



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)

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 13 582 LVL.

The loss before taxes of the subsidiary company was -1 351 LVL.

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
	LVL	LVL		LVL
ASSETS				
Current assets:				
Stocks				
Raw materials	64 572	57 800	4	48 402
Total stocks	64 572	57 800		48 402
Debtors:				
Trade debtors	222 260	119 182	5	170 212
Other receivables	39 410	37 977	6	33 330
Accruals	1 722	2 446	7	2 925
Total debtors	263 392	159 605		206 467
Cash funds	1 212 121	1 243 435	8	899 835
Total current assets	1 540 085	1 460 840		1 154 704
Long-term investments:				
Intangible assets:				
Other intangible (fixed) assets	3 167	3 446	2	6 800
Total intangible assets	3 167	3 446		6 800
Fixed assets:				
Land and buildings	1 288 105	1 325 870		1 439 167
Technological equipment and machines	382 236	400 459		507 628
Other fixed assets and inventory	53 256	60 540		61 971
Fixed assets add-ons (EU funds)	12 355	2 689		-
Unfinished building objects	175 842	175 842		175 842
Advance payments for fixed assets	-	1 397		4 685
Total fixed assets:	1 911 794	1 966 797	2	2 189 293
Long-term financial assets:				
Participating interests in associated enterprises	135 176	135 080	3	126 919
Total financial assets:	135 176	135 080		126 919
Total long-term investments:	2 050 137	2 105 323		2 323 012
TOTAL ASSETS	3 590 222	3 566 163		3 477 716

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 LVL	December 31, 2010 LVL	Note	March 31, 2010 LVL
LIABILITIES				
Liabilities:				
Liabilities:				
Received advance payments	155 298	155 409	10	412
Due to customers and suppliers	43 102	36 805	11	62 725
Taxes and social security payments	79 883	76 631	12	82 690
Other payables	96 340	91 914	13	100 258
Recognized deferred tax liabilities	106 775	111 074	22	130 214
Total liabilities	481 398	471 833		376 299
Provisions for liabilities and charges:				
Provisions for vacations	91 544	91 544		96 600
Total provisions	91 544	91 544		96 600
Total liabilities	572 942	563 377		472 899
Equity capital:				
Share equity	800 000	800 000	9	800 000
Reserves:				
c) reserves provided by the Articles of Association	31 993	31 993		31 993
d) fixed asset's revaluation reserve	823 753	848 124		921 236
Retained earnings:				
a) brought forward from previous years	1 349 952	1 427 086		1 341 072
b) current year profit or loss	10 203	(105 805)		(90 758)
Total shareholders' equity	3 015 901	3 001 398		3 003 543
Non-controlling interest	1 379	1 388		1 274
Total equity capital	3 017 280	3 002 786		3 004 817
TOTAL EQUITY, PROVISIONS AND LIABILITIES	3 590 222	3 566 163		3 477 716
 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 LVL	2011, 12 month period LVL	Note	2010, 3 month period LVL
Net sales	886 010	3 360 119	14	802 611
Cost of goods sold	(823 961)	(3 304 405)	15	(846 265)
Gross profit or loss	62 049	55 714		-43 654
Administrative expenses	(73 332)	(256 785)	16	(73 227)
Other operating income	24 466	93 615	17	24 287
Other operating expenses	(957)	(9 616)	18	-
Income from investment in associates	-	8 161	19	-
Interest income and similar income	5	5 189	20	1 689
Profit (loss) before taxes	12 231	(103 722)		-90 905
Corporate income tax	(2 037)	(2 116)	21	-
NET PROFIT OR LOSS	10 194	(105 838)		-90 905
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	10 194	(105 838)		(90 905)
Profit attributable to				
Owners of LJMC	10 203	(105 805)		(90 758)
Non-controlling interest	(9)	(33)		(147)
	10 194	(105 838)		(90 905)
Total comprehensive income attributable to				
Owners of LJMC	-	-		-
Non-controlling interest	-	-		-
	-	-		-
Number of shares	800 000	800 000		800 000
Earnings per Share (EPS) (LVL)	0,01	-0,13		-0,11

