



**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**NO AUDITED**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3  
MONTH PERIOD ENDED 31 MARCH 2007**

**IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS**

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**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**INFORMATION ABOUT PARENT COMPANY**

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**COMPANY NAME:** LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

**LEGAL STATUS:** STOCK COMPANY

**REGISTRATION:** No.40003306807  
AUGUST 27, 1996  
RIGA, LV - 1005, LATVIA

**LEGAL ADDRESS:** 23, PATVERSMES STREET, RIGA, LV - 1005, LATVIA

**MAJOR SHAREHOLDERS:** JANIS BIRKS 38,7%  
ILZE AIZSILNIECE 10,1%  
AGRIS SHVARCBERGS 10,1%  
STATE SOCIAL INSURANCE AGENCY 5%

**CEO:** MARTA AIZSILNIECE

**REPORTING PERIOD:** 1 JANUARY 2007 - 31 MARCH 2007

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**COUNCIL AND BOARD OF THE GROUP**

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**Council of the Group**

**Number of shares owned**  
**31.03.07**

**From November 22, 2006 till the consolidated financial statements signing day**

<u>Name</u>	<u>Position</u>	
Agris Shvarcbergs	Chairman of the Council	80 917
Antons Vjaters	Member of the Council	-
Vladislavs Skrebelis	Member of the Council	-
Austris Adumans	Member of the Council	-
Martins Birks	Member of the Council	-

**Board of the Group**

**From April 28, 2005 till the consolidated financial statements signing day**

<u>Name</u>	<u>Position</u>	
Marta Aizsilniece	Chairperson of the Board	1 066
Andris Vigants	Member of the Board	-
Marika Baumgarte	Member of the Board	12 071

**MANAGEMENT REPORT**

In accordance with the paragraph 1 of Section 4 of the law “On Consolidated Annual Reports” the joint stock company is under an obligation to prepare the consolidated annual report.

The consolidated annual report contains information concerning the current situation and future development of parent company JSC “Latvijas Juras medicinas centrs” (hereinafter referred to as LJMC) and its subsidiary company SIA “Juras medicina” (hereinafter referred to as JM).

This audited consolidated annual report is prepared in accordance with International Financial Reporting Standards (IFRS) and is based on business continuation principle. The financial statements were drawn up in Latvian lats (LVL) and euros (EUR). The applied currency exchange rate is EUR/LVL 0.702804.

The share of the parent company constitutes the dominant part of the group’s assets, turnover and profits.

The profit before taxes of the parent company was 169 909 EUR.

The profit before taxes of subsidiary company was 03 809 EUR.

On behalf of the Group:

Chairperson of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Member of the Board

Marika Baumgarte

30.05.07

## **LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

### **DECLARATION OF MANAGEMENT RESPONSIBILITY**

Consolidated financial statements are prepared to the best on our knowledge in accordance with International Financial Reporting Standards as adopted by EU. These financial statements gives a true and fair view of the state of activities of the Group and of the results of the Group for the year ended 31 March 2007 in all essential aspects. In preparing those financial statements, management:

- selected suitable accounting policies and then apply them consistently;
- made judgments and estimates that are reasonable and prudent;
- prepared the financial statements on the going concern basis to presume that the Group will continue in business.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that financial statements drawn up from them comply with International Financial Reporting Standards as adopted by EU. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairperson of the Board  
Marta Aizsilniece

Member of the Board  
Andris Vigants

Member of the Board  
Marika Baumgarte  
30.05.07

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**CONSOLIDATED STATEMENT OF INCOME  
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

<b>EUR</b>	<b>2007</b>	<b>2006</b>	<b>Note</b>
Net sales	1 763 597	5 666 836	<b>15</b>
Cost of goods sold	(1 489 489)	(5 101 639)	<b>16</b>
<b>Gross profit or loss</b>	<b>274 108</b>	<b>565 197</b>	
Administrative expenses	(127 531)	(415 823)	<b>17</b>
Other operating income	23 731	82 144	<b>18</b>
Other operating expenses	(125)	(9 289)	<b>19</b>
Gain from the change of fair value of investment property		14 745	
Income from investment in associates	-	35 798	<b>20</b>
Interest income and similar income	3 537	16 004	<b>21</b>
Interest expense and similar expense	-	(3 789)	<b>22</b>
<b>Profit before taxes</b>	<b>173 720</b>	<b>284 988</b>	
Corporate income tax	-	31 948	<b>23</b>
Minority interest	(27)	(356)	
<b>NET PROFIT OR LOSS</b>	<b>173 693</b>	<b>316 580</b>	
<b>Number of shares</b>	<b>800 000</b>	<b>800 000</b>	
<b>One share profit EUR</b>	<b>0,22</b>	<b>0,40</b>	

