



LATVIJAS JURAS MEDICINAS CENTRS JSC

CONSOLIDATED INTERIM REPORT FOR THE 9 MONTHS OF 2010

**PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING
STANDARDS**

(Translation of the Latvian original)

**ORIGINAL OF CONSOLIDATED ANNUAL REPORT IN LVL EXPRESSED IN EUR. EXCHANGE RATE
0,702804 EUR/LVL.**

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LATVIJAS JURAS MEDICINAS CENTRS JSC
INFORMATION ABOUT PARENT COMPANY

COMPANY NAME: Latvijas juras medicinas centrs JSC

LEGAL STATUS: Joint stock company

REGISTRATION: Registered in Latvian Register of Enterprises at 27.08.2004.
Registration Number: 40003306807

LEGAL ADDRESS: 23, Patversmes str. 23, Riga, LV - 1005, Latvia

SHARES 800 000 shares with face value 1,00 LVL, int. al.:
798 800 public registered shares. ISIN
code:LV0000100741

1 200 registered shares listed in the register of the Board

MAJOR SHAREHOLDERS: Ilze Birka 17,5%
Martins Birks 17,5%
Ilze Aizsilniece 11,4%
Guna Shvarcberga 10,4%
Janis Birks 7,6%

REPORTING PERIOD: 1 January 2010 - 30 September 2010

AUDITORS NAME AND ADDRESS: System audit Ltd.
Licence No.53
Matisa str. 19-6
Riga, LV-1001
Latvia

Council of the Group

**Number of shares owned at
30.09.2010**

From April 30, 2008 till April 28, 2010

<u>Name</u>	<u>Position</u>	
Martins Birks	Chairman of the Council	
Viesturs Shilinsh	Member of the Council	
Austris Adumans	Vice-Chairman of the Council	till 15.12.2009
Antons Vjaters	Member of the Council	
Vladislavs Skrebelis	Member of the Council	

From April 28, 2010 till the consolidated financial statements signing day

Martins Birks	Chairman of the Council	140 000
Viesturs Shilinsh	Member of the Council	3 038
Ineta Gadzjus	Member of the Council	
Jevgenijs Kalejs	Member of the Council	
Uldis Osis	Member of the Council	

Board of the Group

<u>Name</u>	<u>Position</u>	
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From August 18, 2009 till the consolidated financial statements signing day

Janis Birks	Chairman of the Board	60 883
Marta Aizsilniece	Member of the Board	1 344
Andris Vigants	Member of the Board	700

MANAGEMENT REPORT

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

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

This not audited consolidated financial report is prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union 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 current financial condition of the Group of companies and its development

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

The loss before taxes of the parent company was -107 038 EUR.

The loss before taxes of subsidiary company was -05 368 EUR.

Important events that affected results of the Group's activities in reporting period

Patient demand for state-funded outpatient medical in the first half of 2010th significantly exceeded the funding quota. During the summer months are traditionally lower demand for medical services. Therefore during the first half year the exceeding of the state funding quota was tolerated by 294 000 LVL (3 month funding level). This enabled to maintain the patient attraction to the Latvian Maritime Medical Centre and to ensure smooth personnel utilized capacity in winter and in the summer vacation period. The exceeding of quota is partially compensated during the third quarter thanks to the increase in public funding. As a result, has reduced the amount of losses.

Endoscopy is relocated to new premises. New services are developed in endoscopy. In addition to capsule endoscopy is acquired enteroskop for small intestine examination. The patient care at home is rapidly evolving.

On the 12th March 2010th was organized scientific-practical conference "Family doctors, specialists and nurses cooperation in a healthy society", which was attended by more than 600 medical staff and viewed on the internet by more than 1,000 stakeholders.

In July 2010th an agreement is signed with the Health Economic Centre for European Regional Development Fund support in amount of 436 035 LVL for outpatient health services development project in the former hospital care housing at Patversmes street 23. The implementation of the project has begun.

