



**AS “DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA”**

CONSOLIDATE REPORT

For six months 2007

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AS "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA"  
Report for six months 2007

**INFORMATION ON THE COMPANY**

<i>Name of the company</i>	DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA
<i>Legal status of the company</i>	Joint-stock company
<i>Number, place and date of registration</i>	Nr.40003030219 Riga, 03.10.1991. Komercreģistrā Riga, 08.06.2004.
<i>Address</i>	Marijas street 1, Daugavpils LV-5401 Latvia
<i>Type of operations</i>	Repair and modernization of the mobile train
<i>Names, address and % of the share capital owned by company's shareholders</i>	AS SKINEST RAIL, reģ.10293440 (49,0%) Kadaka tee 1, 10621, Tallinna, Igaunija  AS SPACECOM, reģ.10940566 (25,27%) Kadaka tee 1, 10621 Tallina Estonia  LLC LOKOMOTIIV IVESTEERINGSUUD, reģ.11096115 (6,09%) Tartu street 18-18, 10115 Tallina Estonia  AAS "DORMAŠINVEST" reģ.001455963, OGRN 10277739059919 (5%) Moscow, Russia  VAS VSAA, Riga (3,2%) Lacplesha street 70a, LV-1011 Latvia  Physical persons (11,44%)
<i>Names and positions of Board members</i>	Keskula Aivar – chairman of the board (from 25.10.2006) Šilovs Andrejs – member of the board (from 25.10.2006) Kārklīņa Jeļena – member of the board (from 25.10.2006)
<i>Names and position of Advice members</i>	Ossinovski Oleg – chairman of the advice (from 01.06.2006) Krasnoslok Juri – vice-chairman of the advice (from 01.06.2006) Ait Roman – member of the advice (from 01.06.2006) Barashkov Vasiluy – member of the advice (from 01.06.2006) Snatkin Aleksandr – member of the advice (from 07.05.2007)

## Report of the management.

### I. The key figures of the enterprise.

In six months 2007 year joint-stock company „Daugavpils Lokomotīvu Remonta Rūpnīca” has distributed goods for 4987.8 thousand lats, which constitutes an increase of -47.7 % compared to the appropriate period of 2006.

Displayed below is the dynamics of the output of the production of the basic classification.

Table No.1

#### The basic classification of the production.

Designation	Six months 2007	Six months 2006	(+, -) thousands, Ls
Diesel locomotive repair, section	2 360.9	5 995.6	-3 634.7
Electric train repair, carriage	806.4	480.5	+325.9
Diesel-multiple unit train repair, carriage	0	0	-
Refrigerator train, pieces	0	28.4	-28.4
Total sum of rolling-stock unit	3 167.3	6 504.5	-3 337.2
Wheel pair repair, pieces	696.0	1 065.1	-369.1
Electric machines repair, pieces	243.7	644.3	-400.6
Diesel repair, pieces	100.3	318.3	-218
Other	780.5	820.7	-40.2
<b>Total</b>	<b>4 987.8</b>	<b>9 352.9</b>	<b>-4 365.1</b>

Table No.2

#### The structure of the distributed goods by the clients.

The client	Six months 2007		Six months 2006	
	sum	%	sum	%
Latvia	1 325.4	26.6	2 076.0	22.2
Lithuania	294.4	5.9	494.2	5.3
Estonia	1 132.7	22.7	983.2	10.5
Belarus	94.6	1.9	366.9	3.9
Uzbekistan	186.6	3.7	241.7	2.6
Russia	1 894.0	38.0	5 190.9	55.5
Mongolia	60.1	1.2	-	-
<b>Total</b>	<b>4 987.8</b>	<b>100.0</b>	<b>9 352.9</b>	<b>100.0</b>

## **II. Financial figures.**

The enterprise finished six months 2007 year with the balance income of -230.9 thousand lats.

The enterprise for the means of the increase of the turnover resources, has invested 217.4 thousand lats of investments, including:

- The purchase of the capital assets - 76.3 thousand lats
- Equipment - 105.7 thousand lats
- The classification of the factory - 31.1 thousand lats
- Furniture and equipment - 4.3 thousand lats

J.Kārklīņa

The managing director of the Financial – economic Department

### **Statement of Director's responsibility**

The Board of Directors of the Joint Stock Company "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA" (hereinafter – the Company) is responsible for the preparation of the interim financial statements of the Company. Interim financial statements of the Company are not audited.

