Date: [Insert Date]

To: [Insert Name/Management Team]
From: [Insert Name/Department]
Subject: Evaluation of Accounts Receivable Aging and Provision Procedures

Dear [Insert Name],

This letter provides an evaluation of the current procedures regarding Accounts Receivable (AR) aging analysis and the methodology for calculating the provision for doubtful accounts for the period ending [Insert Date].

1. Review of Aging Accuracy
We have reviewed the AR aging report to ensure that outstanding invoices are categorized correctly into the appropriate time buckets (Current, 31-60, 61-90, and Over 90 days). Our assessment confirms that the system logic aligns with invoice due dates and payment terms.

2. Provision Methodology
The current provision for doubtful accounts was evaluated based on:
- Historical collection trends.
- Specific identification of high-risk accounts.
- General economic conditions affecting the industry.

3. Findings and Observations
[Insert specific observations, e.g., "The aging report shows an increase in the 91+ days category compared to the previous quarter" or "Current provision rates adequately cover historical loss percentages."]

4. Recommendations
To improve the quality of receivables and the accuracy of financial reporting, we recommend the following:
- [Insert recommendation 1]
- [Insert recommendation 2]

5. Conclusion
The current procedures are [Effective / Require Improvement]. Based on our evaluation, the provision for doubtful accounts of $[Insert Amount] is considered [Sufficient / Insufficient] to reflect the net realizable value of the accounts receivable balance.

Sincerely,

[Insert Signature]
[Insert Printed Name]
[Insert Job Title]