



LATVIJAS JURAS MEDICINAS CENTRS JSC

CONSOLIDATED INTERIM REPORT FOR THE 3 MONTHS OF 2010

**PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING
STANDARDS**

(Translation of the Latvian original)

**ORIGINAL OF CONSOLIDATED ANNUAL REPORT IN LVL EXPRESSED IN EUR. EXCHANGE RATE
0,702804 EUR/LVL.**

LATVIJAS JURAS MEDICINAS CENTRS JSC
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LATVIJAS JURAS MEDICINAS CENTRS JSC
INFORMATION ABOUT PARENT COMPANY

COMPANY NAME: Latvijas juras medicinas centrs JSC

LEGAL STATUS: Joint stock company

REGISTRATION: Registered in Latvian Register of Enterprises at 27.08.2004.
Registration Number: 40003306807

LEGAL ADDRESS: 23, Patversmes str. 23, Riga, LV - 1005, Latvia

SHARES 800 000 shares with face value 1,00 LVL, int. al.:
798 800 public registered shares. ISIN
code:LV0000100741

1 200 registered shares listed in the register of the Board

MAJOR SHAREHOLDERS: Ilze Birka 17,5%
Martins Birks 17,5%
Ilze Aizsilniece 11,4%
Guna Shvarcberga 10,4%
Janis Birks 7,6%

REPORTING PERIOD: 1 January 2010 - 31 March 2010

AUDITORS NAME AND ADDRESS: System audit Ltd.
Licence No.53
Matisa str. 19-6
Riga, LV-1001
Latvia

LATVIJAS JURAS MEDICINAS CENTRS JSC
COUNCIL AND BOARD OF THE GROUP

Council of the Group

**Number of shares owned at
31.03.10**

From April 30, 2008 till April 28, 2010

<u>Name</u>	<u>Position</u>	
Martins Birks	Chairman of the Council	140 000
Viesturs Shilinsh	Member of the Council	3 038
Austris Adumans	Vice-Chairman of the Council	till 15.12.2009
Antons Vjaters	Member of the Council	
Vladislavs Skrebelis	Member of the Council	

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 Kaelejs	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	60 883
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 -126 747 EUR.

The loss before taxes of subsidiary company was -02 163 EUR.

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

Patient demand for state-funded outpatient medical in the first quarter 2010th significantly exceeded the funding quota. During the summer months are traditionally lower demand for medical services. Therefore during the first quarter the exceeding of the state funding quota was tolerated by 137 500 LVL (1.5-month funding level). 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. Payment processing will take place in the coming months, if not met this month financing quota. As a result, excluding the revenue reduced the first quarter profits by LVL 137 500.

Endoscopy is relocated to new premises. New services are developed in endoscopy. In addition to capsule endoscopy is acquired enteroskop for small intestine examination. The patient care at home is rapidly evolving.

On the 12th March 2010th was organized scientific-practical conference "Family doctors, specialists and nurses cooperation in a healthy society", which was attended by more than 600 medical staff and viewed on the internet by more than 1,000 stakeholders.

The share price at the 01.01.10 was LVL 1,60, 31.03.10 - LVL 2,00; 26.05.10 - LVL 1,60.

Chairman of the Board

Janis Birks

Member of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Riga, 27 May, 2010.

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 2010 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 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.

Chairman of the Board

Janis Birks

Member of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Riga, 27 May, 2010.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2010 AND 31 DECEMBER 2009

	March 31, 2010	December 31, 2009	Note	March 31, 2009
ASSETS	EUR	EUR		EUR
Current assets:				
Stocks				
Raw materials	68 870	74 325	4	83 256
Total stocks	68 870	74 325		83 256
Debtors:				
Trade debtors	242 190	199 740	5	733 244
Other debtors	47 424	42 897	6	150 262
Accruals	4 162	5 987	7	3 014
Total debtors	293 776	248 624		886 520
Cash funds	1 280 350	1 344 257	8	1 233 166
Total current assets	1 642 996	1 667 206		2 202 943
Long-term investments:				
Intangible assets:				
Other intangible (fixed) assets	9 676	11 306	2	16 162
Total intangible assets	9 676	11 306		16 162
Fixed assets:				
Land and buildings	2 047 750	2 101 882		4 947 994
Technological equipment and machines	722 290	689 854		854 547
Other fixed assets and inventory	88 177	94 978		118 878
Long term investments in rented fixed assets	-	-		-
Unfinished building objects	250 201	250 201		250 201
Advance payments for fixed assets	6 666	-		49 126
Total fixed assets:	3 115 083	3 136 914	2	6 220 746
Long-term financial assets:				
Participating interests in associated enterprises	180 589	180 589	3	191 523
Total financial assets:	180 589	180 589		191 523
Total long-term investments:	3 305 348	3 328 810		6 428 431
TOTAL ASSETS	4 948 344	4 996 016		8 631 374

