



LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

NO AUDITED

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3
MONTH PERIOD ENDED 31 MARCH 2007**

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

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LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

INFORMATION ABOUT PARENT COMPANY

COMPANY NAME: LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

LEGAL STATUS: STOCK COMPANY

REGISTRATION: No.40003306807
AUGUST 27, 1996
RIGA, LV - 1005, LATVIA

LEGAL ADDRESS: 23, PATVERSMES STREET, RIGA, LV - 1005, LATVIA

MAJOR SHAREHOLDERS: JANIS BIRKS 38,7%
ILZE AIZSILNIECE 10,1%
AGRIS SHVARCBERGS 10,1%
STATE SOCIAL INSURANCE AGENCY 5%

CEO: MARTA AIZSILNIECE

REPORTING PERIOD: 1 JANUARY 2007 - 31 MARCH 2007

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

COUNCIL AND BOARD OF THE GROUP

Council of the Group

Number of shares owned

31.03.07

From November 22, 2006 till the consolidated financial statements signing day

<u>Name</u>	<u>Position</u>	
Agris Shvarcbergs	Chairman of the Council	80 917
Antons Vjaters	Member of the Council	-
Vladislavs Skrebelis	Member of the Council	-
Austris Adumans	Member of the Council	-
Martins Birks	Member of the Council	-

Board of the Group

From April 28, 2005 till the consolidated financial statements signing day

<u>Name</u>	<u>Position</u>	
Marta Aizsilniece	Chairperson of the Board	1 066
Andris Vigants	Member of the Board	-
Marika Baumgarte	Member of the Board	12 071

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

MANAGEMENT REPORT

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

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

This audited consolidated annual report is prepared in accordance with International Financial Reporting Standards (IFRS) 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 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 119 413 LVL.

The profit before taxes of subsidiary company was 02 677 LVL.

On behalf of the Group:

Chairperson of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Member of the Board

Marika Baumgarte

30.05.07

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

DECLARATION OF MANAGEMENT RESPONSIBILITY

Consolidated financial statements are prepared to the best on our knowledge in accordance with International Financial Reporting Standards as adopted by EU. These financial statements gives a true and fair view of the state of activities of the Group and of the results of the Group for the year ended 31 March 2007 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

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that financial statements drawn up from them comply with International Financial Reporting Standards as adopted by EU. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairperson of the Board
Marta Aizsilniece

Member of the Board
Andris Vigants

Member of the Board
Marika Baumgarte
30.05.07

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

**CONSOLIDATED STATEMENT OF INCOME
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

LVL	2007	2006	Note
Net sales	1 239 463	3 982 675	15
Cost of goods sold	(1 046 819)	(3 585 452)	16
Gross profit or loss	192 644	397 223	
Administrative expenses	(89 629)	(292 242)	17
Other operating income	16 678	57 731	18
Other operating expenses	(88)	(6 528)	19
Gain from the change of fair value of investment property		10 363	
Income from investment in associates	-	25 159	20
Interest income and similar income	2 486	11 248	21
Interest expense and similar expense	-	(2 663)	22
Profit before taxes	122 091	200 291	
Corporate income tax	-	22 453	23
Minority interest	(19)	(250)	
NET PROFIT OR LOSS	122 072	222 494	
Number of shares	800 000	800 000	
One share profit LVL	0,15	0,28	

The accompanying notes are an integral part of these financial statements

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

CONSOLIDATED BALANCE SHEET
AS OF 31 MARCH 2007 AND 31 DECEMBER 2006

	March 31, 2007	December 31, 2006	Note
ASSETS	LVL	LVL	
Current assets:			
Stocks			
Raw materials	53 851	60 129	4
Total stocks	53 851	60 129	
Debtors:			
Trade debtors	125 462	103 494	5
Other debtors	32 163	15 918	6
Accruals	943	7 485	7
Total debtors	158 568	126 897	
Cash funds	741 491	609 528	8
Total current assets	953 910	796 554	
Long-term investments:			
Intangible assets:			
Other intangible (fixed) assets	3 963	3 826	2
Goodwill	1 832	1 832	
Total intangible assets	5 795	5 658	
Fixed assets:			
Land and buildings	3 861 190	3 866 509	
Technological equipment and machines	286 237	304 818	
Other fixed assets and inventory	62 487	58 876	
Long term investments in rented fixed assets	23 285	26 258	
Unfinished building objects	175 842	175 842	
Advance payments for fixed assets	3 888	6 135	
Total fixed assets:	4 412 929	4 438 438	2
Long-term financial assets:			
Investment assets	132 590	132 590	
Participating interests in associated enterprises	123 939	123 939	3
Total financial assets:	256 529	256 529	
Total long-term investments:	4 675 253	4 700 625	
TOTAL ASSETS	5 629 163	5 497 179	

