



LATVIJAS JURAS MEDICINAS CENTRS JSC

CONSOLIDATED INTERIM REPORT FOR THE 3 MONTHS OF 2011

**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.**

LATVIJAS JURAS MEDICINAS CENTRS JSC
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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 8,3%

REPORTING PERIOD: 1 January 2011 - 31 March 2011

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
31.03.11**

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

Name

Position

From August 18, 2009 till the consolidated financial statements signing day

Janis Birks	Chairman of the Board	66 583
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 profit before taxes of the parent company was 19 325 EUR.

The loss before taxes of the subsidiary company was -1 922 EUR.

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

The technical project for the reconstruction and renovation of buildings by ERAF funding to provide outpatient medical services in the former inpatient service building at Patversmes street 23 is approved.

The Olympus equipment for laparoscopy operations in gynaecology was purchased.

By March a new department of medical care has started in Vecmilgravis hospital.

Internal transactions with subsidiaries and associated companies in the year 2011 were not made.

The share price at the 01.01.11 was LVL 1,25; 31.03.11 - LVL 1,50.

Important Events after the Balance Sheet Date

Under the ERDF project the tender for construction contracts is completed, the building permission is received and the outpatient housing reconstruction has started. The tender for the universal ultrasonic equipment purchase is completed.

An agreement is signed on a new 1.5 Tesla magnetic resonance imaging apparatus GE "OPTIMA MR355 FREE BASIC" supply and installation till the end of June.

The share price at the 27.03.11 was LVL 1,60.

Future Development of the Group

The Board is planning to develop ambulatory care and to offer new, high-quality services for the diagnostic and medical treatment, including 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 coping with the ongoing changes in the health service structure and changing public procurement levels.

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. 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, 30 May, 2011.

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 31 March 2011 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 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, 30 May, 2011.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2011 AND 31 DECEMBER 2010

	March 31, 2011	December 31, 2010	Note	March 31, 2010
	EUR	EUR		EUR
ASSETS				
Current assets:				
Stocks				
Raw materials	91 878	82 242	4	68 870
Total stocks	91 878	82 242		68 870
Debtors:				
Trade debtors	316 247	169 581	5	242 190
Other receivables	56 075	54 036	6	47 424
Accruals	2 450	3 480	7	4 162
Total debtors	374 773	227 097		293 776
Cash funds	1 724 693	1 769 249	8	1 280 350
Total current assets	2 191 344	2 078 588		1 642 996
Long-term investments:				
Intangible assets:				
Other intangible (fixed) assets	4 506	4 903	2	9 676
Total intangible assets	4 506	4 903		9 676
Fixed assets:				
Land and buildings	1 832 808	1 886 543		2 047 750
Technological equipment and machines	543 873	569 802		722 290
Other fixed assets and inventory	75 776	86 141		88 177
Fixed assets add-ons (EU funds)	17 580	3 826		-
Unfinished building objects	250 201	250 201		250 201
Advance payments for fixed assets	-	1 988		6 666
Total fixed assets:	2 720 238	2 798 500	2	3 115 083
Long-term financial assets:				
Participating interests in associated enterprises	192 338	192 202	3	180 589
Total financial assets:	192 338	192 202		180 589
Total long-term investments:	2 917 082	2 995 605		3 305 348
TOTAL ASSETS	5 108 426	5 074 193		4 948 344

The notes on pages 13-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2011 AND 31 DECEMBER 2010

	March 31, 2011 EUR	December 31, 2010 EUR	Note	March 31, 2010 EUR
LIABILITIES				
Liabilities:				
Liabilities:				
Received advance payments	220 969	221 127	10	586
Due to customers and suppliers	61 329	52 369	11	89 250
Taxes and social security payments	113 663	109 036	12	117 657
Other payables	137 079	130 782	13	142 654
Recognized deferred tax liabilities	151 927	158 044	22	185 278
Total liabilities	684 968	671 358		535 425
Provisions for liabilities and charges:				
Provisions for vacations	130 255	130 255		137 449
Total provisions	130 255	130 255		137 449
Total liabilities	815 223	801 613		672 875
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	1 172 095	1 206 772		1 310 801
Retained earnings:				
a) brought forward from previous years	1 920 809	2 030 560		1 908 174
b) current year profit or loss	14 518	(150 547)		(129 136)
Total shareholders' equity	4 291 241	4 270 605		4 273 657
Non-controlling interest	1 962	1 975		1 812
Total equity capital	4 293 203	4 272 580		4 275 469
TOTAL EQUITY, PROVISIONS AND LIABILITIES	5 108 426	5 074 193		4 948 344
 Current Ratio	 3,20	 3,10		 3,07
Debt Ratio	0,16	0,16		0,14