*The accompanying notes are an integral part of these financial statements*

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**CONSOLIDATED BALANCE SHEET  
AS OF 31 MARCH 2007 AND 31 DECEMBER 2006**

	March 31, 2007	December 31, 2006	Note
<b>ASSETS</b>	<b>EUR</b>	<b>EUR</b>	
<b>Current assets:</b>			
<b>Stocks</b>			
Raw materials	76 623	85 556	<b>4</b>
<b>Total stocks</b>	<b>76 623</b>	<b>85 556</b>	
<b>Debtors:</b>			
Trade debtors	178 516	147 259	<b>5</b>
Other debtors	45 764	22 649	<b>6</b>
Accruals	1 342	10 650	<b>7</b>
<b>Total debtors</b>	<b>225 622</b>	<b>180 558</b>	
<b>Cash funds</b>	<b>1 055 047</b>	<b>867 280</b>	<b>8</b>
<b>Total current assets</b>	<b>1 357 292</b>	<b>1 133 394</b>	
<b>Long-term investments:</b>			
<b>Intangible assets:</b>			
Other intangible (fixed) assets	5 639	5 444	<b>2</b>
Goodwill	<b>2 607</b>	2 607	
<b>Total intangible assets</b>	<b>8 246</b>	<b>8 051</b>	
<b>Fixed assets:</b>			
Land and buildings	5 493 978	5 501 547	
Technological equipment and machines	407 279	433 717	
Other fixed assets and inventory	88 911	83 773	
Long term investments in rented fixed assets	33 132	37 362	
Unfinished building objects	250 201	250 201	
Advance payments for fixed assets	5 532	8 729	
<b>Total fixed assets:</b>	<b>6 279 032</b>	<b>6 315 328</b>	<b>2</b>
<b>Long-term financial assets:</b>			
Investment assets	188 659	188 659	
Participating interests in associated enterprises	176 349	176 349	<b>3</b>
<b>Total financial assets:</b>	<b>365 008</b>	<b>365 008</b>	
<b>Total long-term investments:</b>	<b>6 652 286</b>	<b>6 688 387</b>	
<b>TOTAL ASSETS</b>	<b>8 009 577</b>	<b>7 821 781</b>	

*The accompanying notes are an integral part of these financial statements*

The financial statements were approved by:

	Marta Aizsilniece	Chairperson of the Board
	Andris Vigants	Member of the Board
	Marika Baumgarte	Member of the Board
	30.05.07	



**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**CONSOLIDATED BALANCE SHEET**

**AS OF 31 MARCH 2007 AND 31 DECEMBER 2006**

	March 31, 2007	December 31, 2006	Note
<b>LIABILITIES</b>	<b>EUR</b>	<b>EUR</b>	
<b>Liabilities:</b>			
<b>Liabilities:</b>			
Other loans	-	-	<b>10</b>
Received advance payments	8 163	124 178	<b>11</b>
Due to customers and suppliers	207 994	126 988	<b>12</b>
Taxes and social security payments	140 978	119 312	<b>13</b>
Other payables	177 045	149 625	<b>14</b>
Deferred tax liability	689 818	689 818	<b>23</b>
<b>Total liabilities</b>	<b>1 223 998</b>	<b>1 209 922</b>	
<b>Provisions for liabilities and charges:</b>			
Provisions for vacations	206 785	206 785	
<b>Total provisions</b>	<b>206 785</b>	<b>206 785</b>	
<b>Total liabilities</b>	<b>1 430 783</b>	<b>1 416 707</b>	
<b>Equity capital:</b>			
Share equity	1 138 297	1 138 297	<b>9</b>
Reserves:			
c) reserves provided by the Articles of Association	45 522	45 522	
d) fixed asset's revaluation reserve	4 418 397	4 418 397	
Retained earnings:			
a) brought forward from previous years	800 639	484 108	
b) current year profit or loss	173 693	316 580	
<b>Total shareholders' equity</b>	<b>6 576 548</b>	<b>6 402 905</b>	
<b>Minority interest</b>	<b>2 247</b>	<b>2 170</b>	
<b>Total equity capital</b>	<b>6 578 794</b>	<b>6 405 075</b>	
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>	<b>8 009 577</b>	<b>7 821 781</b>	

