

# **SPFL insist that Ann Budge did not approve loan whilst she was on board**

**The SPFL have responded to a comment from Hearts FC chair, Ann Budge.**

**The chair's remark was published today on the BBC Scotland website. The article by Tom English said that Mrs Budge approved a loan whilst on the SPFL board.**

The SPFL insist that this was not the case, and the event that Mrs Budge was referring to was actually an advance payment.

The statement follows Chief Executive Neil Doncaster's appearance on BBC Scotland's Sportsound programme where he was interviewed at length by presenter Richard Gordon.



Doncaster also insisted that it would have been impossible to advance payments to all 42 clubs in the short timescale.

It has been alleged that the SPFL threatened to withhold end of season payments to clubs which encouraged them to vote to 'call' season 2019/20 for the lower league clubs. There is also a suggestion that they gave permission for the board to do likewise with the top-flight in future, a move that would mean Celtic crowned champions and Hearts demoted.

The statement read: "Regrettably, we have to correct Ann Budge's statement in the article by Tom English on the BBC Scotland website today, where she said: "I've sat on the SPFL board and I've

approved a loan for another club.”

“Quite simply, she did not, (and neither did anyone else during Ann’s tenure on the SPFL board).

“Her subsequent statement in the same BBC interview is far more accurate: “I genuinely can’t remember the club involved, but a club required an advance. We discussed it, it wasn’t contentious , everybody agreed and we moved on.”

“As Ann herself correctly states in the latter comment – it was an advance payment of fees due to clubs – and not a loan, which is a crucial distinction.

“The confusion is unfortunate, but the facts are clear:

“In 2016, the SPFL agreed to pay invoices from two clubs for fees they were due to receive in the 2016/17 season. This was to help them with cash flow problems caused when Rangers’ promotion into the Premiership meant some clubs would have only two Old Firm home games pre-split rather than three, which they had had prior to 2012.

“To overcome this challenge, the Board, of which Ann was a director, approved £150k advance fee payments to two clubs.

- These advance payments were subject to VAT – Loans are not.
- These advance payments were invoiced – Loans are not.
- Loans, by their very definition, have to be repaid – these advance fee

payments did not.

“Moving forward, we are still being asked if we could have made loans to clubs of £9m in April, but there is no practical nor realistic way to have done so.

“Before directors make loans, they must carry out due diligence into whether clubs have the ability to repay the loans.

“That is a major exercise and to do so 42 times in a short timescale would have been impossible. And, being frank, given the financial crisis that the game is in, it is impossible to see how the Board could have satisfied itself that all 42 clubs would have been a good credit risk. Clubs defaulting on loan repayments would have left every other club liable for the loss – which is exactly what happened when Gretna were given a loan over a decade ago.

“As to the question: could we not have made millions of pounds of further advance fee payments in April, to help clubs weather the financial storm caused by Covid-19? The answer is no. By the end of March, the SPFL had already made fee payments up to roughly the entitlement of the bottom club in the Ladbrokes Championship, Ladbrokes League 1 and Ladbrokes League 2.

“With fee payments being entirely dependent on final League placings, the Board’s resolution remains the only realistic way to have made substantial and quick payments to lower league clubs, as well

as giving them  
the certainty and clarity they required to make the tough  
decisions necessary  
to get them through to the point that matches can be played  
once again.”