

Why Rangers' £16m Share Issue Matters to Celtic Supporters

Many Celtic supporters have asked whether Rangers' £16 million share issue changes the financial landscape.

The answer is **yes—but not in the way many people think.**

The £16 million does **not** increase Rangers' UEFA Squad Cost Ratio (SCR) limit. Share issues are not football earnings and therefore do not increase the amount UEFA permits a club to spend on its playing squad.

What the share issue does provide is **cash**.

That cash can be used to repay debt, improve cash flow and, importantly, fund transfer fees and other football investment. In other words, it gives Rangers the financial ability to recruit players.

However, every new signing still brings annual costs—wages, transfer amortisation and relevant agents' fees—which must fit within UEFA's SCR.

So Rangers may have more cash available, but they are still constrained by the SCR.

This is where the story becomes relevant to Celtic.

Celtic's football earnings are significantly higher than Rangers'. That means UEFA permits Celtic to carry a higher level of squad costs.

If Rangers use their available SCR capacity to strengthen their squad, Celtic face a strategic choice.

Celtic can continue to operate well below their own SCR limit, building cash reserves, or they can make greater use of the squad-cost capacity that their stronger football earnings allow.

The competitive advantage created by higher revenues only exists if it is translated into the quality of the playing squad.

That does **not** mean Celtic should spend recklessly or right up to the limit every season. There should always be sensible headroom to cope with fluctuations in European income or player trading.

But it does mean the debate has changed.

For years supporters asked:

"How much cash has Celtic got?"

Under UEFA's Financial Sustainability Regulations, the more important question is:

"How much of Celtic's permitted Squad Cost Ratio is the club choosing to use?"

That is now one of the key strategic questions facing **every** club competing in Europe.