*The accompanying notes are an integral part of these financial statements*

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR)  
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

	Share capital	Reserves provided by the Articles of Association	Investment evaluation reserve	Previous years retained earnings	Current year profit	Minority interest	Total
<b>At 31 December 2005</b>	<b>1 138 297</b>	<b>53 728</b>	<b>-</b>	<b>273 621</b>	<b>252 671</b>	<b>34 354</b>	<b>1 752 671</b>
Transfers to reserves	-	-	-	252 671	(252 671)	-	-
Dividends paid	-	-	-	(45 532)	-	-	(45 532)
Profit for the year	-	-	-	-	316 580	-	316 580
Consolidated accumulated loss	-	(8 206)	4 418 397	-	-	-	4 410 191
Minority interest changes	-	-	-	3 348	-	(32 184)	(28 836)
<b>At 31 December 2006</b>	<b>1 138 297</b>	<b>45 522</b>	<b>4 418 397</b>	<b>484 108</b>	<b>316 580</b>	<b>2 170</b>	<b>6 405 075</b>
Previous years retained earnings	-	-	-	316 580	(316 580)	-	-
Dividends paid	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	173 693	-	173 693
Transfers to reserves	-	-	-	-	-	-	-
Minority interest changes	-	-	-	(50)	-	77	27
<b>At 31 March 2007</b>	<b>1 138 297</b>	<b>45 522</b>	<b>4 418 397</b>	<b>800 639</b>	<b>173 693</b>	<b>2 247</b>	<b>6 578 794</b>

*The accompanying notes are an integral part of these financial statements*

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

	<b>2007</b>	<b>2006</b>	<b>Note</b>
	<b>EUR</b>	<b>EUR</b>	
<b>Cash flows used in operating activities</b>			
<b>Net income before tax</b>	<b>173 720</b>	<b>284 988</b>	
Adjustments:			
a) depreciation of tangibles	62 504	237 548	<b>2</b>
b) provisions for vacations	-	53 503	
c) loss (gain) on sale of tangibles	84	27 648	
d) interest expenses	-	3 789	
e) gain (loss) from investments in associates	-	(35 798)	<b>20</b>
f) gain from the change of fair value of investment pproperty	-	(14 745)	
<b>2. Gain (loss) before changes in current assets and liabilities</b>	<b>236 308</b>	<b>556 933</b>	
Changes in operating assets and liabilities:	-	-	
a) receivables.	(32 833)	102 795	
b) inventory.	8 933	(8 137)	
c) current liabilities.	20 956	(316 755)	
<b>3. Gross operating cash flow</b>	<b>233 364</b>	<b>334 836</b>	
4. Paid interest.	-	(3 789)	
5. Paid corporate income tax.	(15 913)	(62 993)	
<b>7. Net cash used in operating activities</b>	<b>217 450</b>	<b>268 053</b>	
<b>II. Cash flow used in investment activities</b>			
1. Purchase of shares of associates	-	(36 016)	
2. Purchase of fixed assets	(29 684)	(312 357)	<b>2</b>
3. Selling of fixed assets	-	1 205	
<b>4. Net cash from investment activities</b>	<b>(29 684)</b>	<b>(347 168)</b>	
<b>III. Cash flows used in financing activities</b>			
1. Settlement of loans	-	(75 730)	
2. Paid dividends	-	(45 532)	
<b>3. Net cash from financing activities</b>	<b>-</b>	<b>(121 261)</b>	
<b>IV. Net increase (decrease) in cash</b>	<b>187 766</b>	<b>(200 376)</b>	
<b>V. Cash at the beginning of the year</b>	<b>867 280</b>	<b>1 067 656</b>	
<b>VI. Cash at the end of the year</b>	<b>1 055 047</b>	<b>867 280</b>	

*The accompanying notes are an integral part of these financial statements*

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

## **LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

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#### **GENERAL INFORMATION**

"Latvijas Juras Medicinas Centrs" is a joint-stock company (the Company) incorporated in the Republic of Latvia on 27 August 1996. The consolidated financial statements incorporate the financial statements of the Company and its subsidiary - "Juras medicina" Ltd. (the Group).

