



Transparency Report

YEAR ENDED 31 DECEMBER 2025





Carl Lundberg
Carl Lundberg, CEO

FOREWORD

Preparing our Transparency Report each year provides an opportunity to pause and reflect on the progress we have made, and to consider whether our ambitions and priorities remain appropriate in an increasingly complex and demanding business and regulatory environment.

The past year has been an important one for Gerald Edelman as it represents the first step in our journey towards delivering our 10-year Vision.

I am pleased to report that we have made strong progress in laying the foundations required to achieve this ambition and remain on track to deliver against our one-year goals. While there is still much to do, the direction of travel is clear, and we are encouraged by the momentum we have built across the Firm.

Business performance

The Firm has continued to develop positively. During the year we welcomed talented new colleagues and partners, strengthening the Firm while ensuring we have the right people in the right seats across the business, consistent with the EOS principles that underpin how we operate.

Our total team numbers have increased to 246 people, and we have continued to see growth in fee income, reflecting both the strength of our client relationships and the commitment of our people in delivering high-quality work.

Alongside this growth, we have also focused on strengthening our governance and leadership structures. Over the past year we have embedded our new leadership framework, including the Executive Board, Operational Management Board and other key roles that support the effective running of the Firm.

These developments are designed to ensure clarity of responsibility and to support consistent delivery of our strategic objectives.

Direction of travel

Our Vision – “to set the benchmark for excellence in our industry, becoming the aspirational partner for business leaders and the firm that develops the best advisers in the market” – remains unchanged.

Our one-year goals, three-year picture and 10-year Vision are aligned in supporting this ambition, with a consistent focus on the quality of our client service, the strength of our delivery, and our continued commitment to compliance and the wider public interest.

Developing and maintaining a strong ‘quality focused’ culture remains central to this ambition. During the year we have invested in the leadership, systems and people that support this objective, which includes key senior hires such as our Chief People Officer.

These investments are helping to ensure that the Firm continues to build the infrastructure required to support sustainable growth, while maintaining the high standards expected of us by our clients and regulators.

Looking ahead

We remain firmly focused on continuing our progress towards our 2034 Vision. The wider economic and tax environment continues to present challenges for many businesses, with legislative and regulatory developments creating uncertainty across the market.

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We have a clear Vision for the future and a strong platform from which to deliver it.

Notwithstanding these challenges, our commitment remains unchanged. We will continue to support our clients as they navigate their own growth journeys, providing objective advice and support to help them make informed decisions with confidence.

We have a clear Vision for the future and a strong platform from which to deliver it. By continuing to invest in our people, strengthen our governance and maintain an unwavering focus on quality, we will continue moving forward year by year towards our long-term ambitions.