The share price at the 01.01.10 was LVL 1,60, 31.03.10 - LVL 2,00; 30.06.10 - LVL 1,60; 30.09.10 - LVL 1,50

Important Events after the Balance Sheet Date**Future Development of the Group**

Planned to develop outpatient care at Patversmes Street 23 area. The development of joint computerized information and accounting system will continue. That will provide precise details of the services rendered to patient; the medical information will be in a digital format, as well as perspective – integration into the e-health system. The Board is optimizing the company's organization adapting it to the ongoing changes in the health service structure and changing funding levels. The technical project of the former hospital care house reconstruction is planned to be complete in the December 2010.

Risk Management

On a regular basis the significant risks are assessed, involving a wide range of specialists. Measures are taken to mitigate the potential impact on business activities. During the year, the creditors have decreased by four times. Constantly, the Group's future development scenarios are reviewed based on the underlying and predictable market changes.

On behalf of the Group:

Chairman of the Board

Janis Birks

Member of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Riga, 26 November, 2010.

LATVIJAS JURAS MEDICINAS CENTRS JSC
DECLARATION OF MANAGEMENT RESPONSIBILITY

Consolidated financial statements are prepared to the best on our knowledge in accordance with International Financial Reporting Standards adopted by the European Union. These financial statements give a true and fair view of the financial position of the Group and of its financial performance for the period ended 30 September 2010 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.

Chairman of the Board

Janis Birks

Member of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Riga, 26 November, 2010.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

	September 30, 2010	December 31, 2009	Note	September 30, 2009
ASSETS	EUR	EUR		EUR
Current assets:				
Stocks				
Raw materials	80 791	74 325	4	75 510
Total stocks	80 791	74 325		75 510
Debtors:				
Trade debtors	397 532	199 740	5	246 922
Other debtors	67 621	42 897	6	99 324
Accruals	4 424	5 987	7	6 144
Total debtors	469 576	248 624		352 390
Cash funds	1 240 326	1 344 257	8	1 544 207
Total current assets	1 790 693	1 667 206		1 972 107
Long-term investments:				
Intangible assets:				
Other intangible (fixed) assets	6 490	11 306	2	13 524
Total intangible assets	6 490	11 306		13 524
Fixed assets:				
Land and buildings	1 940 281	2 101 882		4 879 070
Technological equipment and machines	618 219	689 854		751 064
Other fixed assets and inventory	101 991	94 978		105 638
Long term investments in rented fixed assets	5 814	-		-
Unfinished building objects	250 201	250 201		250 201
Advance payments for fixed assets	-	-		-
Total fixed assets:	2 916 506	3 136 914	2	5 985 973
Long-term financial assets:				
Participating interests in associated enterprises	180 589	180 589	3	191 523
Total financial assets:	180 589	180 589		191 523
Total long-term investments:	3 103 585	3 328 810		6 191 021
TOTAL ASSETS	4 894 278	4 996 016		8 163 128

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

	September 30, 2010	December 31, 2009	Note	September 30, 2009
LIABILITIES	EUR	EUR		EUR
Liabilities:				
Liabilities:				
Received advance payments	653	30	10	1 652
Due to customers and suppliers	63 735	38 140	11	296 213
Taxes and social security payments	96 797	98 935	12	107 901
Other payables	117 956	131 368	13	143 482
Recognized deferred tax liabilities	173 040	191 398	22	590 288
Total liabilities	452 180	459 871		1 139 537
Provisions for liabilities and charges:				
Provisions for vacations	137 449	137 449		268 305
Total provisions	137 449	137 449		268 305
Total liabilities	589 630	597 320		1 407 842
Equity capital:				
Share equity	1 138 297	1 138 297	9	1 138 297
Reserves:				
c) reserves provided by the Articles of Association	45 522	45 522		45 522
d) fixed asset's revaluation reserve	1 241 450	1 345 476		3 694 630
Retained earnings:				
a) brought forward from previous years	1 989 764	1 950 626		1 873 349
b) current year profit or loss	(112 381)	(83 248)		1 577
Total shareholders' equity	4 302 652	4 396 674		6 753 375
Non-controlling interest	1 996	2 022		1 911
Total equity capital	4 304 648	4 398 696		6 755 286
TOTAL EQUITY, PROVISIONS AND LIABILITIES	4 894 278	4 996 016		8 163 128
	-	-		
Current Ratio	3,96	3,63		1,73
Debt Ratio	0,12	0,12		0,17