The notes on pages 13-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 DECEMBER 2010

	2010, 3 month period EUR	2011, 12 month period EUR	Note	2010, 3 month period EUR
Net sales	1 260 679	4 781 019	14	1 142 013
Cost of goods sold	(1 172 391)	(4 701 745)	15	(1 204 127)
Gross profit or loss	88 288	79 274		-62 114
Administrative expenses	(104 342)	(365 372)	16	(104 193)
Other operating income	34 812	133 202	17	34 557
Other operating expenses	(1 362)	(13 682)	18	-
Income from investment in associates	-	11 612	19	-
Interest income and similar income	7	7 383	20	2 403
Profit (loss) before taxes	17 403	(147 583)		-129 346
Corporate income tax	(2 898)	(3 011)	21	-
NET PROFIT OR LOSS	14 505	(150 594)		-129 346
Other comprehensive income				
Gain (loss) on revaluation of properties excluding deferred tax	-	-	22	-
Other comprehensive income for the year, net of tax	-	-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	14 505	(150 594)		(129 346)
Profit attributable to				
Owners of LJMC	14 518	(150 547)		(129 136)
Non-controlling interest	(13)	(47)		(210)
	14 505	(150 594)		(129 346)
Total comprehensive income attributable to				
Owners of LJMC	-	-		-
Non-controlling interest	-	-		-
	-	-		-
Number of shares	800 000	800 000		800 000
Earnings per Share (EPS) (EUR)	0,02	-0,19		-0,16

The notes on pages 13-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR)
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 DECEMBER 2010

	Share capital	Reserves provided by the Articles of Association	Properties revaluation reserve	Previous years retained earnings	Current year profit	Non- controllin g interest	Total
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	-	-
Dividends paid	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(150 547)	(47)	(150 594)
Depreciation of revaluation surplus	-	-	(163 182)	163 182	-	-	-
Deffered tax on revaluation surplus	-	-	24 478	-	-	-	24 478
At 31 December 2010	1 138 297	45 522	1 206 772	2 030 560	(150 547)	1 975	4 272 580
Previous years retained earnings	-	-	-	(150 547)	150 547	-	-
Depreciation of revaluation surplus	-	-	(40 795)	40 795	-	-	-
Deffered tax on revaluation surplus	-	-	6 118	-	-	-	6 118
Total comprehensive income for the year	-	-	-	-	14 518	(13)	14 505
At 31 March 2011	1 138 297	45 522	1 172 095	1 920 809	14 518	1 962	4 293 203

The notes on pages 13-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 DECEMBER 2010

	2010, 3 month period EUR	2011, 12 month period EUR	Note	2010, 3 month period
Cash flows used in operating activities				
Net income before tax	17 403	(147 583)		(129 346)
Adjustments:				
a) depreciation of tangibles	127 879	518 339	2	128 293
b) depreciation of goodwill	1 528	6 403	2	1 631
c) provisions	-	(7 194)		-
d) loss (gain) on sale of tangibles	636	1 863		-
e) interest income	(7 383)	(7 383)	20	(45 296)
f) gain (loss) from investments in associates	-	(11 612)	19	-
2. Gain (loss) before changes in current assets and liabilities	140 063	352 832		(44 718)
Changes in operating assets and liabilities:				
a) receivables.	34 627	34 627		(94 406)
b) inventory.	(9 636)	(7 917)		5 455
c) current liabilities.	(145 807)	244 841		173 821
3. Gross operating cash flow	19 247	624 383		40 152
4. Paid corporate income tax.	(12 738)	(24 987)	12	-
5. Net cash used in operating activities	6 510	599 396		40 152
II. Cash flow used in investment activities				
1. Purchase of shares of associates.	-	-		-
2. Purchase of fixed assets.	(51 384)	(182 099)	2	(106 462)
3. Selling of fixed assets.	312	312		-
4. Received interest.	7	7 383	20	2 403
5. Net cash from investment activities	(51 065)	(174 404)		(104 059)
IV. Net increase (decrease) in cash	(44 556)	424 992		(63 907)
V. Cash at the beginning of the period	1 769 249	1 344 257		1 344 257
VI. Cash at the end of the period	1 724 693	1 769 249		1 280 350