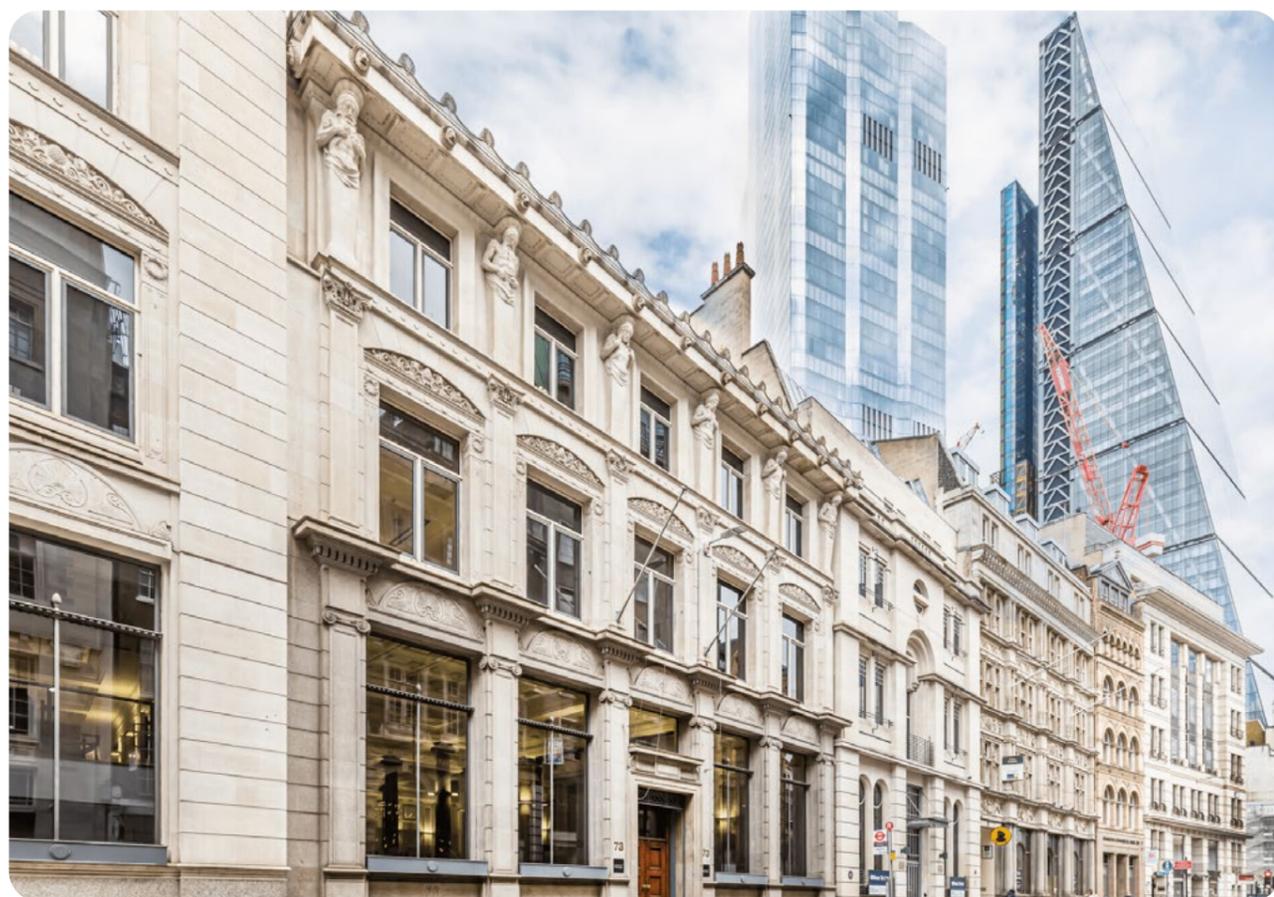


CARL LUNDBERG
CEO OF GERALD EDELMAN

Our Transparency Report covers the year ended 31 December 2025 and is designed to explain our:

- legal structure and ownership;
- governance structures;
- quality control systems and assurance programmes and practices; and
- leader-to-leader culture underpinned by supporting and developing our people.

These foundations are in place to maintain our independence and ensure we comply with all applicable audit and ethical standards to deliver high-quality services in all areas.



GERALD EDELMAN IN OVERVIEW

Legal structure

Gerald Edelman LLP (the “Firm”) is registered in England and Wales as a Limited Liability Partnership (“LLP”) under registration number OC435604. Our registered office is 73 Cornhill, London EC3V 3QQ.

Ownership

The Firm is owned and operated by its 21 UK members as at 31 December 2025, including ETL Global Group, which holds a significant stake.

The Firm’s 21 UK members (Partners) are comprised of 19 LLPs and two limited companies. Each LLP is individually controlled by the partners, who provide Professional Services on behalf of the Firm.

ETL Global Group holds a significant interest in the Firm. It is a Professional Services (Tax, Legal and Audit) firm headquartered in Essen, Germany, with more than 50 years of history and a strong small to medium sized enterprise focus.

ETL Global Group consists of tax and law professionals, accountants and auditors, as well as business consultants. Several of ETL’s firms are based in the UK, however, each firm operates independently.

ETL UK holds a majority interest in our Firm, ETL UK and its representatives are not involved in the Firm’s day-to-day operations.

The Firm is a founding member of XLNC, an international alliance of independent professional service firms. Through our active participation in XLNC, we can connect people and businesses to professional services firms across Europe and the Americas that are each regarded as leading practices. XLNC supplements the services already available to clients at the Firm, ensuring any plans for international expansion are well supported.

There is no common control, ownership or strategy across the XLNC and ETL UK member firms, and XLNC and ETL UK are not aimed at cost or profit-sharing across its members. Therefore, XLNC and ETL UK are not a “network” as defined in the under ISQM1 network requirements.

Governance and leadership

The Firm is exempt from the requirements of the Financial Reporting Council’s (“FRC’s”) Audit Firm Governance Code (the “Code”). While exempt from applying the Code, we seek to apply the principles where possible, on a proportionate basis, reflecting the size of our Firm and the sectors we operate in.

The Firm is led by our Chief Executive Office (“CEO”), Carl Lundberg, with support by Richard Kleiner as Chairman.

Carl is supported by an Executive Board and Operational Management Board – together, they are responsible for the governance of the Firm and ensuring its professional services are delivered to a high quality and serve the public interest.

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Through our active participation in XLNC, we can connect people and businesses to professional services firms across Europe and the Americas.

Regulation

As a professional accountancy practice, we are subject to a number of key regulatory requirements that are fundamental to our business.

Institute of Chartered Accountants in England & Wales

The Institute of Chartered Accountants in England & Wales (“ICAEW”) is the principal professional oversight body that monitors the majority of the professional services we deliver and ensures compliance with its Code of Conduct for accountants in practice. The ICAEW pays particular attention to audit quality and periodically monitors our non-public interest entity (“non-PIE”) audit engagements.

The Firm is also licensed by the ICAEW as a Designated Professional Body (“DPB”).

Financial Reporting Council (“FRC”)

As previously reported, we are listed on the FRC’s register of authorised PIE auditors. As a condition of this registration, we are subject to additional engagement levels and firmwide quality monitoring to ensure we comply with the relevant laws, regulations and quality standards applicable to PIE audits.

