



LATVIJAS JURAS MEDICINAS CENTRS JSC

CONSOLIDATED INTERIM REPORT FOR THE 9 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 public registered shares with face value 1,00 LVL. ISIN code: LV0000100741
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 - 30 September 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
30.09.11**

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 loss before taxes of the parent company was -133 782 LVL.

The loss before taxes of the subsidiary company was -3 374 LVL.

EBITDA: 149 229 LVL

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 143 000 LVL. 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. Accordingly the contract with the Health Billing Center the exceeding of quota cannot be credited to the income at the reference period. During the third quarter the exceeding of quota is partially compensated, while the processing costs including annual holiday grants are referred to the second and third quarter, when these costs actually incurred.

The building reconstruction and renovation supported by the ERDF funds is ongoing to provide outpatient medical services at Patversmes street 23 in the former hospital care housing. The new USG equipment has been bought by support of ERDF.

The Olympus equipment for laparoscopy operations in gynaecology was purchased.

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

In July a new modern 1.5 Tesla magnetic resonance imaging apparatus GE "OPTIMA MR355 FREE BASIC" has started to serve the patients.

Ear, nose and throat doctor's office is equipped with modern hardware.

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; 30.06.11 - LVL 1,70; 30.09.11 - LVL 1,31.

Important Events after the Balance Sheet Date

The new equipment for the oculist has been bought by support of ERDF.

The share price at the 28.11.11 was LVL 1,20.

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.

On behalf of the Group:

Chairman of the Board

Janis Birks

Member of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Riga, 25 November, 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 30 September 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, 25 November, 2011.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

	September 30, 2011	December 31, 2010	Note	September 30, 2010
ASSETS	LVL	LVL		LVL
Current assets:				
Stocks				
Raw materials	68 303	57 800	4	56 780
Total stocks	68 303	57 800		56 780
Debtors:				
Trade debtors	130 625	119 182	5	279 387
Other receivables	54 068	37 977	6	47 524
Accruals	3 238	2 446	7	3 109
Total debtors	187 931	159 605		330 020
Cash funds	886 931	1 243 435	8	871 706
Total current assets	1 143 165	1 460 840		1 258 506
Long-term investments:				
Intangible assets:				
Other intangible (fixed) assets	1 207	3 446	2	4 561
Total intangible assets	1 207	3 446		4 561
Fixed assets:				
Land and buildings	1 212 574	1 325 870		1 363 637
Technological equipment and machines	890 322	400 459		434 487
Other fixed assets and inventory	41 271	60 540		71 680
Fixed assets add-ons (EU funds)	118 353	2 689		4 086
Unfinished building objects	175 842	175 842		175 842
Advance payments for fixed assets	-	1 397		-
Total fixed assets:	2 438 362	1 966 797	2	2 049 732
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:	2 574 745	2 105 323		2 181 212
TOTAL ASSETS	3 717 910	3 566 163		3 439 718

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 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

	September 30, 2011 LVL	December 31, 2010 LVL	Note	September 30, 2010 LVL
LIABILITIES				
Liabilities:				
Liabilities:				
Received advance payments	186 248,00	155 409	10	459
Due to customers and suppliers	313 133,00	36 805	11	44 793
Taxes and social security payments	53 819,00	76 631	12	68 029
Other payables	96 462,00	91 914	13	82 900
Recognized deferred tax liabilities	98 172,00	111 074	22	121 613
Total liabilities	747 834,00	471 833		317 794
Provisions for liabilities and charges:				
Provisions for vacations	91 544,00	91 544		96 600
Total provisions	91 544,00	91 544		96 600
Total liabilities	839 378,00	563 377		414 394
Equity capital:				
Share equity	800 000,00	800 000	9	800 000
Reserves:				
c) reserves provided by the Articles of Association	31 993,00	31 993		31 993
d) fixed asset's revaluation reserve	775 013,00	848 124		872 496
Retained earnings:				
a) brought forward from previous years	1 407 294,00	1 427 086		1 398 414
b) current year profit or loss	(137 132,00)	(105 805)		(78 974)
Total shareholders' equity	2 877 168,00	3 001 398		3 023 929
Non-controlling interest	1 364,00	1 388		1 395
Total equity capital	2 878 532,00	3 002 786		3 025 324
TOTAL EQUITY, PROVISIONS AND LIABILITIES	3 717 910,00	3 566 163		3 439 718
 Current Ratio	 1,53	 3,10		 3,96
Debt Ratio	0,23	0,16		0,12