The financial statements on pages 7 to 18 are prepared in accordance with the underlying accounting records and source documents and present fairly the financial position of the Company as of June 30, 2007 and the result of its operations and cash flows for 6 months of the year 2007.

The financial statements are prepared in accordance with International Financial Reporting Standards on a going concern basis. Appropriate accounting policies have been applied on a consistent basis. Prudent and reasonable judgements and estimates have been made by the Board of Directors in the preparation of the financial statements.

The Board of Directors of JSC "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA" is responsible for the maintenance of proper accounting records, the safeguarding of the Company's assets and the prevention and detection of fraud and other irregularities in the Company. The Board of Directors is also responsible for operating the Company in compliance with the legislation of the Republic of Latvia.

Aivar Keskuela  
Chairman of the Board

August 31, 2007

AS "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA"  
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**01.07.2007. balance Sheet**

0.702804

<b>ASSETS</b>						
	01.07.2007.		01.07.2006.		01.01.2007.	
	<b>LVL</b>	<b>EUR</b>	<b>LVL</b>	<b>EUR</b>	<b>LVL</b>	<b>EUR</b>
<b>NON CURRENT ASSETS</b>						
Property, plant and equipment:						
Land, buildings and networks	3 053 091	4 344 157	2 152 873	3 063 262	3 073 910	4 373 780
Machinery and equipment	784 638	1 116 439	554 197	788 551	805 923	1 146 725
Other property, plant and equipment	153 642	218 613	123 638	175 921	147 588	209 999
Construction in progress	470 000	668 750	143 211	203 771	331 980	472 365
<b>Total property, plant and equipment</b>	<b>4 461 371</b>	<b>6 347 959</b>	<b>2 973 919</b>	<b>4 231 506</b>	<b>4 359 401</b>	<b>6 202 869</b>
Embedding long-term financial						
Other embedding long-term financial						
Total embedding long-term financial						
<b>Total embedding long-term</b>	<b>4 461 371</b>	<b>6 347 959</b>	<b>2 973 919</b>	<b>4 231 506</b>	<b>4 359 401</b>	<b>6 202 869</b>
<b>CURRENT ASSETS</b>						
Inventory	5 956 275	8 475 016	5 382 307	7 658 333	4 733 500	6 735 164
<b>Debtors:</b>						
Debts custom, customer	2 767 380	3 937 627	3 093 785	4 402 059	3 310 980	4 711 100
Debts association enterprise			12 005	17 082		
Other debtors	407 376	579 644	155 807	221 693	282 014	401 270
Payment next periods	11 695	16 640	10 632	15 128	12 948	18 423
<b>Total debtors:</b>	<b>3 186 451</b>	<b>4 533 911</b>	<b>3 272 229</b>	<b>4 655 962</b>	<b>3 605 942</b>	<b>5 130 793</b>
<b>Cash and cash equivalents</b>	<b>76 795</b>	<b>109 269</b>	<b>55 354</b>	<b>78 762</b>	<b>33 151</b>	<b>47 170</b>
<b>Total current assets</b>	<b>9 219 521</b>	<b>13 118 197</b>	<b>8 709 890</b>	<b>12 393 057</b>	<b>8 372 593</b>	<b>11 913 127</b>
<b>TOTAL ASSETS</b>	<b>13 680 892</b>	<b>19 466 156</b>	<b>11 683 809</b>	<b>16 624 562</b>	<b>12 731 994</b>	<b>18 115 995</b>

AS "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA"  
Report for six months 2007