The Company's main activity is health care services.

#### **1. ACCOUNTING PRINCIPLES**

##### **Basis of consolidation**

The consolidated financial statements have been prepared in accordance with the International Financial reporting Standards. Enclosed financial statements are reflected in the national currency of Latvia, the lats (LVL).

There is no difference in balance sheet dates of the Company and its subsidiary.

The interest of minority shareholders is stated at the minority proportion of the assets and liabilities recognized.

All significant intercompany transactions and balances among Group companies are eliminated on consolidation.

The portion attributed to the parent company of the net assets are offset with the investment and have been eliminated. The portion attributed to the parent company of the retained earnings earned after the acquisition date of shares are included in the consolidated retained earnings.

##### **Foreign currency**

Transactions denominated in foreign currencies are converted into Lats at the official exchange rate of the Bank of Latvia at the date of transaction. Monetary assets and liabilities are converted at the Bank of Latvia rate at the balance sheet date.

The applicable rate used for the principal currencies were the follows:

	March 31, 2007	December 31, 2006
EUR	0.702804	0.702804
USD	0,528	0,536

Gains or losses on converted are posted to the profit or loss account at the Bank of Latvia official exchange rate as of the balance sheet date and recognized in the period when they incurred.

Exchange differences rising on the settlement of monetary items are recognised in the period in which they arise.

##### **Cash and cash equivalents**

Cash includes cash on hand and demand deposits within credit institutions. The statement on cash flow is prepared using indirect method, making adjustments affecting the net profit reconciling with the changes in cash during the year.

##### **Trade receivables**

Trade receivables are stated at their net realizable value. Trade receivables represent the gross balance due from customers less provision, if any, for doubtful accounts receivable. Provision for doubtful accounts receivable at the balance sheet date represents the estimated amounts of probable losses that might have been incurred at the balance sheet date based on individual evaluation of each debtor.

##### **Inventory**

Inventories are stated at the lower of cost or market, using FIFO method.

##### **Fixed assets**

## **LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

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Fixed assets are stated at historical cost, less accumulated depreciation. The cost of the item comprises its purchase price, including import duties and any directly attributable costs of bringing the asset to working condition for intended use. The cost of self-constructed asset is determined using the same principles as for an acquired asset. Only assets with its useful life more than one year are capitalized.

Depreciation is provided on all fixed assets based on historical cost. Depreciation on fixed assets are computed using the straight-line method over the estimated average useful lives:

Buildings:	20 years
Machinery and equipment:	3 years
Other fixed assets:	5 years

Repair and maintenance costs are expensed when incurred. Capital expenditures such as refurbishment of buildings and improvements to structural elements are recognized as an asset if the expenditures improve the condition of the asset beyond its original estimated life.

For tax purposes, depreciation on tangible fixed assets is calculated under the double declining balance method over the period established in accordance with prevailing tax legislation.

#### **Investments in associates**

Investments in associates are initially recognized at the cost and then accounted under the equity method.

#### **Revenue recognition**

Sales of goods are recognized when goods are delivered and title has passed.

#### **Dividends**

Dividends are recognized as liabilities in the Group financial statements after the Group shareholders made a decision to pay.

#### **Property revaluation surplus**

If a property's carrying amount is increased as a result of a revaluation, the increase is credited directly to equity under the heading of revaluation surplus. The amount of the surplus is decreased by the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Transfers from revaluation surplus to retained earnings are made through profit or loss.

#### **Taxation**

Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in opinion of management, it is more likely than not that some proportion or all deferred tax assets will not be realized.

Deferred tax is be charged or credited directly to equity in the same or a different period, directly to equity according to IAS 12.61.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

2 TOTAL FIXED ASSETS: AND OTHER INTANGIBLE (FIXED) ASSETS

As of 31 March 2007 and 31 December 2006  
fixed assets are composed as follows: (EUR)