The FRC has also issued an Ethical Standard, which is applicable to all registered auditors. We have updated our policies and procedures to ensure compliance with the most recent edition which came into effect in December 2024.

UK company law

As statutory auditors in the UK we are also required to adhere to a range of provisions set out in the Companies Act regarding our rights, duties and eligibility.

Our values

At Gerald Edelman, our purpose is clear: to provide objective and robust opinions and advice that take into account the interests of key stakeholders and help leaders deliver their strategy. Our passion lies in doing good business with good people, which forms the foundation of our approach to every client and team interaction. This commitment to excellence and ethical practices drives us to continually improve and deliver exceptional value to our clients and stakeholders.

Our values are the cornerstone of our identity and guide our actions in every aspect of our work:

- We are quality obsessed, striving for the best outcomes, service, and expertise in our field.
- We are entrepreneurial, which is reflected in our ‘can-do’ attitude, enthusiasm, and resilience – qualities we share with our clients.
- We are collaborative, working closely with each other, our clients, and our community. Through this collaborative approach, we challenge ourselves and others to continually improve and achieve greater success.

These principles shape our culture, drive our decisions, and ultimately define the positive impact we strive to make in the business world and beyond.



Richard Kleiner, Chairman and Ethics Partner

1. Governance and leadership

Good governance and effective leadership are cornerstones of a high-quality professional practice, particularly in an increasingly complex world. Governance and leadership set the tone of our Boards, Committees, and service line leaders, cascading down to all of our people and suppliers.

This framework underpins the delivery of high-quality advice aligned with the wider public interest; this is good for business and the long-term reputation of our Firm.



We continue to grow and evolve our governance and leadership to respond to changes in our business and emerging best practice.

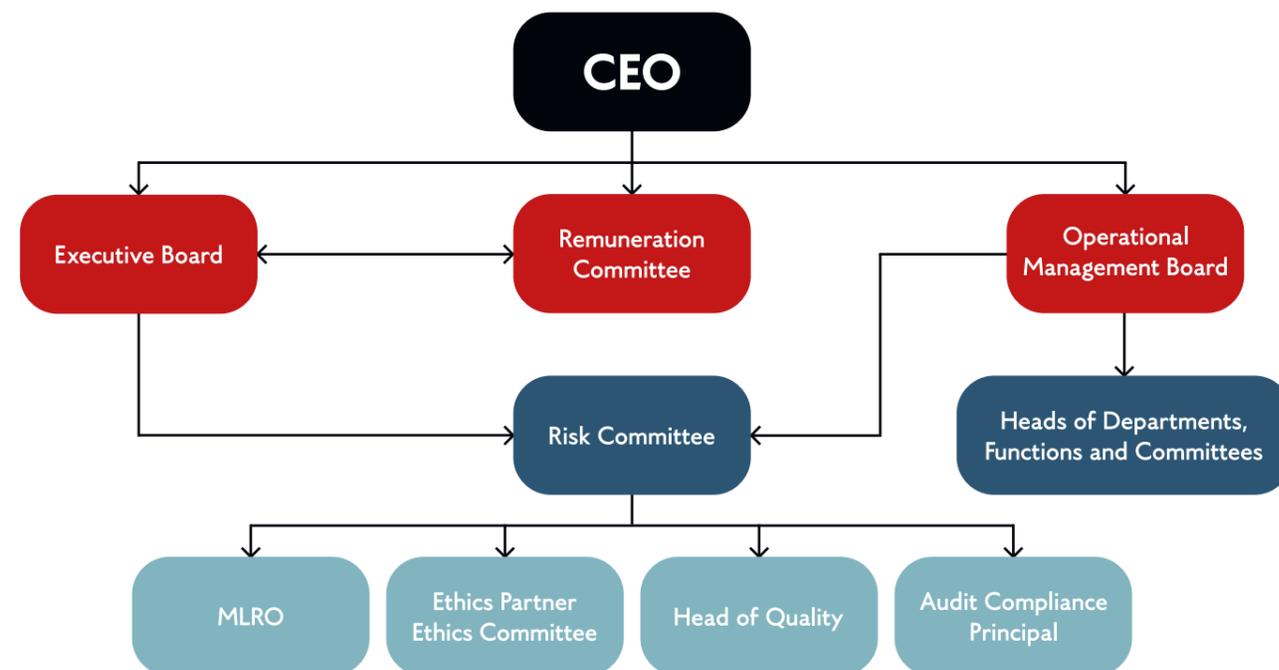
We continue to grow and evolve our governance and leadership to respond to changes in our business and emerging best practice, ensuring the long-term sustainability of the Firm for our current and future partners and team.

Carl Lundberg, BSc (Hons), Fellow Chartered Accountant (FCA, ICAEW), Business and Finance Professional (BFP) and Member of Academy of Experts (AMAE), is our CEO and is supported by the Executive and Operational Management Boards – together, they are responsible for the governance of the Firm and ensuring its professional services are delivered to a high quality and serve the public interest.