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

	2009, 9 month period EUR	2010, 12 month period EUR	Note	2009, 9 month period EUR
Net sales	3 466 193	6 491 999	14	5 362 037
Cost of goods sold	(3 395 910)	(6 123 400)	15	(5 016 813)
Gross profit or loss	70 283	368 599		345 224
Administrative expenses	(298 699)	(557 945)	16	(443 153)
Other operating income	97 356	131 401	17	92 448
Other operating expenses	(2 625)	(5 721)	18	(3 987)
Income from investment in associates	-	(10 054)	19	879
Interest income and similar income	21 279	45 296	20	50 098
Profit (loss) before taxes	(112 407)	(28 425)		41 509
Corporate income tax	-	(54 958)	21	(40 048)
NET PROFIT OR LOSS	(112 407)	(83 383)		1 577
Other comprehensive income				
Gain (loss) on revaluation of properties excluding deferred tax	-	(2 283 355)	22	-
Other comprehensive income for the year, net of tax	-	(2 283 355)		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(112 407)	(2 366 738)		-
Profit attributable to				
Owners of LJMC	(112 381)	(83 248)		1 574
Non-controlling interest	(26)	(135)		3
	(112 407)	(83 383)		1 577
Total comprehensive income attributable to				
Owners of LJMC	-	(2 267 434)		-
Non-controlling interest	-	(15 921)		-
	-	(2 283 355)		-
Number of shares	800 000	800 000		800 000
Earnings per Share (EPS) (EUR)	-0,14	-0,10		-

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR)
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

	Share capital	Reserves provided by the Articles of Association	Properties revaluation reserve	Previous years retained earnings	Current year profit	Non-controlling interest	Total
At 31 December 2008	1 138 297	45 522	3 892 020	1 640 284	709	2 157	6 718 989
Previous years retained earnings	-	-	-	709	(709)	-	-
Dividends paid	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(2 283 355)	-	(83 248)	(135)	(2 366 738)
Depreciation of revaluation surplus	-	-	(309 634)	309 634	-	-	-
Deffered tax on revaluation surplus	-	-	46 445	-	-	-	46 445
At 31 December 2009	1 138 297	45 522	1 345 476	1 950 626	(83 248)	2 022	4 398 696
Previous years retained earnings	-	-	-	(83 248)	83 248	-	-
Depreciation of revaluation surplus	-	-	(122 385)	122 385	-	-	-
Deffered tax on revaluation surplus	-	-	18 359	-	-	-	18 359
Total comprehensive income for the year	-	-	-	-	(112 381)	(26)	(112 407)
Non-controlling interest changes	-	-	-	-	-	-	-
At 30 September 2010	1 138 297	45 522	1 241 450	1 989 764	(112 381)	1 996	4 304 648

