

[Your Name]  
[Your Position]  
[Your Company]  
[Company Address]  
[City, State, Zip Code]  
[Email Address]  
[Phone Number]  
[Date]  
[Recipient Name]  
[Recipient Position]  
[Recipient Company]  
[Recipient Address]  
[City, State, Zip Code]

Dear [Recipient Name],

Subject: Recognition of Provisions under IFRS

I hope this letter finds you well.

We are writing to discuss the recognition of provisions in accordance with the International Financial Reporting Standards (IFRS). As we prepare our financial statements for the reporting period ending [date], we need to ensure compliance with IFRS requirements related to provisioning and contingencies.

As per IFRS, we have identified the following conditions under which provisions should be recognized:

1. **\*\*Present Obligation:\*\*** A present obligation (legal or constructive) as a result of past events.
2. **\*\*Probability of Outflow:\*\*** It is probable that an outflow of resources will be required to settle the obligation.
3. **\*\*Reliable Estimate:\*\*** A reliable estimate can be made of the amount of the obligation.

Based on our assessment, we propose to recognize provisions for the following items:

- **\*\*[Provision Item 1]:\*\*** [Description and estimated amount]
- **\*\*[Provision Item 2]:\*\*** [Description and estimated amount]
- **\*\*[Provision Item 3]:\*\*** [Description and estimated amount]

We believe these provisions appropriately reflect our current obligations and ensure that our financial statements present a true and fair view of the company's financial position.

Please confirm your acceptance of this recognition or suggest any adjustments by [response deadline]. We appreciate your attention and collaboration in this matter and look forward to your prompt response.

Thank you for your cooperation.

Sincerely,

[Your Name]  
[Your Position]  
[Your Company]