

# Contingent Liability Disclosure Checklist

Date: [Insert Date]

To: [Insert Recipient's Name]

From: [Insert Sender's Name]

Subject: Checklist for Contingent Liability Disclosures

## Checklist Items

- Identify all potential contingent liabilities.
- Assess the likelihood of each liability materializing (probable, reasonably possible, remote).
- Evaluate the potential financial impact of each contingent liability.
- Review the relevant contracts and agreements for clauses related to contingencies.
- Document the basis for judgments regarding the classification of each contingent liability.
- Ensure proper disclosure in the financial statements, including footnotes.
- Communicate with legal counsel regarding ongoing litigations or claims.
- Obtain management's review and approval of contingent liability disclosures.
- Ensure compliance with applicable accounting standards (e.g., GAAP, IFRS).

## Additional Notes

[Insert any additional notes or instructions here]

Thank you for your attention to this important matter.

Sincerely,

[Insert Your Name]

[Insert Your Position]

[Insert Your Contact Information]