

Specific Audit Assertion Representation Letter

Date: [Insert Date]

To:

[Name of Audit Firm]

[Address of Audit Firm]

Subject: Management Representation Regarding [Specific Assertion, e.g., Inventory Existence] for the Year Ended [Date]

Dear Sir/Madam,

We, the undersigned, in connection with your audit of the financial statements of [Company Name] for the year ended [Date], hereby make the following representations with respect to the specific audit assertion of [e.g., Existence of Inventory as at [Date]]:

Representation

1. We confirm that all inventory recorded in the books as at [Date] exists at the stated locations and is under the control of the company.
2. There have been no unrecorded or unreported adjustments that would materially affect the existence assertion of the inventory at [Date].
3. There have been no pledges, liens, or encumbrances on the inventory that have not been disclosed to you.
4. Procedures for counting and recording inventory balances have been consistently applied and are adequate to ensure completeness and accuracy of the records.
5. Any items held on consignment or belonging to third parties have been clearly identified and excluded from our reported inventory balances.

We acknowledge our responsibility for the fair presentation of the financial statements, including the above assertion, in accordance with applicable accounting standards and principles.

Sincerely,

[Name]

[Position]

[Company Name]

Important Notes

- This letter forms part of the audit evidence to support specified financial assertions.
- It should be signed by appropriate management personnel or those charged with governance.
- Accuracy and completeness of facts declared in this letter are critical for the auditor's examination.

- The letter should be tailored to address the particular assertion and circumstances of the audit engagement.
- False or misleading representations may have legal or regulatory consequences.