

Date: [Insert Date]

To: [Insert Name of Board of Directors/Audit Committee]

From: [Insert Name of Management/Finance Department]

Subject: Assessment of the Entity's Ability to Continue as a Going Concern

Dear [Insert Name],

In connection with the preparation of the financial statements for the period ended [Insert Period End Date], we have performed an assessment of [Insert Company Name]'s ability to continue as a going concern for a period of at least twelve months from the date of the financial statements.

1. Assessment Period

The period covered by this assessment is from [Insert Start Date] to [Insert End Date].

2. Analysis of Financial Position

Based on our current financial projections, cash flow forecasts, and available credit facilities, we have evaluated the following factors:

- Current liquidity and working capital positions.
- Debt repayment schedules and compliance with loan covenants.
- Budgeted capital expenditures and operational requirements.
- External market conditions and industry trends.

3. Identified Risks (if any)

[Describe any material uncertainties or risks, such as net losses, working capital deficiencies, or external factors that may cast doubt on the going concern assumption. If none, state: "No material uncertainties have been identified."]

4. Mitigating Actions

[Describe management plans to address identified risks, such as cost-cutting measures, asset sales, or securing new financing.]

5. Conclusion

Based on the above factors, management has a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, we continue to adopt the going concern basis of accounting in preparing the financial statements.

Sincerely,

[Signature]

[Insert Name]

[Insert Title, e.g., Chief Financial Officer]