The accompanying notes are an integral part of these financial statements

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board
	30.05.07	

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

CONSOLIDATED BALANCE SHEET
AS OF 31 MARCH 2007 AND 31 DECEMBER 2006

	March 31, 2007	December 31, 2006	Note
LIABILITIES	LVL	LVL	
Liabilities:			
Liabilities:			
Other loans	-	-	10
Received advance payments	5 737	87 273	11
Due to customers and suppliers	146 179	89 248	12
Taxes and social security payments	99 080	83 853	13
Other payables	124 428	105 157	14
Deferred tax liability	484 807	484 807	23
Total liabilities	860 231	850 338	
Provisions for liabilities and charges:			
Provisions for vacations	145 329	145 329	
Total provisions	145 329	145 329	
Total liabilities	1 005 560	995 667	
Equity capital:			
Share equity	800 000	800 000	9
Reserves:			
c) reserves provided by the Articles of Association	31 993	31 993	
d) fixed asset's revaluation reserve	3 105 267	3 105 267	
Retained earnings:			
a) brought forward from previous years	562 692	340 233	
b) current year profit or loss	122 072	222 494	
Total shareholders' equity	4 622 024	4 499 987	
Minority interest	1 579	1 525	
Total equity capital	4 623 603	4 501 512	
TOTAL EQUITY, PROVISIONS AND LIABILITIES	5 629 163	5 497 179	

The accompanying notes are an integral part of these financial statements

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (LVL)
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

	Share capital	Reserves provided by the Articles of Association	Investment evaluation reserve	Previous years retained earnings	Current year profit	Minority interest	Total
At 31 December 2005	800 000	37 760	-	192 302	177 578	24 144	1 231 784
Transfers to reserves	-	-	-	177 578	(177 578)	-	-
Dividends paid	-	-	-	(32 000)	-	-	(32 000)
Profit for the year	-	-	-	-	222 494	-	222 494
Consolidated accumulated loss	-	(5 767)	3 105 267	-	-	-	3 099 500
Minority interest changes	-	-	-	2 353	-	(22 619)	(20 266)
At 31 December 2006	800 000	31 993	3 105 267	340 233	222 494	1 525	4 501 512
Previous years retained earnings	-	-	-	222 494	(222 494)	-	-
Dividends paid	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	122 072	-	122 072
Transfers to reserves	-	-	-	-	-	-	-
Minority interest changes	-	-	-	(35)	-	54	19
At 31 March 2007	800 000	31 993	3 105 267	562 692	122 072	1 579	4 623 603

The accompanying notes are an integral part of these financial statements

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_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

	2007	2006	Note
	LVL	LVL	
Cash flows used in operating activities			
Net income before tax	122 091	200 291	
Adjustments:			
a) depreciation of tangibles	43 928	166 950	2
b) provisions for vacations	-	37 602	
c) loss (gain) on sale of tangibles	59	19 431	
d) interest expenses	-	2 663	
e) gain (loss) from investments in associates	-	(25 159)	20
f) gain from the change of fair value of investment pproperty	-	(10 363)	
2. Gain (loss) before changes in current assets and liabilities	166 078	391 415	
Changes in operating assets and liabilities:			
a) receivables.	(23 075)	72 245	
b) inventory.	6 278	(5 719)	
c) current liabilities.	14 728	(222 617)	
3. Gross operating cash flow	164 009	235 324	
4. Paid interest.	-	(2 663)	
5. Paid corporate income tax.	(11 184)	(44 272)	
7. Net cash used in operating activities	152 825	188 389	
II. Cash flow used in investment activities			
1. Purchase of shares of associates	-	(25 312)	
2. Purchase of fixed assets	(20 862)	(219 526)	2
3. Selling of fixed assets	-	847	
4. Net cash from investment activities	(20 862)	(243 991)	
III. Cash flows used in financing activities			
1. Settlement of loans	-	(53 223)	
2. Paid dividends	-	(32 000)	
3. Net cash from financing activities	-	(85 223)	
IV. Net increase (decrease) in cash	131 963	(140 825)	
V. Cash at the beginning of the year	609 528	750 353	
VI. Cash at the end of the year	741 491	609 528	

The accompanying notes are an integral part of these financial statements

The financial statements were approved by:

_____	Marta Aizsilniece	Chairperson of the Board
_____	Andris Vigants	Member of the Board
_____	Marika Baumgarte	Member of the Board

30.05.07

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

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 Company'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. Enclosed financial statements are reflected 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 assets and liabilities recognized.

