



14 January 2010

Hazel O'Sullivan
Project Director
The Auditing Practices Board Ltd
5th Floor, Aldwych House
71-91 Aldwych
London WC2B 2HN

Dear Ms Sullivan,

I am Finance Director of Liberty International PLC, a FTSE 100 company, and Chairman of the Audit Committee of Greene King PLC, a FTSE 250 company.

Below are my views on the consultation paper on "audit firms providing non-audit services to listed companies that they audit".

- It is less the quantum and more the nature of non-audit work which may cause conflicts of interest. However, I would say that where those fees "substantially exceed" (4.14) or match those fees received from audit work this may indicate a conflict. In these circumstances an Audit Committee should look very carefully at the nature of the work.
- I would encourage Audit Committees to preapprove large and unusual pieces of non-audit work so that any potential conflict is considered and appropriate action be taken to avoid a conflict.
- The existing requirements are, in my opinion, generally well understood and managed by boards of directors and audit committees satisfactorily. If a potential conflict is perceived then it is generally addressed by the Audit Committee so no conflict arises.
- The current governance framework is effective and gives companies the flexibility and choice they need.
- Further restrictions will reduce the choice available to companies, increase their costs and may be detrimental to audit quality.
- I do not support further restrictions or a change to the principles-based approach, but I do support clearer disclosure requirements for companies, subject always to proportionality, and prior approval by Audit Committees for significant items.

Yours sincerely,



Ian Durant
Group Finance Director

cc: Michael Izza, ICAEW