
Annex H - Debt

State of the Game

In this annex, we present a more detailed assessment of the current state of debt in the industry. The assessment focuses predominantly on interest-bearing debt, rather than non-interest-bearing shareholder loans.¹ This is because unlike third-party debt, this funding typically has more flexible repayment terms and may therefore operate more like quasi-equity than debt.

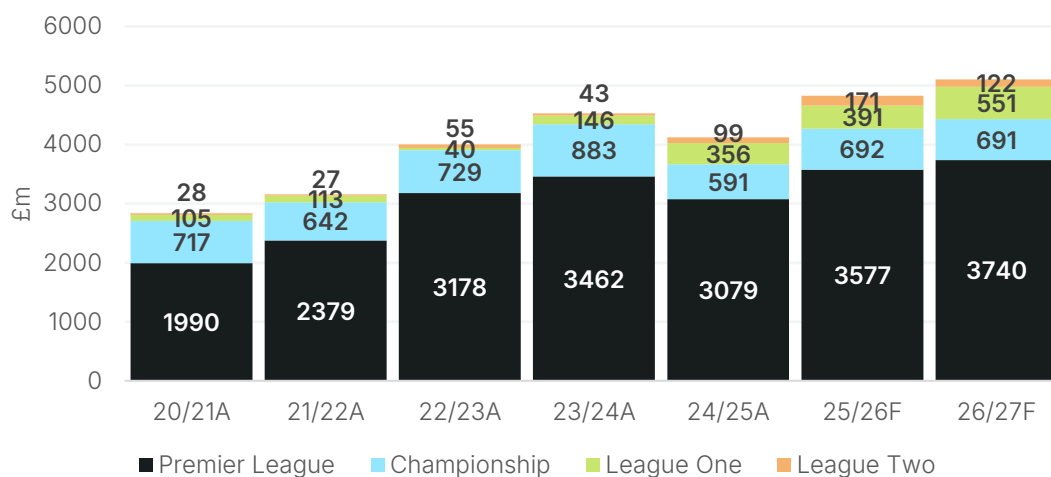
Growth of debt

Debt levels across English football have increased significantly from approximately £2.8 billion in 2020/21 to £4.1 billion in 2024/25, and are forecast to reach £5.1 billion by 2026/27. Debt held by Premier League clubs accounts for approximately 75% of total debt. Between 2020/21 and 2026/27, debt is forecast to:

- **Premier League:** increase from £2 billion to £3.7 billion (growth of 88%).
- **Championship:** decrease from £717 million to £691 million (fall of 4%).
- **League One:** increase from £105 million in 2020/21 to £551 million (growth of 423%).
- **League Two:** increase from £28 million to £122 million (growth of 333%).

Gross debt across English football is forecast to reach £5.1 billion by 2026/27.

Chart H.1: Gross debt outstanding, 2020/21 – 2026/27, £m



Source: Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information.

Note: 'A' denotes actual figures, 'F' denotes forecast figures. Data over time is not available for National League clubs. Non-interest bearing shareholder loans are not included in the assessment of gross debt.

¹ The change in shareholder funding (interest-bearing and non-interest bearing) over time is considered in Chart H.5.

In aggregate, the growth in debt has broadly been accompanied by an increase in the financial scale of English football. The aggregate debt-to-revenue ratio, which measures debt relative to annual revenue generation, declined from approximately 0.7 times revenue in 2020/21 to 0.5 times revenue in 2024/25. Similarly, the aggregate debt-to-EBITDA ratio, which measures debt relative to underlying earnings, fell from approximately 3.4 times to 3.1 times over the same period.² This suggests that, at an aggregate level, debt has not grown disproportionately to clubs' revenues and earnings. At the league level:

- **Premier League:** The aggregate debt-to-revenue ratio fell from 0.6 times revenue in 2020/21 to 0.5 times revenue in 2024/25, while the debt-to-EBITDA ratio fell from approximately 2.5 times to 2.1 times.³
- **Championship:** The aggregate debt-to-revenue ratio also improved, falling from approximately 1.0 times in 2020/21 to 0.5 times in 2024/25. However, Championship clubs moved from positive aggregate EBITDA in 2020/21 to negative EBITDA in 2024/25.⁴
- **League One and League Two:** Debt has increased significantly faster than revenue in League One and League Two. In League One, aggregate debt-to-revenue increased from 0.57 times revenue in 2021/22 to 1.04 times revenue in 2024/25. In League Two, it increased from 0.29 times revenue in 2021/22 to 0.63 times revenue in 2024/25.⁵ EBITDA losses have also increased for many clubs during the period.⁶

The increase in EBITDA losses in leagues below the Premier League suggests that debt burdens are increasingly less well supported by operating earnings.

² Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information. Non-interest bearing shareholder loans are not included in the assessment of gross debt.

³ Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information. Non-interest bearing shareholder loans are not included in the assessment of gross debt.

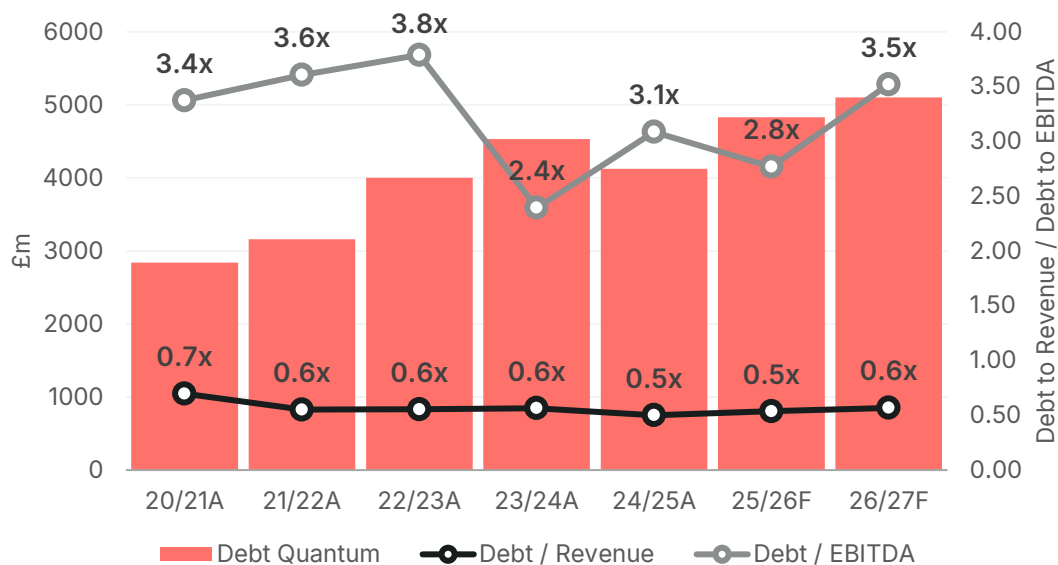
⁴ Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information. Non-interest bearing shareholder loans are not included in the assessment of gross debt.