The Executive and Operational Management Boards have delegated certain activities to other committees, sub-committees and key postholders. Providing additional oversight and being able to share a wealth of experience is our Chairman, Richard Kleiner.

An overview of our governance arrangements is set out on the following page.

ORGANISATIONAL CHART



CEO

The core objectives of the CEO are:

- to lead by example and set the tone and culture of the Firm, which is to act professionally, objectively and to deliver high-quality Professional Services in a sustainable manner;
- to work collaboratively with senior partners, providing support and constructive challenge to ensure leadership is always acting in the public interest and is aligned with the success and good standing of the Firm;
- to be responsible for the enablement and delivery of the Firm's strategic plan as agreed periodically with the partner group; and
- to be an ambassador for and the public face of the Firm in the business community and when dealing with regulators.

Executive Board

Executive responsibilities:

The Executive Board is made up of Hemen Doshi (Partner and Audit Compliance Principal), Nick

Wallis (Partner and Head of Corporate Finance), Carl Lundberg (Partner and CEO), Sara Brassington (EKWilliams Accountants Limited) and Peter Brassington (EKWilliams Accountants Limited).

A key element of the Executive Board's activities is being responsible for the Firm's overall System of Quality Management ("SoQM") – necessary to ensure ongoing compliance with ISQM1. Although operational responsibility has been delegated to the Firm's Head of Quality, the Executive Board and the Audit Compliance Principal ("ACP") reviews, challenges, and when satisfied, approves:

- the Firm's quality objectives and associated risk assessment;
- the proposed responses to the assessed risks as embedded in the Firm's SoQM;
- the proposed monitoring plan;
- proposed remedial action (when necessary);
- interim and annual evaluation of the Firm's SoQM, and
- evaluation of the Firm's monitoring and remediation activities.

Operational Management Board (“OMB”)

The OMB is made up of six senior personnel – Carl Lundberg (Partner and CEO), Olivia Parrish (Chief People Officer), Nick Wallis (Partner and Head of Corporate Finance), Dan Spackman (Chief Operating Officer), Gurpreet Lall (Director of Technology) and Hemen Doshi (Partner and Audit Compliance Principal). These individuals are responsible for evaluating information from key sub-committees and other postholders who report to the OMB, and for making key operational decisions based on that information.

The OMB also discusses and evaluates emerging opportunities. To support the OMB in making effective and informed decisions, they have access to a range of internal and external specialists, who can provide expert views on matters arising.



The OMB also discusses and evaluates emerging opportunities.

Remuneration Committee

The Remuneration Committee is comprised of three members of the Executive Board and another partner of the firm, who with input from the Head of Quality and Risk and the Chief People Officer, appraise the performance of all partners in the Firm.

In their appraisal of the Firm’s partner group, the Remuneration Committee considers:

- individual contributions to the Firm and the Firm’s clients;
- the quality of their work, based on reviews of the work performed (hot and cold file reviews), Engagement Quality Review (EQRs) and regulatory feedback;
- balanced scorecards – financial metrics, team and self-leadership skills, positive behaviours and culture; and
- behaviours that complement the Firm’s Purpose, Vision and Values.

Risk Committee

The Risk Committee is chaired by Hemen Doshi (ACP) and includes Carl Lundberg (CEO), Atul Atri (Head of Quality), Amal Shah (MLRO), Dan Spackman (Chief Operating Officer (“COO”)) and Richard Kleiner in his capacity as Ethics Partner of the firm.

The Risk Committee’s principal role is to provide independent, objective support to the CEO in managing the Firm’s risk exposure, including commercial and operational risks as well as leading on potential and actual ethical matters.

In addition to its own horizon scanning, the Risk Committee works closely with key committees and strategic postholders to identify reasonably probable threats that could adversely affect the Firm commercially, reputationally, or in relation to its overall quality objective.

Heads of Departments

Each service line is led by an individual with responsibility for overseeing its performance and quality. Each Head of Department is responsible for:

- communicating and reinforcing the Firm’s quality culture across their team;
- performing horizon scanning of emerging issues relevant to their function;
- ensuring:
 - their teams understand and adhere to the Firm’s SoQM;
 - the OMB is kept up to date on any topical and emerging issues;
 - their teams only take on work in line with the Firm’s and their personal skill set and capacity; and
 - the team has the required resources (people and other) to fulfill its responsibilities effectively.

Money Laundering Reporting Officer (“MLRO”)

Amal Shah, Partner, ATT and CTA operates as our MLRO. This is a legally required role to ensure ongoing compliance with our obligations under the Proceeds of Crime Act. Amal ensures the Firm’s

policies and procedures are up-to-date and consistent with relevant laws, regulations and best practices. Alongside that, regular updates are shared with partners and the wider team.

Amal is also available to partners and the wider team to discuss any matters arising to help them understand what required actions may be needed.