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, 2007	December 31, 2006
EUR	0.702804	0.702804
USD	0,528	0,536

Gains or losses on converted are posted to the profit or loss account at the Bank of Latvia official exchange rate as of the balance sheet date and recognized in the period when they incurred.

Exchange differences rising on the settlement of monetary items are recognised in the period in which they arise.

Cash and cash equivalents

Cash includes cash on hand and demand deposits within 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.

Inventory

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

Fixed assets

LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

Fixed assets 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 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
Machinery and equipment:	3 years
Other fixed assets:	5 years

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.

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.

Property revaluation surplus

If a property's carrying amount is increased as a result of a revaluation, the increase is credited directly to equity under the heading of revaluation surplus. The amount of the surplus is decreased by 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 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 is be charged or credited directly to equity in the same or a different period, directly to equity according to IAS 12.61.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

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

As of 31 March 2007 and 31 December 2006
fixed assets are composed as follows: (LVL)

LVL	Intangible assets	Land & buildings	Investment assets	Machinery and equipment	Other fixed assets	Long-term investments in rented fixed assets	Advance payments for fixed assets	Unfinished building objects	Total
Historical cost									
At 31 December 2005	10 024	834 131	-	1 656 501	312 041	55 138	-	175 842	3 043 677
Additions	2 863	26 123	-	137 790	24 228	4 887	6 135	17 500	219 526
Transfers		3 594 894	132 590						3 727 484
Disposals	(212)	(258 520)		(58 892)	(18 017)	(24 353)	-	(17 500)	(377 494)
At 31 December 2006	12 675	4 196 628	132 590	1 735 399	318 252	35 672	6 135	175 842	6 613 193
Additions	735	-		9 867	10 260				20 862
Transfers		-					(2 247)		(2 247)
Revaluation									-
Disposals or change of classification				(257)	(2 068)				(2 325)
At 31 March 2007	13 410	4 196 628	132 590	1 745 009	326 444	35 672	3 888	175 842	6 629 483
Accumulated depreciation									
At 31 December 2005	5 881	443 208	-	1 387 466	252 235	17 588	-	-	2 106 378
Charge for the year	3 123	23 204		99 846	24 598	16 179			166 950
Disposals	(155)	(136 293)		(56 731)	(17 457)	(24 353)			(234 989)
At 31 December 2006	8 849	330 119	-	1 430 581	259 376	9 414	-	-	2 038 339
Charge for the year	598	5 319		28 448	6 590	2 973			43 928
Disposals or change of classification				(257)	(2 009)				(2 266)
At 31 March 2007	9 447	335 438	-	1 458 772	263 957	12 387	-	-	2 080 001
Net book value									
At 31 December 2005	4 143	390 923	-	269 035	59 806	37 550	-	175 842	937 299
At 31 December 2006	3 826	3 866 509	132 590	304 818	58 876	26 258	6 135	175 842	4 574 854
At 31 March 2007	3 963	3 861 190	132 590	286 237	62 487	23 285	3 888	175 842	4 549 482

3 PARTICIPATING INTERESTS IN ASSOCIATED ENTERPRISES

	Capital share (%)	Amount of investment 2007 LVL	Capital share (%)	Amount of investment 2006 LVL
Participating interests in associated enterprises				
Participation in "Neirozu klinika" Ltd.	45	123 939	45	123 939
Total participating interests in associated enterprises		123 939		123 939

October 4, 2005 the company changed the name from SIA "Psihiskas veselibas centrs 'Dzintari' " to SIA "Neirozu klinika"

4 RAW MATERIALS

	2007 LVL	2006 LVL
Pharmaceutical	45 477	50 655
Stock in warehouse	2 688	2 967
Inventory	2 348	2 576
Products	1 482	1 712
Furniture	611	782
Other materials	1 007	1 083
Advance payments to supplier of goods	238	354
Total	53 851	60 129

