

Annual Financial Statements Representation Letter

Date: [_____]

To: [Auditor's Name / Audit Firm]

[Auditor's Address]

From: [Company Name]

[Company Address]

Dear Sir/Madam,

This representation letter is provided in connection with your audit of the financial statements of **[Company Name]** for the year ended **[Date]** for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the Company in accordance with applicable financial reporting framework.

We confirm, to the best of our knowledge and belief, the following representations:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for the preparation and fair presentation of the financial statements in accordance with the applicable reporting framework.
2. All financial records and related information have been made available to you for the purposes of your audit.
3. The financial statements are free of material misstatements, including omissions.
4. All events subsequent to the date of the financial statements and up to the date of this letter that require adjustment or disclosure have been adjusted or disclosed.
5. There are no unrecorded transactions or liabilities which would materially affect the financial statements.
6. All related party transactions have been adequately identified and disclosed.
7. All known actual or possible instances of non-compliance with laws and regulations, whose effects should be considered when preparing the financial statements, have been disclosed to you.
8. There are no plans or intentions that may materially affect the carrying value or classification of assets or liabilities.

We acknowledge our responsibility for the design and implementation of internal control to prevent and detect fraud and error.

We confirm that we have disclosed to you all instances of fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements.

Name & Title [Chief Executive Officer]

Name & Title [Chief Financial Officer]

Important Notes:

- This letter should be reviewed and signed by authorized representatives of those charged with governance (e.g., CEO and CFO).
- It is a crucial part of audit evidence and supports the auditor's opinion on the financial statements.
- The statements and confirmations herein should be made truthfully; deliberate falsehoods can have legal consequences.
- The version should be adjusted to reflect the specific circumstances and financial reporting framework of the entity.
- It is recommended to consult with your auditor or legal advisor before finalizing this letter.