Sheet: Re-evaluating the Cost of Winning in Modern Football

As the football landscape continues to evolve, clubs are facing unprecedented scrutiny. The tightening of financial controls, from UEFA's Financial Fair Play to the EPL's Profitability and Sustainability Rules, has fundamentally changed the game. No longer is success simply a function of owner investment; it is a test of a club's ability to maximise its resources and get the best possible 'bang for its buck.' In this environment, the most successful clubs are not merely the richest, but the most intelligently run. At Twenty First Group, we term this crucial institutionalised competitive advantage 'Organisational Intelligence'.

Organisational Intelligence

Organisational Intelligence is the foundational blueprint for sustainable on-field success. It is the framework that enables a club to consistently make superior decisions and translate investment into results, even when financial resources are limited. This intelligence is underpinned by three core pillars: Financial Intelligence, Sporting Intelligence, and Operational Intelligence.

Financial Intelligence is about more than just managing the balance sheet; it is the deep understanding of what it costs to deliver the owner's vision and a profound appreciation of value. For too long, the role of the football club Finance Director has been focused on cost control. In the modern game, their role is now critical to building the club's Financial Intelligence. This requires a shift in perspective from merely understanding expenditure to appreciating how investment in the playing squad translates directly into on-field outcomes and, in turn, into growth in the club's revenues and enterprise value.

Sporting Intelligence is the mastery of what drives sustainable success on the pitch, moving beyond a simple focus on winning. It involves a sophisticated understanding of the factors that lead to consistent performance, and how to measure a team's true underlying quality.

Operational Intelligence the systematic processes and decision-making structures that ensure good choices are made and, critically, repeated across the organisation.

The symbiotic relationship between these three pillars allows a club to thrive. To truly build a club's Financial Intelligence, one must first appreciate that the final league table is the product of three distinct variables: how much a club spends, how well they spend it, and how lucky they are with the bounce of the ball.

We all know that spending power has a significant impact on performance. clubs with larger budgets can attract better players and coaches, naturally giving them a higher chance of finishing higher in the league. However, this relationship is far from a simple one-to-one correlation. Our analysis of major European leagues shows that the correlation between spend and results is just 57%, and a mere 35% when we exclude the 'superclubs', with similar results in the EFL. This is because there is a huge variation in how well a team spends its money. A club with high spending efficiency can outperform an 'average' club on the same budget by well over 10 points per season, and a poorly-run club by as many as 20 points. Those are 10 points that could be gained for a fraction of the cost of a single player, by developing a robust football strategy and the processes that underpin a club's competitive edge.

TWENTY FIRST GROUP_

The cost of competition

The third, often overlooked, variable is luck. As a low-scoring sport, football is inherently susceptible to random chance. Teams can play well and lose or play poorly and win – we have all experienced games like this. When these moments of fortune or misfortune accumulate over a season, a team can finish as many as 10 places out of kilter with how they truly performed.

A Finance Director must understand the extent to which each of these elements – spend, efficiency, and luck – drives on-field results. This perspective is vital not only for looking backwards to assess a team's true performance but also for forward planning and strategic decision-making.

The 2023/24 EPL season provides a powerful illustration of these dynamics in action. Take runners-up Arsenal. Their wage spend, accounting for inflation, would typically be expected to deliver around 66 points. However, based on Twenty First Group's assessment of their underlying performance – how well they really played – the team deserved a remarkable 81 points. This suggests the club's efficiency, its ability to extract performance from its spending through excellent recruitment, coaching, and academy operations, delivered an enormous 15 points during the season. The fact that they won 89 points means a further 8 points can be attributed to 'luck' – results that went their way over the course of the campaign.

League position	Club	Expected Points Given Wage Spend	Impact of Spend Efficiency	Impact of Luck	Actual Points
1	Manchester City	72	↑ 8	↑ 11	91
2	Arsenal	66	↑ 15	↑ 8	89
3	Liverpool	70	↑ 5	↑ 7	82
4	Aston Villa	60	↓ -4	↑ 12	68
5	Tottenham Hotspur	58	↓ -1	↑ 9	66
6	Chelsea	67	↓ -8	↑ 4	63
7	Newcastle United	57	↑ 5	↓ -2	60
8	Manchester United	69	↓ -16	↑ 7	60
9	West Ham United	50	↓ -4	↑ 6	52
10	Crystal Palace	46	↑ 4	↓ -1	49
11	Brighton & Hove Albion	48	↑ 4	↓ -4	48
12	AFC Bournemouth	46	↓ -1	↑ 3	48
13	Fulham	49	↑ 1	↓ -3	47
14	Wolverhampton Wanderers	47	↓ -5	↑ 4	46
15	Everton	50	↓ -6	↓ -4	40
16	Brentford	43	↑ 8	↓ -12	39
17	Nottingham Forest	51	↓ -7	↓ -12	32
18	Luton Town	30	↓ -3	↓ -1	26
19	Burnley	38	↓ -1	↓ -13	24
20	Sheffield United	32	↓ -6	↓ -10	16

TWENTY FIRST GROUP_

The cost of competition

The numbers also reveal clubs where the league table did not truly reflect their spend or efficiency. Consider Brentford, who with the fourth-lowest wage bill in the league, would have been expected to win 43 points. Their final tally of 39 points seemed a disappointment – until one considers that their underlying performance deserved 51 points. This analysis reveals that Brentford had been unlucky; they were still performing at a level well above what their wage spend would suggest, and if they trusted the process, good results would follow. Indeed, they did in 2024/25, with the club going on to win 56 points. Brighton, another club respected for its ability to squeeze performance out of a limited spend, had a similar story in 2023/24. With a wage bill that would typically deliver 48 points, they won exactly 48 points, implying that they had perhaps hit a roadblock. Yet their underlying performance was strong, suggesting they deserved 52 points, meaning the club was still outperforming its budget.

Meanwhile, West Ham finished above both clubs with 52 points. While this was above the 50 points a team with their level of spend might have expected, their underlying performance only deserved 46 points. This reflects a high level of inefficiency of spend, and the club's results would catch up to their performance levels in 2024/25. Similarly, Manchester United's spend should have delivered 69 points, yet they were lucky to win as many as 60 when their underlying performance deserved just 53.

Beyond evaluating past performance, Finance Directors need to understand how the relationship between spend and performance is changing. Consider a club seeking to limit its chance of relegation from the EPL. Because of the role of bad luck, only the very richest clubs can entirely eliminate this possibility.

Therefore, we can analyse how the cost of a 75% chance of survival has changed over the last five years. In 2020/21, a typical club with a player wage spend of £58m would have a one-in-four chance of going down. By 2022/23, this had increased to £73m. And by last season, such odds were only possible with an £80m player spend, assuming a club were 'average' in their spending efficiency.

The good news is that the smartest clubs can achieve these results with 40% less cost than their direct competitors – a fact the likes of Brentford and Brighton have demonstrated consistently over the last four years. These clubs possess the Organisational Intelligence that underpins the success of all well-run football clubs today. A critical part of this is understanding the true cost of success in your league, a challenge that is now central to the role of the modern football club Finance Director.

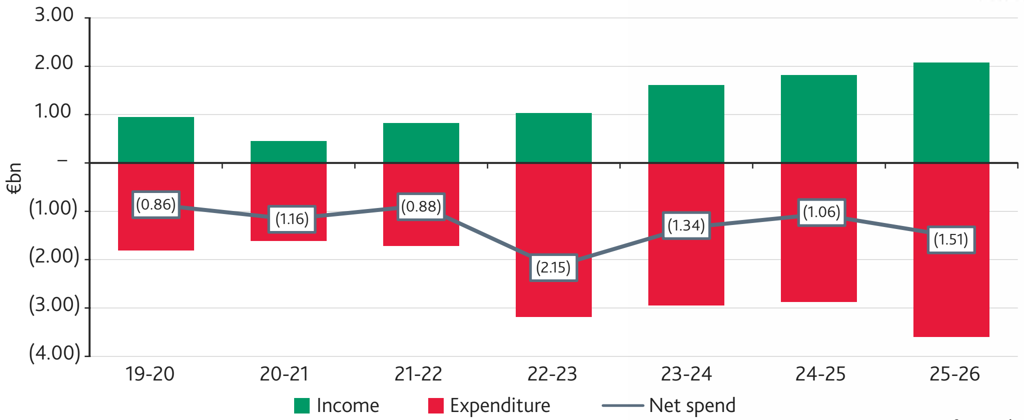
TWENTY FIRST GROUP_

From silver bullets to sustainable success: The new frontier for player transfer strategies

EPL annual transfer spend

Year	Summer expenditure €bn	Winter expenditure €bn	Total expenditure €bn
2019/20	1.55	0.26	1.81
2020/21	1.50	0.11	1.61
2021/22	1.36	0.35	1.71
2022/23	2.31	0.87	3.18
2023/24	2.81	0.13	2.94
2024/25	2.37	0.50	2.87
2025/26	3.59	n/a	3.59

EPL net transfer spend



Source: Transfermarkt

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From silver bullets to sustainable success: The new frontier for player transfer strategies

The EPL summer window once again shattered spending records, with clubs collectively investing unprecedented sums into player acquisitions. From a distance, this trend appears to be a logical extension of the equation where increased player quality, bought at a premium, directly translates to improved on-field performance and a higher league finish. Over a single window this belief system, however, is a classic example of 'silver bullet syndrome': the seductive but flawed notion that a single decision or a specific transfer window can fundamentally alter a club's fortunes. As explored later on, the data suggests this assumption is not only simplistic but deeply misleading. The evidence points to a starker reality: net spend is a poor predictor of a team's trajectory, and even the most expensive players often have only a marginal impact.

The statistics behind this claim are compelling. A club-record signing, the player considered most likely to be a transformational asset, averages just 59% of playing time in their first season. That's hours upon hours on the sidelines due to injury, poor form, or falling out of favour, all within 12 months of arriving. This trend only worsens for the second-most and third-most expensive signings, who average between 52% and 54% playing time. The belief that a single player is worth '10 or 15 points' is similarly debunked by the fact that clubs who make a club-record sale – losing a player widely considered key to success – only win an average of five fewer points in the season following the departure. This data highlights a critical misalignment between market perception and on-field reality. It's a phenomenon seen clearly in recent transfer cycles, such as the widely-publicised belief that a striker could tip Arsenal from perennial bridesmaids into title winners, only for the club to collect just one point and score one goal in its first two games against direct title challengers. The silver bullet almost never exists.