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 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

	2010, 9 month period LVL	2011, 12 month period LVL	Note	2010, 9 month period LVL
Net sales	2 562 647	3 360 119	14	2 436 054
Cost of goods sold	(2 553 959)	(3 304 405)	15	(2 386 659)
Gross profit or loss	8 688	55 714		49 395
Administrative expenses	(219 883)	(256 785)	16	(209 927)
Other operating income	73 304	93 615	17	68 422
Other operating expenses	(1 294)	(9 616)	18	(1 845)
Income from investment in associates	-	8 161	19	-
Interest income and similar income	2 029	5 189	20	14 955
Profit (loss) before taxes	(137 156)	(103 722)		-79 000
Corporate income tax	-	(2 116)	21	-
NET PROFIT OR LOSS	(137 156)	(105 838)		-79 000
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	(137 156)	(105 838)		(79 000)
Profit attributable to				
Owners of LJMC	(137 132)	(105 805)		(78 974)
Non-controlling interest	(24)	(33)		(26)
	(137 156)	(105 838)		(79 000)
Total comprehensive income attributable to				
Owners of LJMC	-	-		-
Non-controlling interest	-	-		-
	-	-		-
EBITDA	149 229	262 953		198 600
Number of shares	800 000	800 000		800 000
Earnings per Share (EPS) (LVL)	-0,17	-0,13		-0,10

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 30 SEPTEMBER 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	-	-	(86 013)	86 013	-	-	-
Deffered tax on revaluation surplus	-	-	12 902	-	-	-	12 902
Total comprehensive income for the year	-	-	-	-	(137 132)	(24)	(137 156)
At 30 September 2011	800 000	31 993	775 013	1 407 294	(137 132)	1 364	2 878 532

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 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

	2010, 9 month period LVL	2011, 12 month period LVL	Note	2010, 9 month period
Cash flows used in operating activities				
Net income before tax	(137 156)	(103 722)		(79 000)
Adjustments:				
a) depreciation of tangibles	283 348	364 291	2	274 215
b) depreciation of goodwill	3 034	4 500	2	3 385
c) provisions	-	(5 056)		-
d) loss (gain) on sale of tangibles	-	1 309		1 077
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	144 037	247 972		167 843
Changes in operating assets and liabilities:				
a) receivables.	24 336	24 336		(192 953)
b) inventory.	(10 503)	(5 564)		(4 544)
c) current liabilities.	256 376	172 075		68 728
3. Gross operating cash flow	414 246	438 819		39 074
4. Paid corporate income tax.	(11 936)	(17 561)	12	(6 465)
5. Net cash used in operating activities	402 310	421 258		32 609
II. Cash flow used in investment activities				
1. Purchase of shares of associates.	-	-		-
2. Purchase of fixed assets.	(761 062)	(127 980)	2	(120 607)
3. Selling of fixed assets.	219	219		-
4. Received interest.	2 029	5 189	20	14 955
5. Net cash from investment activities	(758 814)	(122 572)		(105 652)
IV. Net increase (decrease) in cash	(356 504)	298 686		(73 043)
V. Cash at the beginning of the period	1 243 435	944 749		944 749
VI. Cash at the end of the period	886 931	1 243 435		871 706

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 30 SEPTEMBER 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:

	September 30, 2011	December 31, 2010
EUR	0,702804	0,702804
USD	0,516	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 30 SEPTEMBER 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 30 SEPTEMBER 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 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

