

One small step for Hearts

Politicians are prone to use the phrase 'the green shoots of recovery'. It's a phrase that might well be applied now to Heart of Midlothian Football Club, although its long-suffering supporters may prefer to use the term 'the maroon shoots of recovery'.

Club Administrators BDO LLP has advised that they have been informed by the administrators of Utkio Bankas that they have agreed in principle to accept an offer from the preferred bidder for the club, namely the Foundation of Hearts. This is subject to the consent of Utkio Bankas creditors' committee.

This is seen as a significant move as Utkio Bankas hold just under 30% of Hearts shares and also the rights to Tynecastle Stadium. Bryan Jackson, appointed BDO to oversee the administration of the club was cautiously upbeat about this latest development.

"This is positive news as it means that we can progress the CVA process immediately by initiating meetings of the creditors and shareholders." said Jackson. "We will also be able to begin the formal acceptance of the Foundation of Hearts bid."

The appointment of administrators to UBIG, whom Hearts are due in the region of £9m, is expected to take place this Thursday. Jackson revealed this debt is unsecured.

"We don't know who is going to be appointed to oversee UBIG and what attitude they will take, but because their debt is totally unsecured we will be saying that we have a CVA (company voluntary arrangement) and we want you to approve it because your shares are worthless," Jackson added. "Of course they are not totally worthless as we want to give those shares to the Foundation."

"I'm sure they will want payment for those shares and what we have in mind and what they have in mind will be quite different. We need to persuade them to do a deal with us. However, this is positive news as it means that we can progress the CVA process immediately by initiating meetings of the creditors and shareholders.

Gintaras Adomonis, bankruptcy administrator of AB UKIO Bankas, said the commitment, hard work and passion of the Hearts support to keep the club alive had been influential in the decision to progress a CVA.

He said:- "The zeal and tenacity of the fans have persuaded us that the process of CVA should be launched as soon as possible by the administrators of Heart of Midlothian FC. We are still far away from the end of the legal process which we all shall endure, but this is a step forward nevertheless."

Ian Murray, the independent chairman of the Foundation of Hearts, said:- "There is still a long way to go and the fans need to continue display the great patience already shown but the fact that BDO and the UKIO administrator are willing to take this to the next stage is very encouraging.

Bryan Jackson urged the Hearts supporters to maintain their incredible show of support both financially and emotionally. "I know I'm preaching to the converted but I cannot stress enough how important it is that they continue their extraordinary support for their club. The fans, the staff, the players, the management and the Foundation of Hearts have all been outstanding over the last few months in keeping the club going but it needs to carry on.

"We still need to keep fans coming to matches, and money flowing through the club to ensure that we have sufficient funds to push the CVA process forward."

With this in mind, Hearts have arranged a fund-raising match with German side Wolfsburg at Tynecastle on Wednesday 13

November with proceeds going to the fighting fund to keep the club alive.

Having already sold their ticket allocation for the all Edinburgh League Cup quarter final at Easter Road next week – the gate receipts will be shared between Hibernian and Hearts – the Maroon Army is proving to be the saviour of Edinburgh's oldest and most successful football club.

Hearts aren't out of trouble yet – but today may well be a significant step in the long and somewhat painful recovery process.