⁵ Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information. Non-interest bearing shareholder loans are not included in the assessment of gross debt.

⁶ IFR analysis of data received from the EFL in response to IFR requests for information.

Aggregate debt-to-revenue and debt-to-EBITDA ratios have remained broadly stable, suggesting that aggregate debt growth has largely been accompanied by growth in revenues and underlying earnings.

Chart H.2: Aggregate debt-to-revenue and debt-to-EBITDA



Source: Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information.

Note: 'A' denotes actual figures; 'F' denotes forecast figures. Data over time is not available for National League clubs. Non-interest bearing shareholder loans are not included in the assessment of gross debt.

Uses of debt

Debt is an important source of funding for football clubs. The purpose of borrowing partially determines the type of debt used and the expected source of repayment. Clubs commonly use debt for the following purposes:

- **Growth** – Debt can be used to fund stadium development, training facilities and academy infrastructure that support long-term sporting performance and revenue generation. Clubs may also borrow to finance player acquisitions before associated sporting and financial benefits are realised.
- **Bridging timing gaps** – Clubs incur costs throughout the year, while key revenue streams are often received periodically. Short-term borrowing can help manage working capital and liquidity requirements.

- **Bringing forward future income** – Clubs can borrow against predictable contractual revenues, such as future transfer instalments, broadcasting distributions or sponsorship payments, allowing them to convert future cash receipts into immediate funding.

Types and providers of debt

There are a range of debt instruments and funding providers available to football clubs. The type of financing tends to differ according to its purpose, structure, maturity and repayment profile. Debt may be provided by external parties such as commercial lenders, institutional investors, specialist financing providers or public bodies, or directly by club shareholders.

The funding products offered by external providers include:

- **Term loans and revolving credit facilities** - Two common forms of conventional debt are term loans and revolving credit facilities (RCFs). These are typically provided by commercial banks and involve either a fixed amount repaid over time (term loans), or a facility under which funds can be drawn, repaid and redrawn as required (RCFs). These facilities generally have short maturities and commonly carry floating interest rates. Clubs often use term loans and RCFs to fund working capital requirements, bridge short-term cash flow gaps or finance investment projects.
- **US Private Placements (USPPs) and public bonds:** USPPs are privately issued debt instruments placed with institutional investors such as insurance companies and pension funds, while public bonds are issued to a wider group of investors through public debt markets. Both instruments are typically used to raise long-term funding and are often structured with fixed interest rates and with the full amount repaid or refinanced at maturity. These facilities are typically only available to/have been used by clubs who can obtain an Investment Grade credit rating from a reputable credit agency or incur a material cost premium if issued by Sub-Investment Grade borrowers. Clubs commonly use these products to finance stadium developments, training facilities and other long-term infrastructure investments.
- **Private credit facilities:** Private credit facilities are provided by non-bank lenders and specialist sports lenders. These facilities generally resemble traditional loans but can be tailored to meet specific financing requirements. Clubs may use private credit to refinance existing debt, finance acquisitions or access funding when a more flexible structure is required. Private credit providers have become increasingly active in recent years.⁷
- **Receivables financing:** Receivables financing enables clubs to borrow against contracted future revenues, such as broadcasting distributions, sponsorship income or stadium-related revenues. These structures convert future cash flows into immediate funding. A common type is transfer factoring, which allows clubs to accelerate future transfer-related cash flows, typically by monetising future transfer receivables. This can provide immediate liquidity where transfer fees are due to be received in instalments over several years. Transfer factoring is discussed in more detail in Chapter 4.5 of the State of the Game report.

⁷ Analysis by EY Parthenon on behalf of the IFR.

- **Public-sector financing:** Some clubs have or have had access to public-sector funding and government-backed lending schemes. These facilities are generally provided for specific policy purposes. For example, government-backed loans were made available during the COVID-19 pandemic to support clubs experiencing a loss of matchday revenues.

In addition to third-party borrowing, clubs may receive funding directly from their owners in two forms:

- **Equity injections:** Shareholders may invest capital in exchange for shares, increasing the club's equity base and providing funding that does not need to be repaid or appear as a liability on the club's balance sheet.
- **Shareholder loans:** These are recorded as debt and may be used for a range of purposes, including funding operating losses, player recruitment, infrastructure projects and other financing requirements. Amongst clubs, shareholder loans may either carry no interest or a lower rate of interest and have more flexible repayment terms than external debt, or alternatively, can be some of the higher-interest facilities in place. Unlike bank debt or institutional debt, shareholders may be willing to accept greater risk, longer repayment periods and, in some cases, repayment terms that are contingent on the club's future financial position. Consequently, although shareholder loans are legally debt, they can often perform a quasi-equity function, providing long-term financial support that may not be available from external lenders on comparable terms.