The notes on pages 13-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 DECEMBER 2010

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:

	March 31, 2011	December 31, 2010
EUR	0,702804	0,702804
USD	0,499	0,535

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 recognized 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 31 MARCH 2011 AND 31 DECEMBER 2010

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.

Separate accounts are used for assets acquired by EU funding.

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 31 MARCH 2011 AND 31 DECEMBER 2010

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 31 MARCH 2011 AND 31 DECEMBER 2010

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

As of 31 March 2011 and 31 December 2010
fixed assets are composed as follows: (EUR)

EUR	Intangible assets	Land & buildings	Machinery and equipment	Other fixed assets	Fixed assets add-ons (EU fonds)	Advance payments for fixed assets	Unfinished building objects	Total
Historical cost								
At 31 December								
2009	37 097	3 615 026	2 769 094	488 463	-	-	250 201	7 159 881
Additions	-	-	132 284	44 001	3 826	1 988	-	182 099
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	(226 288)	(29 903)	-	-	-	(256 191)
At 31 December								
2010	37 097	3 615 026	2 675 090	502 561	3 826	1 988	250 201	7 085 789
Additions	1 131	-	36 138	2 349	11 766	-	-	51 384
Transfers	-	-	-	-	1 988	(1 988)	-	-
Revaluation	-	-	-	-	-	-	-	-
Disposals or change in classification	-	-	(18 285)	(4 812)	-	-	-	(23 097)
At 31 March								
2011	38 228	3 615 026	2 692 943	500 098	17 580	-	250 201	7 114 076
Accumulated depreciation								
At 31 December								
2009	25 791	1 513 144	2 079 240	393 485	-	-	-	4 011 660
Charge for the year	6 403	52 157	250 921	52 080	-	-	-	361 560
Charge for the period for revaluated fixed assets	-	163 182	-	-	-	-	-	163 182
Disposals	-	-	(224 872)	(29 145)	-	-	-	(254 017)
At 31 December								
2010	32 194	1 728 483	2 105 288	416 421	-	-	-	4 282 386
Charge for the period	1 528	12 940	61 431	12 713	-	-	-	88 612
Charge for the period for revaluated fixed assets	-	40 795	-	-	-	-	-	40 795
Disposals or change in classification	-	-	(17 649)	(4 812)	-	-	-	(22 461)
At 31 March								
2011	33 722	1 782 218	2 149 070	424 322	-	-	-	4 389 332
Net book value								
At 31 December								
2009	11 306	2 101 882	689 854	94 978	-	-	250 201	3 148 221
At 31 December								
2010	4 903	1 886 543	569 802	86 141	3 826	1 988	250 201	2 803 403
At 31 March								
2011	4 506	1 832 808	543 873	75 776	17 580	-	250 201	2 724 744

The balance value of the land and buildings excluding reevaluation adjustments as on 31-12-2010 is 575,712 EUR.

3 PARTICIPATING INTERESTS IN ASSOCIATED ENTERPRISES

	Capital share (%)	Amount of investment 2011 EUR	Capital share (%)	Amount of investment 2010 EUR
Participating interests in associated enterprises				
Participation in "Neirozu klinika" Ltd.	45,3	192 338	45,3	192 202
Total participating interests in associated enterprises		192 338		192 202
SIA "Neirozu klinika" 64 shares have been bought for 96,00 LVL (0,03% from total capital).				

