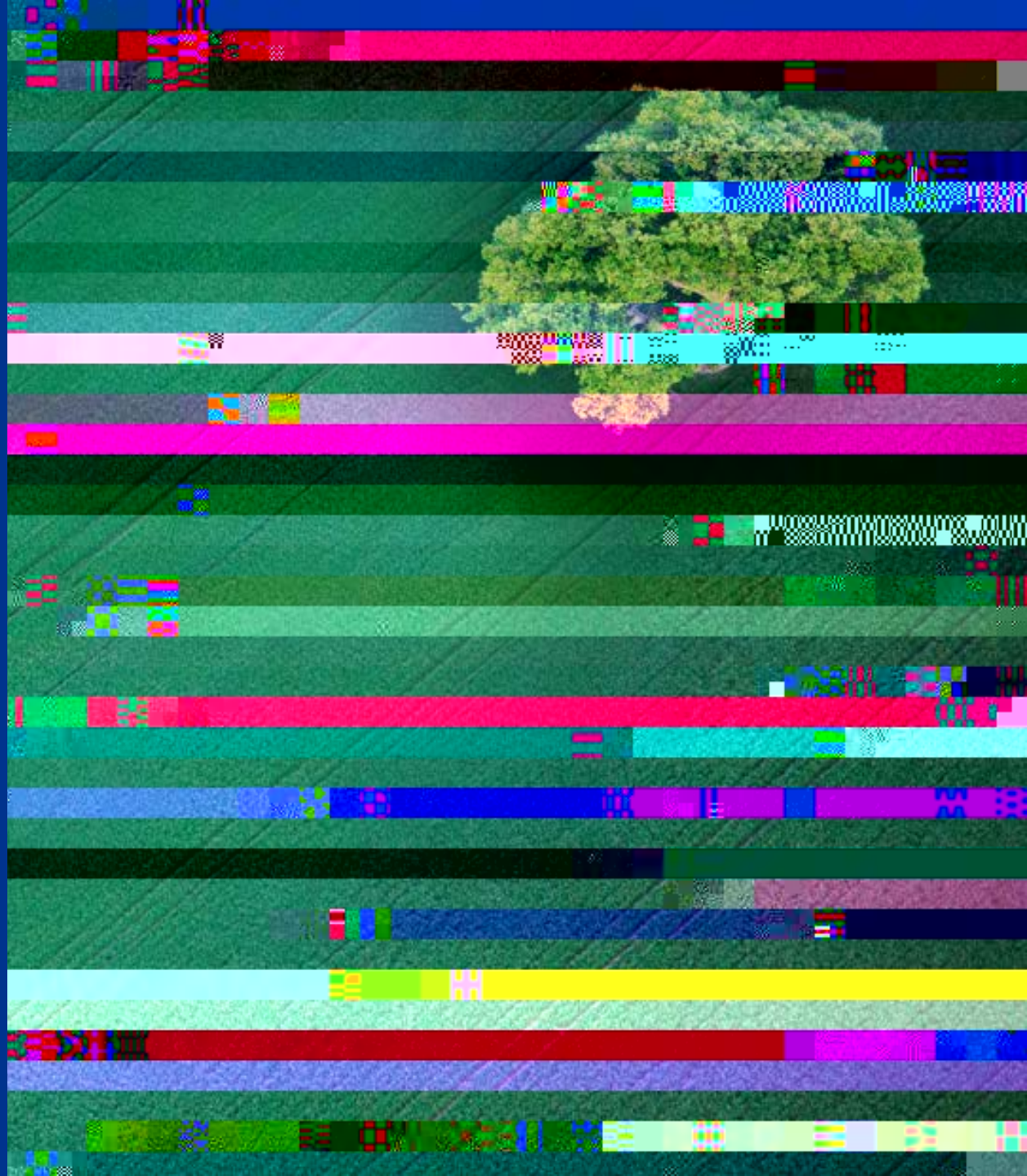




London Borough of Barking and  
Dagenham Council

—  
October 2017



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this report are:**

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This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website ([www.psaa.co.uk](http://www.psaa.co.uk)).

External

## Section one

This Annual Audit Letter summarises the outcome from our audit work at London Borough of Barking and Dagenham in relation to the 2016/17 audit year.

Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.