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

	2009, 9 month period EUR	2010, 12 month period EUR	Note	2009, 9 month period
Cash flows used in operating activities				
Net income before tax	(112 407)	(28 425)		41 509
Adjustments:				
a) depreciation of tangibles	390 173	661 904	2	496 636
b) depreciation of goodwill	4 816	7 252	2	5 516
c) provisions	-	(49 052)		81 804
d) loss (gain) on sale of tangibles	1 532	1 511		1 029
e) interest income	(45 296)	(45 296)	20	(50 098)
f) gain (loss) from investments in associates	-	10 054	19	(879)
2. Gain (loss) before changes in current assets and liabilities	238 819	557 949		575 517
Changes in operating assets and liabilities:				
a) receivables.	(274 547)	147 843		93 332
b) inventory.	(6 466)	50 129		48 944
c) current liabilities.	97 791	(758 159)		(521 934)
3. Gross operating cash flow	55 597	(2 237)		195 860
4. Paid corporate income tax.	(9 199)	(42 562)	12	(47 971)
5. Net cash used in operating activities	46 398	(44 799)		147 889
II. Cash flow used in investment activities				
1. Purchase of shares of associates.	-	(879)		(879)
2. Purchase of fixed assets.	(171 608)	(131 617)	2	(129 110)
3. Selling of fixed assets.	-	47		-
4. Received interest.	21 279	45 296	20	50 098
5. Net cash from investment activities	(150 329)	(87 154)		(79 891)
III. Cash flows used in financing activities				
1. Paid dividends.	-	-		-
2. Net cash from financing activities	-	-		-
IV. Net increase (decrease) in cash	(103 931)	(131 953)		67 998
V. Cash at the beginning of the period	1 344 257	1 476 210		1 476 210
VI. Cash at the end of the period	1 240 326	1 344 257		1 544 207

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

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 Group'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 adopted by the European Union. Enclosed financial statements are prepared 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 net assets.

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:

	September 30, 2010	December 31, 2009
EUR	0,702804	0,702804
USD	0,517	0,489

Gains or losses on conversion 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 with 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.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

Inventory

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

Fixed assets

Fixed assets excluding real estate 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 calculated based on the historical cost.

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.

Land and buildings (real estate) are accounted according to the revaluation model, recognized at the fair value determined from market-based evidence. Buildings are revaluated as on 31.12.2009 based on the cadastral value as fair value. Accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Depreciation is calculated based on the revalued amount. The depreciation charge for each period is recognised in the statement of income.

The increase (decrease) in the value of buildings and constructions is reflected in the Statement of comprehensive income under "Gains (losses) from revaluation of properties". Revaluation decreases are charged first against the revaluation surplus in equity related to the specific asset, and any excess against profit or loss.

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
Revaluated part of the buildings	15 years
Machinery and equipment:	3 years
Other fixed assets:	5 years

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.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

Property revaluation surplus

The revaluation surplus is included in other comprehensive income and accrued amount is reflected in equity under the heading "Investment revaluation reserve". According to IASs 16, p.41, the revaluation surplus included in equity is transferred directly to retained earnings. The surplus transferred is 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 not 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 on revaluation surplus is reflected in the Statement of other comprehensive income.

Risk Management

The Management Board is responsible for setting up risk management guidelines and risk monitoring.

The Group has identified the major risk factors and developed policies and mechanisms to control these factors. The major risks are defined as:

Market risk: a country's economic deterioration, changes in the public and the insurer health care and its financing policy, competition, changes in utility tariffs, etc. can significantly affect the demand for Groups services and its profitability.

Operational risk: The possibility of suffering losses caused by inadequate or failed internal pace of the medical treatment process, actions of staff or systems, or external events impact. Patient dissatisfaction with the quality of medical services, treatment process organization or staff attitudes in the long term can lead to a fall in income and even financial claims.

Credit Risk: The inability of insurance companies and patients to pay for the services in time and in full amount.

Liquidity risk: unable to meet the legally enforceable requirements without major damage and inability to cope with unplanned changes in Groups resources and / or market conditions related to the fact that it does not have sufficient liquid assets.

