Trout CPA
Accounting | Tax | Advisory

August 13, 2024

To the Board of Trustees
Joseph T. Simpson Public Library
Mechanicsburg, Pennsylvania

We have audited the financial statements of Joseph T. Simpson Public Library (the Library) for the year ended December 31, 2023, and we will issue our report thereon dated August 13, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 23, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Joseph T. Simpson Public Library are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the Library during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

> Management's estimate of the provision for depreciation is based on allocation costs over the estimated life of a depreciable asset using various methods of depreciation. We evaluated the key factors and assumptions used to develop the provision for depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the allocation of expenses to the various functional areas of operations (library program services, general and administrative costs, and fundraising) is based upon historical management assumptions. We evaluated the key factors and assumptions used to develop the functional expense allocations in determining that they are reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of material collections is based upon average replacement cost. We evaluated the key factors and assumptions used to develop the cost in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of investments is based upon quoted market prices for identical assets in active markets. We evaluated the key factors and assumptions used to develop the fair value of the investments in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of fair value measurements as disclosed in Note 8 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management
For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated August 13, 2024.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Library's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Library's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention

This information is intended solely for the use of the Board of Trustees and management of Joseph T. Simpson Public Library and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully yours,

Trout CPA

Trout CPA

Joseph T. Simpson Public Library

SUMMARY of UNADJUSTED AUDIT DIFFERENCES

December 31, 2023 with Comparative Totals for 2022

	2023	2022
Misstatements - Statement of Support and Revenue, Expenses, and Other Changes in Net Assets		
Effect of Unadjusted Audit Differences - Current Year		
Bank Reconciliation Error	2,553	-0-
Effect of Unadjusted Audit Differences - Prior Year	-0-	-0-
Cumulative Effect	**2,553**	**-0-**
Misstatements - Statement of Assets, Liabilities, and Net Assets		
Assets		
Bank Balance Exceeds Reconciliation	2,553	-0-
Liabilities	-0-	-0-
Net Assets:		
Beginning	**-0-**	**-0-**
Ending	**2,553**	**-0-**