For a decade, a club's competitive advantage in the transfer market could be found in a few key areas. For example, clubs could strategically target young, high-potential players with an eye on future resale value. Alternatively, they could invest heavily in analytics to unearth players in overlooked leagues or positions before others did. However, these pathways have been significantly eroded. The market for young talent has become a high-stakes, hyper-competitive landscape. The average price of young players has increased at a far quicker rate than the rest of the market, with under-23s now accounting for up to 45% of all transfer fees, compared to less than 30% just 15 years ago.

Simultaneously, the advantage once provided by proprietary data has been democratised. Clubs across all levels of professional football now have access to a vast and largely identical pool of data. This widespread access means that clubs are increasingly looking in the same places, making it less likely that they will find the kind of hidden gems that once defined successful scouting. The old edges no longer provide the significant returns they once did, forcing clubs to look for new sources of sustainable advantage as they face mounting cost control pressures.

TWENTY FIRST GROUP_

From silver bullets to sustainable success: The new frontier for player transfer strategies

In this new environment, sustainable success no longer hinges on a 'magic' transfer but on the meticulous and often unglamorous work of building robust internal processes. The new competitive edge is often found in 'the boring stuff.' This begins with the implementation of sophisticated squad building and valuation frameworks. These frameworks ensure that every player is recruited into a specific role and wage band that aligns with the club's long-term succession plans. Success is not just about having these plans but about being disciplined enough to follow them rigorously throughout a transfer window and a season, resisting the temptation to deviate under pressure.

Another critical element is alignment. This means having synergy between the short-term need to secure results and the long-term imperative to grow asset value. Clubs that succeed avoid compromising on solutions that ultimately serve neither objective. Finally, success in this new landscape requires a resolute commitment to process. This is not about simply having access to data but about its consistent and disciplined application to avoid costly mistakes. The data, in essence, is a tool; its value is realised only through a consistent process that helps guide decision-making, rather than being treated as a one-off luxury.

While the transfer market dominates headlines, the most significant source of value in football is often created not through buying but through improving. The chronic underappreciation of player development is one of the most significant blind spots in modern football spending. Our analysis of player value growth provides a stark case study. Over a three-year period, the players signed by Manchester United were of a similar quality pre-transfer to those signed by Liverpool. Yet, on average, United's players lost a third of their value, while Liverpool's grew by over 10%. Clubs with highly effective development systems, such as Brighton and Atalanta, can achieve an astonishing average value growth of over 50% on their players.

These clubs don't just get players in the door; they have a cohesive, club-wide process to improve them and make them attractive to the market. This relies on a cohesive club culture where everyone – from the manager and sporting director to the performance staff – is aligned on a shared strategy. It's a testament to the fact that the 'boring stuff' of robust processes, consistent application of data, and long-term vision are the true drivers of sustainable success and asset value growth.

The path to long-term success in football is therefore not paved with record-breaking fees but with a disciplined, holistic strategy. The key takeaways for any club looking to thrive in this new landscape are clear:

1.

No single transfer or transfer window will make all the difference.

Sustainable success is built brick-by-brick, through a series of intelligent, aligned decisions.

2.

A successful transfer strategy must be a holistic, process-driven approach.

It must extend far beyond simply 'signing players with potential' or 'using data.' It requires a resolute commitment to the disciplined activities that help a club avoid mistakes.

3.

Player trading is not everything.

The best clubs recognise the immense value in improving players already within the building and utilising their academy. A successful strategy ensures that everyone within the club is aligned with this approach, from recruitment to development.

In an increasingly competitive financial landscape, the clubs that succeed will be those that look beyond the headlines and embrace the strategic, process-driven work that is the true foundation of player transfer success.

Women's football: Striving for financial independence and sustainability

The commercial growth of the women's game

Women's football has been on an impressive upward trajectory over the past decade, fuelled by historic back-to-back UEFA Women's Euros victories for England and increasing public interest. This surge has translated into growing revenues for clubs competing in the WSL and WSL2. But beneath the optimism lies a complex financial reality marked by challenges and opportunities distinct from men's football and the need to become financially independent and sustainable.

The women's game is witnessing a significant boost in revenues across several key streams. The landmark broadcasting deal signed this year between the WSL, Sky Sports, and the BBC is reportedly worth around £65 million over five years, a considerable increase from previous broadcasting contracts. This deal dramatically expands TV coverage and visibility, which in turn supports commercial growth.

Clubs have invested in improving stadium facilities, including alcohol sales at some venues (new for the 25/26 season), aiming to enhance the fan experience and boost matchday income. Notable examples include Arsenal and Aston Villa hosting all home games at the Emirates Stadium and Villa Park, respectively, while Everton Women's move to Goodison Park marks a major step toward professional-grade infrastructure.

Commercial revenues are diversifying, with Barclays renewing its title sponsorship, and clubs securing new brand partnerships tailored specifically to the women's game. The increasing social media presence of the players also offers lucrative opportunities for targeted merchandising and fan engagement.

Reflecting the WSL's growing competitiveness and investment, this summer saw the WSL's first-ever £1m transfer feea record which was subsequently superseded later in the window with Grace Geyoro's move from PSG to LCL for a reported £1.4m. However, spending remains heavily concentrated among a 'Big Four' of Chelsea, Arsenal, Manchester City, and Manchester United, resembling the 'Big Six' dominance in the men's EPL, although the financial gap between the top and bottom clubs appears less extreme than in the men's game. That said, while rising wages and transfer fees bring benefits in terms of attracting and retaining talent, they create challenges for clubs with smaller budgets struggling to compete both on and off the pitch.

Women's football: Striving for financial independence and sustainability

Inter-dependence of men's and women's teams

A defining feature of women's football finances is the dependence of many clubs on funding from their associated men's teams. 60% of women's teams surveyed cited intercompany loans and contributions as being a key source of funding for the team now and going forwards.

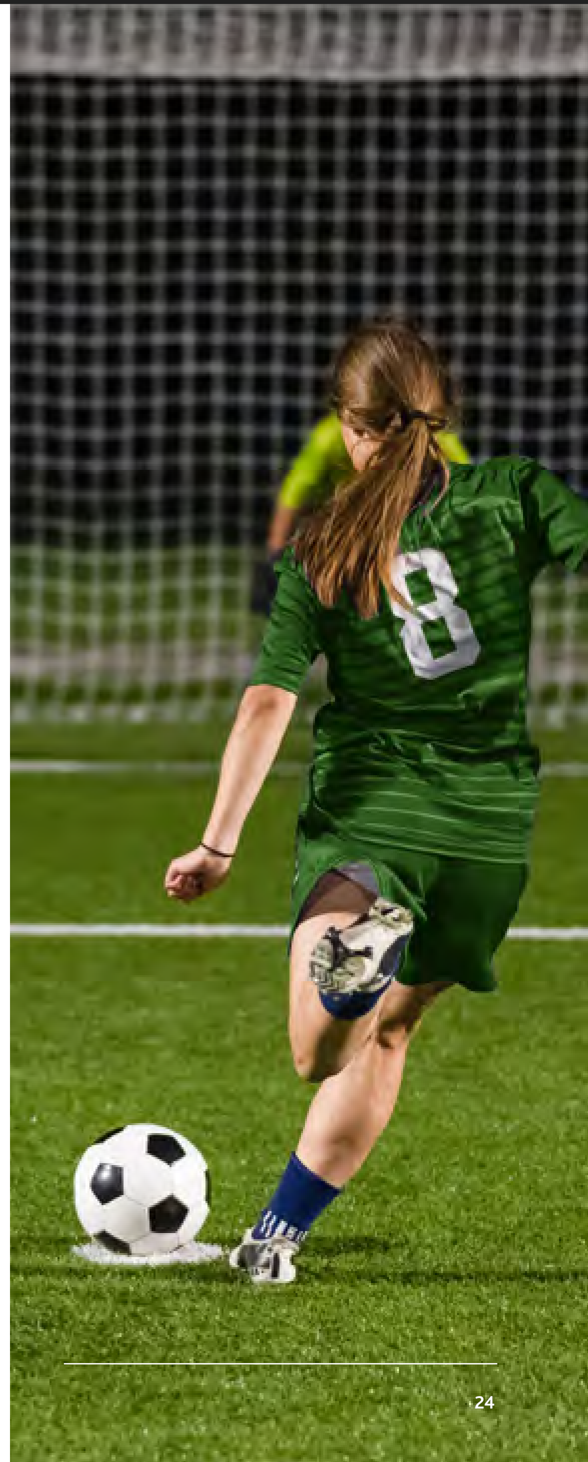
In absolute terms, we can see group income (i.e. income received from the affiliated men's team) continuing to rise amongst WSL teams (as expected, given investment in the women's team has been a key investment priority for surveyed clubs across the last few years). However, in some teams the group income figure is declining as a percentage of total income (e.g. Arsenal Women, whereby group income represented 74% of total income in 2021/22, reducing to 61% in 2023/24) showing the trajectory towards becoming more financially independent and the impact of playing all home games at the Emirates on matchday income.

As noted earlier, Chelsea and Aston Villa have taken steps toward greater financial and operational independence through carve-out transactions, separating the women's teams into distinct commercial entities. This model could help women's teams gain control over their own revenue streams, commercial deals, and valuations, potentially supporting men's teams with financial reporting and regulatory compliance (e.g. PSR rules).

So, how can WSL and WSL2 teams build long term, financial sustainability and independence?

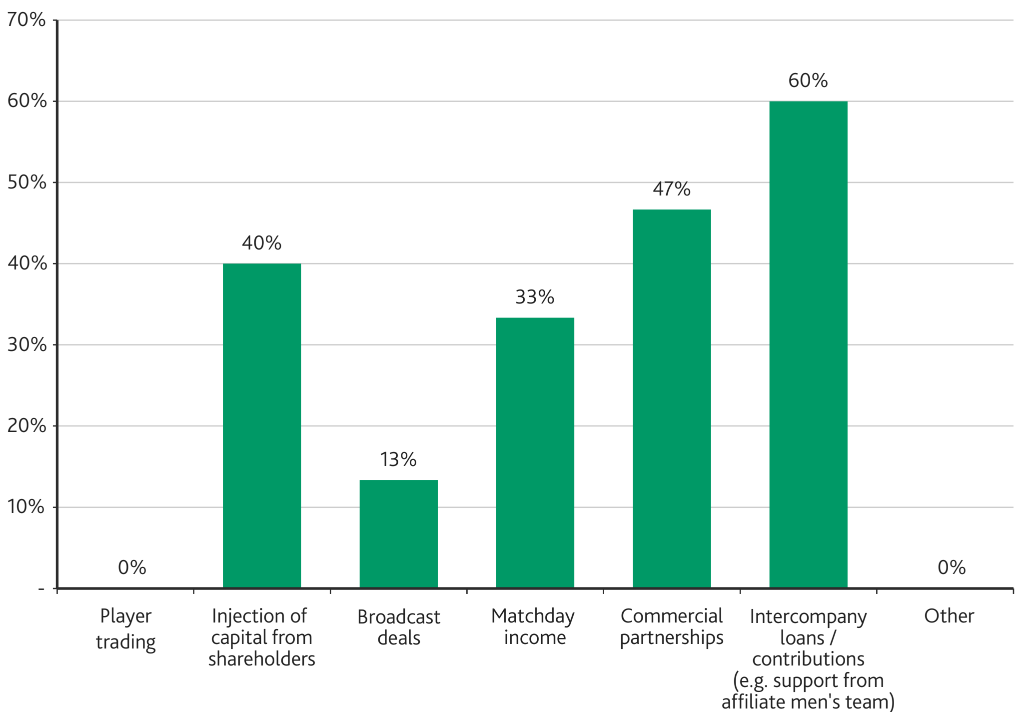
To build long-term financial sustainability, clubs must leverage their growing popularity. How can they do this?