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

As of 30 September 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	-	640 417	5 583	114 267	-	-	761 062
Transfers	-	-	-	-	1 397	(1 397)	-	-
Revaluation	-	-	-	-	-	-	-	-
Disposals or change in classification	(419)	-	(44 338)	(22 877)	-	-	-	(67 634)
At 30 September								
2011	26 448	2 540 655	2 476 143	335 908	118 353	-	175 842	5 673 349
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	3 034	27 283	145 958	24 094	-	-	-	200 369
Charge for the period for revaluated fixed assets	-	86 013	-	-	-	-	-	86 013
Disposals or change in classification	(419)	-	(39 742)	(22 119)	-	-	-	(62 280)
At 30 September								
2011	25 241	1 328 081	1 585 821	294 637	-	-	-	3 233 780
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 30 September								
2011	1 207	1 212 574	890 322	41 271	118 353	-	175 842	2 439 569

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	67 447	56 890
Products	398	192
Advance payments to supplier of goods	219	187
Stock in warehouse	61	174
Inventory	-	58
Other materials	178	299
Total	68 303	57 800

5 TRADE DEBTORS

	2011 LVL	2010 LVL
Rigas department	62 944	83 935
Latvian University	-	5 546
Insurance BTA SE	3 585	4 616
SEESAM Latvija	568	3 259
Ergo Latvija AAS	2 177	2 438
IF Latvija AAS	4 510	2 190
Ministry of Interior – health and social departme	1 285	1 412
Latvian railway AS	1 220	1 210
Balta AAS	977	1 172
Gjesidege Baltic	4 060	1 121
Baltijas apdrošināšanas nams	69	953
Balva AAS	1 709	835
Narkologijas centrs	-	309
Compensa Life Vienna Insurance group	824	100
Biogen Idec Ltd.	-	25
P.Stradiņa klīniskā universitātes slimnīca	24 023	-
Olla M SIA	1 162	-
Other customers	22 827	11 376
Bad debt provisions	(1 315)	(1 315)
Total	130 625	119 182

6 OTHER RECEIVABLES

	2011 LVL	2010 LVL
Taxes overpayment (note No.12)	17 424	31 269
VAT for unpaid invoices	27	2 297
Other debtors	36 617	4 411
Total	54 068	37 977

7 ACCRUALS

	2011 LVL	2010 LVL
Assurance expense	3 238	2 446
Total	3 238	2 446

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

8 CASH

	2011	2010
	LVL	LVL
Cash in banks	880 228	1 241 367
Deposit	-	
Cash on hands	6 703	2 068
Total	886 931	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	186 009	155 136
Other advances	239	273
Total	186 248	155 409

11 DUE TO CUSTOMERS AND SUPPLIERS

	2011	2010
	LVL	LVL
Latvijas Gaze	4 688	11 243
Amerilat MD	-	8 954
Latvenergo Rīgas elektrotīkls	-	5 581
Sistēmu Audits SIA	-	2 440
Rīgas Ūdens	884	859
Lattelekom	-	250
Academic histologic laboratory	233	219
AB Medical Group Riga	-	119
Segaway SIA	-	-
Tradintek SIA	273 162	-
Other suppliers	34 166	7 140
Total	313 133	36 805

12 TAXES

	As of 31-12-2010	Calculated	Paid	Repayed	As of 30.09.2011
Value added tax	3 371	33 278	(33 636)	2	3 015
Social insurance	43 237	465 957	(459 314)	(27 450)	22 430
Personal income tax	29 746	264 789	(265 238)	(1 000)	28 297
Corporate income tax	(31 269)	-	(11 936)	28 470	(14 735)
Unemployment duty	87	805	(793)	(22)	77
Natural resources tax	190	-	(373)	-	(183)
Real estate tax	-	386	(2 892)	-	(2 506)
Total, including	45 362	765 215	(774 182)	-	36 395
due to the budget	76 631				53 819
overpayment	(31 269)				(17 424)

13 OTHER PAYABLES

	2011	2010
	LVL	LVL
Salaries	95 404	90 683
Trade union	647	744
Deposited salary	411	487
Total	96 462	91 914

