
INMOL EMPLOYEES CO-OPERATIVE HOUSING SOCIETY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

1 THE SOCIETY & ITS OBJECTS

The society is registered under the Co-operative Societies Act 1925, vide registration certificate No. 1290 dated 25 January 1989. The object of the Society is to establish and develop a residential colony for its members in Lahore and to acquire land, buildings or other property whether moveable or immoveable by sale, lease or mortgage for the purposes of carrying out the objectives of the Society.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Convention

These accounts have been prepared under the historical cost convention.

2.2 Fixed Assets & Depreciation

Fixed assets are stated at written down value. Depreciation is charged to income by applying the rates set out in the fixed assets schedule.

Major repair & renewals and improvements are capitalized while normal repair & maintenance is charged to income in the year in which it is incurred.

Profit or loss in disposal of fixed assets is credited to or debited to Income & Expenditure account in year of disposal.

2.3 Revenue Recognition

Revenue is recognized on receipt basis.