

Letter Template for Acquisition Accounting Procedures

Date: [Insert Date]

To: [Recipient's Name]

Title: [Recipient's Title]

Company: [Recipient's Company]

Address: [Recipient's Address]

Dear [Recipient's Name],

Subject: Acquisition Accounting Procedures

We are writing to outline the acquisition accounting procedures that will be implemented as part of our recent acquisition of [Acquired Company Name]. It is crucial that we adhere to these procedures to ensure compliance with the relevant accounting standards and to facilitate a smooth integration process.

1. Identification of Acquired Assets and Liabilities

We will identify and measure the identifiable assets acquired and liabilities assumed at their fair value as of the acquisition date.

2. Goodwill Calculation

Any excess of the purchase price over the fair value of net identifiable assets will be recorded as goodwill.

3. Accounting for Contingent Consideration

Contingent consideration must be measured at fair value at the acquisition date and will be remeasured at each reporting date.

4. Integration of Financial Information

We will ensure that the financial information from the acquired company is integrated into our accounting systems in a timely manner.

Please confirm your acknowledgment of these procedures and do not hesitate to reach out if you have any questions or require further clarification.

Thank you for your cooperation.

Sincerely,

[Your Name]

[Your Title]

[Your Company]

[Your Contact Information]