- **Fan engagement:** enhanced use of data analytics and social media to maintain high attendance and build dedicated fanbases
- **Infrastructure investment:** playing in larger stadia (primarily the affiliated men's club stadium) across the season would increase visibility and matchday revenue, albeit there are naturally challenges that come with lack of pitch consistency. Investment in facilities that enhance the fan experience (e.g. better hospitality and fan amenities) is critical
- **Youth development:** investing in academies reduces reliance on expensive transfers and can create profit from player sales (an area that is a key part of the operating model for many men's teams)
- **Governance and financial management:** introducing salary caps and financial fair play regulations adapted to the women's game should help ensure clubs spend within their means whilst encouraging competitive balance. Unlike the men's game, which is grappling with systemic regulatory changes, the women's game arguably has the benefit of being able to set regulations that promote fairness early, before the horse has bolted.



Women's football: Striving for financial independence and sustainability

What are the key sources of funding for clubs women's team both now and expected to be going forwards?



Source: BDO Survey Responses

There are also other factors outside of individual club control that will be key to enhancing financial sustainability, such as bridging prize money disparities between the men's and women's game. The financial rewards for winning domestic cups and leagues in the women's game are far lower than the men's game, reducing investment incentives. If the gap could be reduced, it would encourage further investment into the women's game.

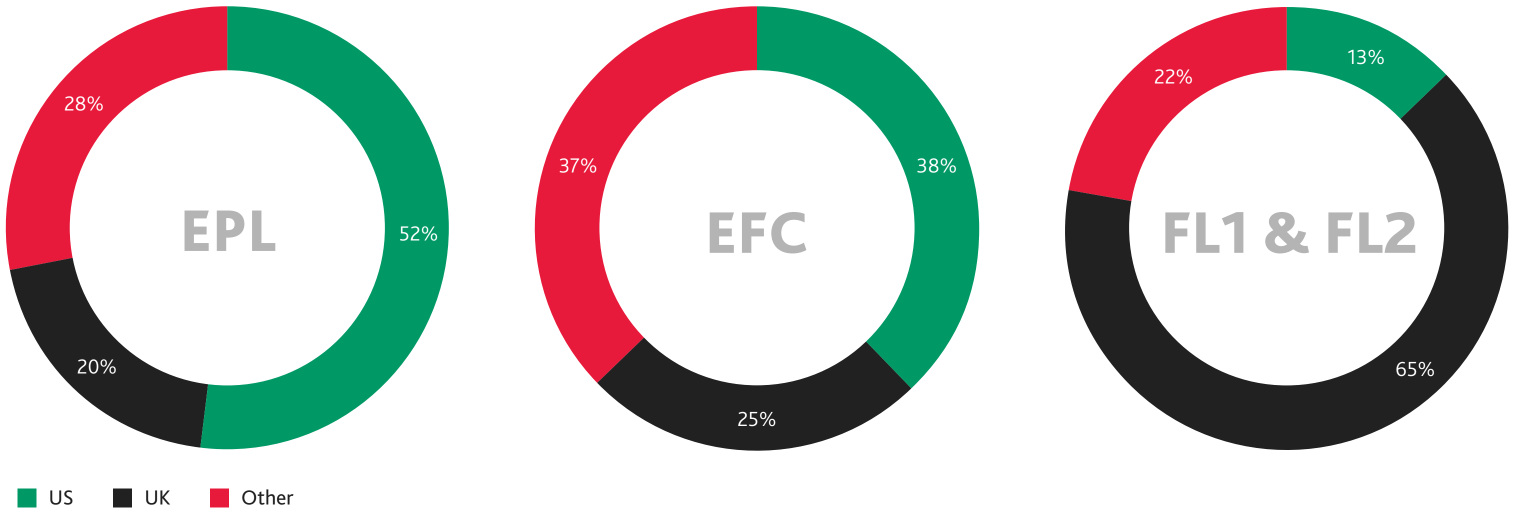
Another key factor that could perhaps be limiting women's football financial growth is the lack of financial independence from affiliated men's teams (where appropriate). As an example, affiliated women's teams often lack independent bank accounts and commercial agreements which can hinder strategic growth and sustainability. What needs to change for true financial independence?

- **Separate management and financial structures:** with distinct targets, controls, budgets, bank accounts and commercial departments – enabling autonomous financial decision-making
- **Enhanced revenue sharing:** more equitable broadcasting and commercial revenue distribution to support smaller clubs and encourage competitive balance
- **Long-term commercial partnerships:** securing stable, women's team specific sponsorships and merchandising agreements and leveraging individual player brands and personalities on social media will open up new revenue streams
- **Governance reforms:** tailored salary caps, FFP rules and transparency mechanisms to safeguard club viability
- **Cultural shift:** greater societal recognition of women's football's value to attract sponsors and fans.

The financial future of women's football looks promising, buoyed by record-breaking broadcasting deals, increasing commercial interest. However, to move from growth to sustainable success, clubs must develop financial independence from their men's counterparts and establish commercial and operational autonomy, with governance structures to match. This will require structural reforms, smarter investment, and cultural shifts, but the potential rewards are immense for clubs, players, fans and owners.

Evolving ownership and shareholder investment in football

Current ownership – men's leagues

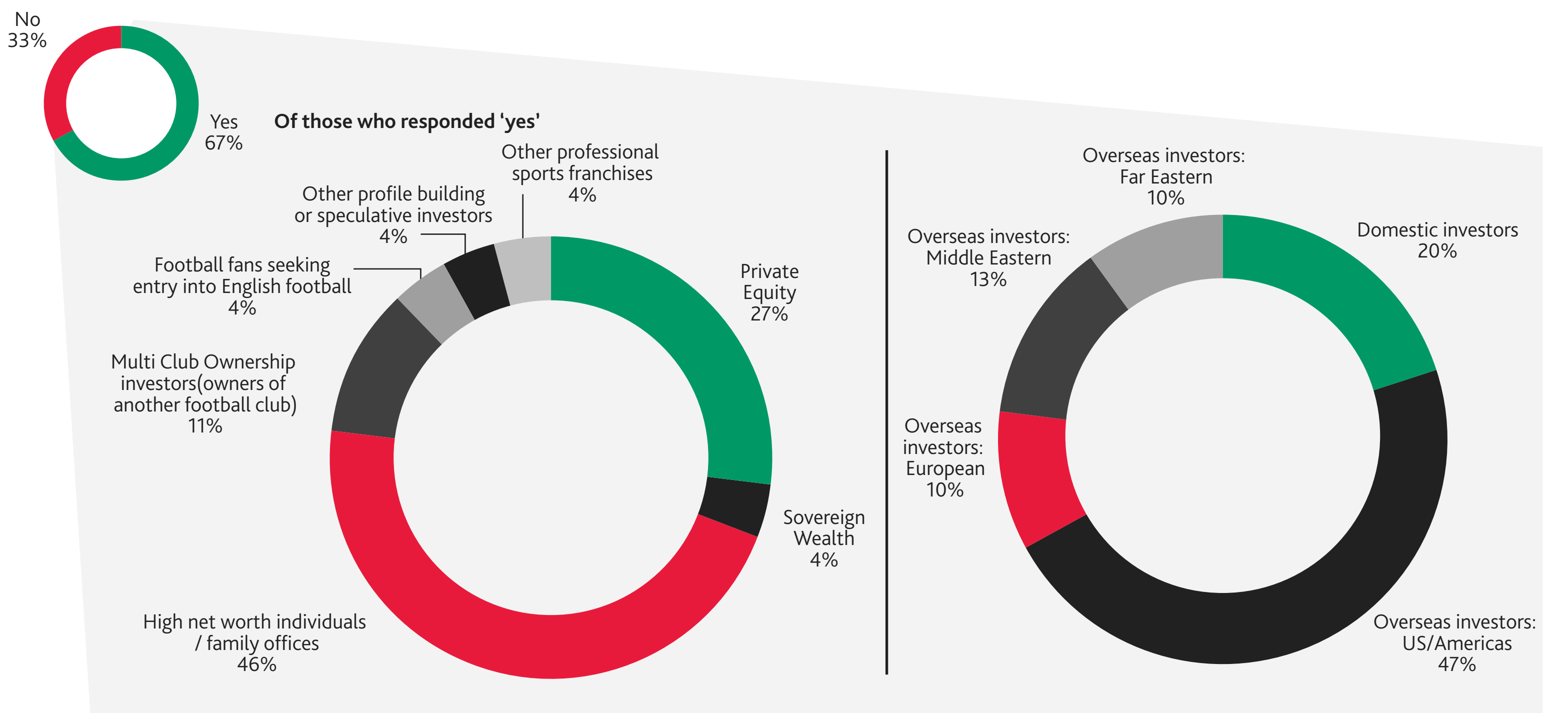


*Calculated as nationality of the largest shareholder. For joint largest shareholders whereby one is American, this has been included as a pro-rata split (e.g. Villa – US and Egypt)
Source: Publicly available information

In recent years, English football has experienced a significant transformation in ownership. Where once the majority of clubs were owned by a mixture of local businesspeople 'done good', lifelong fans with community ties, and high net worth, trophy-asset investors, ownership is now increasingly dominated by international investors, particularly from the United States. This is no longer a new trend, but it is continuing to evolve.

Evolving ownership and shareholder investment in football

As far as you are aware, within the last 12 months has the club been subject to an informal or formal approach from prospective investors with a view to taking a minority or majority equity stake in the club?