Risk control mechanisms include: appropriate risk policies, investment planning, cash flow planning, budgeting and control, liquidity control, the medical treatment process organization and control, sanitary compliance control, staff skill development, implementation of advanced technologies, employee involvement in risk assessment and control.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2010 AND 31 DECEMBER 2009

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

As of 30 September 2010 and 31 December 2009
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	Unfinishe d building objects	Total
Historical cost									
At 31 December									
2008	36 898	6 191 487	-	2 784 381	554 833	-	18 852	250 201	9 836 651
Additions	976	49 532	-	22 905	16 749	-	41 455	-	131 617
Transfers	-	(2 625 992)	-	-	-	-	(60 307)	-	(2 686 299)
Disposals	(777)	-	-	(38 193)	(83 118)	-	-	-	(122 088)
At 31 December									
2009	37 097	3 615 026	-	2 769 094	488 463	-	-	250 201	7 159 881
Additions	-	-	-	119 289	46 505	5 814	-	-	171 608
Transfers	-	-	-	-	-	-	-	-	-
Revaluation Disposals or change of classification	-	-	-	(224 955)	(16 559)	-	-	-	(241 514)
At 30 September									
2010	37 097	3 615 026	-	2 663 428	518 409	5 814	-	250 201	7 089 975
Accumulated depreciation									
At 31 December									
2008	18 833	1 155 352	-	1 863 763	425 086	-	-	-	3 463 034
Charge for the year	7 252	48 159	-	253 594	50 518	-	-	-	359 523
Charge for the period for revaluationed fixed assets	-	309 634	-	-	-	-	-	-	309 634
Disposals	(295)	-	-	(38 117)	(82 118)	-	-	-	(120 530)
At 31 December									
2009	25 791	1 513 144	-	2 079 240	393 485	-	-	-	4 011 660
Charge for the period	4 816	39 216	-	189 740	38 832	-	-	-	272 604
Charge for the period for revaluationed fixed assets	-	122 385	-	-	-	-	-	-	122 385
Disposals or change of classification	-	-	-	(223 771)	(15 899)	-	-	-	(239 670)
At 30 September									
2010	30 607	1 674 746	-	2 045 209	416 418	-	-	-	4 166 980
Net book value									
At 31 December									
2008	18 065	5 036 135	-	920 618	129 747	-	18 852	250 201	6 373 618
At 31 December									
2009	11 306	2 101 882	-	689 854	94 978	-	-	250 201	3 148 221
At 30 September									
2010	6 490	1 940 281	-	618 219	101 991	5 814	-	250 201	2 922 996

3 PARTICIPATING INTERESTS IN ASSOCIATED ENTERPRISES

	Capital share (%)	Amount of investment 2010 EUR	Capital share (%)	Amount of investment 2009 EUR
Participating interests in associated enterprises				
Participation in "Neirozu klinika" Ltd.	45	<u>180 589</u>	45	<u>180 589</u>
Total participating interests in associated enterprises		<u>180 589</u>		<u>180 589</u>

4 RAW MATERIALS

	2010 EUR	2009 EUR
Pharmaceutical	65 246	68 648
Stock in warehouse	266	3 039
Inventory	73	669
Products	374	582
Furniture	-	-
Other materials	14 431	1 015
Advance payments to supplier of goods	<u>401</u>	<u>373</u>
Total	<u>80 791</u>	<u>74 325</u>

5 DUE FROM CUSTOMERS

	2010 EUR	2009 EUR
Rigas department	312 669	59 154
Likvidējamā RSK apdrošināšanas sabiedrība	16 127	41 276
Gjesidege Baltic	1 932	16 596
BTA AAS	4 865	15 911
IF Latvija AAS	4 917	14 886
Latvian University	3 135	11 790
SEESAM Latvija	1 557	11 409
Balta AAS	3 233	10 277
Balva AAS	394	7 425
Narkologijas centrs	10 659	4 071
Baltijas apdrošināšanas nams	2 299	3 194
Compensa Life Vienna Insurance group	101	2 541
NBS militāras medicīnas centrs	-	2 329
Ministry of Interior – health and social department	767	1 945
Ergo Latvija AAS	3 098	1 864
Biogen Idec Ltd.	2 102	1 662
Evolution Latvia	-	-
Merck sharp	-	-
Accrued income	-	-
Other customers	31 549	13 382
Bad debt provisions	<u>(1 871)</u>	<u>(19 973)</u>
Total	<u>397 532</u>	<u>199 740</u>

