

Ref. C/577-A

Dated: 09 June 2008

Chief Auditor
Cooperatives Societies, Punjab
Bank Square, The Mall,
LAHORE

RE: INMOL EMPLOYEES COOPERATIVE HOUSING SOCIETY LIMITED
AUDIT OF ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

Dear Sir,

We are pleased to inform you, that as per the requirement of your letter No. RCS/CA/3091 dated 07 December 2007 we have completed the audit of annexed Balance sheet of M/s Inmol Employees Cooperative Housing Society Limited as at 30 June 2007 and the Income & Expenditure account for the year then ended [here-in-after referred to as the "financial statements"]. The responsibility for the preparation of financial statements is of the management of the Society. Our responsibility is to express an opinion on these financial statements.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement.

As an important secondary audit objective to provide constructive assistance to the management in the form of systems recommendations and advice on matters of financial management, by means of this report, we draw attention of the management, towards certain weaknesses in accounting procedures and practices, alongside suggesting remedial action for modification/improvement and necessary compliance.

It is clarified that the matters, which are being reported in this report, came to our attention during the course of normal audit procedures, which is based on test check and therefore should be relied upon to that extent only, as stated.

1 HISTORY AND FUNCTIONS OF THE SOCIETY

The society was registered vide certificate of registration no. 1290 dated 25 January 1989 under the Co-operative Societies Act, 1925. The objective of the society is to establish and develop a residential colony for its members in Lahore and to acquire land, houses, buildings by sale, lease or mortgage.