The surge in US investment is part of a calculated shift in how US investors view the sport, not just as a game, but as a global business opportunity. What began at the top of the pyramid with EPL clubs has gradually extended into the EFC and, increasingly, the lower leagues. Of our clubs surveyed, 48% of those who reported having been approached by investors within the last year were approached by investors from the US/Americas. This percentage increases to 53% for FL1 and FL2. So, what is driving this shift?

The EPL initially became a prime target for American investors due to its unrivalled global reach (not to mention a wealth of PE funding and favourable exchange rates). With matches broadcast in over 200 territories and clubs boasting millions of loyal fans worldwide, the league is a media and entertainment powerhouse. Investors saw these clubs as valuable – and, importantly, commercially underutilised – assets, akin to owning an NFL or NBA franchise but with even greater international exposure and growth potential (especially if part of a multi-club ownership group, discussed later). Unlike other European leagues, the EPL operates without the same level of fan ownership protections or spending constraints, making it more appealing to private capital.
At the start of the 2025/26 season, more than half of EPL clubs had a majority US shareholder.

Evolving ownership and shareholder investment in football

But while the EPL's international brand power explains the early wave of American takeovers, the move into the EFC, and more recently FL1 and FL2, reflects a different kind of opportunity: better value and more upside potential. We have already explained above that clubs in the lower leagues appear to be operating with more stability (on average); this stable platform is appealing to investors. On top of this, the promotion and relegation model – which of course does not exist in US sports – introduces an added layer of risk and reward. A club bought for a modest sum in the second tier can dramatically increase in value with promotion to the EPL. As an example using simple maths, if we take the average revenue of a club in each league and apply a fixed revenue multiple of 2.07x (ignoring, for simplicity, that revenue multiples are typically higher for the larger clubs), you can see that an investor in an FL2 club could gain £9m through promotion to FL1, £71m through two promotions to the EFC, and £648m through three promotions to the EPL (if it were to become established in each tier).

£m	Average revenue	Implied valuation with indicative 2.07x multiple**
EPL	319	660
EFC	40	83
FL1	10	21
FL2	6*	12

* Based on 2024 BDO benchmarking data (noting that revenue data is not available for all FL1 and FL2 clubs). Wrexham has been excluded from FL2 given their significant outperformance in commercial revenue.

**Illustrative multiples are discussed later in this section

Even in the lower leagues, clubs offer compelling – if less glamorous – investment opportunities. Many are deeply embedded in their communities, with loyal fanbases and long histories. But they also often lack modern infrastructure, commercial resource, or global reach; all areas where US investors believe they can add significant value. The success of Wrexham under Ryan Reynolds and Rob McElhenney has underscored this idea, and many are aiming to follow suit. By turning the club's revival into a global narrative through 'Welcome to Wrexham', they've not only boosted revenues but made Wrexham a household name far beyond Wales.

Crucially, the cost of entry is far lower in the lower leagues, allowing funds to be expended on growth rather than acquisition. Investors can acquire an English football club with real history, a passionate fanbase, and the chance of climbing the football ladder, for a much more modest price, and then invest directly into adding value. For some, it is a passion project. For others, it's a long-term play in a market that still feels undervalued.

Either way, the momentum is clear: American money is no longer just shaping the EPL, it's beginning to reshape the entire pyramid.

Evolving ownership and shareholder investment in football

So, what are investors looking for when choosing a club?

When evaluating football clubs for potential investment, whether for a majority or minority stake, investors typically assess a range of commercial, sporting, and operational factors. These include financial health, revenue potential (broadcasting, commercial etc), brand strength, infrastructure, fanbase engagement, and long-term growth prospects. The attractiveness of an investment opportunity varies significantly across the different tiers of English football, including the men's and women's leagues.

It is also dependant on each investor's appetite for risk, and the time horizon for returns. While EPL clubs offer commercial maturity and global visibility, lower-tier and women's clubs provide a blend of community impact, long-term growth potential, and brand development opportunities. Some investors aim to have a mix of it all; we explore the growing multi-club ownership trend on (page 34).

In the EPL, clubs attract the widest range of investors, including private equity firms, institutional capital and high-net-worth individuals, with the main limitation now being whether an investor can afford it. Investors are particularly drawn to clubs with strong international brands, European qualification potential, and scalable commercial operations. Minority stakes and consortiums are more common at this level, given the high entry costs, requirement to fund losses and investment, and the surety from having a diversified investor base. You previously needed to be a billionaire to buy an EPL club; now you need to be a billionaire with billionaire friends.

By contrast, the EFC presents a higher-risk, higher-reward proposition. Investors in this tier (often family offices, wealthy individuals, or US-based sports investors) typically seek majority control to drive performance and aim for promotion to the EPL. For this they arguably need even deeper pockets than EPL investors (although, as noted earlier, the gap is narrowing). While operating costs can be substantial and financial losses are inevitable, the prospect of significant returns through promotion remains a strong incentive. More prized targets often include historically successful clubs with large fanbases and underutilised commercial potential, for example Sunderland AFC.

In FL1 and FL2, the appeal lies in the lower cost of entry and the potential for long-term growth through promotion and improved operations. Investors here are typically entrepreneurial or community-focused, seeking to professionalise club structures, invest in youth development, and increase local engagement. These clubs often have strong regional identities and loyal fanbases but suffer from limited commercial and broadcasting revenues and leaner financial and management resources. Matchday revenue represents a higher proportion of total revenue in these and so filling stadiums is key. Stadium ownership and control over infrastructure can also be a deciding factor in these tiers.

Evolving ownership and shareholder investment in football

Increasing appetite for investment in women's football

Investment in the WSL and WSL2 is increasingly seen as a forward-looking, values-driven strategy. The WSL is attracting greater investor attention due to rising media coverage and public interest and increased commercial sponsorships. Investors value the growth potential of the women's game and the opportunity to shape a still-developing market.

While most top-tier women's clubs are owned by their affiliated men's clubs, independently owned women's clubs in the top tiers are growing; London City Lionesses (25/26 WSL team, owned by Michelle Kang) and Durham Women FC (25/26 WSL2 team, whose majority shareholders are local investors, Lee Sanders and Dawn Hepple) are two examples. Within the last two years we have also seen minority and majority carve outs of the women's teams from the men's team, in particular at Chelsea (100% sold to a related party, with a 10% investment from US based Alexis Ohanian ratifying the value).

There is also increasing interest from investment groups dedicated to women's football (e.g. Mercury 13 – Bristol City Women and FC Como Women and Crux Football – Montpellier HSC). Clubs that perform well commercially (good sponsorships, fan engagement, stadium utilisation) can deliver strong growth from smaller capital requirements and we expect investment in the WSL over the next few years to continue to follow this trend. Crucially, the lower investment entry point makes women's football accessible to a much broader church of investors without compromising targeted ROIs.

Evolving ownership and shareholder investment in football

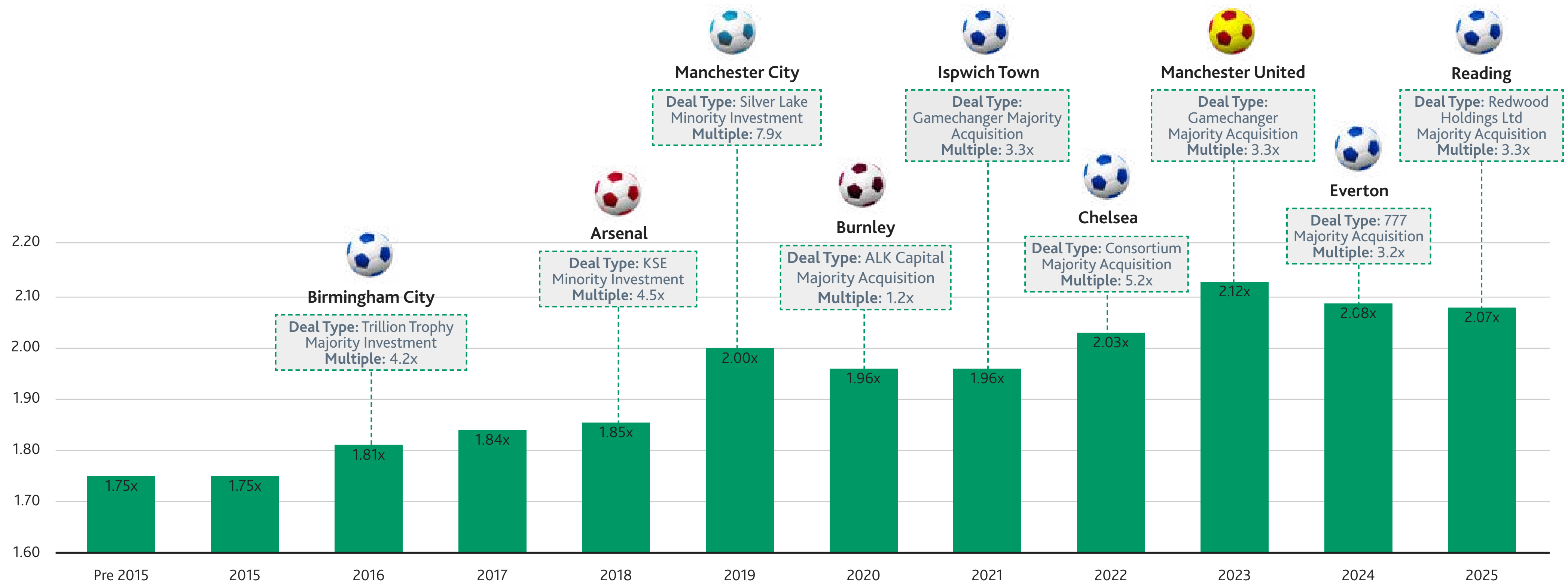
Recent trends in valuation multiples

Football club valuations are typically benchmarked on revenue multiples, and – as shown in the chart opposite – we are seeing a largely continuous increase in revenue multiples (and therefore valuations) over time.

As shown, average revenue multiples have exceeded 2x for the last four years, noting that this is a blended average across all leagues whereas larger clubs, in particular in the EPL, can attract higher multiples (for example Man City in 2013 and Man Utd in 2023, which also impacted the averages in those periods).