VFM conclusion

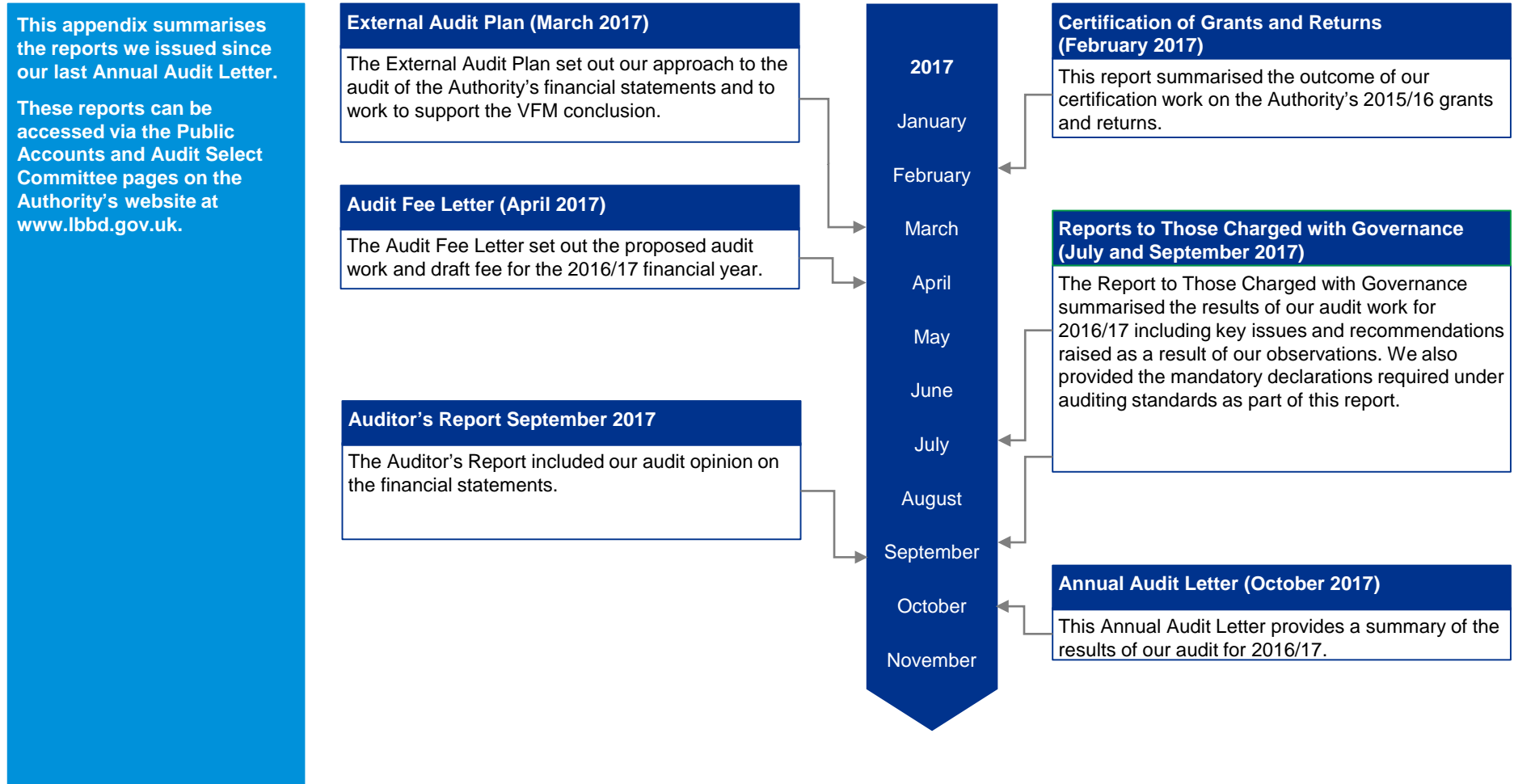
We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2016/17 on 29 September 2017.10.7(6(e)-1(.))1.9(F)-1.7ucn 8d )-14.1(s)-14(ued a7(f4s)-m9(e ued F)-1. 0.001 Tw 38.04Tw 38 -73.8 r-14.S

## Section one

We have not issued our certificate to confirm the completion of our audit responsibilities for the 2016/17 audit year. This is due to an ongoing objection to the Authority Accounts in 2016/17. This does not prevent us from issuing our accounts audit opinion.

Other information accompanying the financial statements	Whilst not explicitly covered by our audit opinion, we review other information that accompanies the financial statements to consider its material consistency with the audited accounts. This year we reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding and did not identify any issues.
Pension fund audit	There were no significant issues arising from our audit of the pension fund and we issued an unqualified opinion on the pension fund financial statements as part of our audit report. We identified one audit adjustment relating to the wrong version of the pension liability valuation report being used.
Whole of Government Accounts	





This appendix provides information on our final fees for the 2016/17 audit.

To ensure transparency about the extent of our fee relationship with the Authority we have summarised below the outturn against the 2016/17 planned audit fee.

#### External audit

Our final fee for the 2016/17 audit London Borough of Barking and Dagenham was £177,928, this compares the PSAA set scale fee of £165,975.

We have agreed a fee variation with the Authority which is subject to final approval by the PSAA for £11,952. This is because of:

- In order to prepare its Statement of Accounts the Authority commissioned a valuation report of its land and buildings. We undertook our planned procedures and identified material inconsistencies between the dimensions recorded in the data used by the Valuer and the actual buildings. We reported this to management, who commissioned a revised report. In response we undertook additional testing.
- The Authority's Statement of Accounts had incorrectly accounted for internal recharges in regards to support services and schools. These errors were material and required revision by the Authority.
- In 2016/17 the Authority has a number of schools who have ceased to use the Authority's accounting system. We identified that the SOA had material misclassifications of expenditure for those schools not using the Authority's system.

Our final fee for the 2016/17 audit of the Pension Fund was in line with the planned fee of £21,000.



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