5 DUE FROM CUSTOMERS

	2007	2006
	LVL	LVL
Riga slimokase AAS	16 765	30 225
LF Holdings	3 538	13 682
Balta AAS	12 443	12 443
Hospital patients treatment		12 278
BTA AAS	14 251	9 652
VOVAA Rigas department	44 451	3 777
Ergo Latvija slimokase	6 663	3 109
SEESAM Life Latvija	2 046	3 007
NBS militaras medicinas centrs	2 550	871
Balva AAS	934	657
BALTIKUMS DZIVIBA AAS	388	255
Med.prof.izglitiba centrs	6 864	
Other customers	14 569	13 538
Total	<u>125 462</u>	<u>103 494</u>

6 OTHER RECEIVABLES

	2007	2006
	LVL	LVL
Taxes overpayment (note No.13)	25 153	13 969
VAT for unpaid invoices	798	818
VAT advance payment	-	
Other debtors	6 212	1 131
Total	<u>32 163</u>	<u>15 918</u>

7 DIFFERED EXPENSES

	2007	2006
	LVL	LVL
Riga Stock Exchange, shares quotation		5 000
Assurance expense	943	841
Other expense		1 644
Total	<u>943</u>	<u>7 485</u>

8 CASH

	2007	2006
	LVL	LVL
Cash in banks	708 820	577 973
Deposit	26 800	26 800
Cash on hands	5 871	4 755
Total	<u>741 491</u>	<u>609 528</u>

9 SHARE CAPITAL

	2007	2007	2006	2006
	Number of	Share %	Number of	Share %
	shares		shares	
Shareholders:				
Janis Birks	309 909	38,7	302 109	37,8
Ilze Aizsilniece	80 766	10,1	80 766	10,1
Agris Shvarcbergs	80 917	10,1	44 147	5,5
Peteris Augustovs	-	0,0	41 412	5,2
State social insurance agency	40 000	5,0	40 000	5,0
Other shareholders (shares less than 5%)	288 408	36,1	291 566	36,4
Total	<u>800 000</u>	<u>100,0</u>	<u>800 000</u>	<u>100,0</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**10 OTHER LOANS**

	2007 LVL	2006 LVL
VOVAA diagnostics equipment - short-term part	-	-
Total	<u>-</u>	<u>-</u>

11 DUE TO RECEIVED ADVANCE PAYMENTS

	2007 LVL	2006 LVL
VOAVA advance payment for 2006	2 800	84 268
Other advances	2 937	3 005
Total	<u>5 737</u>	<u>87 273</u>

12 DUE TO SUPPLIERS AND CONTRACTORS

	2007 LVL	2006 LVL
Invitros SIA	5 114	-
Tamro SIA	11 578	-
Tradintek SIA	20 811	29 646
Amerilat MD	15 155	12 779
Siemens SIA	5 958	11 918
AB Medical Group Riga	3 126	7 342
NMS SIA	-	7 144
Latvenergo Rīgas elektrotikls	4 285	3 283
Sistēmu Audits SIA	-	2 950
Latvijas Gaze	1 069	2 931
Valsts Patoloģijas centrs SIA	2 727	2 565
Lattelekom	1 556	1 123
NMS Diagnostika	2 238	919
Nacion.medic.serviss-laboratory	498	866
Rīgas Ūdens	1 496	811
S.A.V. SIA	956	719
Hospital Gaiļezers BO	894	719
Rīgas Stradiņu Universitāte	609	608
Other suppliers	68 109	2 925
Total	<u>146 179</u>	<u>89 248</u>

13 TAXES

	As of 31-12- 2006	Calculated	Paid	As of 31-03- 2007
Value added tax	1 725	6 933	(7 530)	1 128
Social insurance	48 641	174 137	(164 877)	57 901
Personal income tax	33 304	109 190	(105 159)	37 335
Corporate income tax	(15 803)	-	(11 184)	(24 399)
Corporate income tax	-	-	-	2 588
Unemployment duty	111	394	(377)	128
Natural resources tax	72	45	(117)	-
Real estate tax	(754)	294	(294)	(754)
Total, incl.	<u>67 296</u>	<u>290 993</u>	<u>(289 538)</u>	<u>73 927</u>
due to the budget	83 853			99 080
overpayment	(16 557)			(25 153)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

14 DUE TO OTHER COMPANIES

	2007	2006
	LVL	LVL
Salaries	122 571	98 455
Accured liabilities	-	2 950
Board remuneration	-	2 069
Trade union	997	889
Deposited salary	860	794
Council remuneration	-	-
Total	<u>124 428</u>	<u>105 157</u>