Football club average valuation revenue multiples to 2023

Source: BDO benchmarking and valuation data



Evolving ownership and shareholder investment in football

These M&A multiples are a function of supply and demand, with the pressure from the latter (compared with a fixed supply of domestic clubs) driving multiples progressively upwards. There are no doubt numerous drivers of this:

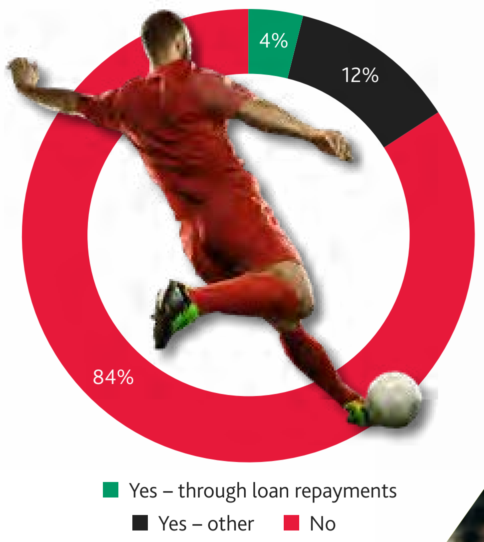
- Growing recurrent income streams
- Continuously increasing global visibility and demand for content (and therefore an inherent confidence in the surety of future broadcasting income streams). The impact of each new central broadcasting deal over the last ten years (which gives investors some certainty for the following three to four years) can be seen in the step changes in multiples (eg 2015 to 2016, and 2018 to 2019)
- Many clubs being underinvested and primed for commercial expertise, in particular in the EFC, FL1 and FL2 (which can be capitalised on by the right investor)
- A mix effect, with some of the more recent M&A transactions involving larger EPL clubs which tend to attract disproportionately high multiples
- Increased confidence in manageable exit strategies on the part of institutional investors.

But, even with increasing valuations do investors actually make money from investing in football?

This is a question our Professional Sports Deal Advisory team regularly gets asked!

While football is undoubtedly still a trophy or community investment for some, the latest crop of institutional investors are in it to achieve a return on investment. Returns for investors are not through traditional means; dividends, performance loans and management fees may be a feature of the private equity world, but they have not pervaded the sports sector. None of the clubs surveyed said that their investors expected a return of capital to shareholders through dividends, and very few expected a return of capital at all.

Do you have any expectation of return of capital to shareholders in the next 12 – 18 months?



Evolving ownership and shareholder investment in football

Inevitably then, the key to making a return on a football club investment is selling the club for more than you bought it for (taking into account any further investment made to cover losses along the way).

As an illustration, we could consider a typical institutional investment time horizon of five to seven years. An average EPL club in 2018 achieved £240m revenue which gives an implied illustrative valuation of £444m (using a valuation multiple of 1.85x as per the chart on page 31). Using the same logic, an average club in 2024 would be worth £664m (average revenue of £319m at a 2.08x revenue multiple). This growth represents an annual return of 7%, with the valuation gains being a mixture of revenue growth and multiple growth (as an average has been used, this assumes no improvement in league position).

So, it becomes a question of whether that investment growth offsets any funding required (shareholder or external) to cover losses, and whether the net return is better than the investor would have achieved from investing in other assets (e.g. bank interest or the S&P 500), crucially taking the risk profile and an investors own cost of capital into account.

Given the significant trading losses generated at some clubs, and the risk of relegation, there are arguably less risky investments that one could invest in with a similar rate of return (albeit, would they be as exciting to manage?). That is why most investors are banking on performance growth (moving up positions/leagues and improving spend efficiency) and commercial expansion alongside the expected market growth described above. This perhaps goes to explain why buying lower down the leagues, or into women's football, and gaining promotion has become more popular for financial investors over the last couple of years (as well as the lower entry price into these leagues).

The increasing popularity of Multi-club Ownership in sport

Multi-club ownership is not a new concept in sport, but the MCO model has evolved and become more prominent in recent years.

At the time of writing, over two-thirds of the EPL and nearly one-third of domestic clubs as a whole are part of wider sports groups or MCO models. Anecdotally, more than half our Deal Advisory team's sports M&A enquiries in the last 12 months has involved some form of MCO (either investment into the UK or by the UK).

Recent MCO transactions

49ers Enterprises (consortium)

Investment in Rangers Football Club

Other clubs:

Leeds United FC, San Francisco 49ers*

Tony Bloom and Brighton FC

Investment in Hearts FC

Other clubs:

Brighton FC, Royale Union Saint-Gilloise

ALK Capital

Investment in RCD Espanyol

Other clubs:

Other clubs: Burnley FC

Best Intentions Analytics

Investment in Asociación Deportiva Mérida

Other clubs:

Brentford FC

Other selected MCOs*

City Football Group

Domestic club: Manchester City

Other investments: New York City FC (USA), Melbourne City (Australia), Girona (Spain) and more

Black Knight Football & Entertainment

Domestic club: Bournemouth FC

Other investments: FC Lorient, Hibernian and Auckland FC

Michele Kang Kynsica

Domestic club: London City Lionesses

Other investments: Washington Spirit, Olympique Lyonnais Feminin

United World

Domestic club: Sheffield United

Other investments: Beerschot VA (Belgium), LB Chateauroux (France), Al Hilal United (UAE) and Kerala United (India)

Pacific Media Group

Domestic club: Barnsley FC

Other investments: KV Oostende, AS Nancy, Esbjerg FB, FC Den Bosch and FC Thun

Saudi Public Investment Fund

Domestic club: Newcastle United

Other investments: Also controls Saudi Pro League clubs including Al Hilal, Al Nassr, Al Ittihad and Al Ahli

*Includes MCO investments via related parties

The increasing popularity of Multi-club Ownership in sport

The different types of MCO

It is important to recognise that not all MCO groups are the same. They most commonly fall into one of the following categories:

- **An investor or group which owns stakes in two or more clubs**, often in different countries or leagues. This model builds a pathway for players, coaches and knowledge to be shared across clubs. The highest profile examples work with a 'hub and spoke' model, with one flagship club at the centre of several which is the main beneficiary, but the most common MCOs only have two clubs (typically favouring Europe)
- **Cross sport and cross business groups,** often global, including multiple complimentary sports, technology and other businesses. These typically have centralised oversight and control with localised management teams, and often sharing of intelligence across businesses (e.g. stats/data businesses being used to augment strategies different sports groups, e.g. in the case of Brighton or Southampton)
- **Single brand model** where clubs share name, style and identity, the most famous of which would arguably be the Redbull model.

One of the key differentiators between MCO types is their purpose. Some are established to benefit one club over others (Man City may fall into this category). Others may be set up to run more independently with purpose of the MCO being to grow value for investors through synergies and portfolio diversification. As examples:

- Southampton's majority owner Sport Republic owns Valenciennes FC and holds stakes in Tonsser (a football youth development app), Sport Buff (a sports streaming site), Sportlight (a sports technology company) and Hexis (a sports nutrition app)
- 49ers Enterprises' investments into Leeds United and, more recently, Rangers could be an example of a group with more independent operations.

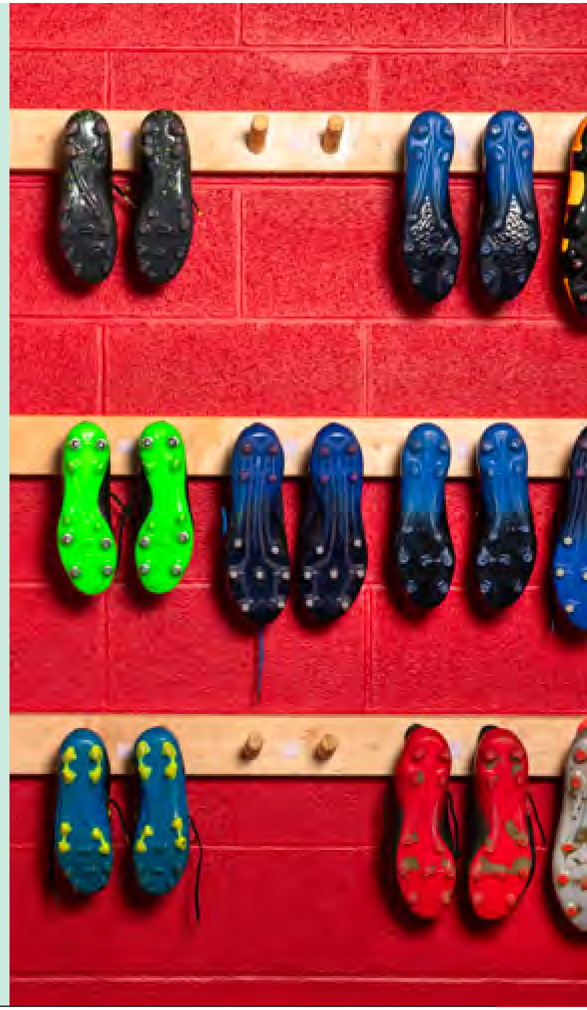
Alternatively, the purpose of the Redbull model is of course more unique in that it is for the benefit the wider Redbull brand (and to aid the marketing and distribution of beverages).

In any case, MCOs these days are generally more nuanced than the pure feeder club or academy investment models of old, and they need to be as investors are adapting to the increased competition in the sector (on and off the field).

What is driving the trend for MCOs

There are many factors behind this trend, including:

- **Sport is an increasingly global product:** One of the appeals of sport in general is that fans (as consumers) are sticky, and demonstrate significant brand loyalty. The other benefit is its global appeal (as typified by the Club World Cup this Summer which Fifa reported saw fan viewing figures of around 2.7 billion). Investors have therefore identified that broadening the fan base globally can significantly augment commercial revenues, and having a global MCO group enables this by allowing for cross-selling across fan bases together with other global collaboration and brand enhancement strategies
- **The evolution of sports as an investment model:** For a number of years now, we have seen increasing levels of institutional, franchise and private equity investment, in particular from the US. These investors (often acting as part of a consortium) have significant financial backing and need to demonstrate a pathway to achieving a return on investment. They inherently seek to diversify portfolios in order to spread risk, benefit from synergies and yield other competitive advantages
- **Increased competition**: a side effect of the influx of institutional funding in football has been a significant increase in competition. Five to ten years ago, institutions were able to invest higher up the leagues and gain an immediate competitive advantage, both on the pitch (for example, by applying the data 'Moneyball' approach to football in order to improve performance) and off the pitch (by taking opportunities to modernise fan engagement strategies and enhance commercial revenues). However, as Twenty First Group also notes in the Cost of Competition section, with these strategies now more commonplace, the marginal benefit and competitive advantages have been diluted, and it is becoming increasingly difficult (and expensive) to compete, particularly in the top tiers of English football. The obvious evidence of this is in the soaring player transfer fees and wage inflation
- **The increasing financial strain on football as a business**: As outlined in the financial health section earlier, these days most clubs continue to run at a loss, and push as close to the limit of PSR restrictions as possible. Running a club is therefore a costly investment, and any cost savings, synergies or collaboration benefits that can be achieved are helpful.



The increasing popularity of Multi-club Ownership in sport

These trends point to a number of the potential benefits of the MCO model, at least to clubs and investors, and more are summarised below.