EUR	Intangible assets	Land & buildings	Investment assets	Machinery and equipment	Other fixed assets	Long-term investments in rented fixed assets	Advance payments for fixed assets	Unfinished building objects	Total
<b>Historical cost</b>									
<b>At 31 December 2005</b>	<b>14 263</b>	<b>1 186 861</b>	-	<b>2 356 989</b>	<b>443 994</b>	<b>78 454</b>	-	<b>250 201</b>	<b>4 330 762</b>
Additions	4 074	37 170	-	196 058	34 473	6 954	8 729	24 900	312 357
Transfers		5 115 073	188 659						5 303 732
Disposals	(302)	(367 841)		(83 796)	(25 636)	(34 651)	-	(24 900)	(537 126)
<b>At 31 December 2006</b>	<b>18 035</b>	<b>5 971 264</b>	<b>188 659</b>	<b>2 469 250</b>	<b>452 832</b>	<b>50 757</b>	<b>8 729</b>	<b>250 201</b>	<b>9 409 726</b>
Additions	1 046	-		14 039	14 599				29 684
Transfers		-					(3 197)		(3 197)
Revaluation			-						-
Disposals or change of classification				(366)	(2 942)				(3 308)
<b>At 31 March 2007</b>	<b>19 081</b>	<b>5 971 264</b>	<b>188 659</b>	<b>2 482 924</b>	<b>464 488</b>	<b>50 757</b>	<b>5 532</b>	<b>250 201</b>	<b>9 432 904</b>
<b>Accumulated depreciation</b>									
<b>At 31 December 2005</b>	<b>8 368</b>	<b>630 628</b>	-	<b>1 974 186</b>	<b>358 898</b>	<b>25 025</b>	-	-	<b>2 997 106</b>
Charge for the year	4 444	33 016		142 068	35 000	23 021			237 548
Disposals	(221)	(193 927)		(80 721)	(24 839)	(34 651)			(334 359)
<b>At 31 December 2006</b>	<b>12 591</b>	<b>469 717</b>	-	<b>2 035 533</b>	<b>369 059</b>	<b>13 395</b>	-	-	<b>2 900 295</b>
Charge for the year	851	7 568		40 478	9 377	4 230			62 504
Disposals or change of classification				(366)	(2 859)				(3 224)
<b>At 31 March 2007</b>	<b>13 442</b>	<b>477 285</b>	-	<b>2 075 646</b>	<b>375 577</b>	<b>17 625</b>	-	-	<b>2 959 575</b>
<b>Net book value</b>									
<b>At 31 December 2005</b>	<b>5 895</b>	<b>556 233</b>	-	<b>382 802</b>	<b>85 096</b>	<b>53 429</b>	-	<b>250 201</b>	<b>1 333 656</b>
<b>At 31 December 2006</b>	<b>5 444</b>	<b>5 501 547</b>	<b>188 659</b>	<b>433 717</b>	<b>83 773</b>	<b>37 362</b>	<b>8 729</b>	<b>250 201</b>	<b>6 509 431</b>
<b>At 31 March 2007</b>	<b>5 639</b>	<b>5 493 978</b>	<b>188 659</b>	<b>407 279</b>	<b>88 911</b>	<b>33 132</b>	<b>5 532</b>	<b>250 201</b>	<b>6 473 330</b>

3 PARTICIPATING INTERESTS IN ASSOCIATED ENTERPRISES

	Capital share (%)	Amount of investment 2007 EUR	Capital share (%)	Amount of investment 2006 EUR
<b>Participating interests in associated enterprises</b>				
Participation in "Neirozu klinika" Ltd.	45	176 349	45	176 349
<b>Total participating interests in associated enterprises</b>		<b>176 349</b>		<b>176 349</b>

October 4, 2005 the company changed the name from SIA "Psihiskas veselibas centrs 'Dzintari' " to SIA "Neirozu klinika"

4 RAW MATERIALS

	2007 EUR	2006 EUR
Pharmaceutical	64 708	72 076
Stock in warehouse	3 825	4 222
Inventory	3 341	3 665
Products	2 109	2 436
Furniture	869	1 113
Other materials	1 433	1 541
Advance payments to supplier of goods	339	504
<b>Total</b>	<b>76 623</b>	<b>85 556</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

**5 DUE FROM CUSTOMERS**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Riga slimokase AAS	23 854	43 006
LF Holdings	5 034	19 468
Balta AAS	17 705	17 705
Hospital patients treatment		17 470
BTA AAS	20 277	13 734
VOVAA Rigas department	63 248	5 374
Ergo Latvija slimokase	9 481	4 424
SEESAM Life Latvija	2 911	4 279
NBS militaras medicinas centrs	3 628	1 239
Balva AAS	1 329	935
BALTIKUMS DZIVIBA AAS	552	363
Med.prof.izglitiba centrs	9 767	
Other customers	20 730	19 263
<b>Total</b>	<b>178 516</b>	<b>147 259</b>