Access to debt

Access to third-party debt varies considerably across the football pyramid. Lenders assess a range of club characteristics, including:

- **revenue scale and predictability:** the level and certainty of a club's revenue over a period of time
- **debt-service capacity:** the ability to generate sufficient cash flow to meet interest and principal repayments
- **financeable assets:** the value of assets or contracted revenues that can be offered as security
- **liquidity resilience:** the ability to meet financial obligations without ongoing owner support
- **refinancing options:** the availability of future refinancing should debt need to be extended or replaced.

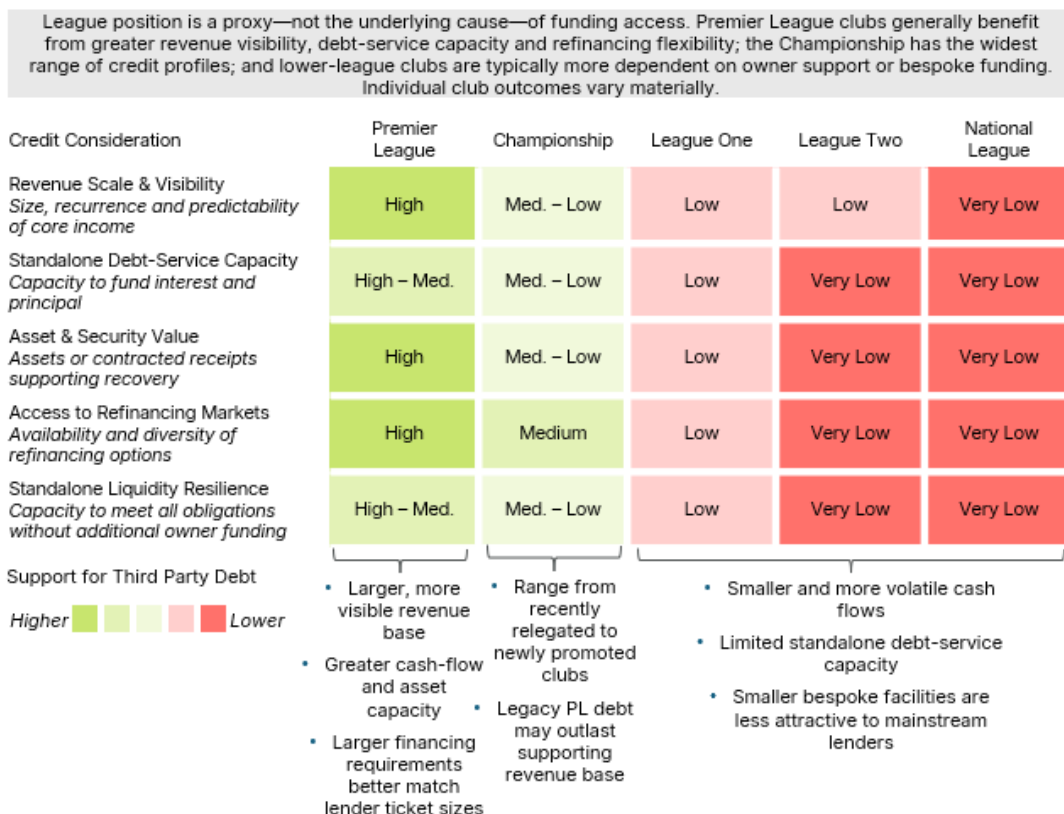
Together, these characteristics determine a club's credit quality - the assessed likelihood that a club will be able to repay its debt in full and on time. Because these characteristics vary significantly across English football,⁸ clubs have differing access to debt financing. Figure H.1 presents a stylised assessment of the key drivers of credit quality and debt-financing capacity

⁸ See Chapters 2.2 Revenues and 2.5 Profitability and external financing for more information.

across the football pyramid, and Chart H.3 shows the magnitude and mix of funding sources utilised by clubs across the divisions.

The characteristics that support access to third-party debt financing are generally strongest in the Premier League and weaken progressively down the football pyramid.

Figure H.1: Why Third-Party Debt Access Varies Across the Football Pyramid



Source: Analysis by EY Parthenon on behalf of the IFR.

Note: Directional assessment based on the characteristics and financing structures observed in the reviewed sample of clubs; it is not a formal credit rating or universal assessment of every club within each league.

Premier League clubs generally benefit from large and relatively predictable broadcasting, commercial and matchday revenues. This gives lenders greater visibility over future cash flows, supports stronger standalone debt-service capacity and improves clubs' ability to refinance facilities when they mature. Clubs also tend to have higher-value assets and contracted revenue streams that can be pledged as security.

As a result, Premier League clubs have access to the broadest range of debt providers, including commercial banks, investment banks, insurance companies and capital markets investors. All Premier League clubs analysed had some form of external debt, totalling £4.9 billion in 2025/26. This comprised £3.2 billion of bank debt, £1.4 billion of debt capital markets financing, and £260 million of private credit financing. By contrast, interest-bearing shareholder loans accounted for only £148 million, or 3% of total Premier League interest-bearing debt in 2025/26.

Analysis of individual debt facilities across the pyramid shows that Championship clubs exhibit the greatest variation in access to debt. The division contains clubs ranging from recently relegated Premier League clubs to newly promoted League One clubs. As a result, credit quality varies significantly across the league. Many Championship clubs are loss-making and do not generate sufficient revenues to access conventional external debt financing. Interest-bearing shareholder loans therefore remain the most prevalent source of debt funding for Championship clubs, accounting for £609m, or 78% of interest-bearing debt, in 2025/26. The remaining debt comprises bank facilities (£125m), and private credit arrangements (£51m).

Access to traditional third-party debt is more limited below the Championship. League One, League Two and National League clubs typically generate smaller revenues, more volatile cash flows and lower levels of profitability than clubs higher in the pyramid. This reduces lenders' confidence in clubs' ability to service debt from their own operations and makes these clubs less attractive to mainstream banks and institutional investors. As a result, these clubs rely predominantly on shareholder funding. Interest-bearing shareholder loans totalled approximately £135m in League One (90% of interest-bearing debt), £23m in League Two (67% of interest-bearing debt), and £13m in the National League in 2025/26 (63% of interest-bearing debt).