Key benefits of the MCO model

- Economies of scale and synergies: one management team, shared back-office functions, shared scouting network, one global data set, shared medical model across many teams
- Better talent access: having a local presence in South America, Africa, Europe or Asia opens doors. If done well, it can offer more options and pathways for youth and developing talent
- Ability to apply on-field and off-field learnings from one business to others
- Global scale, cross-selling and collaboration opportunities: fan engagement strategies can be applied across different sports groups, including coordinated events, tours and tie ins
- More lucrative commercial deals: partners/sponsors value a global audience and year round content
- Financial resilience and diversification of investment: if one club struggles or is relegated, others can offset profitability dips
- Value creation and more flexibility in accessing capital (debt and equity): minority investment (and exit opportunities) can be sought for part or all of the group, and having multiple different group entities provides more debt opportunities (whereas football clubs in isolation have limited options for conventional loans)
- A more diversified platform providing greater opportunities for investors to exit (e.g. a listing on a stock exchange).

Drawbacks

- Requires careful management of conflicts, related party transfers and valuations
- Governance and regulation. Can take significant investment/asset management as clubs move between leagues
- With a feeder club model there are inherently winners and losers, which often will not sit well with the fans of the 'smaller' clubs
- Cultural differences and identity: it is important to have a purpose, club identity and even a playing style. No two clubs are the same. Fans resist shared branding, kit styles or sponsor deals that dilute local identity
- Managing across time zones with different regulations and cultures can be challenging, which is possibly why larger investment platforms, with inbuilt infrastructure and global offices, are arguably better equipped to make it
- Impact on reputation where an issue at one club could harm the whole group
- Data protection and GDPR challenges when sharing personal information (e.g. scouting, medical and performance data) across borders.

The key to realising these benefits is more than just having the required funding to make the investment in the first place. It requires a broad and experienced (often multinational) management team, together with a clear strategy and alignment.

The increasing popularity of Multi-club Ownership in sport

But it's not all positive...

Investors and clubs can yield many commercial benefits from MCOs, but some fans, industry representatives and regulators have expressed concerns over the model and how some investors/clubs have applied it.

Fans' concerns include a perceived loss of club identity and traditions as MCO group branding spreads, and inevitably there can be a perception that the management's strategies are unbalanced or are to serve the group rather than individual clubs. Few fans will appreciate their club becoming a feeder to another club, with young talent being loaned or sold to other clubs arguably sooner than they would be in an independent club.

There is broader perception that MCOs can create increased barriers to entry into the higher echelons of the game, and are arguably contributing to the increasing gap between the largest and smallest domestic teams. The counter to this is of course that MCOs exist across all levels of the domestic pyramid, and arguably have enabled some clubs to climb up the leagues (Sunderland, for example).

That said, there is a risk that the MCO model could discredit or put pressure on smaller leagues across Europe if teams within them are increasingly being run as development pathways for other clubs. Of course, this is where the regulators could step in.

Regulators are naturally focused on integrity, conflict-of-interest and control aspects. There is inherently a risk of conflict of interest if two clubs within an MCO trade or loan players, or if they were to compete in the same competition.

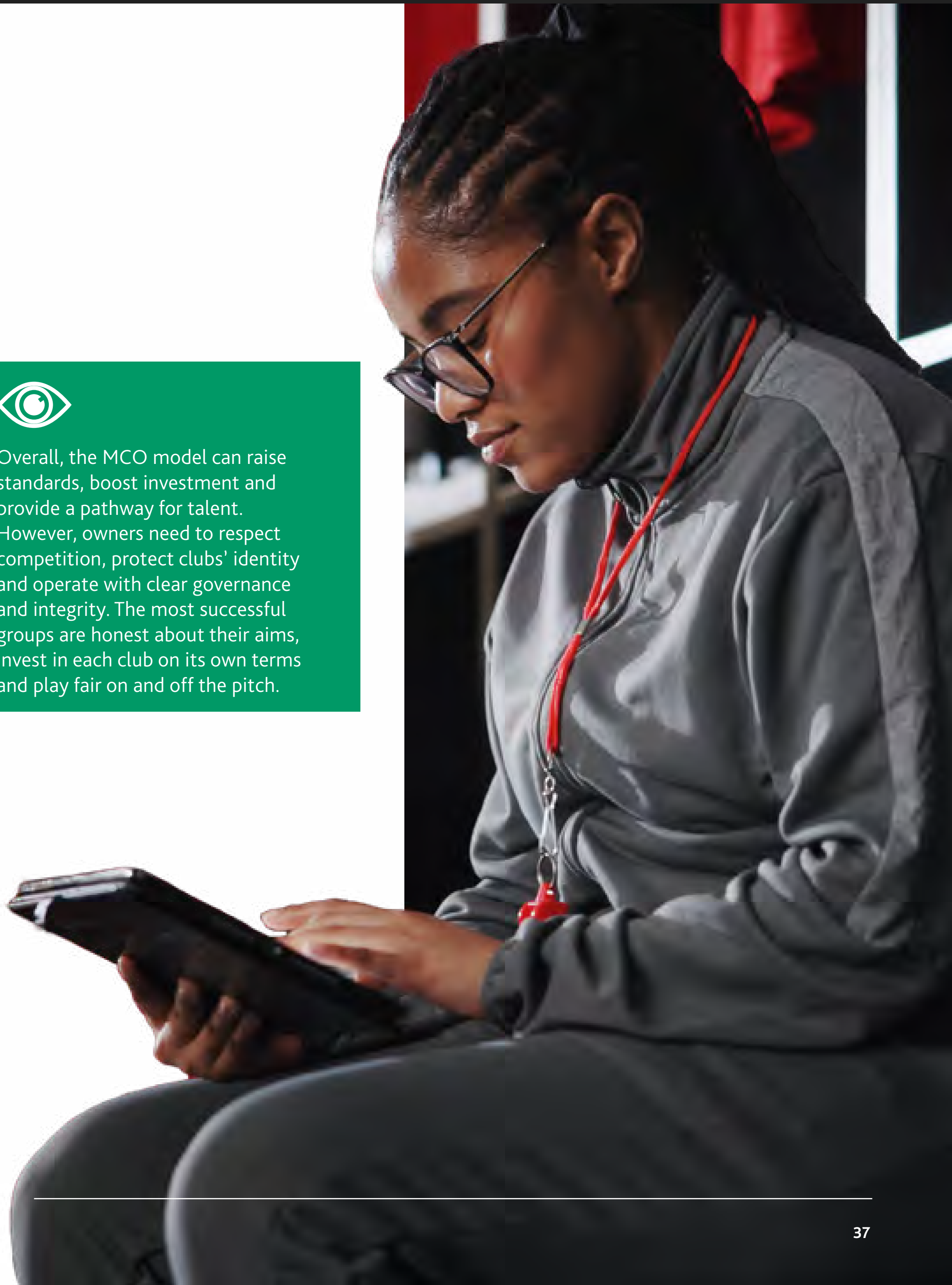
Related party arrangements, which of course are not purely an MCO phenomenon, need careful consideration (and often independent review) to ensure that they are agreed and recorded at a fair market value. Regulators are also mindful of the ability of MCOs to navigate PSR rules by moving costs or profits around their group.

A number of regulations are already in place across various European leagues, which:

i. Bar two clubs under the same control from the same competition
ii. Restrict investors from owning stakes in two clubs in the same division (with thresholds and tests that differ by league)
iii. Stipulate loan limits, home grown player requirements, and restrictions on related party deals (including player trading).

The scrutiny within domestic football over related party sponsorships and valuation methods is increasing, and we expect to see increasing focus on ultimate beneficial ownership and independent management teams where groups hold multiple stakes.

Overall, the MCO model can raise standards, boost investment and provide a pathway for talent. However, owners need to respect competition, protect clubs' identity and operate with clear governance and integrity. The most successful groups are honest about their aims, invest in each club on its own terms and play fair on and off the pitch.



Governance:
The changing landscape of football regulation

The existing Profit and Sustainability Rules (PSR)

As with prior years, football continues to wrestle with rising costs, widening financial disparities and increased regulation scrutiny. We have discussed the cost of competition, and how spending on wages as a percentage of revenue is driving a loss-making financial model for football clubs, but how does this work with proposed changes to financial fair play and profit and sustainability rules?

The Premier League currently enforces Profit and Sustainability Rules (PSR), allowing clubs to record adjusted losses before tax of up to £105 million over a rolling three-year period, provided the majority of that loss is covered by secure owner funding.

These regulations have been under increasing scrutiny and have been criticised by many clubs including those who feel that that they are not meeting the principal objective of promoting sustainability (79% of clubs surveyed), they are not appropriately enforced (over half of clubs), and in general that they limit smaller clubs' ability to invest and compete with the larger clubs.

In November 2025, the EPL has voted in favour of replacing the existing PSR rules and replacing them with a number of new tests. We discuss what these new rules are expected to be on the following page.

Do you believe that the current financial fair play regulations are meeting their principle objective of promoting sustainability?

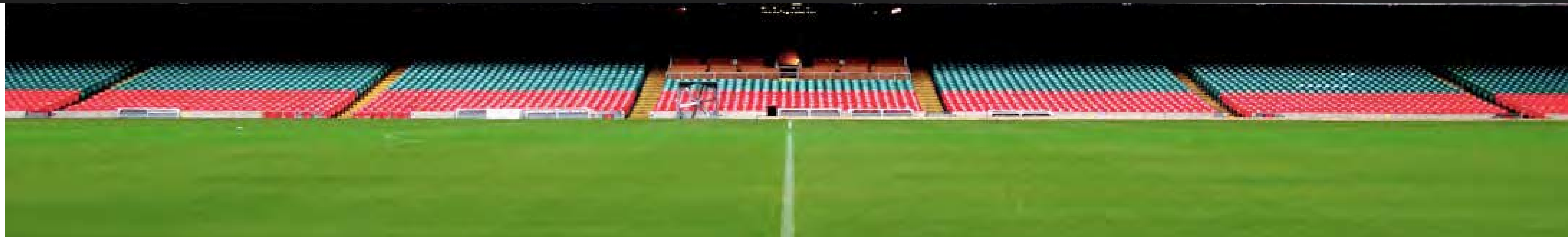
Source: BDO Survey Results

Do you feel that financial fair play sanctions have been appropriately enforced?

Source: BDO Survey Results

All clubs surveyed this year expect to comply with relevant PSR calculations for both the 2024/25 season and 2025/26 season. Interestingly, unlike in previous years, none of the clubs surveyed suggested that they have and will only comply with regulations by selling players or other non-player commercial elements. However, financial results and recent history has taught us these are essential transactions and strategies used for compliance with PSR.