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6 OTHER RECEIVABLES

	2010	2009
	EUR	EUR
Taxes overpayment (note No.12)	48 806	33 806
VAT for unpaid invoices	100	6 147
Other debtors	18 715	2 944
Total	67 621	42 897

7 DIFFERED EXPENSES

	2010	2009
	EUR	EUR
Assurance expense	4 424	5 987
Riga Stock Exchange, shares quotation	-	
Other expense	-	
Total	4 424	5 987

8 CASH

	2010	2009
	EUR	EUR
Cash in banks	1 231 941	1 296 995
Deposit		42 406
Cash on hands	8 385	4 856
Total	1 240 326	1 344 257

9 SHARE CAPITAL

	2010	2010	2009	2009
	Number of		Number of	
Shareholders:	shares	Share %	shares	Share %
Janis Birks	60 883	7,6%	60 883	7,6%
Ilze Birka	140 000	17,5%	140 000	17,5%
Martins Birks	140 000	17,5%	140 000	17,5%
Ilze Aizsilniece	91 565	11,4%	91 565	11,4%
Guna Shvarcberga	82 917	10,4%	82 917	10,4%
Other shareholders (shares less than 5%)	284 635	35,6%	284 635	35,6%
Total	800 000	100,0%	800 000	100,0%

10 DUE TO RECEIVED ADVANCE PAYMENTS

	2010	2009
	EUR	EUR
VOAVA advance payment for 2009	-	
Other advances	653	30
Total	653	30

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11 DUE TO SUPPLIERS AND CONTRACTORS

	2010	2009
	EUR	EUR
Amerilat MD	-	7 187
Latvijas Gaze	-	6 249
Latvenergo Rīgas elektrotīkls	-	6 175
Sistēmu Audits SIA	-	3 443
Latvian University	-	2 738
Rīgas Ūdens	-	1 393
Academic histologic laboratory	-	1 033
Lattelekom	-	716
AB Medical Group Riga	-	320
Recipe Plus SIA	-	-
B.Braun SIA	2 016	-
Tradintek SIA	21 798	-
Olympus Latvia SIA	-	-
Other suppliers	39 920	8 886
Total	63 735	38 140

12 TAXES

	As of 31-12-2008	Calculated	Paid	Transfer	As of 30-09-2010
Value added tax	1 349	37 915	(35 503)	-	3 761
Social insurance	61 077	591 186	(597 151)	-	55 112
Personal income tax	36 073	392 883	(391 155)	-	37 801
Corporate income tax	(31 391)	-	(9 199)	-	(40 590)
Unemployment duty	114	1 110	(1 101)	-	122
Natural resources tax	323	-	(482)	-	(159)
Real estate tax	(2 415)	438	(6 080)	-	(8 056)
Total, including	65 129	1 023 533	(1 040 671)	-	47 991
due to the budget	98 935				96 797
overpayment	(33 806)				(48 806)

13 DUE TO OTHER COMPANIES

	2010	2009
	EUR	EUR
Salaries	116 401	128 926
Deposited salary	642	1 043
Trade union	913	1 399
Total	117 956	131 368

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14 NET SALES

	2010 EUR	2009 EUR
Medical ambulant services	2 150 787	2 549 583
Medical hospital services	788 658	2 451 420
Insurance payments	266 013	863 532
VS ZDC ambulant services	137 089	248 894
Services - minimum fixed part	9 859	126 118
Residents training	34 877	91 664
Stomatology services	41 840	62 073
Family doctors	34 258	52 972
Other income	2 810	45 742
Total	3 466 193	6 491 999