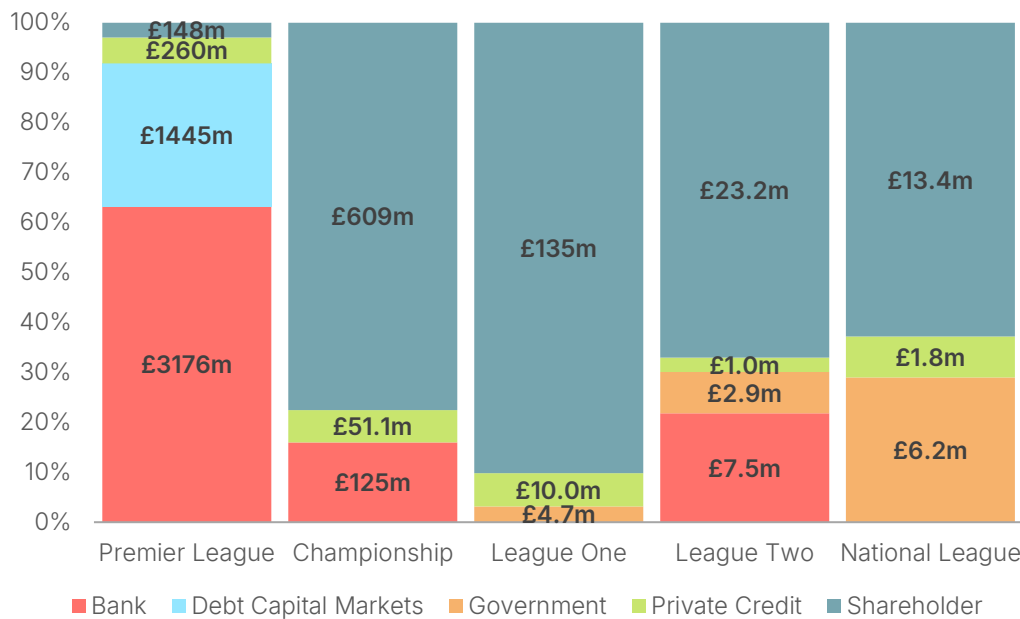
There are two notable exceptions to the limited access to external funding in the lower leagues.

- **Government-backed lending**, primarily loans introduced during the COVID-19 pandemic. In 2025/26, these facilities amounted to:
 - £4.7 million in League One
 - £2.9 million in League Two
 - £6.2 million in the National League
- **Private credit and specialist sports lenders** are increasingly active and often more willing to provide funding where conventional lending is unavailable. However, this is typically accompanied by higher interest costs, more extensive security packages, lower willingness to be collaborative in distress/default scenarios and stronger lender protections. In 2025/26, private credit amounted to:
 - £51 million in the Championship
 - £10 million in League One
 - £1 million in League Two

- £1.8 million in the National League

Premier League clubs access a wider range of external debt, while clubs in the lower divisions are typically more reliant on shareholder loans.

Chart H.3: Debt products used by clubs, 2025/26



Source: Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

Note: Non-interest bearing shareholder loans are not included in the assessment of debt. The chart shows the sum of the total committed facility amounts obtained from clubs' loan documentation, irrespective of drawings/repayments under each facility.

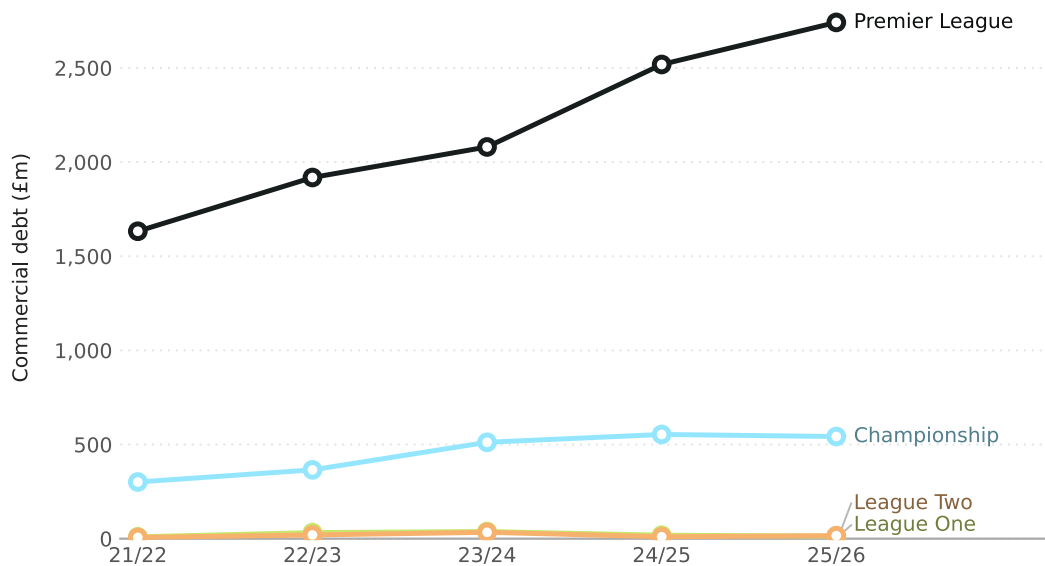
Change in funding types over time

External debt

Levels of external debt have grown since 2021/22, as shown in Chart H.4. This is most pronounced in the Premier League where commercial debt has increased from £1.6 billion in 2021/22 to £2.7 billion in 2025/26. External debt in the Championship also increased, from £300 million in 2021/22 to £543 million in 2025/26. External debt in League One and League Two increased slightly but remained at a lower level.

Premier League clubs' borrowing from commercial lenders is growing.

Chart H.4: Commercial Debt (£m) over time, 2021/22 – 2025/26



Source: IFR analysis of data received from the Premier League and EFL in response to IFR requests for information.

Note: The chart shows the drawn/outstanding balance rather than the total committed facility amount.

