

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

## **RE: Forensic Accounting Due Diligence Services Engagement**

Dear [Client Name],

This letter confirms the terms and objectives of our engagement to provide forensic accounting due diligence services in connection with [Transaction Name/Target Entity].

### **1. Scope of Services**

We will perform the following procedures:

- Review of historical financial statements and general ledgers.
- Verification of asset existence and valuation.
- Analysis of significant cash flows and bank reconciliations.
- Identification of undisclosed liabilities or off-balance sheet items.
- Review of internal control environments and fraud risk assessment.
- [Insert Additional Specific Procedures].

### **2. Limitations**

This engagement is not an audit or a review conducted in accordance with generally accepted auditing standards. We do not guarantee that all errors, irregularities, or illegal acts will be discovered. Our work is limited to the documents provided and procedures requested.

### **3. Client Responsibilities**

The Client agrees to provide timely access to all necessary financial records, personnel, and information regarding the Target Entity. The accuracy and completeness of the information provided are the responsibility of the Client and the Target Entity.

### **4. Deliverables**

At the conclusion of our fieldwork, we will issue a written report summarizing our findings, observations, and any identified areas of concern. This report is intended solely for the internal use of the Client.

### **5. Fees and Billing**

Our fees for these services will be based on the time spent at our standard hourly rates of [Rate]. An initial retainer of [Amount] is required. Out-of-pocket expenses will be billed at cost.

### **6. Confidentiality**

We will maintain the confidentiality of all non-public information obtained during this engagement, except as required by law or professional standards.

Please sign and return a copy of this letter to indicate your acceptance of these terms.

Sincerely,

[Your Name/Firm Name]

[Your Title]

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**Acknowledgment and Acceptance:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_