**01.07.2007.** balance Sheet

0.702804

<b>LIABILITIES</b>						
	01.07.2007.g.		01.07.2006.g.		01.01.2007.g.	
	<b>LVL</b>	<b>EUR</b>	<b>LVL</b>	<b>EUR</b>	<b>LVL</b>	<b>EUR</b>
SHAREHOLDER' EQUITY						
Share capital	8 294 219	11 801 610	8 294 219	11 801 610	8 294 219	11 801 610
Topheavy reserves	705 821	1 004 293	764 920	1 088 383	712 150	1 013 298
Previous year unappropriated result	-5 279 864	-7 512 612	-5 385 127	-7 662 345	-5 462 553	-7 772 513
Previous year unappropriated result	- 230 921	328 571	395 876	563 281	182 689	259 943
Total shareholders' equity	3 489 255	4 964 763	4 069 888	5 790 929	3 726 505	5 302 339
PROVISIONS	814 438	1 158 841	910 722	1 295 841	819 541	1 166 102
Other provisions	814 438	1 158 841	910 722	1 295 841	819 541	1 166 102
CREDITORS						
Long-term creditors						
Long-term loan from credit institution	2 748 019	3 910 079	2 251 710	3 203 895	2 789 918	3 969 696
Total long-term creditors	2 748 019	3 910 079	2 251 710	3 203 895	2 789 918	3 969 696
<b>Short-term creditors</b>						
Long-term loan from credit institution	2 481 469	3 530 812	1 788 584	2 544 926	1 989 677	2 831 055
Advances from customers	539 711	767 940	601 073	855 250	696 686	991 295
Debts provider and employer	3 235 195	4 603 268	1 666 662	2 371 446	2 170 010	3 087 646
Taxes and social guaranteeing payment	115 610	164 498	186 348	265 149	258 854	368 316
Other creditors	202 283	287 823	208 822	297 127	214 910	305 789
Deffered tax payment	43 932	62 510			43 932	62 510
Accumulated liabilities	10 980	15 623			21 961	31 248
Total current liabilities	6 629 180	9 432 473	4 451 489	6 333 898	5 396 030	7 677 859
Total	9 377 199	13 342 552	6 703 199	9 537 793	8 185 948	11 647 555
<b>TOTAL LIABILITIES</b>	13 680 892	19 466 156	11 683 809	16 624 562	12 731 994	18 115 995



## Profit or loss account

2007. g. for six months 2007

0.702804

	for six months 2007		for six months 2006	
	LVL	EUR	LVL	EUR
NET SALES	6 688 480	9 516 850	10 370 824	14 756 535
Cost of sales	5 844 254	8 315 624	9 681 628	13 775 716
GROSS PROFIT (LOSS)	844 226	1 201 225	689 196	980 638
Sales and distribution expenses	77 840	110 756	39 177	55 744
Administrative expense	869 994	1 237 890	340 157	484 000
Other operating income	26 501	37 708	88 796	126 345
Other expenses	22 032	31 349	20 013	28 476
Other credit interest	79 700	113 403	-51 095	-72 702
Profit or loss before extraordinary post and taxes	-178 839	254 465	429 740	611 465
Profit or loss before taxes	-178 839	254 465	429 740	611 465
Corporate income tax of account period	0	0	15 127	21 524
Other taxes	52 082	74 106	18 737	26 660
Profit or losses report on period after taxes	-230 921	-328 571	395 876	563 281
Profit coefficient on stock	-0.028	-0.0396	0.048	0.068

## OVERVIEW OF EQUITY CAPITAL SHANGES

for six months 2007

0.702804

	on 30.06.2007.		on 30.06.2006.	
	LVL	EUR	LVL	EUR
<b>Share capital</b>				
Post-balance residue on 01.01.2007.	8 294 219	11 801 610	8 294 219	11 801 610
Increase	0	0	0	0
Decrease	0	0	0	0
Post-balance residue on 30.06.2007.	8 294 219	11 801 610	8 294 219	11 801 610
<b>Reserve of reassessment of the basic means</b>				
Post-balance residue on 01.01.2007.	712 150	1 013 298	786 913	1 119 676
Increase	0	0	0	0
Decrease	6 329	9 005	21 993	31 293
Post-balance residue on 30.06.2007.	705 821	1 004 293	764 920	1 088 383
<b>Retained profit</b>				
Post-balance residue on 01.01.2007.	-5 279 864	-7 512 570	-5 385 127	-7 662 345
Post-balance residue on 30.06.2007.	-5 510 785	-7 841 141	-4 989 251	-7 099 065
<b>Share capital (total)</b>				
Post-balance residue on 01.01.2007.	3 726 505	5 302 339	3 696 005	5 258 941
Post-balance residue on 30.06.2007.	3 489 255	4 964 763	4 069 888	5 790 929

**AS "Daugavpils Lokomotīvu Remonta Rūpnīca"**Unified registration Nr. **40003030219**Address **Daugavpils, Marijas iela 1**