Governance: The new EPL rules



The introduction of new regulations

To aid the financial health and sustainability of clubs, the EPL has recently voted to replace the pre-existing PSR rules with a series of new tests, being the Squad Cost Ratio (SCR) and Sustainability and Systematic Resilience tests (SSR). The SCR was already being trialled on a shadowing, non-binding basis in the EPL for the current 24/25 season.

The introduction of the new EPL rules is designed to make clubs consider their financial sustainability on a more immediate and pro-active basis than what was being achieved under the PSR rules which are being replaced. They are also designed to still allow clubs to make wider investments in club infrastructure without being penalised.

Whilst PSR rules had their merits, they were criticised for working on a three year rolling basis. Whilst clubs had to keep one eye on the three year view, it was still possible for clubs to operate unsustainably in any given season.

The other critical change going forwards is the closing of a loophole which shifts the focus to revenue from football operations. PSR rules did not distinguish between £1 earned from broadcasting income or £1 earned from a sale of a non-core operating component of the football club entity.

There have been several widely reported transactions where clubs have sold non-core operating assets (such as hotels or women's football teams) aiding the club's compliance with the PSR rules imposed. Whilst these sales may have been within the confines of the PSR rules, it has led to questions around whether these transactions are within the spirit in which the rules introduced were intended.

What are the new EPL financial rules?

On 21 November 2025, the clubs in the EPL voted on three financial proposals to replace the Profit and Sustainability Rules (PSR) currently in place from the 26/27 season. Two of these proposals were voted in favour, with one voted against.

SCR

Squad Cost Ratio

The SCR limit restricts club spending on player wages, transfer fee amortisation, and agent commissions to a fixed percentage of revenue from football club operations. This percentage is set to be 85% (albeit clubs in Europe may face a tougher 70% restriction, in line with the UEFA regulations).

An additional 30% multi-year rolling allowance will be in place to differentiate between what are seen as minor and major breaches, albeit this percentage is expected to reduce over time.

- **Green Threshold** – set at 85% of revenue from football operations, if a club breaches the Green Threshold but remains within the Red Threshold, the club will be subject to a financial penalty
- **Red Threshold** – clubs who breach both the 85% and 30% allowance will face an automatic six point deduction, with a further point deduction for every £6.5m spent over the Red Threshold
- Whilst it was suggested that a further intention of the rule was to bring domestic rules in line with UEFA regulations, the usage of different threshold percentages (70% vs 85%+30%) does now lead to a dual system for those competing in Europe.

SSR

Sustainability and Systematic Resilience tests

Aimed at improving club's financial sustainability, three tests are to be introduced

1. **Working capital test** – clubs will be required to demonstrate that for each month of a season, the total cash balance and qualifying working capital funds is at least £12.5m
2. **Liquidity test** – a stress test will be put in place, requiring clubs to evidence that they will have sufficient liquidity to manage an £85m hit to earnings (to reflect a negative event such as loss of Europe or relegation)
3. **Positive equity test** – a ratio will be put in place to compare the relative size of a club's assets and liabilities with the ratio reducing from 90% in the 26/27 season down to 80% by the 28/29 season.

TBA

Top to Bottom Anchoring

The proposed TBA rules would have limited squad costs to a five times multiple of central broadcasting income and prize money revenue generated by the bottom club in the league.

If passed, this was expected to generate legal claims from the Professional Footballers Association (PFA) and player agencies seeing this as a direct form of salary cap which may have been considered in breach of UK law.

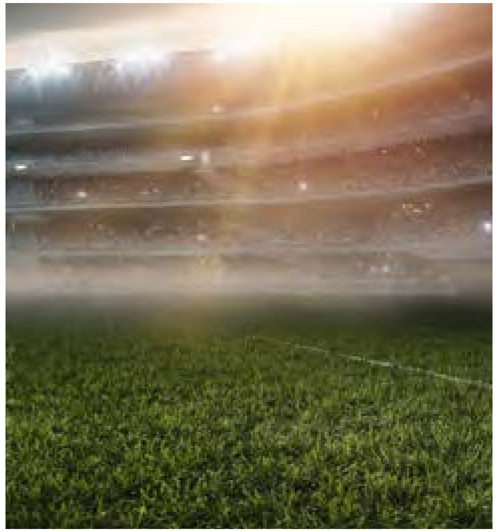
There were also wider concerns that these regulations could be anti-competitive with other leagues.

Whilst the TBA proposal was intended to prevent the top clubs cementing their competitive sporting advantage through ever growing commercial revenues it has ultimately been rejected with only 7 of the 20 clubs voting for the proposal (14 votes need for it to pass).

Governance: The new EPL rules

Who will benefit?

As with any change of regulations, one of the immediate questions that come to mind will be who will benefit.



SCR tests

Clubs already competing in Europe should in theory pass the new SCR tests with relative ease, given the higher threshold being applied in the EPL than UEFA competitions.

The SCR focus on player wages should also enable the club to make investments across the wider eco-sphere the club operates in, without sporting penalties being applied, which was not the case under the PSR rules.

A number of clubs already operate near or over the 85% threshold which will be introduced. Given players are ultimately employees of the business with employment contracts in place, clubs are not necessarily able to immediately make changes to the current percentage they are operating at. The 30% threshold introduced should allow clubs time to adapt if they are in a position where they are running close to a breach of a threshold.

For clubs to remain, or ideally increase competitiveness, they would likely need to increase their player spend. Under these new rules, for a club to increase player spend and not be in breach of the SCR ratio, the club will need to generate higher revenues.

With the latest broadcasting deals for the EPL seeing a slight stagnation as reported earlier, clubs will fall on a need to generate increased football revenue from other means. Whilst this might include things like new commercial sponsors, it is likely the larger, more successful clubs will be those who are able to attract the greatest return from sponsorship.

You may therefore find that for the mid-to lower table teams to compete they have to generate higher revenues from more traditional areas such as ticket prices, shirt sales or the cost of a pie. The question may therefore not be which clubs will benefit, but how will these changes ultimately impact the fans.

SSR tests

Unlike the SCR, the SSR tests focus on the underlying assets and liabilities on the balance sheet which are used to support the club.

Whilst these types of tests are not unusual for companies in other sectors, it is unusual for these types of 'stress tests' to adopt a blanket approach. They also do not consider some of the nuances that impact a football club.

For example, the liquidity test looks to require evidence that the club can sustain an £85m impact to the business by proving sufficient funds exist for the club to continue operating. This test is likely to favour bigger clubs who can more easily sustain a financial hit. Clubs may also have in place mitigating factors for some of the more likely scenarios which may occur. For example, player wages and/or bonuses may be reduced if the club doesn't achieve a certain league position. It is unclear at present if this £85m value will allow any mitigating factors to be presented.

The positive equity test is also an area which may lead to more questions. For accountants, football clubs are interesting businesses to look at. One key difference to businesses in other sectors is the existence of significant contingent assets and contingent liabilities, particularly in the EPL. These are assets and liabilities not formally reported on the balance sheet, as they are deemed sufficiently uncertain that they will occur. For example, when player transfers get reported, the media often uses the phrase 'add-ons'. These might be anything from a sell on clause when the player acquired is later sold, to a £10m payment if the player achieves the Ballon D'Or.

The positive equity test is unlikely to consider these assets/liabilities in their calculations, but they can represent a significant cost to football clubs, and the likelihood of these assets or liabilities falling due can vary significantly based on the way each club likes to handle their transfer business.

Governance: The changing landscape of football regulation

What about the lower leagues?

At this stage the suggestion new sustainability rules are being implemented for the EPL only, but we understand it is being considered further down the leagues, and there have been other rule changes for Football League clubs.

EFC clubs operate under a similar PSR framework but with tighter limits: £39 million of allowable losses over three years, with adjustments for clubs recently relegated from the EPL. From the 2025/26 season, these rules have been strengthened, requiring more rigorous financial forecasting and audited accounts, aiming to increase transparency, reduce creative accounting practices and provide more certainty over requirements for promoted/relegated teams.

FL1 and FL2 clubs are already subject to turnover-based cost controls under the Salary Cost Management Protocol (SCMP). Under the SCMP rules, FL1 player-related costs are capped at 60% of club turnover, with FL2 capped at 50%, albeit the calculation can include other items like equity injections. SCMP rule amendments were implemented for the current season, which restrict the calculations (including requiring equity injections to be staggered).

While fixed salary caps were briefly introduced, they were later overturned following a legal challenge by the PFA.

While FL1 and FL2 have been operating under similar restrictions for some time now, many EFC clubs are currently operating with wages over 100% of revenue, so it is hard to see how the EFC could transition to an SCR-type framework without radical changes to broadcasting revenue levels.

New regulations in the WSL

This season saw the introduction of the new Financial Sustainability Regulations (FSR) in the WSL, replacing the previous salary cap. The FSR allows clubs to spend 80% of relevant revenue plus relevant cash funding up to a maximum of £4m or 25% of relevant revenue (whichever is higher).

Relevant revenue relates to revenue solely attributable to clubs' women's football activities (a defined change from the previous salary cap which did not define club income). Any financial contributions from a club's affiliated men's team (group income) falls into the relevant cash funding bucket (albeit noting this is capped at the higher of £4m or 25% of relevant revenue).

Alongside the salary cap, we have also seen the introduction of a minimum base salary (salary floor) for players (set by age).

The new regulations are a good sign of professionalisation of the women's game, as a well as a comfort that some of the financial issues of the men's game will be avoided, ultimately making women's football an increasingly attractive investment opportunity. However, our survey responses do highlight some concerns, such as salary caps potentially inhibiting growth and there still being a reliance on affiliated men's clubs. In addition, there are concerns that increasing regulations (including minimum base salaries and minimum standards in terms of facilities etc) may act as a barrier to entry to the WSL and WSL2 for some clubs.

Governance:
The changing landscape of football regulation

And so, what are clubs' views on required rule changes?

What measures do clubs think should be introduced going forward to impact financial fair play regulations? Selected club responses:

"Only way to tackle sustainability I believe will be to eliminate or restrict equity injections which are a way to increase playing budgets…"

"A luxury tax would allow ambition, whilst discouraging recklessness."

"Revenue distribution and closer alignment of EPL / Championship"

"The proposed new financial system centred on the Squad Cost Ratio is a step in the right direction, with allowances added if an owner irrevocably agrees to fully fund such allowances."

"Tougher points deductions for those clubs in breach"

"Tighter control on owners re funding commitments rather than punishment of clubs."

"Very difficult to promote FFP regulations when salary increases at the top level filter down and cause disparity for everyone… Smaller clubs struggle just to keep afloat and increases to National Insurance and {other costs} cause huge problems. No easy answers."