Head of Quality

The Head of Quality has the specific objective of ensuring the Firm has a set of policies and procedures in place that are aligned with the requirements of ISQM1.

The current core focus of this role remains our Assurance and Advisory Services, specifically relating to Statutory Audit and Assurance Services. Alongside that, a project has commenced to put processes in place to measure, monitor and improve quality across all departments, functions and service lines.

The Head of Quality also works with Heads of Departments and Committees to share best practices and support service line initiatives.

The Head of Quality is responsible for the operational responsibility of the Firm’s SoQM, as agreed with the Executive Board, and for ensuring an effective monitoring and remediation plan is in place.

Audit Compliance Principal

Hemen Doshi is our Audit Compliance Principal (“ACP”), a role that is formally required under our audit registration with the ICAEW. For reasons of consistency, effectiveness and efficiency, Hemen is also our lead contact with the FRC’s PIE Registration team.

As ACP, Hemen works closely with the Head of Quality to:

- ensure the Firm complies with audit regulations.
- promote and reinforce the consistent and sustainable delivery of high-quality auditing, with regard for wider stakeholder and public interests.
- ensure the Audit service line has appropriate resources in terms of team numbers and technical and sector expertise.
- ensure Audit teams embrace and exhibit a culture of scepticism and challenge.
- ensure the Firm has an audit methodology which is up to date.
- implement appropriate policies, processes and safeguards to ensure International Standards on Auditing (“ISA”), the Ethical Standards and any additional procedures are followed.

The effectiveness of each senior postholder within our governance and leadership structure, including committee roles, is evaluated annually. We have a formal evaluation process to ensure consistency and objectivity, which includes a self-appraisal by all partners, reviewed by the senior leadership team.

A key consideration in this process is the promotion of quality and tone from the top. The results are considered by the Remuneration Committee when recommending future rewards for the leadership team and all partners.



Hemen Doshi, Partner and Audit Compliance Principal



2. Ethics and independence

Our advice and opinions are only as good as our objectivity. In 2025, we completed the rollout of our revised ethics policies and procedures and implemented a new system for logging and monitoring ethical queries and potential threats to independence and objectivity. These revised policies and procedures are embedded in:

- our overarching quality management manual.
- a new and comprehensive ethics manual.
- acceptance and continuance procedures.
- a refreshed gifts and hospitality policy.

The core principles of our revised policies and procedures are to ensure the Firm maintains independence from its clients, and that any actual or potential conflicts of interest are dealt with appropriately and on a timely basis.

We adopt a hybrid approach, which considers not only the application of specific rules and guidance in the Ethical Code, but also the application of the “reasonable and informed third party test”.

Key elements of our policies and procedures

Understanding

All our partners and personnel are required to:

- attend annual ethics training.
- complete an annual declaration confirming their independence and continued understanding of the Firm’s current relevant policies and procedures.

Where circumstances are identified that impact independence (or have the potential to), these are reviewed by the ACP and escalated as necessary to our Risk Committee and Ethics Partner for consideration and direction on required actions. This consideration can trigger a formal consultation exercise.

Acceptance

When approached to act for a new prospective client or provide additional services to an existing client, our team is required to complete an opportunity evaluation form which considers a number of key factors, including independence and objectivity. A formal conflict check is performed, and evidence is retained should the opportunity progress.

Where additional services are being provided to an existing audit client:

- the Audit Engagement Partner must be consulted and give their approval.
- a cross-check is made to ensure there are no prohibited services, or the resulting non-audit to audit fee ratio (having regard to all other Non-Audit Services) does not fall outside a reasonable benchmark.

Continuance

Embedded within the Firm’s audit methodology is a requirement for Audit teams to reassess independence at the pre-planning phase of every audit. This includes considering whether any Non-Audit Services provided by the Firm to audit clients may have an adverse impact on our actual or perceived independence.

These need to be agreed with the Audit Engagement Partner before any work is undertaken.

Transparent policies and effective consultation

The ethical standard can be complicated to navigate. We have developed our own simplified policies on key issues over what we consider to be prohibited non-audit services, acceptable ratios of non-audit to audit fees, when contingent fees may be acceptable and what are acceptable gifts and hospitality.

Central to these policies is the need for our team to look at the bigger picture, and specifically all entities and people material to an engagement and the perspective of the “reasonable and informed third party”.

Should there be a risk that these policies could be breached, teams must escalate the matter to our ethics team. We have developed a digital tool to aid consultation and to track the status of issues and to be alert to thematic issues.

For more judgmental matters our ethics team can convene a meeting of the Ethics Partner and the Risk Committee that includes members of the Executive Board and OMB.

Compliance with these key policies and procedures is an integral part of each team member’s annual appraisal and can impact on their level of remuneration.



All our partners and personnel are required to attend annual ethics training.

Rotation

The rotation of key audit partners and individuals is conducted in accordance with the requirements of the Ethical Standard, including rotation of Audit Engagement Partners on listed company audits every five years and Engagement Quality Reviewers every seven years.