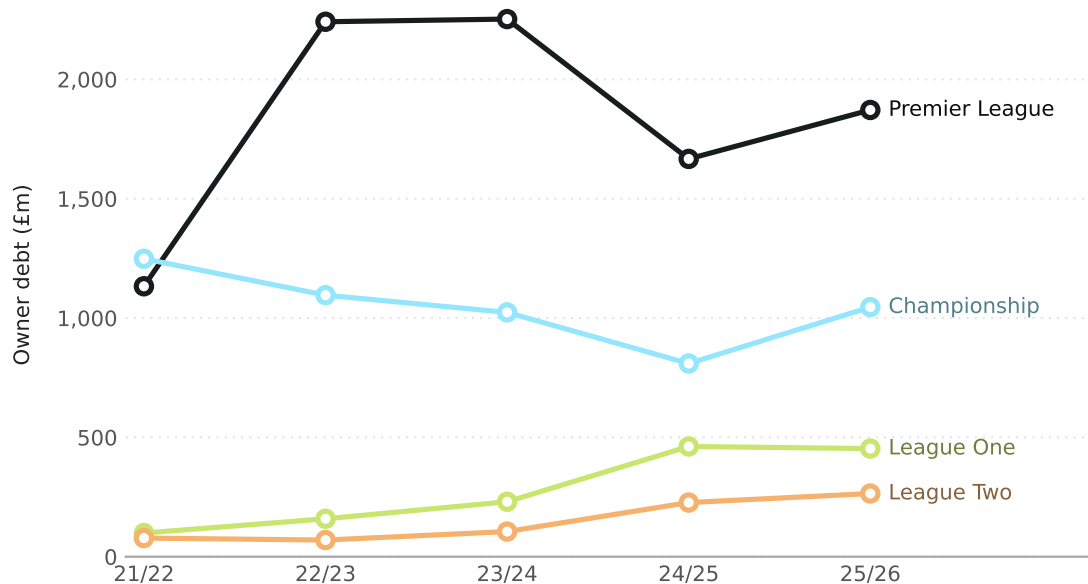
Shareholder funding

As shown in Chart H.5, since 2021/22, owner debt (both interest bearing and non-interest-bearing) has grown across the Premier League, League One and League Two and has declined in the Championship. Between 2021/22 and 2025/26, owner debt:

- **Premier League:** increased from £1.1 billion to £1.9 billion.
- **Championship:** decreased from £1.2 billion to £1 billion.
- **League One:** increased from £99 million to £453 million.
- **League Two:** increased from £78 million to over £265 million.

Owner debt has grown in the Premier League, League One and League Two.

Chart H.5: Owner debt (£m) over time, 2021/22 – 2025/26



Source: IFR analysis of data received from the Premier League and EFL in response to IFR requests for information.

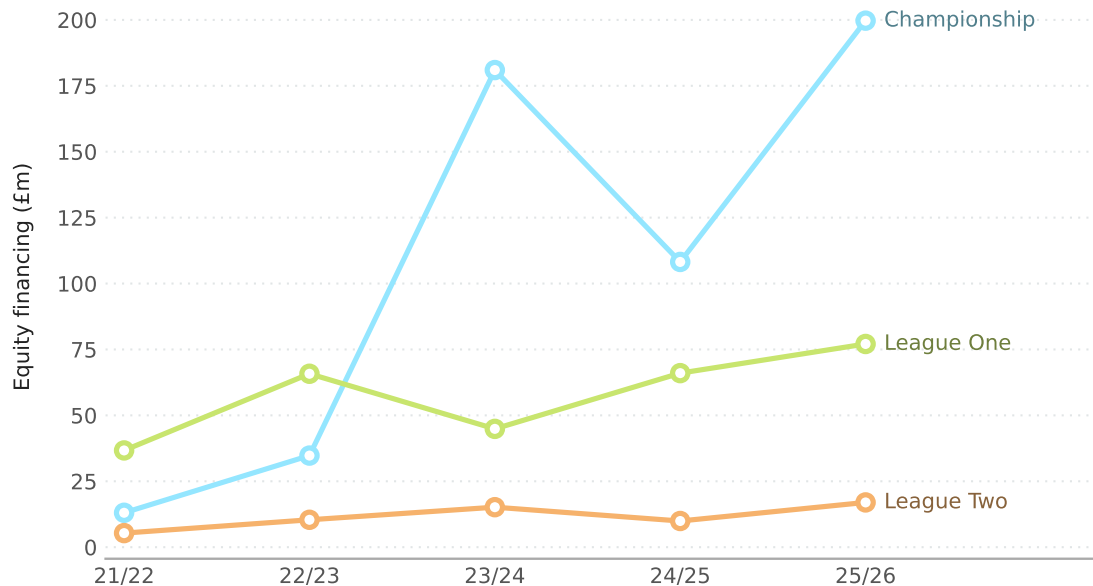
Note: The chart shows the sum of both interest-bearing and non-interest bearing shareholder debt.

Although levels of owner debt have fallen in the Championship, aggregate annual equity injections have risen sharply. Equity injections have also increased in League One and League Two. Between 2021/22 and 2025/26, equity injections:

- **Championship:** increased from £13 million to nearly £200 million.
- **League One:** increased from £37 million to £77 million.
- **League Two:** increased from £5 million to £17 million.

Equity injections have risen in the Championship, totalling nearly £200m in 2025/26.

Chart H.6: Equity injections (£m) over time (2021/22 – 2025/26)



Source: IFR analysis of data received from the Premier League and EFL in response to IFR requests for information.

The cost of debt

The overall cost of debt includes direct financial costs as well as restrictions and obligations imposed by lenders. Financial costs include interest and other fees, while restrictions and obligations may include financial covenants, security over assets or revenues and lender reporting requirements.

Compared with typical corporate borrowings, debt facilities in English football tend to be more varied and bespoke, reflecting greater revenue volatility, significant differences in clubs' credit profiles and varying lender risk appetites.