15 NET SALES

	2007	2006
	LVL	LVL
Medical hospital services	645 500	2 032 983
Medical ambulant services	403 592	1 212 688
Services - minimum fixed part	40 344	152 102
Insurance payments	67 385	236 822
VS ZDC ambulant services	33 443	185 169
Stomatology services	8 812	32 645
Residents training	20 592	52 115
Family doctors	6 892	18 868
Other income	12 903	59 283
Total	<u>1 239 463</u>	<u>3 982 675</u>

16 COST OF GOODS SOLD

	2007	2006
	LVL	LVL
Bad debt write-off	-	-
Boiling maintenance expenses	1 000	-
Salaries and wages	471 561	1 556 468
Medical goods	178 999	588 213
Social tax	110 935	364 707
Other operating expenses	124 343	274 218
Public utilities	35 107	196 373
Fixed assets depreciation	40 346	147 601
Repair expenses	-	100 159
Feeding expenses	17 060	56 956
Household goods	12 952	56 227
Medical researches	15 847	54 922
Current assets write-off	16 703	50 940
Accruals for vacations	-	37 602
Office expenses	9 935	31 119
Employees trainings	8 832	26 244
Gifts to employees	1 153	21 048
Rent fixed assets depreciation	2 973	16 178
Transport expense	1 475	5 346
Advertising	907	3 534
Tangible assets amortization	849	3 123
Allowances to employees	810	1 870
Insurance expenses	-	1 629
Unemployment duty	389	1 497
Received discounts	(5 768)	(16 394)
Other expenses	411	5 872
Total	<u>1 046 819</u>	<u>3 585 452</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

17 ADMINISTRATIVE EXPENSES

	2007	2006
	LVL	LVL
Salaries and wages	54 258	178 215
Social tax	12 091	34 719
Board chairperson remuneration	6 941	19 359
Office expenses	1 239	5 133
Board remuneration	5 392	11 675
Other administrative expenses	1 468	4 325
Presentation expenses	755	9 871
Chairperson of the Board social tax	1 395	3 858
Board members social tax	1 300	4 026
Council chairperson remuneration	2 250	7 100
Audit expenses	-	5 880
Council members remuneration	1 400	4 150
Bank expenses	261	931
Chairperson of the Council social tax	542	1 710
Council members social tax	337	1 000
Legal services	-	290
Total	<u>89 629</u>	<u>292 242</u>

18 OTHER OPERATING INCOME

	2007	2006
	LVL	LVL
Currency exchange gain	2	-
Rent income	8 933	30 718
Feeding income	3 473	10 847
Press goods	1 962	5 827
Solarium income	927	2 869
Laundry income	495	1 716
Gain on sale of fixed assets	-	847
Other income	886	4 907
Total	<u>16 678</u>	<u>57 731</u>

19 OTHER OPERATING EXPENSES

	2007	2006
	LVL	LVL
Currency exchange loss	19	2 935
Fixed assets disposals	59	2 736
Penalties	10	686
Other expenses	-	171
Total	<u>88</u>	<u>6 528</u>

20 INCOME FROM INVESTMENT IN ASSOCIATES

	2007	2006
	LVL	LVL
Psihiskas Veselibas centrs "Dzintari"	-	25 159
Total	<u>-</u>	<u>25 159</u>

21 INTEREST INCOME AND SIMILAR INCOME

	2007	2006
	LVL	LVL
Interest income	2 486	11 248
Total	<u>2 486</u>	<u>11 248</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

22 INTEREST EXPENSE AND SIMILAR EXPENSE

	2007	2006
	LVL	LVL
Loan interest expenses (VOAVAA)	-	2 663
Leasing interest payments	-	-
Total	<u>-</u>	<u>2 663</u>

23 CORPORATE INCOME TAX

	2007	2006
	LVL	LVL
Calculated Corporate income tax	-	29 067
Deferred Corporate income tax	-	(7 601)
Corrections for the year 2004	-	(41 365)
Corrections for the year 2005	-	(2 554)
Total	<u>-</u>	<u>(22 453)</u>

Calculated liabilities of deferred tax at the end of year 2006 aroused from the following differences

	2007	2006
	LVL	LVL
Liabilities of deferred tax:		
From the temporary differences between the value of fixed assets in balance sheet and the same value used for calculation of corporate income tax	-	17 176
From changes of book value as a result of revaluation of fixed assets	-	489 627
Assets of deferred tax:		
Accumulated liabilities	<u>484 807</u>	<u>(21 996)</u>
Deferred tax liability	484 807	484 807