rate 0.702804

**Cash flow statement for 6month 2007****1. Cash flow from operating activities**

	30.06.2007 LVL		30.06.2007 EUR		30.06.2006 LVL		30.06.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Profit before taxes		178 839	0	254 465	429 740	0	611 465	0
<b>Adjustments:</b> depreciation	111 093		158 071	0	95 573	0	135 988	0
Provision	0	5 103	0	7 261		103 106	0	146 707
profit or loss from fluctuacions of currency exchange	0	89 155	0	126 856		175 946	0	250 349
Provision decrease	0	6 329	0	9 005	0	21 993	0	31 293
Income from sale of fixed assets	0		0	0	8 798		12 518	
Interest expences					950		1 352	
<b>Adjustments:</b> a) Trade receivables (increase)/decrease)	419 491		596 882	0	0	164 375	0	233 885
Stock (increase)/decrease		1 222 775	0	1 739 852	385 184		548 067	0
Trade payables increase/(decrease)	741 358		1 054 857	0		7 602 807	0	10 817 820
Gross cash flow operating activities	1 271 942	1 502 201	1 809 810	2 137 439	920 245	8 068 227	1 309 391	11 480 053
Corporate income and property tax paid	0	52 082	0	74 106	0	33 864	0	48 184
Cash flow before extraordinary items	1 271 942	1 554 283	1 809 810	2 211 545	920 245	8 102 091	1 309 391	11 528 237
<b>Net cash flow from operating activities</b>	<b>0</b>	<b>282 341</b>	<b>0</b>	<b>401 735</b>	<b>7 181 846</b>	<b>0</b>	<b>10 218 846</b>	<b>0</b>

**II. Cash flows from investing activities**

	uz 30.06.2007 LVL		uz 30.06.2007 EUR		uz 30.06.2006 LVL		uz 30.06.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Acquisition of fixed assets and intangible assets	0	213 062	0	303 160	0	196 459	0	279 536
Income from sale of fixed assets and intangible assets		0	0	0		0	0	0
Participation in other companies	0		0	0	0	0	0	0
<b>Net cash flow from investing activities</b>	<b>0</b>	<b>213 062</b>	<b>0</b>	<b>303 160</b>	<b>0</b>	<b>196 459</b>	<b>0</b>	<b>279 536</b>

**III. Cash flows from financing activities**

	uz 30.06.2007 LVL		uz 30.06.2007 EUR		uz 30.06.2006 LVL		uz 30.06.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Loans from credit institution	728 462	0	1 036 508	0	1 802 795		2 565 146	0
Borrowing repaid	0	189 415	0	269 513	0	146 794	0	208 869
<b>Net cash flows from financing activities</b>	<b>539 047</b>	<b>0</b>	<b>766 995</b>	<b>0</b>	<b>1 656 001</b>	<b>0</b>	<b>2 356 277</b>	<b>0</b>

	uz 30.06.2007 LVL		uz 30.06.2007 EUR		uz 30.06.2006 LVL		uz 30.06.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Cash flow from operating activities	0	282 341	0	401 735		7 181 846	0	10 218 846
Cash flows from investing activities	0	213 062	0	303 160	0	196 459	0	279 536
Cash flows from financing activities	539 047	0	766 995	0	1 656 001		2 356 277	0
<b>Net cash flow of the current period</b>	<b>43 644</b>	<b>0</b>	<b>62 100</b>	<b>0</b>	<b>5 722 304</b>	<b>0</b>	<b>8 142 105</b>	<b>0</b>
Cash and cash equivalents at the beginning of the reporting period	33 151	0	47 170	0	5 777 658	0	8 220 867	0
Cash and cash equivalents at the end of the reporting period	76 795	0	109 269	0	55 354	0	78 762	0

President

A.Keskula

Date

30.06.2007.g.

## NOTES

### Accounting policies

#### 1. General principles

Annual accounts are prepared in accordance with the laws of the Republic of Latvia "On Accounting" and "On the Annual Accounts of Companies".

The profit and loss account is prepared in accordance with the turnover module.

The statement of cash flows has been prepared using indirect cash flow method.

The accounting policies used by the Company are consistent with those used in the previous accounting period.

#### 2. Net sales

Net sales represent the total of goods and services sold during the year excluding discounts, value added tax and other taxes directly adjusted to sales.

Income is recognized according to the following principles:

income from operating activities - at the moment of emergence;

income from fines and overdue money - at the moment of gain;

dividends - from the moment when arise legal rights to receive them.

#### 3. Foreign currency translation into Lats

The Company maintains its accounts in Latvian Lats. All transactions denominated in foreign currencies are converted into Lats at the exchange rate set by the Bank of Latvia prevailing on the day on which the transactions took place.

Monetary assets and liabilities in foreign currencies are translated into Lats in accordance with the official exchange rate set by Bank of Latvia for the last day of the reporting period. The resulting profit or loss is charged to the profit and loss account.