Interest costs and fees

Interest costs represent the amount a club pays to borrow money. The interest rate charged on a debt facility comprises two components:

- **reference rate:** the market interest rate, such as SONIA,⁹ SOFR¹⁰ or the Bank of England Base Rate¹¹
- **interest margin:** the additional percentage charged by the lender to reflect the perceived risk of lending to the club.

The interest margin varies depending on the type of lender, the structure and maturity of the facility, the value of any security provided and the club's financial profile. Chart H.7 shows the distribution of observed interest margins across the top five leagues for interest-bearing debt facilities. Overall, average margins across the pyramid range from 2.3% and 6.7%.¹²

- **Premier League** clubs have the lowest borrowing costs, with a mean interest margin of 2.8% and most facilities priced between 1.5% and 4.5%.
- **Championship** clubs have the highest mean interest margin of 6.7%, with considerable variation between clubs. Observed margins range from 2% to 15%, with four facilities at 10% or above.
- **League One** clubs have a mean interest margin of 6.2%, with observed margins ranging from 2% to 16%. One facility has a margin of 13.8% and two facilities have a margin of 16.0%.
- **League Two** clubs have a mean interest margin of 4.3%, with the majority of facilities having margins between 2% and 7%. Two facilities have margins above 10%.
- **National League** clubs have a mean interest margin of 2.3%, although the smaller number of observations for interest-bearing debt facilities means this should be interpreted with caution.¹³

In the lower leagues, lower average margins are likely to partly reflect the prevalence of shareholder loans and government-backed facilities, which are often provided on more favourable terms than commercial debt.

⁹ SONIA denotes the Daily Sterling Overnight Index Average as at 30 June of each financial year. It measures the risk-free benchmark interest rate for British pounds.

¹⁰ Secured Overnight Financing Rate published by the Federal Reserve Bank of New York.

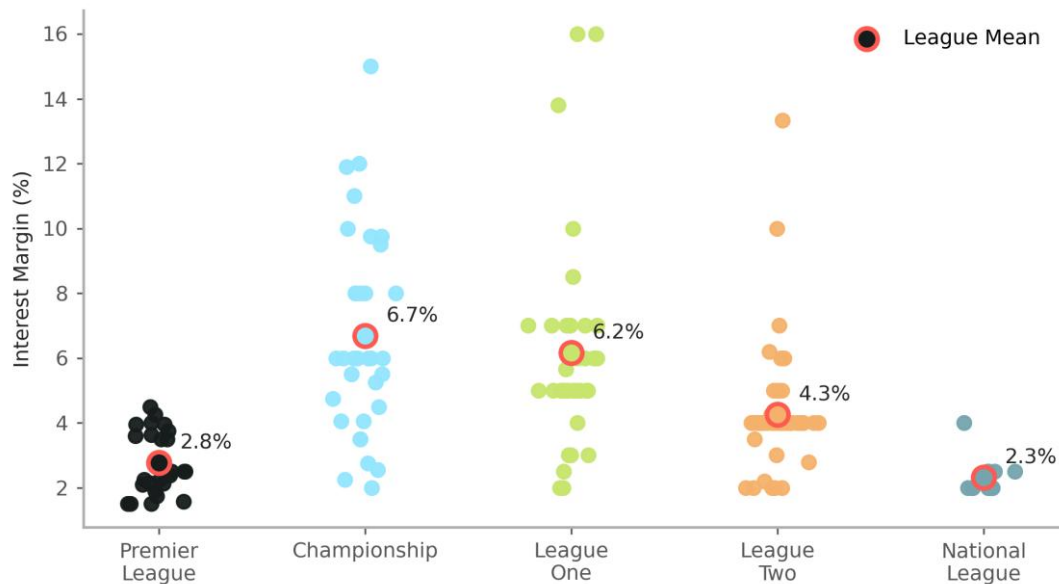
¹¹ Bank of England, '[Bank Rate history and data](#)'.

¹² Measured as the mean.

¹³ 15 observations, compared with 55 for League Two, 35 for League One, 36 for the Championship, and 28 for the Premier League.

Interest margins are highest in the Championship and lowest in the Premier League and National League.

Chart H.7: Observed interest margin, 2025/26



Source: Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

Note: The graph shows interest margin above base rate or, where not provided, all-in margin observed in the Loan Agreements provided by clubs. Each dot represents an individual debt facility. Non-interest bearing shareholder loans are excluded.

In addition to interest payments, clubs may have to pay additional fees associated with arranging and administering a debt facility. Common examples include arrangement fees, commitment fees, agency fees and security fees. Arrangement fees are the most common and tend to range from 0.5% to 2.0% of the facility value.¹⁴

Premier League clubs and, to a lesser extent, Championship clubs are more likely to incur a range of fees including arrangement, security and agency fees. This reflects their greater use of institutional lending, bank debt and complex financing structures. Lower-league clubs typically use simpler financing arrangements, with shareholder loans and government-backed lending schemes frequently carrying limited or no fees.

¹⁴ Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

Overall, total interest costs and the implied cost of debt (total interest expense divided by total debt) have increased significantly since 2020/21.

- **Aggregate interest costs rose from approximately £97 million in 2020/21 to £455 million in 2024/25,¹⁵** equivalent to a 370% increase, compared with a 45% increase in gross debt.
- The overall implied cost of debt has increased from 3.4% to 11.0%.¹⁶

Part of the increase in interest costs and the implied cost of debt reflects clubs' exposure to rising market interest rates. Between 2020 and 2024, reference rates such as the Bank of England Base Rate and SONIA increased from close to 0% to more than 5%, increasing borrowing costs for clubs with floating-rate debt or taking on new debt. Around 79% of Premier League clubs were found to have at least one floating-rate debt facility, compared with:¹⁷

- 27% in the Championship
- 7% in League One
- 25% in League Two
- 8% in the National League.

