

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Subject: Engagement Letter for Agreed-Upon Procedures - Accounts Receivable Verification

Dear [Contact Person Name],

This letter confirms our understanding of the terms and objectives of our engagement to apply agreed-upon procedures to the Accounts Receivable records of [Company Name] as of [Report Date].

Scope of Procedures

We will perform the following procedures as specifically agreed upon with you:

- Obtain the aged accounts receivable trial balance as of [Date] and foot the schedule for mathematical accuracy.
- Compare the total of the aged trial balance to the general ledger control account.
- Select a sample of [Number] customer accounts and mail positive confirmation requests to verify outstanding balances.
- For non-responses, perform alternative procedures by inspecting subsequent cash receipts and related shipping documentation.
- Identify and report any individual balances over [Dollar Amount] that are more than [Number] days past due.

Purpose and Restrictions

This engagement will be conducted in accordance with professional standards for agreed-upon procedures engagements. The sufficiency of these procedures is solely the responsibility of [Company Name]. Consequently, we make no representation regarding the sufficiency of the procedures described above.

Our report will list the procedures performed and the findings obtained. Because the procedures do not constitute an audit or a review, we will not express an opinion or conclusion on the accounts receivable. This report is intended solely for the information and use of [Management/Specified Parties] and is not intended to be used by anyone other than these specified parties.

Fees

Our fees for these services are estimated to be [Amount], plus out-of-pocket expenses, and will be billed upon completion of the report.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for this engagement.

Sincerely,

[Your Firm Name]

[Authorized Signature Name]

Acknowledged and Agreed:

For [Company Name]: _____

Date: _____