	30.06.2007.	30.06.2006.
1 USD	0.522	0.560
1 EUR	0.702804	0.702804
1 LTL	0.204	0.204
1 EEK	0.0449	0.0449

#### 4. Fixed assets

Fixed assets are initially recorded at historic cost. In financial statements fixed assets are shown at historic cost or revalued amount of net depreciation. Increase in value arising on revaluation is shown in equity under "Long-term investments revaluation reserve".

Depreciation is calculated on a straight-line basis to write down each asset to its estimated residual value over its estimated useful life period using the following annual rates set by the management:

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	Depreciation % per year
Buildings	1-5
Plant and equipment	5-20
Other fixtures and fittings, motor vehicles	5-35

The Company capitalizes its fixed assets valued over Ls 50 with utilization period exceeding 1 year. Low value inventory is recorded at historical cost and charged to expenses 100% after putting into operation.

#### **5. Stock**

The stock cost has been determined using the first-in first-out method. Stock is recorded at the lowest market price and net realizable value. Required, slow moving, obsolete or damaged stock has been written down.

Within the production cost of stock are included the costs of used materials and other expenses that are directly connected with the production process as well as a respective part of administrative expenses.

#### **6. Accounts receivable**

Accounts receivables are recorded in the balance sheet at their net value, being original invoice amount less provisions made to cover anticipated loss on bad and doubtful accounts receivables. Provisions for bad and doubtful accounts receivables are established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of provisions for bad and doubtful accounts receivables is recorded as expenses in current financial year.

Debtors are recorded in the balance sheet at their net value less provisions made to cover anticipated loss on bad and doubtful accounts receivables. Specific provisions for doubtful accounts receivables are made when the recoverability of the specific debtor is considered by the Company's management to be uncertain. Bad debts are charged to the loss for the reporting year.

#### **7. Provisions for unused annual leave**

Amount of provision for unused annual leave is determined by multiplying the average wage of employees in the last six months of the reporting year per day by the amount of accrued but unused annual leave at the end of the reporting year.

#### **8. Taxation**

Corporate income tax for the reporting period is included in the financial statements based on the management's calculations prepared in accordance with the tax legislation of the Republic Latvian.

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**9. Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, balances of current account with banks, short-term deposits with maturity up to 90 days and bank overdrafts. Bank overdrafts on the balance sheet are included within the item short-term "loans from credit institutions".

**1. Net sales**

	Six months 2007	Six months 2006
<b>According to operating activities</b>		
Products production	4 987 855	9 352 929
Spare parts sale	1 531 966	560 905
Other	168 659	456 990
<b>Total</b>	<b>6 688 480</b>	<b>10 370 824</b>
<b>According to the location</b>	1 325 420	2 076 000
Income from export to Latvia	584 608	267 800
Income from export to Russia	294 397	494 200
Income from export to Lithuania	1 132 716	983 200
Income from export to Estonia	94 561	366 900
Income from export to Belarus	110 466	241 700
Income from export to Uzbekistan	1 445 687	4 923 129
Other	4 987 855	9 352 929
<b>Total</b>	<b>4 987 855</b>	<b>9 352 929</b>

**2. Production costs**

Goods delivery expenses	105 964	220 266
Row and material expenses	2 402 277	5 292 760
Purchase of diesel locomotives	1 531 966	542 395
Utility expenses	181 861	395 167
Salary expenses	1 156 444	2 083 344
Social insurance	273 007	432 347
Depreciation of fixed assets	60 492	113 635
Other production costs	132 243	601 714
<b>Total</b>	<b>5 844 254</b>	<b>9 681 628</b>

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**3. Selling expenses**

Transportation costs	77 840	39 177
Other selling expenses	0	0
<b>Total</b>	<b>77 840</b>	<b>39 177</b>

**4. Administrative expenses**

Salary expenses	574 281	157 396
Social insurance	137 404	37 597
Other social security expenses		
Rent expenses		
Office expenses	46 647	43 342
Advertising		806
Representation costs	1 848	1 460
Depreciation of fixed assets	36 089	31 867
Professional fees		5 804
Other administrative costs	73 725	61 885
<b>Total</b>	<b>869 994</b>	<b>340 157</b>

**5. Other operating income**

Income from fixed assets sale	1 170	8 798
Write of a reserve of the basic means	6 329	22 010
Incomes of the basic means	6 619	5 475
Other income	12 383	52 513
<b>Total</b>	<b>26 501</b>	<b>88 796</b>

**6. Other operating expenses**

Residual cost of the written off basic means		2 587
Losses of course exchange		
Expenses of collective agreement	12 188	14 216
Net loss from sale of fixed assets	6 213	1 186
Pretax applied to expenses		
Creation of accumulation on debtors		
Other expenses	3 631	2 024
<b>Total</b>	<b>22 032</b>	<b>20 013</b>