This suggests that exposure to changes in market interest rates is particularly concentrated in the Premier League, where only 37% of debt facilities in the Premier League include hedging provisions.¹⁸ Floating rate exposure falls down the pyramid due to a higher proportion of non-interest-bearing shareholder debt.

¹⁵ Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League, EFL, and National League in response to IFR requests for information.

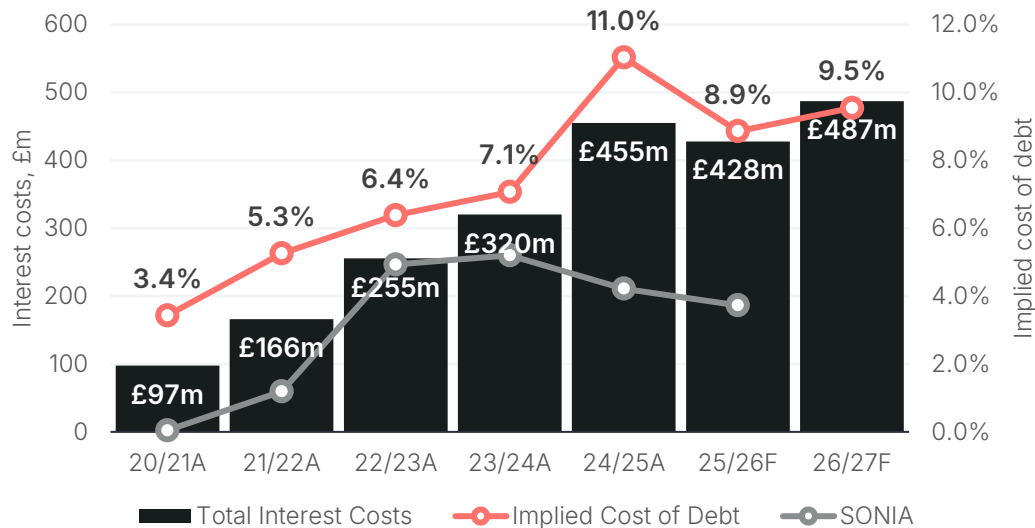
¹⁶ Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League, EFL, and National League in response to IFR requests for information. Non-interest bearing shareholder loans are not included in the assessment of interest costs and the implied cost of debt.

¹⁷ Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

¹⁸ Hedging provisions allow clubs to fix or cap the interest cost, but involves premiums, break costs or reduced benefit if rates fall. Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

Total interest costs and the implied cost of debt have increased.

Chart H.8: Interest costs, £m, and implied cost of debt, %



Source: Analysis by EY Parthenon on behalf of the IFR data received from the Premier League, EFL, and National League in response to IFR requests for information.

Note: 'A' denotes actual figures and 'F' denotes forecast figures. Non-interest bearing shareholder loans are not included in the assessment of interest costs and the implied cost of debt. SONIA denotes the Daily Sterling Overnight Index Average as at 30 June of each financial year. It measures the risk-free benchmark interest rate for British pounds.

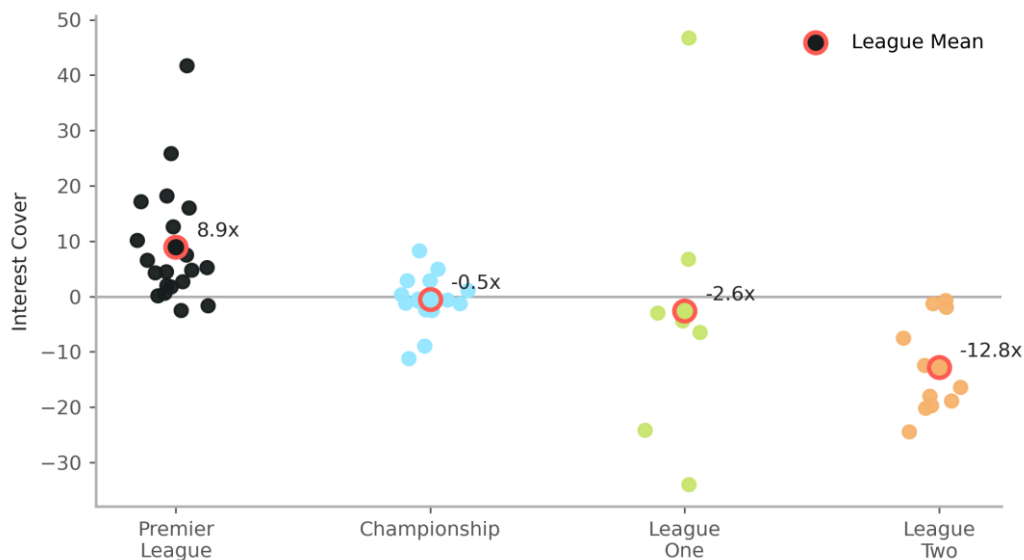
In addition to the increase in interest expense and the implied cost of debt, clubs' ability to absorb interest costs has weakened. Interest cover, calculated as EBITDA divided by interest expense, fell from approximately 8.6 times in 2020/21 to 3.0 times in 2024/25.¹⁹ This means that clubs are generating less operating income relative to their interest obligations, increasing vulnerability to future rises in interest costs.

At the league level, average interest cover varies significantly. Premier League clubs generally report positive interest cover, with a mean of 8.9 times, suggesting that many generate sufficient operating earnings to meet interest obligations. By contrast, mean interest cover is negative in the Championship (-0.5 times), League One (-2.6 times) and League Two (-12.8 times). This indicates that many clubs in these divisions make operating losses and are therefore unable to cover interest costs with EBITDA, leaving them reliant on shareholder support, player sales or additional borrowing to meet debt-servicing obligations.

¹⁹ Interest cover of 8.6 times means that clubs on aggregate were generating 8.6 times as much EBITDA as they needed to pay in interest costs. 3.0 times means that clubs now are only generating 3 times as much EBITDA as they needed to pay in interest costs.

Interest cover is strongest in the Premier League, and declines down the pyramid.