**6 OTHER RECEIVABLES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Taxes overpayment (note No.13)	35 789	19 876
VAT for unpaid invoices	1 135	1 164
VAT advance payment	-	
Other debtors	8 839	1 609
<b>Total</b>	<b>45 764</b>	<b>22 649</b>

**7 DIFFERED EXPENSES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Riga Stock Exchange, shares quotation		7 114
Assurance expense	1 342	1 197
Other expense		2 339
<b>Total</b>	<b>1 342</b>	<b>10 650</b>

**8 CASH**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Cash in banks	1 008 560	822 381
Deposit	38 133	38 133
Cash on hands	8 354	6 766
<b>Total</b>	<b>1 055 047</b>	<b>867 280</b>

**9 SHARE CAPITAL**

	<b>2007</b>	<b>2007</b>	<b>2006</b>	<b>2006</b>
	<b>Number of</b>	<b>Share %</b>	<b>Number of</b>	<b>Share %</b>
	<b>shares</b>		<b>shares</b>	
Shareholders:				
Janis Birks	309 909	38,7	302 109	37,8
Ilze Aizsilniece	80 766	10,1	80 766	10,1
Agris Shvarcbergs	80 917	10,1	44 147	5,5
Peteris Augustovs	-	0,0	41 412	5,2
State social insurance agency	40 000	5,0	40 000	5,0
Other shareholders (shares less than 5%)	288 408	36,1	291 566	36,4
<b>Total</b>	<b>800 000</b>	<b>100,0</b>	<b>800 000</b>	<b>100,0</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**10 OTHER LOANS**

	2007 EUR	2006 EUR
VOVAA diagnostics equipment - short-term part	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**11 DUE TO RECEIVED ADVANCE PAYMENTS**

	2007 EUR	2006 EUR
VOAVA advance payment for 2006	3 984	119 903
Other advances	4 179	4 276
<b>Total</b>	<b>8 163</b>	<b>124 178</b>

**12 DUE TO SUPPLIERS AND CONTRACTORS**

	2007 EUR	2006 EUR
Invitros SIA	7 277	-
Tamro SIA	16 474	-
Tradintek SIA	29 611	42 182
Amerilat MD	21 564	18 183
Siemens SIA	8 477	16 958
AB Medical Group Riga	4 448	10 447
NMS SIA	-	10 165
Latvenergo Rīgas elektrotikls	6 097	4 671
Sistēmu Audits SIA	-	4 197
Latvijas Gaze	1 521	4 170
Valsts Patoloģijas centrs SIA	3 880	3 650
Lattelekom	2 214	1 598
NMS Diagnostika	3 184	1 308
Nacion.medic.serviss-laboratory	709	1 232
Rīgas Ūdens	2 129	1 154
S.A.V. SIA	1 360	1 023
Hospital Gaiļezers BO	1 272	1 023
Rīgas Stradiņu Universitāte	867	865
Other suppliers	96 910	4 162
<b>Total</b>	<b>207 994</b>	<b>126 988</b>

**13 TAXES**

	As of 31-12- 2006	Calculated	Paid	As of 31-03- 2007
Value added tax	2 454	9 865	(10 714)	1 605
Social insurance	69 210	247 775	(234 599)	82 386
Personal income tax	47 387	155 363	(149 628)	53 123
Corporate income tax	(22 486)	-	(15 913)	(34 717)
Corporate income tax	-	-	-	3 682
Unemployment duty	158	561	(536)	182
Natural resources tax	102	64	(166)	-
Real estate tax	(1 073)	418	(418)	(1 073)
<b>Total, incl.</b>	<b>95 754</b>	<b>414 046</b>	<b>(411 975)</b>	<b>105 189</b>
due to the budget	119 312	-	-	140 978
overpayment	(23 558)	-	-	(35 789)



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**14 DUE TO OTHER COMPANIES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Salaries	174 403	140 089
Accured liabilities	-	4 197
Board remuneration	-	2 944
Trade union	1 419	1 265
Deposited salary	1 224	1 130
Council remuneration	-	-
<b>Total</b>	<b>177 045</b>	<b>149 625</b>