"Squad cost ratio across all divisions."

"Wages caps or similar e.g. reducing the SCMP threshold, not allowing owner equity injections to be spent at 100% headroom"

"Reduce SCMP % and cap owners ability to top up the cap."

Source: BDO Survey Results

One of the main fears of the introduction of SCR rules, is that it could further restrict the ability for smaller clubs to bridge the gap to the more established ones. With larger clubs able to generate significantly more commercial revenue than other clubs in the league, they would continue to hold a significant advantage and continue spending vast sums on the best players, solidifying their position.

While most respondents to our survey agree the need for an improvement in the current regulations, regulators will need to be conscious that the introduction of rules does not lead to unintended consequences. A hypothetical example could be that a club could be found in breach in one season, despite not spending any more than the prior season, for example if central income amounts changed with broader media deals.

Governance:
The changing landscape of football regulation

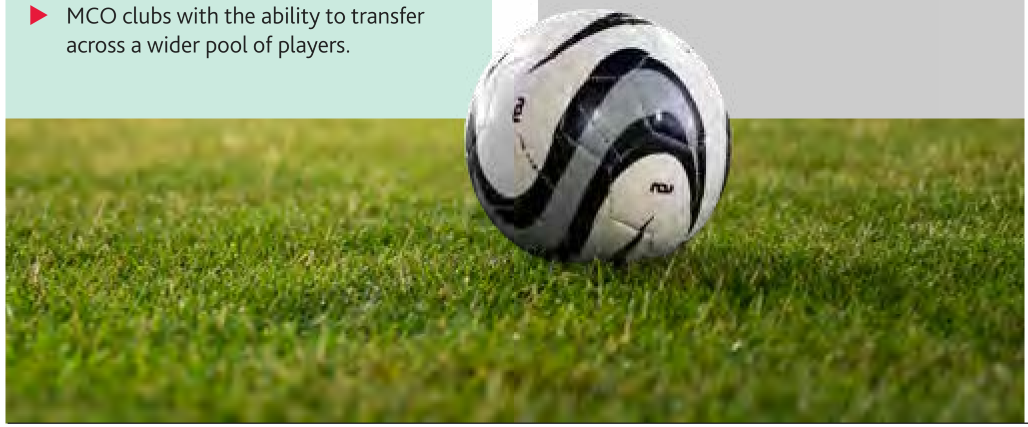
The potential winners and losers from regulatory changes

Winners

- Clubs with high income efficiency (with strong scouting networks, academies and low wage to turnover ratios)
- Teams with strong commercial operations and global branding, who can raise their revenue base to sustain higher squad costs
- Well-managed, large clubs with stable coaching staff and squads (assuming within required spending limits)
- Well managed smaller clubs with good recruitment and development pipelines
- MCO clubs with the ability to transfer across a wider pool of players.

Losers

- Financially over-extended clubs reliant on speculative investment
- Relegated sides with expensive long-term player contracts
- Clubs operating with inefficient wage structures or inflated transfer fees
- With agent commissions proposed to be included in the SCR calculation, this could and should place additional fee pressure on agents, potentially leading to a change in transfer market behaviour.



New tax regulations

On 1 September 2025 HMRC issued a new guideline for compliance ('GfC') focusing on filing positions, affecting all taxpayers. The GfC explains that any taxpayer (e.g. a club, player etc) that submits a tax return (in any form, e.g. corporation tax, VAT, P11D, self-assessment) that relies on a technical interpretation must ensure that the interpretation used must be one which is 'most likely' to succeed if the matter is considered by a Court or Tribunal.

There are a number of areas where this might impact clubs and players, including agent fees dual representation which is a hot topic in the industry. We will be exploring this topic further as part of a separate insights piece later in the season.

Wider governance and the introduction of the Independent Football Regulator

Our 2024 report highlighted that the emphasis on governance was shifting from good practice to strategically necessary in the football sector. Clubs were already navigating PSR and will now contend with rising expectations of board accountability and fan engagement.

The insights shared by Twenty First Group also broaden the evidence base with performance efficiency work (e.g. wages to points) which connect spend to outcomes and expose the governance choices behind sustainable performance. Evidently, governance requirements are increasingly shaping decision-making and, if implemented well, will deliver more resilient financing, fewer surprises and better decision making under pressure.

This shift has now crystallised with Parliament confirming the Football Governance Act 2025 on 21 July 2025, establishing the Independent Football Regulator (IFR) with objectives to protect and promote club financial soundness, the financial resilience of English football, and safeguard football heritage.

The IFR intend to implement a licensing regime, clarify corporate governance expectations (via a Code of Corporate Governance), and exercise powers to gather information that lifts governance standards across the top five tiers of Men's football. The existing framework of draft league and competition rules has shifted to a statutory regime which will be enforceable across all regulated clubs.

The IFR plans to finalise the guidance details and move toward full establishment in Autumn. Consultations closed on 6 October 2025, and appointments for Chair and CEO have now been confirmed.

Governance: The changing landscape of football regulation

What has changed in 2025: the Act's four pillars:

For both clubs and Executives, there is an opportunity to validate governance baselines, substantiate licensing activity, and communicate the 'so what' with their Board members. Immediate preparation, across the following four areas, should anchor every Club's readiness plan.

01 Financial Resilience:

Clubs must demonstrate sustainable financial practices and resilience to shocks:

- Demonstrate sound financial management and robust internal controls
- Maintain appropriate financial resources to meet cash flows and absorb financial shocks
- Protect core assets such as stadium and training facilities from under risk.

02 Corporate Governance:

Clubs will be required to apply a new governance code and report compliance:

- Adopt the IFR Code of Governance to improve transparency and accountability
- The Code will be applied proportionally, based on the size, league, and complexity of club's business
- Publish an annual governance statement aligned to IFR requirements.

03 New Test for prospective Owners, Directors and Senior Executives (ODSE):

Enhanced integrity and suitability checks will apply to owners and senior executives:

- Pass a fitness and propriety test covering integrity and competence
- Provide enhanced due diligence on the source of wealth and funding
- Submit robust financial plans for ownership structure.

04 Minimum Standard for Fan Engagement:

Clubs must ensure processes exist to facilitate structured dialogue with supporters on key heritage matters:

- Maintain a framework for regular meetings with a representative group of fans to discuss key matters at the club
- Develop a framework to discuss strategic issues and heritage decisions (crest, colour, stadium)
- Give fans veto over changes to badge and home shirt colours, strong protection to club names.

Governance:
The changing landscape of football regulation

Watch out for more updates on this once guidance is published.

How we got here and what's next

Apr 2021

Government announces a Fan-Led Review following crises at several clubs and the European Super League episode.

2023–24

Policy development and draft bill.

21 Jul 2025

Football Governance Act 2025 receives Royal Assent.

4 Sep 2025

IFR consultation opens; establishment timeline set for autumn.

6 Oct 2025

First IFR consultation on information-gathering and enforcement closes.

7 Oct 2025

IFR Chair appointment confirmed; final steps to full establishment underway.

Governance:
The changing landscape of football regulation

Are clubs ready for the change?

This year's responses highlight a clear awareness of this regulatory shift. It is comforting to see that 46% of the respondent clubs report they are 'already compliant with strong governance', although 54% responded that they 'anticipate some adjustments will be needed', suggesting that whilst the concept of IFR is well understood, practical readiness is inconsistent.

One specific area of interest (under the fourth 'pillar') is fan engagement. 60% of clubs report that they have well-established and regular engagement mechanisms in place with the fans, whilst 40% only engage on selected key issues.

This indicates that while structured dialogue is common, there is still room for improvement in formalising processes and documenting outcomes particularly as IFR requirements will make fan engagement a licensing condition. We suspect that some club owners may find the new expected levels of fan engagement a significant cultural shift for their business.

How prepared is your club to comply with a new Football Club Corporate Governance Code and potential changes to the owners' and directors' tests?

All leagues Source: BDO Survey Results

To what extent does your club currently engage with its supporters on key strategic decisions and matters of club heritage?

Clubs' Extent of Fan Engagement on Strategic and Heritage Matters Source: BDO Survey Results

Governance:
The changing landscape of football regulation

Looking forward: a defining moment for English football?

Clubs' key hopes and concerns regarding the new IFR and its operation

"Progress on a fairer distribution model and tighter cost controls."

FL1 club CEO

"Additional workload without any serious changes to the most pressing issues around sustainability and loss-making clubs."

EFC club FD

"Additional regulatory burden with limited value in return."

FL1 club CFO

"That it is done sensibly with the value and competitive nature of the league at heart."

EPL club FD

"Ideally that is very light touch."

EPL club CFO

"Owner and Director Test effectivity is clearly important, and the Bill rightly gives the IFR certain powers to ensure a high bar is achieved."

EPL club Head of Finance

Source: BDO Survey Results

Domestic football is entering a regulated era that will redefine how clubs operate. The IFR will not simply monitor compliance but will require clubs to prove financial resilience, governance discipline and heritage protection, not just in principle but through auditable evidence. This is a structural shift: from informal norms to codified standards on ownership scrutiny, financial risk management, governance reporting, and fan engagement, areas that today remain informal and inconsistent across leagues.

With IFR consultations closed on 6 October and final guidance due this autumn, the clock is most definitely ticking for clubs to transform their systems and procedures. The regulator's remit extends beyond licensing to systemic risk assessment, including futureproofing against media rights volatility and distribution debates. IFR powers to access data and act on early warning signals will introduce a level of transparency and accountability never seen before in English football.

As global investment accelerates, stronger corporate governance and financial resilience will be crucial for clubs. Heritage safeguards and structured fan engagement will move from aspiration to obligation, embedding cultural integrity alongside financial sustainability. Clubs that industrialise governance now, embedding financial planning, ODSE compliance and fan engagement protocols, will not only satisfy regulation but strengthen competitive integrity, perhaps also giving them an on-field advantage too.

This is a unique inflection point for English football. To support that journey, BDO will publish a White Paper early next year, setting out the IFR's final requirements, consultation outcomes and practical readiness steps.

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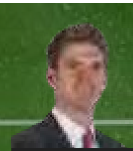

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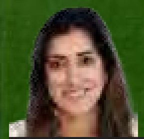

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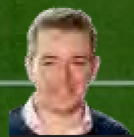

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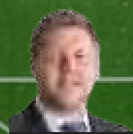

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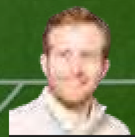

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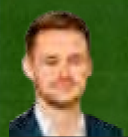

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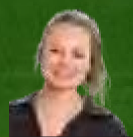

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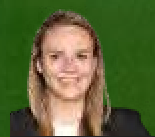

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