

Inventory Valuation Adjustments Discussion

Date: [Insert Date]

To: [Recipient's Name]

From: [Your Name]

Subject: Discussion on Inventory Valuation Adjustments

Dear [Recipient's Name],

I hope this message finds you well. I am writing to discuss the recent adjustments in our inventory valuation process. It is crucial to ensure that our financial statements accurately reflect the current value of our inventory, as it has a significant impact on our profitability and tax positioning.

After reviewing the recent inventory audit results, I have identified specific areas that require discussion:

1. **Inventory Obsolescence:** We need to address any obsolete items that should be written down to reflect their net realizable value.
2. **Cost Methodology:** Evaluating whether we should continue with our current cost flow assumption (FIFO, LIFO, or weighted average).
3. **Market Conditions:** Considering the current market trends that may affect our inventory valuation.

Let's schedule a meeting to go over these adjustments in detail and come to a consensus on the appropriate steps to take. Please let me know your availability.

Thank you for your attention to this matter. I look forward to our discussion.

Sincerely,

[Your Name]

[Your Position]

[Your Contact Information]