In addition, where a manager has been involved in the audit of a listed company for seven years or more, consultation with the Ethics Partner is required and either suitable safeguards are put in place, or the manager is rotated out of the audit.

The Audit Department assesses the Audit

We assess Engagement Partner and Engagement Quality Reviewer rotation at least annually, as part of the audit planning procedures. Where applicable, threats are reviewed, and appropriate safeguards are put in place to address the threats or reduce them to an acceptable level.

Breaches

Where breaches are identified, full disclosure is provided when required. Furthermore, we perform a root cause analysis to learn from the findings.

Effective communication

Independence is not a unilateral decision. Even if we consider that we can reduce the impact of any potential threats to an acceptable level to allow us to act, we respect the views of our clients. We have improved how we communicate actual and perceived independence and threats to our clients.

We also engage with them on whether it is appropriate to act and on the effectiveness of any proposed safeguards we propose to implement. If neither we nor our client can be satisfied with the safeguards, we will not proceed.



3. Audit governance and delivery

Continuous Professional Development

During 2025, we increased the level of practical and technical training we provided our Audit team. Periodic training is supplemented by ad hoc training on thematic and emerging issues, which also provides an opportunity for teams to share best practices. In 2026, our regular technical training offerings will be expanded, providing key technical knowledge and practical skills specific to skillsets required across all our services.

In addition, our CPD monitoring has also been updated to ensure compliance with the new ICAEW CPD requirements.

Aligning rewards and career advancement to quality

To ensure the team develops and reaches its full potential, our people's performance is evaluated on each assignment, where verbal and written feedback is provided. Each year, our people have a formal appraisal, where training needs are considered and arranged. In addition, a less formal half-year appraisal is also undertaken for the whole team.

Both appraisals focus on performance and quality of work. We are further enhancing our appraisal process to better embed the importance of quality, professional scepticism and public interest obligations.

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Both appraisals focus on performance and quality of work.

Clear, practical and up-to-date audit methodologies

In common with firms of our size, we have not developed our own methodology; we have chosen to subscribe to a respected and accredited audit methodology.

That said, we don't just “plug and play”: we evaluate the methodology and identify potential gaps or weaknesses in the context of our diverse client base. Where gaps or weaknesses are identified, we provide supplementary guidance and work programmes that are subject to critical review and internal approvals.

Maintaining relevant technology and other intellectual resources to support audit delivery

Similar to our approach to an audit methodology, to support audit delivery, we have brought in a range of accredited technology-based audit tools and intellectual resources, such as technical databases, work programmes, and checklists.

Before rolling out, each piece of technology or intellectual resource is evaluated and training is provided. We periodically review the effectiveness of these resources.

Consultation process

Our firmwide quality management manual identifies situations and circumstances where consultation is mandatory and how it is conducted. Our Ethics Partner helps ensure the Consulting Partner or panel are independent. Similar procedures are in place to deal with differences of opinion.

Where consultation is required or a difference of opinion arises, there are follow-up procedures to ensure the required actions have been followed. Even when mandatory consultation is required, we have an open culture and actively encourage consultation on new or emerging issues or where teams or individuals feel uncomfortable.

During the consultation or difference of opinion process, the Firm has access to experienced and independent external specialists who can assist with the evaluation.

Robust quality monitoring activities and feedback loop

Our quality monitoring activities take place at an engagement and firmwide level.

- Our quality management manual sets out the roles and responsibilities of each team member and their obligations in respect of quality. Our policies and procedures also require a “four eyes” review by someone with appropriate experience and seniority.
- We have mandated situations where an Engagement Quality Review (“EQR”) Partner is required, which extends beyond just PIE engagements.

- The appointment of an EQR is controlled centrally, with follow-up procedures. The expectations, scope and documentation of the EQR are set out in a separate policy document.

Technical and Training Committee (“TTC”)

To ensure the standard of audits, accounting and other technical areas are maintained at a high level and kept up to date, the Firm also has a Technical and Training Committee. The TTC has several members made up of partners and managers.

The TTC monitors the level of skill and knowledge across the Audit, Business Services and other departments, and where relevant, arranges appropriate training.

External professional training facilitators are engaged where it is viewed the necessary skills, experience, or availability are not held internally within the Firm.

