

## **Commentary on the 2023-2024 audit opinion**

### **Why have the external auditors issued a “disclaimer of opinion” on the 2023-2024 accounts?**

Due to a number of factors nationally, a backlog in the publication of audited accounts of local authorities in England has reached an unacceptable level. The number of outstanding audit opinions peaked on 30 September 2023 at 918.

To clear this backlog and “reset the system”, on 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 came into force. This legislation requires councils to publish their financial statements and audit opinion for the year ended 31 March 2024 by 28 February 2025 (“the backstop date”).

Wigan Council published draft 2023-2024 accounts on time on 31 May 2024 in accordance with statutory requirements. Regrettably, for reasons beyond the Council’s control, the Council’s external auditors Forvis Mazars were unable to resource the audit of these accounts so were unable to issue an audit opinion on them by the backstop date.

As they were unable to complete the audit by the backstop date, they have issued a “disclaimer of opinion”. This means that they have undertaken only limited audit procedures and do not express an opinion on the accounts. They have complied with their other statutory duties, including reporting on the Council’s Value for Money arrangements.

The Council is far from alone in being in this position. At the time of drafting this, it is expected that the number of disclaimed opinions issued on 2023-2024 accounts could exceed 200. While Wigan Council received an unmodified opinion on its 2022-2023 accounts, which were subject to a complete audit, 158 councils also received a disclaimed opinion on their 2022-2023 accounts.

### **What will the impact of this be on future audit opinions?**

For the Council, the process to rebuild assurance over the accuracy of its accounts has begun with the 2024-2025 accounts, with a full audit of these expected to be concluded in February 2026, before the next backstop date.

### **Where can I find out more information?**

The Government consulted on the proposals to address the backlog in local-government audit and the outcome of that consultation is published here:

[Addressing the local audit backlog in England: Consultation response - GOV.UK](#)

The Government has also published a policy paper which provides context on disclaimed audit opinions issued as a result of the measures implemented to tackle the audit backlog:

[Addressing the local audit backlog: modified or disclaimed audit opinions](#)

In addition, the Financial Reporting Council has published an accessible guide on the impact of disclaimed opinions and on measures being taken to address the wider issues within the sector:

[Local Audit Backlog Disclaimed Opinions: Accessible Guide](#)