14 NET SALES

	2011	2010
	LVL	LVL
Medical ambulant services	1 639 932	2 126 920
Medical hospital services	577 304	717 280
Insurance payments	142 649	243 001
VS ZDC ambulant services	110 835	132 650
Services - minimum fixed part	6 929	9 238
Residents training	19 111	31 332
Stomatology services	33 039	41 111
Family doctors	23 850	32 052
Other income	8 998	26 535
Total	2 562 647	3 360 119

15 COST OF GOODS SOLD

	2011	2010
	LVL	LVL
Salaries and	1 206 620	1 548 086
Fixed assets depreciation	286 385	368 791
Medical goods	330 430	366 078
Social tax	274 469	360 544
VAT - expenses	118 679	145 049
Public utilities	61 579	122 957
Repair expenses	54 376	104 033
Rent of	34 075	71 797
Household goods	13 284	25 921
Security expenses	20 555	25 286
Current assets write-off	18 181	21 828
Computer maintenance, repair	11 226	15 093
Medical researches	10 276	14 874
Advertising	9 747	14 780
Office expenses	5 982	12 460
Utilities	77 904	11 564
Feeding expenses	13 284	11 232
Insurance expenses	2 407	4 482
Transport expense	3 974	4 443
Employees trainings	3 882	3 466
Allowances to employees	1 100	1 840
Unemployment duty	805	1 035

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

15 COST OF GOODS SOLD (CONTINUED ...)

Gifts to employees	929	767
Accruals for vacations	-	(12 723)
Received discounts	(6 190)	(5 238)
Other operating expenses	-	65 960
Total	2 553 959	3 304 405

16 ADMINISTRATIVE EXPENSES

	2011	2010
	LVL	LVL
Salaries and wages	113 994	118 071
Social tax	34 817	26 525
Board remuneration	16 773	24 755
Board chairperson remuneration	15 692	16 654
Communication expenses	7 254	12 340
Council members remuneration	7 560	12 320
Office expenses	3 191	10 302
Presentation expenses	1 441	6 557
Council chairperson remuneration	4 320	5 760
Audit expenses	-	5 000
Board members social tax	3 462	4 791
Chairperson of the Board social tax	3 780	4 012
Bank expenses	2 496	3 480
Council members social tax	2 329	2 793
Other administrative expenses	1 733	1 987
Chairperson of the Council social tax	1 041	1 388
Legal services	-	50
Total	219 883	256 785

17 OTHER OPERATING INCOME

	2011	2010
	LVL	LVL
Rent income	43 634	64 908
Hotel services – food	10 729	11 024
Utilities for tenants	1 479	5 175
Feeding income	204	1 280
Laundry income	919	1 192
Solarium income	489	729
Income from social tax return	-	-
Press goods	-	-
Other income	15 850	9 307
Total	73 304	93 615

18 OTHER OPERATING EXPENSES

	2011	2010
	LVL	LVL
Real estate tax	452	3 196
Loss from fixed assets disposals	-	1 309
Penalties	76	16
Currency exchange loss	766	7
Other expenses	-	5 088
Total	1 294	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	2 029	5 189
Total	2 029	5 189

21 CORPORATE INCOME TAX

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

21 CORPORATE INCOME TAX (CONTINUED ...)

	2011 LVL	2010 LVL
Profit (loss) before tax	(137 156)	(103 722)
Loss of a subsidiary	3 374	4 700
Evaluation of an associate company	(8 161)	(8 161)
Theoretically calculated corporate income tax,	(21 291)	(16 077)
Permanent differences	-	24 431
Changes in deferred income tax	-	(6 238)
Total	-21 291	2 116

Deferred tax

Temporary difference between financial statements	(223 322)	(223 322)
Temporary difference of fixed assets revaluation	(522 702)	(608 715)
Accruals for vacations	91 544	91 544
Total temporary differences	(654 480)	(740 493)
Tax rate applied	15%	15%
Deferred tax liabilities	98 172	111 074
Recognized deferred tax liabilities	98 172	111 074

22 PROPERTIES REVALUATION RESERVE

Balance at beginning of year	848 124	945 606
Depreciation on evaluation surplus	(86 013)	(114 685)
Reversal of deferred tax liability on revaluation	12 902	17 203
Balance at end of year	775 013	848 124