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 (LVL)
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	800 000	31 993	945 606	1 370 908	(58 507)	1 421	3 091 421
Previous years retained earnings	-	-	-	(58 507)	58 507	-	-
Dividends paid	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(105 805)	(33)	(105 838)
Depreciation of revaluation surplus	-	-	(114 685)	114 685	-	-	-
Deffered tax on revaluation surplus	-	-	17 203	-	-	-	17 203
At 31 December 2010	800 000	31 993	848 124	1 427 086	(105 805)	1 388	3 002 786
Previous years retained earnings	-	-	-	(105 805)	105 805	-	-
Depreciation of revaluation surplus	-	-	(28 671)	28 671	-	-	-
Deffered tax on revaluation surplus	-	-	4 300	-	-	-	4 300
Total comprehensive income for the year	-	-	-	-	10 203	(9)	10 194
At 31 March 2011	800 000	31 993	823 753	1 349 952	10 203	1 379	3 017 280

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 LVL	2011, 12 month period LVL	Note	2010, 3 month period
Cash flows used in operating activities				
Net income before tax	12 231	(103 722)		(90 905)
Adjustments:				
a) depreciation of tangibles	89 874	364 291	2	90 165
b) depreciation of goodwill	1 074	4 500	2	1 146
c) provisions	-	(5 056)		-
d) loss (gain) on sale of tangibles	447	1 309		-
e) interest income	(5 189)	(5 189)	20	(31 834)
f) gain (loss) from investments in associates	-	(8 161)	19	-
2. Gain (loss) before changes in current assets and liabilities	98 437	247 972		(31 428)
Changes in operating assets and liabilities:				
a) receivables.	24 336	24 336		(66 349)
b) inventory.	(6 772)	(5 564)		3 834
c) current liabilities.	(102 474)	172 075		122 162
3. Gross operating cash flow	13 527	438 819		28 219
4. Paid corporate income tax.	(8 952)	(17 561)	12	-
5. Net cash used in operating activities	4 575	421 258		28 219
II. Cash flow used in investment activities				
1. Purchase of shares of associates.	-	-		-
2. Purchase of fixed assets.	(36 113)	(127 980)	2	(74 822)
3. Selling of fixed assets.	219	219		-
4. Received interest.	5	5 189	20	1 689
5. Net cash from investment activities	(35 889)	(122 572)		(73 133)
IV. Net increase (decrease) in cash	(31 314)	298 686		(44 914)
V. Cash at the beginning of the period	1 243 435	944 749		944 749
VI. Cash at the end of the period	1 212 121	1 243 435		899 835

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: (LVL)

LVL	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	26 072	2 540 655	1 946 130	343 294	-	-	175 842	5 031 993
Additions	-	-	92 970	30 924	2 689	1 397	-	127 980
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	(159 036)	(21 016)	-	-	-	(180 052)
At 31 December								
2010	26 072	2 540 655	1 880 064	353 202	2 689	1 397	175 842	4 979 921
Additions	795	-	25 398	1 651	8 269	-	-	36 113
Transfers	-	-	-	-	1 397	(1 397)	-	-
Revaluation	-	-	-	-	-	-	-	-
Disposals or change in classification	-	-	(12 851)	(3 382)	-	-	-	(16 233)
At 31 March								
2011	26 867	2 540 655	1 892 611	351 471	12 355	-	175 842	4 999 801
Accumulated depreciation								
At 31 December								
2009	18 126	1 063 444	1 461 298	276 543	-	-	-	2 819 411
Charge for the year	4 500	36 656	176 348	36 602	-	-	-	254 106
Charge for the period for revaluated fixed assets	-	114 685	-	-	-	-	-	114 685
Disposals	-	-	(158 041)	(20 483)	-	-	-	(178 524)
At 31 December								
2010	22 626	1 214 785	1 479 605	292 662	-	-	-	3 009 678
Charge for the period	1 074	9 094	43 174	8 935	-	-	-	62 277
Charge for the period for revaluated fixed assets	-	28 671	-	-	-	-	-	28 671
Disposals or change in classification	-	-	(12 404)	(3 382)	-	-	-	(15 786)
At 31 March								
2011	23 700	1 252 550	1 510 375	298 215	-	-	-	3 084 840
Net book value								
At 31 December								
2009	7 946	1 477 211	484 832	66 751	-	-	175 842	2 212 582
At 31 December								
2010	3 446	1 325 870	400 459	60 540	2 689	1 397	175 842	1 970 243
At 31 March								
2011	3 167	1 288 105	382 236	53 256	12 355	-	175 842	1 914 961

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 LVL	Capital share (%)	Amount of investment 2010 LVL
Participating interests in associated enterprises				
Participation in "Neirozu klinika" Ltd.	45,3	135 176	45,3	135 080
Total participating interests in associated enterprises		135 176		135 080
SIA "Neirozu klinika" 64 shares have been bought for 96,00 LVL (0,03% from total capital).				