15 COST OF GOODS SOLD

	2010 EUR	2009 EUR
Salaries and	1 638 212	2 756 292
Medical goods	384 823	890 298
Fixed assets depreciation	394 989	669 157
Social tax	382 754	635 563
VAT - expenses	144 956	241 190
Public utilities	103 478	191 702
Rent of equipment	60 799	138 525
Repair expenses	60 227	91 808
Household goods	33 978	58 870
Computer maintenance, repair	14 422	33 502
Security expenses	25 535	30 129
Utilities	10 115	17 969
Current assets write-off	23 217	53 012
Feeding expenses	13 712	47 255
Medical researches	17 214	43 470
Employees trainings	1 309	40 364
Advertising	25 171	26 582
Gifts to employees	852	26 447
Accruals for vacations	(18 103)	20 385
Office expenses	5 354	13 226
Transport expense	4 782	9 408
Insurance expenses	5 191	6 860
Allowances to employees	1 907	3 771
Unemployment duty	1 101	1 810
Received discounts	(5 202)	(10 875)
Other operating expenses	65 115	86 681
Total	3 395 910	6 123 400

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16 ADMINISTRATIVE EXPENSES

	2010	2009
	EUR	EUR
Salaries and wages	159 759	290 200
Social tax	34 895	67 675
Board remuneration	20 566	47 873
Board chairperson remuneration	18 049	45 075
Communication expenses	12 930	24 488
Council members remuneration	12 749	18 964
Sakaru izdevumi	3 998	11 300
Office expenses	13 045	9 122
Chairperson of the Board social tax	4 348	9 627
Council chairperson remuneration	6 147	8 196
Audit expenses	-	7 114
Council members social tax	2 884	4 296
Presentation expenses	2 116	5 171
Bank expenses	3 759	3 839
Other administrative expenses	1 902	2 796
Chairperson of the Council social tax	1 481	1 975
Legal services	71	235
Total	298 699	557 945

17 OTHER OPERATING INCOME

	2010	2009
	EUR	EUR
Rent income	69 260	94 573
Income from social tax return	-	12 362
Press goods	-	4 062
Solarium income	690	1 939
Laundry income	1 050	1 296
Feeding income	1 421	1 060
Other income	24 934	16 108
Total	97 356	131 401

18 OTHER OPERATING EXPENSES

	2010	2009
	EUR	EUR
Currency exchange loss	10	710
Loss from fixed assets disposals	1 532	1 511
Penalties	23	1 483
Real estate tax	-	90
Other expenses	1 060	1 928
Total	2 625	5 721

19 INCOME FROM INVESTMENT IN ASSOCIATES

	2010	2009
	EUR	EUR
Neurology clinic Ltd.	-	(10 054)
Total	-	(10 054)

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20 INTEREST INCOME AND SIMILAR INCOME

	2010	2009
	EUR	EUR
Interest income	21 279	45 296
Total	21 279	45 296

21 CORPORATE INCOME TAX

	2010	2009
	EUR	EUR
Calculated Corporate income tax	-	51 563
Deferred Corporate income tax	-	3 395
Total	-	54 958

21 CORPORATE INCOME TAX (CONTINUED ...)

	2010	2009
	EUR	EUR
Profit (loss) before tax	-159 941	-40 445
Theoretically calculated corporate income	-	-1 803
Permanent differences	-	51 563
Calculated corporate income tax	-	34 972

Deferred tax

Temporary difference between financial	(383 985)	(383 985)
Temporary difference of fixed assets revaluation	(906 923)	(1 029 308)
Accruals for vacations	137 311	137 311
Accrued liabilities	-	-
Total temporary differences	(1 153 596)	(1 275 982)
Tax rate applied	15%	15%
Deferred tax liabilities	173 040	191 398
Recognized deferred tax liabilities	173 040	191 398

22 PROPERTIES REVALUATION RESERVE

Balance at beginning of year	2 735 327	2 735 327
Other comprehensive income:	-	-
Decrease arising on revaluation of properties	(1 887 942)	(1 887 942)
Deferred tax assets arising on revaluation	283 191	283 191
Depreciation on evaluation surplus	(217 612)	(217 612)
Reversal of deferred tax liability on revaluation	32 642	32 642
Balance at end of year	945 606	945 606