4 RAW MATERIALS

	2011 EUR	2010 EUR
Pharmaceutical	90 145	80 947
Products	657	273
Advance payments to supplier of goods	465	266
Stock in warehouse	191	248
Inventory	64	83
Other materials	356	425
Total	91 878	82 242

5 TRADE DEBTORS

	2011 EUR	2010 EUR
Rigas department	211 608	119 429
Latvian University	-	7 891
Insurance BTA SE	9 512	6 568
SEESAM Latvija	4 637	4 637
Ergo Latvija AAS	5 891	3 469
IF Latvija AAS	6 882	3 116
Ministry of Interior – health and social departme	1 542	2 009
Latvian railway AS	-	1 722
Balta AAS	3 140	1 668
Gjesidege Baltic	5 485	1 595
Baltijas apdrošināšanas nams	1 725	1 356
Balva AAS	1 636	1 188
Narkologijas centrs	11 086	440
Compensa Life Vienna Insurance group	1 693	142
Biogen Idec Ltd.	-	36
P.Stradiņa klīniskā universitātes slimnīca	22 449	-
Olla M SIA	3 328	-
Other customers	27 504	16 187
Bad debt provisions	(1 871)	(1 871)
Total	316 247	169 581

6 OTHER RECEIVABLES

	2011 EUR	2010 EUR
Taxes overpayment (note No.12)	52 884	44 492
VAT for unpaid invoices	38	3 268
Other debtors	3 153	6 276
Total	56 075	54 036

7 ACCRUALS

	2011 EUR	2010 EUR
Assurance expense	2 450	3 480
Total	2 450	3 480

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 31 MARCH 2011 AND 31 DECEMBER 2010

8 CASH

	2011	2010
	EUR	EUR
Cash in banks	1 711 097	1 766 306
Deposit	-	-
Cash on hands	13 596	2 942
Total	1 724 693	1 769 249

9 SHARE CAPITAL

	2011	2011	2010	2010
	Number of	Share %	Number of	Share %
Shareholders:	shares		shares	
Janis Birks	66 583	8,3%	65 083	8,1%
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%)	278 935	34,9%	280 435	35,1%
Total	800 000	100,0%	800 000	100,0%

Among them 1200 bearer shares are registered in the Latvijas Juras Medicinas Centrs JSC register of shareholders.

10 RECEIVED ADVANCE PAYMENTS

	2011	2010
	EUR	EUR
VEK advance payment for 2010	220 739	220 739
Other advances	231	388
Total	220 969	221 127

11 DUE TO CUSTOMERS AND SUPPLIERS

	2011	2010
	EUR	EUR
Latvijas Gaze	-	15 997
Amerilat MD	-	12 740
Latvenego Rīgas elektrotīkls	-	7 941
Sistēmu Audits SIA	3 472	3 472
Rīgas Ūdens	1 180	1 222
Lattelekom	-	356
Academic histologic laboratory	470	312
AB Medical Group Riga	169	169
Olympus Lavia SIA	15 993	-
Other suppliers	40 045	10 159
Total	61 329	52 369

12 TAXES

	As of 31-12-2010	Calculated	Paid	Repayed	As of 31.03.2011
Value added tax	4 797	13 726	(12 763)	3	5 763
Social insurance	61 521	206 607	(199 327)	-	68 800
Personal income tax	42 325	116 643	(118 542)	(1 423)	39 002
Corporate income tax	(44 492)	2 898	(12 738)	1 451	(52 880)
Unemployment duty	124	367	(361)	(31)	98
Natural resources tax	270	-	(275)	-	(4)
Real estate tax	-	549	(549)	-	-
Total, including	64 544	340 791	(344 556)	(0)	60 779
due to the budget	109 036				113 663
overpayment	(44 492)				(52 884)

LATVIJAS JURAS MEDICINAS CENTRS JSC
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13 OTHER PAYABLES

	2011	2010
	EUR	EUR
Salaries	135 474	129 030
Trade union	963	1 059
Deposited salary	642	693
Total	137 079	130 782

14 NET SALES

	2011	2010
	EUR	EUR
Medical ambulant services	819 227	3 026 335
Medical hospital services	265 644	1 020 597
Insurance payments	81 918	345 759
VS ZDC ambulant services	56 337	188 744
Services - minimum fixed part	3 287	13 144
Residents training	-	44 581
Stomatology services	16 999	58 496
Family doctors	11 347	45 606
Other income	5 919	37 756
Total	1 260 679	4 781 019