4 RAW MATERIALS

	2011 LVL	2010 LVL
Pharmaceutical	63 354	56 890
Products	462	192
Advance payments to supplier of goods	327	187
Stock in warehouse	134	174
Inventory	45	58
Other materials	250	299
Total	64 572	57 800

5 TRADE DEBTORS

	2011 LVL	2010 LVL
Rigas department	148 719	83 935
Latvian University	-	5 546
Insurance BTA SE	6 685	4 616
SEESAM Latvija	3 259	3 259
Ergo Latvija AAS	4 140	2 438
IF Latvija AAS	4 837	2 190
Ministry of Interior – health and social departme	1 084	1 412
Latvian railway AS	-	1 210
Balta AAS	2 207	1 172
Gjesidege Baltic	3 855	1 121
Baltijas apdrošināšanas nams	1 212	953
Balva AAS	1 150	835
Narkologijas centrs	7 791	309
Compensa Life Vienna Insurance group	1 190	100
Biogen Idec Ltd.	-	25
P.Stradiņa klīniskā universitātes slimnīca	15 777	-
Olla M SIA	2 339	-
Other customers	19 330	11 376
Bad debt provisions	(1 315)	(1 315)
Total	222 260	119 182

6 OTHER RECEIVABLES

	2011 LVL	2010 LVL
Taxes overpayment (note No.12)	37 167	31 269
VAT for unpaid invoices	27	2 297
Other debtors	2 216	4 411
Total	39 410	37 977

7 ACCRUALS

	2011 LVL	2010 LVL
Assurance expense	1 722	2 446
Total	1 722	2 446

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
	LVL	LVL
Cash in banks	1 202 566	1 241 367
Deposit	-	
Cash on hands	9 555	2 068
Total	1 212 121	1 243 435

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
	LVL	LVL
VEK advance payment for 2010	155 136	155 136
Other advances	162	273
Total	155 298	155 409

11 DUE TO CUSTOMERS AND SUPPLIERS

	2011	2010
	LVL	LVL
Latvijas Gaze	-	11 243
Amerilat MD	-	8 954
Latvenego Rīgas elektrotīkls	-	5 581
Sistēmu Audits SIA	2 440	2 440
Rīgas Ūdens	829	859
Lattelekom	-	250
Academic histologic laboratory	330	219
AB Medical Group Riga	119	119
Olympus Lavia SIA	11 240	-
Other suppliers	28 144	7 140
Total	43 102	36 805

12 TAXES

	As of 31-12-2010	Calculated	Paid	Repayed	As of 31.03.2011
Value added tax	3 371	9 647	(8 970)	2	4 050
Social insurance	43 237	145 204	(140 088)	-	48 353
Personal income tax	29 746	81 977	(83 312)	(1 000)	27 411
Corporate income tax	(31 269)	2 037	(8 952)	1 020	(37 164)
Unemployment duty	87	258	(254)	(22)	69
Natural resources tax	190	-	(193)	-	(3)
Real estate tax	-	386	(386)	-	-
Total, including	45 362	239 509	(242 155)	-	42 716
due to the budget	76 631				79 883
overpayment	(31 269)				(37 167)

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13 OTHER PAYABLES

	2011	2010
	LVL	LVL
Salaries	95 212	90 683
Trade union	677	744
Deposited salary	451	487
Total	96 340	91 914

14 NET SALES

	2011	2010
	LVL	LVL
Medical ambulant services	575 756	2 126 920
Medical hospital services	186 696	717 280
Insurance payments	57 572	243 001
VS ZDC ambulant services	39 594	132 650
Services - minimum fixed part	2 310	9 238
Residents training	-	31 332
Stomatology services	11 947	41 111
Family doctors	7 975	32 052
Other income	4 160	26 535
Total	886 010	3 360 119

