

UKLA Technical Note

Sponsors: Creation and maintenance of records

Ref: UKLA / TN / 703.1

LR 8

The Listing Rules provide guidance that effective arrangements for making and retaining adequate records are an integral part of the adequacy of a sponsor's systems and controls – see LR 8.6.12G(5). Firms should therefore maintain, in all cases, records of key decisions, including the rationale underlying those decisions, in regard to a transaction where it is providing sponsor services. Key decisions on a transaction would include, but are not limited to, the taking on of the client/transaction and the sponsor's assessment regarding both its and the issuer's compliance with the Listing Rules regarding the transaction.

A key part of the sponsor role on transactions that require the appointment of a sponsor is the sponsor's assessment of the directors' working capital statement. Sponsors' records in this area should always clearly demonstrate how the working capital statement assessment was made.

Please note that we published changes to the record-keeping requirements for sponsors in CP12/25. These new requirements came into force on 31 December 2012.