**15 NET SALES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Medical hospital services	918 464	2 892 674
Medical ambulant services	574 260	1 725 500
Services - minimum fixed part	57 404	216 422
Insurance payments	95 880	336 967
VS ZDC ambulant services	47 585	263 472
Stomatology services	12 538	46 450
Residents training	29 300	74 153
Family doctors	9 806	26 847
Other income	18 359	84 352
<b>Total</b>	<b>1 763 597</b>	<b>5 666 836</b>

**16 COST OF GOODS SOLD**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Bad debt write-off	-	-
Boiling maintenance expenses	1 423	-
Salaries and wages	670 971	2 214 654
Medical goods	254 693	836 952
Social tax	157 846	518 931
Other operating expenses	176 924	390 177
Public utilities	49 953	279 414
Fixed assets depreciation	57 407	210 017
Repair expenses	-	142 513
Feeding expenses	24 274	81 041
Household goods	18 429	80 004
Medical researches	22 548	78 147
Current assets write-off	23 766	72 481
Accruals for vacations	-	53 503
Office expenses	14 136	44 278
Employees trainings	12 567	37 342
Gifts to employees	1 641	29 949
Rent fixed assets depreciation	4 230	23 019
Transport expense	2 099	7 607
Advertising	1 291	5 028
Tangible assets amortization	1 208	4 444
Allowances to employees	1 153	2 661
Insurance expenses	-	2 318
Unemployment duty	553	2 130
Received discounts	(8 207)	(23 327)
Other expenses	585	8 355
<b>Total</b>	<b>1 489 489</b>	<b>5 101 639</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**17 ADMINISTRATIVE EXPENSES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Salaries and wages	77 202	253 577
Social tax	17 204	49 401
Board chairperson remuneration	9 876	27 545
Office expenses	1 763	7 304
Board remuneration	7 672	16 612
Other administrative expenses	2 089	6 154
Presentation expenses	1 074	14 045
Chairperson of the Board social tax	1 985	5 489
Board members social tax	1 850	5 728
Council chairperson remuneration	3 201	10 102
Audit expenses	-	8 366
Council members remuneration	1 992	5 905
Bank expenses	371	1 325
Chairperson of the Council social tax	771	2 433
Council members social tax	480	1 423
Legal services	-	413
<b>Total</b>	<b>127 531</b>	<b>415 823</b>

**18 OTHER OPERATING INCOME**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Currency exchange gain	3	-
Rent income	12 711	43 708
Feeding income	4 942	15 434
Press goods	2 792	8 291
Solarium income	1 319	4 082
Laundry income	704	2 442
Gain on sale of fixed assets	-	1 205
Other income	1 261	6 982
<b>Total</b>	<b>23 731</b>	<b>82 144</b>

**19 OTHER OPERATING EXPENSES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Currency exchange loss	27	4 176
Fixed assets disposals	84	3 893
Penalties	14	976
Other expenses	-	243
<b>Total</b>	<b>125</b>	<b>9 289</b>

**20 INCOME FROM INVESTMENT IN ASSOCIATES**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Psihiskas Veselibas centrs "Dzintari"	-	35 798
<b>Total</b>	<b>-</b>	<b>35 798</b>

**21 INTEREST INCOME AND SIMILAR INCOME**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Interest income	3 537	16 004
<b>Total</b>	<b>3 537</b>	<b>16 004</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**22 INTEREST EXPENSE AND SIMILAR EXPENSE**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Loan interest expenses (VOAVAA)	-	3 789
Leasing interest payments	-	-
<b>Total</b>	<u>-</u>	<u>3 789</u>

**23 CORPORATE INCOME TAX**

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Calculated Corporate income tax	-	41 359
Deferred Corporate income tax	-	(10 815)
Corrections for the year 2004	-	(58 857)
Corrections for the year 2005	-	(3 634)
<b>Total</b>	<u>-</u>	<u>(31 948)</u>

Calculated liabilities of deferred tax at the end of year 2006 aroused from the following differences

	<b>2007</b>	<b>2006</b>
	<b>EUR</b>	<b>EUR</b>
Liabilities of deferred tax:		
From the temporary differences between the value of fixed assets in balance sheet and the same value used for calculation of corporate income tax	-	24 439
From changes of book value as a result of revaluation of fixed assets	-	696 676
	-	-
Assets of deferred tax:		
Accumulated liabilities	689 818	(31 297)
<b>Deferred tax liability</b>	<u>689 818</u>	<u>689 818</u>

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