15 COST OF GOODS SOLD

	2011	2010
	LVL	LVL
Salaries and wages	372 373	1 548 086
Fixed assets depreciation	90 949	368 791
Medical goods	120 085	366 078
Social tax	84 441	360 544
VAT - expenses	42 603	145 049
Public utilities	24 653	122 957
Repair expenses	11 352	104 033
Rent of	14 882	71 797
Household goods	4 077	25 921
Security expenses	5 860	25 286
Current assets write-off	6 005	21 828
Computer maintenance, repair	4 102	15 093
Medical researches	3 019	14 874
Advertising	1 551	14 780
Office expenses	1 746	12 460
Utilities	32 282	11 564
Feeding expenses	3 836	11 232
Insurance expenses	845	4 482
Transport expense	1 257	4 443
Employees trainings	355	3 466
Allowances to employees	100	1 840
Unemployment duty	259	1 035

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15 COST OF GOODS SOLD (CONTINUED ...)

Gifts to employees	435	767
Accruals for vacations	-	(12 723)
Received discounts	(3 106)	(5 238)
Other operating expenses	-	65 960
Total	823 961	3 304 405

16 ADMINISTRATIVE EXPENSES

	2011	2010
	LVL	LVL
Salaries and wages	37 429	118 071
Social tax	11 761	26 525
Board remuneration	6 058	24 755
Board chairperson remuneration	4 632	16 654
Communication expenses	2 255	12 340
Council members remuneration	3 360	12 320
Office expenses	1 272	10 302
Presentation expenses	349	6 557
Council chairperson remuneration	1 440	5 760
Audit expenses	-	5 000
Board members social tax	1 247	4 791
Chairperson of the Board social tax	1 116	4 012
Bank expenses	931	3 480
Council members social tax	776	2 793
Other administrative expenses	359	1 987
Chairperson of the Council social tax	347	1 388
Legal services	-	50
Total	73 332	256 785

17 OTHER OPERATING INCOME

	2011	2010
	LVL	LVL
Rent income	16 495	64 908
Hotel services – food	4 803	11 024
Utilities for tenants	1 129	5 175
Feeding income	74	1 280
Laundry income	307	1 192
Solarium income	219	729
Income from social tax return	-	-
Press goods	-	-
Other income	1 439	9 307
Total	24 466	93 615

18 OTHER OPERATING EXPENSES

	2011	2010
	LVL	LVL
Real estate tax	452	3 196
Loss from fixed assets disposals	447	1 309
Penalties	-	16
Currency exchange loss	-	7
Other expenses	58	5 088
Total	957	9 616

19 INCOME FROM INVESTMENT IN ASSOCIATES

	2011	2010
	LVL	LVL
Neurology clinic Ltd.	-	8 161
Total	-	8 161

20 INTEREST INCOME AND SIMILAR INCOME

	2011 LVL	2010 LVL
Interest income	5	5 189
Total	5	5 189

21 CORPORATE INCOME TAX

	2011 LVL	2010 LVL
Calculated Corporate income tax	2 037	8 354
Deferred Corporate income tax	-	(6 238)
Total	2 037	2 116

21 CORPORATE INCOME TAX (CONTINUED ...)

	2011 LVL	2010 LVL
Profit (loss) before tax	12 231	(103 722)
Loss of a subsidiary	4 700	4 700
Evaluation of an associate company	(8 161)	(8 161)
Theoretically calculated corporate income tax,	1 316	(16 077)
Permanent differences	24 431	24 431
Calculated corporate income tax	25 747	8 354

Deferred tax

Temporary difference between financial statement depreciation and depreciation for tax purposes	(223 322)	(223 322)
Temporary difference of fixed assets revaluation	(580 053)	(608 715)
Accruals for vacations	91 544	91 544
Total temporary differences	(711 831)	(740 493)
Tax rate applied	15%	15%
Deferred tax liabilities	106 775	111 074
Recognized deferred tax liabilities	106 775	111 074

22 PROPERTIES REVALUATION RESERVE

Balance at beginning of year	945 606	2 735 327
Other comprehensive income:		
Decrease arising on revaluation of properties	-	(1 887 942)
Deferred tax assets arising on revaluation	-	283 191
Depreciation on evaluation surplus	(114 685)	(217 612)
Reversal of deferred tax liability on revaluation	17 203	32 642
Balance at end of year	848 124	945 606
