

APB CONSULTATION: PROVISION OF NON-AUDIT SERVICES BY AUDITORS

RESPONSES TO THE QUESTIONS POSED:

1.

(a) I do not think that the provision of non-audit services impacts confidence in the independence of auditors. The level of fees does not change levels of confidence in auditor's independence. The levels of fees and the levels of independence cannot be directly related. Independence is not affected by the nature of the fees charged whether they are audit or non-audit related.

(b) I am not aware of any instances where the provision of non-audit fees may have adversely affected audit quality. It is in fact usually the opposite. See the response to question 5.

2. N/A

3. I feel that the current approach to the provision of non-audit fees and the standards set are perfectly adequate.

Non-audit fees as a percentage of total fees have already been reduced by the approach currently adopted. In addition I believe that this will continue to decrease as Audit Committees continue to exercise their approval and control over these fees.

4. I do not believe a change in the current arrangements is necessary. The split between audit fees and non-audit fees is adequate disclosure. If one wished to fine tune this disclosure then it may be beneficial to breakdown the non-audit fees into those which are legislatively required and those not.

5. There is a significant benefit to auditors providing non-audit services subject to the present arrangements. Their understanding and knowledge of each company will more often than not stand them in good stead to provide better and more constructive services, adding benefit to the process. Their approach to these services can in most cases lead to a better and deeper knowledge of the organization that they are auditing, therefore strengthening the audit process.

It is certain that the provision of non-audit services enhances the quality of an audit. The better the understanding of areas that require external consultation and service, the deeper the understanding of the company's resources and control environment.

R M SCOTT

CHAIRMAN OF THE AUDIT COMMITTEE

DIMENSION DATA PLC

26 JANUARY 2010