

Date: _____

To,

The Auditor

Subject: Management Representation Letter for Inventory Verification

Dear Sir/Madam,

This letter is provided to you 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 of the Company as at that date.

We hereby confirm, to the best of our knowledge and belief, the following representations regarding the inventory as at **[Date]**:

- All inventory owned by the company at the above date has been physically verified by the management.
- No inventory has been excluded from the records. The inventory list as of **[Date]** is complete and accurate.
- The methods used for inventory valuation are consistent with those applied in the previous financial period and are in accordance with the applicable accounting standards.
- Any obsolete or slow-moving inventory has been identified and valued appropriately.
- All inventory is the property of the company, free from any charge/pledge, except as disclosed to the auditors.
- Inventory quantities, as recorded in the books, agree with those physically verified.

We trust that the above information is sufficient for your requirements. Should you need any further clarification, please feel free to contact us.

Yours faithfully,

For **[Company Name]**

(Name & Designation)

(Authorized Signatory)

Important Notes:

- This letter serves as an official confirmation from management to the external auditor regarding inventory matters.
- It should be prepared on company letterhead and signed by authorized personnel.
- All facts stated must be accurate and supported by relevant inventory records.
- Disclosures of any pledged or encumbered inventory must be included, if applicable.
- Retain a signed copy for the company's audit documentation.