Chart H.9: Interest Cover, 2024/25



Source: Analysis by EY Parthenon on behalf of the IFR based on data received from the Premier League and EFL in response to IFR requests for information.

Note: Each dot represents an individual club.

Financial covenants

Financial covenants allow lenders to monitor a club's financial performance and credit quality throughout the life of a debt facility. They may require clubs to maintain specified thresholds or ratios relating to debt, liquidity, profitability or asset values. A breach may require corrective action or a lender waiver or, in some cases, if not remedied, result in an Event of Default. Covenants are typically tailored to a club's circumstances and risk profile and may include requirements relating to net worth, loan-to-net-worth ratios, EBITDA, net debt-to-EBITDA ratios, net football creditors, interest cover and wage cover.

Covenants related to relegation are a distinctive feature of football debt, reflecting the significant impact relegation can have on a club's revenues and credit quality. They may provide lenders with additional protections, such as accelerated repayment, increased interest margins, restrictions on further borrowing or securing future revenues.

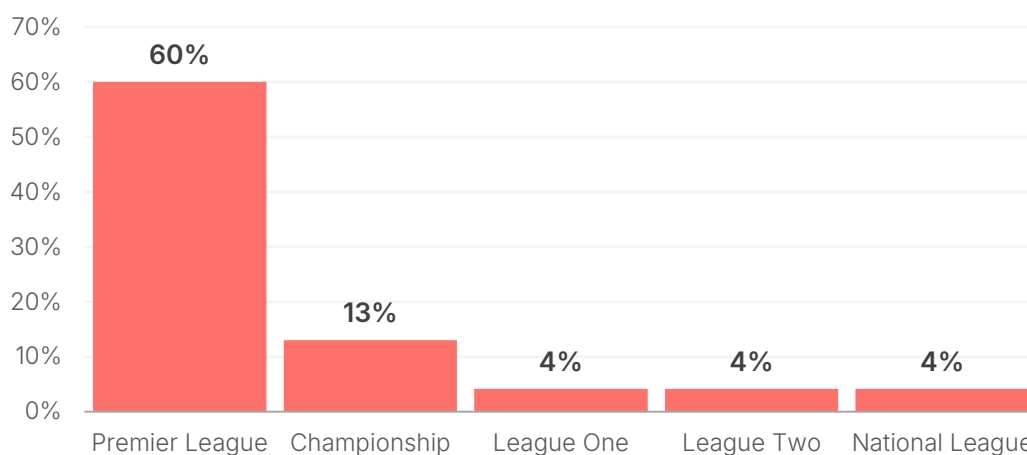
Chart H.10 shows that relegation covenants are most common among Premier League clubs, with **60% of clubs having at least one debt facility containing a covenant relating to relegation**. Approximately 35% of Premier League debt facilities contain full or partial repayment clauses on relegation, 21% included provisions using broadcasting, sponsorship or commercial receivables as

security and 15% include increases in interest margin following relegation.²⁰ Three clubs borrow under facilities which include parachute payments as a source of either repayment or security.²¹ Lenders may also impose tighter covenant requirements, cash sweeps, additional monitoring or restrictions on future borrowing following relegation. **As a result, debt structures can amplify the financial consequences of relegation, increasing repayment obligations, borrowing costs or restrictions at the same time that club revenues fall sharply.**

Covenants relating to relegation fall down the pyramid to 13% of Championship clubs and 4% of clubs in League One, League Two and the National League. The treatment of relegation also varies: some facilities treat it as a potential event of default, while others provide additional repayment flexibility following relegation.²²

Covenants related to relegation are concentrated in the Premier League.

Chart H.10: % of clubs with at least one debt facility with a relegation covenants



Source: Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

Security

Security gives lenders rights over specified assets, revenues or shareholdings if a borrower is unable to meet its obligations. It can improve a club's access to debt and reduce borrowing costs but also gives lenders greater control over key assets and cashflows during periods of financial stress. Security can include property assets, such as stadia, training grounds and other real estate, contracted revenues, such as broadcasting, sponsorship and matchday revenue or transfer

²⁰ Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

²¹ Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

²² Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

receipts, and equity interests, such as shares in operating companies, holding companies or special purpose vehicles.

As shown in Chart H.11, clubs had approximately £13.7 billion of assets, revenues and equity pledged as security against borrowings. The vast majority of this was concentrated in the Premier League, where clubs had approximately £12.1 billion of assets pledged as security. This compares with:

- £1.3 billion in the Championship
- £287 million in League One
- £75 million in League Two
- £1.8 million in the National League.

The most commonly used security is fixed assets, followed by shares/equity, and revenues.

The relationship between debt and pledged security can be measured through security cover, which compares the value of security with the amount of debt outstanding, where higher levels of security cover provide lenders with greater protection. Security cover ranges from approximately:²³

- 26% in the Premier League
- 41% in the Championship
- 61% in League One
- 131% in League Two

This suggests that lower-league debt facilities are often supported by more security relative to debt, potentially reflecting more conservative lending practices or more limited access to unsecured borrowing.

²³ Analysis by EY Parthenon on behalf of the IFR based on data received from clubs in response to IFR requests for information.

Approximately £13.7 billion of security is pledged against club debt, with around 90% concentrated in the Premier League.

Chart H.11: Value pledged as security for debt financing, 2025/26, £m



Source: Analysis by EY Parthenon on behalf of the IFR data received from clubs in response to IFR requests for information.

Summary

Debt is an important source of funding for football clubs, supporting a range of activities including infrastructure investment, player recruitment, working capital and the acceleration of future income. Although debt levels have increased significantly in recent years, aggregate debt has broadly grown in line with the financial scale of English football.

However, the cost and sustainability of debt varies considerably across the football pyramid. Interest costs have risen materially and many clubs outside the Premier League generate insufficient earnings to cover interest costs or repay debt through their own operations. Premier League clubs generally have access a broad range of external funding providers, whilst clubs lower down the pyramid remain more reliant on shareholder funding.