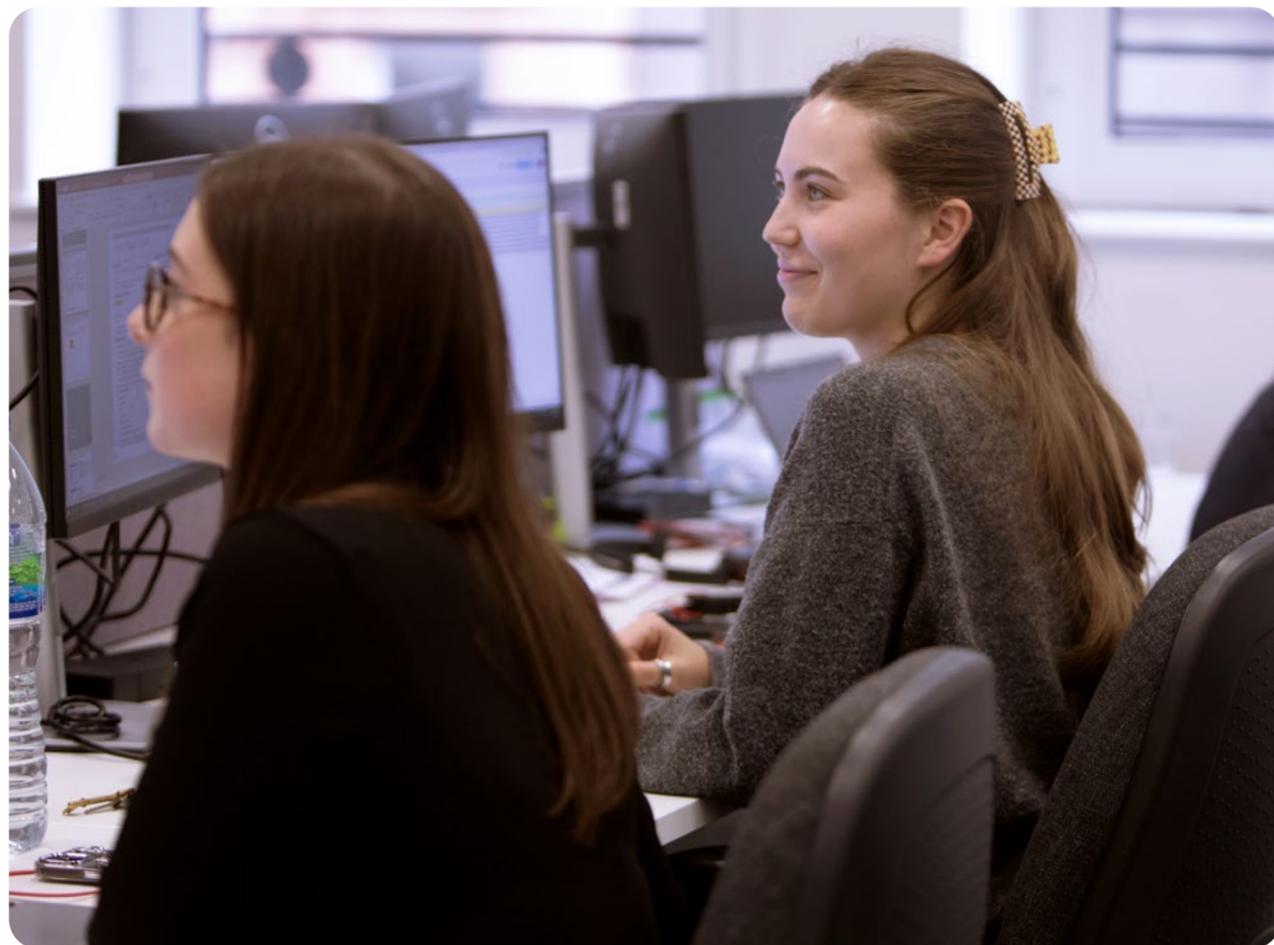
Partner remuneration

Partners are remunerated according to a number of factors. All partners' remuneration is based on a minimum (notional) salary with a discretionary award, while full equity partners' remuneration also includes a profit share based on a points system.

The Firm recognises the importance of audit quality. As a result, when awarding a discretionary bonus to the Audit Partners, the Remuneration Committee takes the results from regulatory inspections and cold file reviews relating to the Audit Partners into account.

The Firm considers that no partner or team remuneration is contingent upon any basis that would compromise the independence of any audit, including the sale of Non-Audit Services.

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To ensure the standard of audits, accounting and other technical areas are maintained at a high level and kept up to date.



4. Audit quality, monitoring and remediation

Statement on the effectiveness of the internal quality control system

As required by ISQM1, we performed an annual evaluation of the Firm's system of quality management, which was completed by 11 December 2025.

The standard gives three possible opinion options. After careful consideration of all available information, the Executive Board concluded the middle option was most appropriate, namely:

"Except for matters related to identified deficiencies that have a severe but not pervasive effect on the design, implementation and operation of the system of quality management, the system of quality management provides the Firm with reasonable assurance that the objectives of the system of quality management are being achieved".

When determining this grading, we fully considered the external cold file review findings and the following factors:

- The PIE segment represents a small percentage of the Firm's audit practice.
- The results of our independent external quality review of non-PIEs conducted by ICAEW were positive.
- We have delivered against many of our planned 2025 SoQM enhancements.
- Our SoQM was operating as planned, and none of the identified deficiencies could be regarded as systemic and a threat to our quality objectives.

We are disappointed not to have certified the top opinion but consider this a fair reflection of the progress we continue to make.

Quality monitoring and remediation

The Firm's audit quality is subject to internal and external quality monitoring. Internal quality monitoring takes place in respect of firmwide activities and at engagement level.

