

Ronald Layman LLC

Accounting and Business Services

March 26, 2003

Mr. Jim Holbrook, President
135 Bell Haven Circle
Stephens City, VA 22655

Ms. Lisa Fay, Treasurer
105 Moss Ct.
Stephens City, VA 22655

Dear Officers of the Lakeside Development Homeowners Association:

I have completed the audit of the association's books for the four year period beginning July 1, 1998 to June 30, 2002. Since there were no official financial reports to link the audit to, I used your computer records to produce financial reports and based this audit upon those records and the resulting reports.

As you will notice, I have attached a set of recommendations that have come from this review. These recommendations are primarily procedural and administrative. I have found the current set of financial records maintained accurately with outstanding attention given to details. Rarely will an auditor be able to reconcile the financial records exactly to the bank statements, but I was able to do this for all four years.

You will most likely have questions as a result of my work and I desire to work with you on these questions. Thank you for the excellent cooperation that I have received from each one of you.

Ronald Layman

Enclosures