15 COST OF GOODS SOLD

	2011	2010
	EUR	EUR
Salaries and wages	529 839	2 202 728
Fixed assets depreciation	129 409	524 742
Medical goods	170 866	520 882
Social tax	120 149	513 008
VAT - expenses	60 619	206 386
Public utilities	35 078	174 952
Repair expenses	16 152	148 026
Rent of	21 175	102 158
Household goods	5 801	36 882
Security expenses	8 338	35 979
Current assets write-off	8 544	31 058
Computer maintenance, repair	5 837	21 475
Medical researches	4 296	21 164
Advertising	2 207	21 030
Office expenses	2 484	17 729
Utilities	45 933	16 454
Feeding expenses	5 458	15 982
Insurance expenses	1 202	6 377
Transport expense	1 789	6 322
Employees trainings	505	4 932
Allowances to employees	142	2 618
Unemployment duty	369	1 473

LATVIJAS JURAS MEDICINAS CENTRS JSC
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15 COST OF GOODS SOLD (CONTINUED ...)

Gifts to employees	619	1 091
Accruals for vacations	-	(18 103)
Received discounts	(4 419)	(7 453)
Other operating expenses	-	93 853
Total	1 172 391	4 701 745

16 ADMINISTRATIVE EXPENSES

	2011	2010
	EUR	EUR
Salaries and wages	53 257	168 000
Social tax	16 734	37 742
Board remuneration	8 620	35 223
Board chairperson remuneration	6 591	23 697
Communication expenses	3 209	17 558
Council members remuneration	4 781	17 530
Office expenses	1 810	14 658
Presentation expenses	497	9 330
Council chairperson remuneration	2 049	8 196
Audit expenses	-	7 114
Board members social tax	1 774	6 817
Chairperson of the Board social tax	1 588	5 709
Bank expenses	1 325	4 952
Council members social tax	1 104	3 974
Other administrative expenses	511	2 827
Chairperson of the Council social tax	494	1 975
Legal services	-	71
Total	104 342	365 372

17 OTHER OPERATING INCOME

	2011	2010
	EUR	EUR
Rent income	23 470	92 356
Hotel services – food	6 834	15 686
Utilities for tenants	1 606	7 363
Feeding income	105	1 821
Laundry income	437	1 696
Solarium income	312	1 037
Income from social tax return	-	-
Press goods	-	-
Other income	2 048	13 243
Total	34 812	133 202

18 OTHER OPERATING EXPENSES

	2011	2010
	EUR	EUR
Real estate tax	643	4 547
Loss from fixed assets disposals	636	1 863
Penalties	-	23
Currency exchange loss	-	10
Other expenses	83	7 240
Total	1 362	13 682

19 INCOME FROM INVESTMENT IN ASSOCIATES

	2011	2010
	EUR	EUR
Neurology clinic Ltd.	-	11 612
Total	-	11 612

20 INTEREST INCOME AND SIMILAR INCOME

	2011 EUR	2010 EUR
Interest income	7	7 383
Total	7	7 383

21 CORPORATE INCOME TAX

	2011 EUR	2010 EUR
Calculated Corporate income tax	2 898	11 887
Deferred Corporate income tax	-	(8 876)
Total	2 898	3 011

21 CORPORATE INCOME TAX (CONTINUED ...)

	2011 EUR	2010 EUR
Profit (loss) before tax	17 403	(147 583)
Loss of a subsidiary	6 687	6 687
Evaluation of an associate company	(11 612)	(11 612)
Theoretically calculated corporate income tax,	1 872	(22 876)
Permanent differences	34 762	34 762
Calculated corporate income tax	36 634	11 886

Deferred tax

Temporary difference between financial statement depreciation and depreciation for tax purposes	(317 759)	(317 759)
Temporary difference of fixed assets revaluation	(825 341)	(866 123)
Accruals for vacations	130 255	130 255
Total temporary differences	(1 012 844)	(1 053 627)
Tax rate applied	15%	15%
Deferred tax liabilities	151 927	158 044
Recognized deferred tax liabilities	151 927	158 044

22 PROPERTIES REVALUATION RESERVE

Balance at beginning of year	1 345 476	3 892 020
Other comprehensive income:		
Decrease arising on revaluation of properties	-	(2 686 299)
Deferred tax assets arising on revaluation	-	402 944
Depreciation on evaluation surplus	(163 182)	(309 634)
Reversal of deferred tax liability on revaluation	24 478	46 445
Balance at end of year	1 206 772	1 345 476
