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22nd January 2010

Ms Hazel O'Sullivan
Project Director
The Auditing Practices Board Ltd
5th Floor
Aldwych House
71-91 Aldwych
London
WC2B 4HN

Dear Ms O'Sullivan,

I am writing in response to the APB's consultation on audit firms providing non-audit services to listed companies that they audit. I write on behalf of Old Mutual plc, a company with a primary listing on the London Stock Exchange and a constituent of the FTSE100. Old Mutual is an international financial services group with interests in insurance, banking and asset management.

Our responses are set out below using the numbering in section 7 of the APB's consultation document.

1.a. The provision of non-audit services by accounting firms has been the subject of much guidance in recent years as is well set out in the consultation document. The current framework, supported by extensive disclosure in companies' annual reports, provides clear information to investors regarding the approach taken by companies and their audit committees in engaging auditors to perform non-audit services. The existing disclosures provide extensive information to investors from which investors can formulate questions on audit quality or auditor independence for directors to answer in companies' annual general meetings, or in the regular dialogue between institutional investors and directors. The provision of non-audit services by Old Mutual's auditor has not been the subject of questioning by our investors in recent years. We believe it is a reasonable conclusion to draw that investors are satisfied with this company's policy in respect of engaging the auditor to conduct non-audit services and in the use that is made by the company's auditor in the provision of non-audit services.

1.b. We are not aware of any instances at Old Mutual plc where the provision of non-audit services has adversely affected audit quality.

2. Not applicable.

3. We do not advocate any change in the approach taken by APB to the setting of standards relating to the provision of non-audit services by auditors. As is noted in paragraph 3.5 of the consultation document, there is not a proven track record linking audit failure with a lack of objectivity and independence. As noted in paragraph 4.10 of the consultation document, the current framework of ethical standards for auditors was widely supported by stakeholders at the time it was implemented.

4. Not applicable.

5. In considering matters relating to auditor independence generally, we consider it is appropriate to have regard to the benefits that are derived from using the company's auditors for the provision of specific non-audit services. These benefits can be measured either in terms of the costs of services provided by the auditor or another firm of accountants, or in terms of the time in completing what may often be a time-critical service. For example, the auditor is best placed to provide an accountants' report in connection with a prospectus. Engaging another firm of accountants to conduct such work would carry both substantial cost as that firm familiarises itself with the company's financial position and the time that such familiarisation would take would likely delay the timely production of the prospectus and have significant effect on the company's ability to raise finance in a timely manner.

6. No comments.

Yours sincerely,



Philip Broadley
Group Finance Director