

[Company Letterhead]

[Date]

[Audit Firm Name]

[Audit Firm Address]

[City, State, Zip Code]

Subject: Accounts Receivable Representation Letter

To [Auditor Name],

In connection with your audit of the financial statements of [Company Name] as of [Fiscal Year End Date], we confirm, to the best of our knowledge and belief, the following representations made to you regarding the Accounts Receivable balance:

1. **Ownership and Validity:** All accounts receivable recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before [Balance Sheet Date]. The company holds full legal title to these receivables.

2. **Accuracy:** The accounts receivable balance reflects the actual amounts owed to the company. There are no material disputes, counterclaims, or offsets known to management that have not been properly disclosed or adjusted.

3. **Collectability and Allowance:** The allowance for doubtful accounts is sufficient to cover estimated losses resulting from the inability of customers to make required payments. This estimate is based on historical trends, economic conditions, and specific reviews of aged accounts.

4. **Cut-off:** All revenue and related receivables have been recorded in the correct accounting period. Goods were shipped or services were rendered prior to the close of business on [Balance Sheet Date].

5. **Pledging and Liens:** None of the accounts receivable are pledged as collateral, factored, or assigned to third parties, except as disclosed in the notes to the financial statements.

6. **Related Party Transactions:** All receivables from related parties (subsidiaries, directors, or officers) have been separately identified and appropriately disclosed.

Sincerely,

[Signature]

[Name of Chief Financial Officer/Controller]

[Title]

[Signature]

[Name of Chief Executive Officer]

[Title]