[Date]

[Client Name]
[Client Address]
[City, State, Zip Code]

Dear [Name of Client Representative],

This letter confirms our understanding of the terms and objectives of our engagement to assist you in the compilation of the consolidated financial statements for [Parent Company Name] and its subsidiaries (collectively, the "Company").

Objective and Scope

We will assist you in the preparation and presentation of the consolidated financial statements of the Company, which comprise the consolidated balance sheet as of [Fiscal Year End Date], and the related consolidated statements of income, retained earnings, and cash flows for the year then ended. We will perform a compilation engagement in accordance with [Applicable Accounting Standards, e.g., SSARS].

Our Responsibilities

The objective of our engagement is to apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We are not required to, and will not, verify the accuracy or completeness of the information you provide to us. Accordingly, we will not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

Management's Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands its responsibility for:

- The preparation and fair presentation of the consolidated financial statements in accordance with [Accounting Framework, e.g., GAAP].
- The internal control relevant to the preparation and fair presentation of the financial statements.
- The prevention and detection of fraud.
- Ensuring the Company complies with the laws and regulations applicable to its activities.
- Providing us with access to all information, documentation, and personnel necessary to complete the engagement.

Consolidation Procedures

Management is responsible for identifying all entities to be included in the consolidated financial statements and for providing all necessary elimination entries, including intercompany balances and transactions.

Reporting

As part of our engagement, we will issue a standard compilation report. If, for any reason, we are unable to complete the compilation, we will not issue a report and will notify you accordingly.

Fees

Our fees for these services will be [Fee Arrangement/Hourly Rate]. This fee is based on the assumption that the records provided are complete and that no significant accounting issues are encountered during the consolidation process.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our engagement.

Sincerely,

[Your Firm Name]
[Your Title]

Acknowledged and Agreed:

____
[Name of Client Representative]
[Title]
[Date]