Internal quality monitoring activities

As part of our 2025 monitoring programme, we continued to evaluate the effectiveness of the actions implemented as a result of our 2024 thematic reviews (reported previously). These areas included:

- ISA 315
- People – including onboarding and appraisals
- Ethics – including acceptance and continuance procedures
- Further, we conducted thematic reviews in the following area, gathering feedback to help refine our processes. Audit clients that held investment properties

The effectiveness of the actions implemented as a result of this thematic review will be evaluated as part of our 2026 monitoring follow-up to ensure ongoing improvement and alignment with best practices.



The effectiveness of the actions implemented as a result of this thematic review will be evaluated as part of our monitoring follow-up.

External regulatory monitoring

Independent External Audit Quality Monitoring

Under our cyclical review policy, all audit partners have at least one audit file inspected every three years. Partners may be subject to more frequent inspections based on the risk profile of their client base and other relevant factors. As we embed quality across our Firm audit partners are, for the time being, reviewed annually.

To bring added objectivity to our engagement quality monitoring, we have engaged a leading external provider to undertake cold file reviews of our non-PIE audits. The results of their review activities, and a comparison with the prior year, are set out below:

Grade*	A	B	C	D	Total
2025	-	2	-	1**	3***
2024	1	5	-	-	6

*Grade classification

- A: Good
- B: Generally acceptable
- C: Improvement required
- D: Significant improvement required

** The audit file that received a Grade D was impacted by a single technical issue that materially reduced the overall assessment. The external reviewer confirmed that, apart from this specific point, the file would have been graded as satisfactory. We have completed a root cause analysis and determined that, in similar circumstances, a mandatory formal internal consultation should be undertaken to ensure appropriate technical evaluation. Our consultation policy has been updated accordingly, and we have delivered refresher training to our audit team to reinforce the importance of consultation in maintaining audit quality.

*** Typically, our annual external audit quality monitoring includes review of all individual RIs within the audit department. Given the proximity in the calendar to the ICAEW QAD review in 2025 (see results below), it was decided that an additional external independent review should be postponed until Q1 of 2026. However, 3 audit quality reviews were performed in respect of a newly appointed RI during the period. In 2026, all individual RIs will be back in the scope of our external quality monitoring review programme.

ICAEW - Quality Assurance Department (QAD)

The Firm is subject to periodic external monitoring by the Quality Assurance Department of the ICAEW and the Audit Quality Review ("AQR") of the Financial Reporting Council. The Firm was subject to Audit Monitoring review by ICAEW's QAD during 2025.

The results of this audit review concluded that two of the files were graded as 'good,' while one was concluded as "generally acceptable" and the one remaining file graded 'needed improvement'. This marked an improvement from the previous QAD visit in December 2022.

To build on the strengths observed and address the areas for improvement, a formal root cause analysis will be conducted to enable us to further understand the contributing factors behind the findings raised by the QAD during their visit.

A department-wide debrief has also been organized to share insights and lessons learned as well as reinforcing the good practices identified during QAD's visit.

Grade*	A	B	C	D	Total
2025	2	1	1	0	4
2024	2	0	2	0	4

*Grade classification

- A: Good
- B: Generally acceptable
- C: Improvement required
- D: Significant improvement required



5. FRC Public Interest Entities (PIE) audit clients

As a result of significant findings following a FRC audit quality review inspection in the prior year, we continued to operate under what is referred to as constructive engagement. During the year, we engaged in an active dialogue with the FRC, addressing the findings from the audit inspections thereby showcasing our commitment to quality within the PIE segment and audit quality in general.

We have continued investment in our people, audit methodology and intellectual property which were well received by FRC and it resulted in the ending of all but one of the existing conditions of constructive engagement.

Being a PIE-registered auditor with the FRC, we also fall under their scope for PIE audit inspections. In 2025, we performed audits for 2 PIE companies.

Public interest entities for whom the Firm carried out a statutory audit during the year ended 31 December 2025 are listed below. Where an audit client is a parent undertaking, the list excludes any of its subsidiaries.

- Premiartel PLC
- Gem Resources PLC (previously known as URA Holdings PLC)^

The Firm's revenues from Non-Audit Services to audit clients include Accounts Preparation work for unlisted clients, Corporation Tax Compliance, Tax Planning, Payroll Services, Company Secretarial Services and general business and strategic advice.

When undertaking non-audit work for an audit client, the requirements of the Ethical Standards for Auditors and the Firm's acceptance procedures are applied before the work is accepted.

	31 December 2025 (£m)	31 December 2024 (£m)
Audit services	6.8	6.3
Non-audit services to audit clients	2.4	2.0
Non-audit services to non-audit clients	14.3	12.7
Total revenue	23.5	20.9

* Premiartel PLC's 31 May 2025 yearend audit was the last PIE audit completed by the firm. The audit fees in respect of public interest entities were £125K (2023: £240K).

^ The firm formally resigned from engagement with Gem Resources PLC with effect from 6 November 2025.



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