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

Dear Ms Sullivan

We are pleased to respond to the Auditing Practices Board's (APB) Consultation Paper issued in October 2009.

Prudential believes that whilst it is appropriate to periodically reassess the regulatory framework within which listed companies operate, especially at times when the framework is tested to the extreme, at this time we see no need to modify the current regulations on the extent of using auditors to perform non audit work.

We consider that further restrictions on the provision of non audit services are neither necessary nor are they supported by the investors or other stakeholders.

Prudential believes that robust processes are already in place both for companies and audit firms to ensure that independence is preserved but we recognise that there is an opportunity to develop better and more comprehensive disclosure. This approach would further mitigate any perceived threat to independence. We also believe that the appointment of the auditor, or otherwise, to provide a particular service is always taken with regard to the best interests of shareholders. In many instances, using the auditor is the best choice – both in terms of the quality of the service/advice and value for money. There are countless example – regulatory and contractual requirements – where using the auditor is the only logical choice.

Finally we recognise that any unilateral decision on prohibition by the APB in this area would put the UK very much out of step with the rest of the world.

If you have questions regarding our response, please contact me.

Yours sincerely

Nic Nicandrou
Group Chief Financial Officer