

# Letter of Clarification for Financial Due Diligence Scope

Date: [Insert Date]

To: [Recipient's Name]

[Recipient's Position]

[Company Name]

[Company Address]

[City, State, Zip Code]

Dear [Recipient's Name],

We are writing to clarify the scope of the financial due diligence process concerning [Transaction/Project Name]. Our goal is to ensure both parties have a mutual understanding of the expectations and requirements necessary to complete this process effectively.

## Scope of Work:

- Review of historical financial statements for the past [number] years.
- Assessment of revenue recognition policies and practices.
- Analysis of operating expenses and trends.
- Verification of key financial metrics and ratios.
- Examination of related party transactions.
- Assessment of any contingent liabilities.

Please confirm your agreement with this proposed scope or provide any adjustments you deem necessary by [Response Deadline Date]. We appreciate your cooperation and look forward to working together on this important matter.

Sincerely,

[Your Name]

[Your Position]

[Your Company Name]

[Your Contact Information]