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**7. Other taxes**

Real estate tax for land	3 255	5 384
Real estate tax for buildings	48 827	13 353
<b>Kopā</b>	<b>52 082</b>	<b>18 737</b>

**8. Fixed assets**

	Land and buildings	Equipment and machinery	Other fixed assets and inventory	Fixed assets under construction	Total
<b>Cost / Valuation</b>					
01.01.2007.	<b>4 563 740</b>	<b>5 095 224</b>	<b>512 977</b>	<b>331 980</b>	<b>10 503 941</b>
Additions	3 894	45 320	25 827	138 020	213 061
Disposals		3 675	6 508		10 183
Reclassification					
Revaluation					
30.06.2007.	4 567 634	5 136 889	532 296	470 000	10 706 819
<b>Depreciation</b>					
01.01.2007.	<b>1 489 830</b>	<b>4 289 321</b>	<b>365 389</b>		<b>6 144 540</b>
Charge	24 713	66 605	19 773		111 091
Disposals		3 675	6 508		10 183
Reclassification					
Corrections for previous year's error					
01.07.2007.	1 514 543	4 352 251	378 654	0	6 245 448
<b>Net book value</b>					
01.01.2007.	<b>3 073 910</b>	<b>805 923</b>	<b>147 588</b>	<b>331 980</b>	<b>4 359 401</b>
<b>Net book value</b>					
30.06.2007.	<b>3 053 091</b>	<b>784 638</b>	<b>153 642</b>	<b>470 000</b>	<b>4 461 371</b>

**9. Incomplete products**

Unfinished production	3 410 562	2 339 894
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**10. Finished good and goods for sale**

Finished products on stock	478 824	548 991
Canteen	330	589
<b>Total</b>	<b>479 154</b>	<b>549 580</b>



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**11. Trade receivables**

Registered price of trade debtors	2 767 380	3 093 785
<b>Total</b>	<b>2 767 380</b>	<b>3 093 785</b>

**12. Other receivables**

VAT overpaid	186 428	50 424
Corporate income tax overpaid	38 831	0
VAT accepted	122 466	79 315
Housing and Communal Service	2 411	4 822
Payments to personnel	-	8 514
Other debtors	57 240	12 732
<b>Total</b>	<b>407 376</b>	<b>155 807</b>

**13. Deferred expenses**

Payment for insurance	1 903	1 504
Other expenses	9 792	9 128
<b>Total</b>	<b>11 695</b>	<b>10 632</b>

**14. Cash and bank**

Cash in hand	1 076	1 564
Cash at bank	75 719	53 790
<b>Total</b>	<b>76 795</b>	<b>55 354</b>

**15. Share capital**

As at 30 June 2007 the subscribed and fully paid share capital consists of 8294219 ordinary shares with a nominal value of Ls 1 each.

**16. Loans from credit institutions**

Long-term part	2 748 019	2 251 710
Short-term part	2 481 469	1 788 584
<b>Total</b>	<b>5 229 488</b>	<b>4 040 294</b>

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**17. Advances received from consumers**

Latvia	877	170 103
Russia	30 300	87 130
Estonia	2 495	168 000
Other	506 039	175 840
<b>Total</b>	<b>539 711</b>	<b>601 073</b>

**18. Trade payables**

Long-term part	0	0
Short-term part	3 235 195	1 666 662

**19. Taxes and social insurance**

	01.01. 2007.	Calculated	(Paid)/ repaid		30.06.2007.
VAT	87 212	265 149	627 492	+88 703	-186 428
Payroll tax	60 780	317 125	272 512	-55 000	50 393
Social insurance	109 384	624 638	529 720	-139 589	64 713
Corporate income tax	-109 422	-	35 295	+105 886	-38 831
Real estate tax (land)	-	3 255	3 255		0
Real estate tax (buildings)	346	48 826	49 172		-
Natural resource tax	746	1 035	1 620		161
The state tax for company's business	386	2 171	2 214		343
Penalty	-	3 641	3 641		-
<b>Total</b>	<b>1 494 321</b>	<b>1 265 840</b>	<b>1 524 921</b>		<b>-109 649</b>

Hereof:

Liabilities/ 258 854

115 610

(Overpaid) 109 422

255 259

**20. Average number of employees**

Average number of employees	1 409	1 719
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Aivar Keskuela

Chairman of the board