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2010 AND 31 DECEMBER 2009

	March 31, 2010	December 31, 2009	Note	March 31, 2009
LIABILITIES	EUR	EUR		EUR
Liabilities:				
Liabilities:				
Received advance payments	586	30	10	30
Due to customers and suppliers	89 250	38 140	11	488 899
Taxes and social security payments	117 657	98 935	12	157 111
Other payables	142 654	131 368	13	214 995
Recognized deferred tax liabilities	185 278	191 398	22	597 481
Total liabilities	535 425	459 871		1 458 515
Provisions for liabilities and charges:				
Provisions for vacations	137 449	137 449		375 174
Total provisions	137 449	137 449		375 174
Total liabilities	672 875	597 320		1 833 689
Equity capital:				
Share equity	1 138 297	1 138 297	9	1 138 297
Reserves:				
c) reserves provided by the Articles of Association	45 522	45 522		45 522
d) fixed asset's revaluation reserve	1 310 801	1 345 476		3 826 223
Retained earnings:				
a) brought forward from previous years	1 908 174	1 950 626		1 718 532
b) current year profit or loss	(129 136)	(83 248)		67 144
Total shareholders' equity	4 273 657	4 396 674		6 795 718
Non-controlling interest	1 812	2 022		1 966
Total equity capital	4 275 469	4 398 696		6 797 685
TOTAL EQUITY, PROVISIONS AND LIABILITIES	4 948 344	4 996 016		8 631 374
	-	-		
Current Ratio	3,07	3,63		1,51
Debt Ratio	0,14	0,12		0,21

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 31 MARCH 2010 AND 31 DECEMBER 2009

	2009, 3 month period	2010, 12 month period	Note	2009, 3 month period
	EUR	EUR		EUR
Net sales	1 142 013	6 491 999	14	2 171 402
Cost of goods sold	(1 204 127)	(6 123 400)	15	(2 028 822)
Gross profit or loss	(62 114)	368 599		142 580
Administrative expenses	(104 193)	(557 945)	16	(146 896)
Other operating income	34 557	131 401	17	36 741
Other operating expenses	-	(5 721)	18	(730)
Income from investment in associates	-	(10 054)	19	879
Interest income and similar income	2 403	45 296	20	6 208
Profit (loss) before taxes	(129 346)	(28 425)		38 783
Corporate income tax	-	(54 958)	21	28 301
NET PROFIT OR LOSS	(129 346)	(83 383)		67 144
Other comprehensive income				
Gain (loss) on revaluation of properties excluding deferred tax	-	(2 283 355)	22	-
Other comprehensive income for the year, net of tax	-	(2 283 355)		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(129 346)	(2 366 738)		-
Profit attributable to				
Owners of LJMC	(129 136)	(83 248)		67 035
Non-controlling interest	(210)	(135)		109
	(129 346)	(83 383)		67 144
Total comprehensive income attributable to				
Owners of LJMC	-	(2 267 434)		-
Non-controlling interest	-	(15 921)		-
	-	(2 283 355)		-
Number of shares	800 000	800 000		800 000
Earnings per Share (EPS) (EUR)	-0,16	-0,10		0,16

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR)
FOR THE PERIODS ENDED 31 MARCH 2010 AND 31 DECEMBER 2009

	Share capital	Reserves provided by the Articles of Association	Properties revaluation reserve	Previous years retained earnings	Current year profit	Non-controlling interest	Total
At 31 December 2008	1 138 297	45 522	3 892 020	1 640 284	709	2 157	6 718 989
Previous years retained earnings	-	-	-	709	(709)	-	-
Dividends paid	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(2 283 355)	-	(83 248)	(135)	(2 366 738)
Depreciation of revaluation surplus	-	-	(309 634)	309 634	-	-	-
Deffered tax on revaluation surplus	-	-	46 445	-	-	-	46 445
At 31 December 2009	1 138 297	45 522	1 345 476	1 950 626	(83 248)	2 022	4 398 696
Previous years retained earnings	-	-	-	(83 248)	83 248	-	-
Depreciation of revaluation surplus	-	-	(40 795)	40 795	-	-	-
Deffered tax on revaluation surplus	-	-	6 120	-	-	-	6 120
Total comprehensive income for the year	-	-	-	-	(129 136)	(210)	(129 346)
Non-controlling interest changes	-	-	-	-	-	-	-
At 31 March 2010	1 138 297	45 522	1 310 801	1 908 174	(129 136)	1 812	4 275 469

The notes on pages 12-21 form an integral part of these financial statements.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED 31 MARCH 2010 AND 31 DECEMBER 2009

	2009, 3 month period EUR	2010, 12 month period EUR	Note	2009, 3 month period
Cash flows used in operating activities				
Net income before tax	(129 346)	(28 425)		38 783
Adjustments:				
a) depreciation of tangibles	128 293	661 904	2	167 621
b) depreciation of goodwill	1 631	7 252	2	1 902
c) provisions	-	(49 052)		188 673
d) loss (gain) on sale of tangibles	-	1 511		-
e) interest income	(45 296)	(45 296)	20	(6 208)
f) gain (loss) from investments in associates	-	10 054	19	(879)
2. Gain (loss) before changes in current assets and liabilities	(44 718)	557 949		389 892
Changes in operating assets and liabilities:				
a) receivables.	(94 406)	147 843		(440 799)
b) inventory.	5 455	50 129		41 198
c) current liabilities.	173 821	(758 159)		(230 842)
3. Gross operating cash flow	40 152	(2 237)		(240 551)
4. Paid corporate income tax.	-	(42 562)	12	(31 922)
5. Net cash used in operating activities	40 152	(44 799)		(272 473)
II. Cash flow used in investment activities				
1. Purchase of shares of associates.	-	(879)		(879)
2. Purchase of fixed assets.	(106 462)	(131 617)	2	(32 814)
3. Selling of fixed assets.	-	47		-
4. Received interest.	2 403	45 296	20	6 208
5. Net cash from investment activities	(104 059)	(87 154)		(27 486)
III. Cash flows used in financing activities				
1. Paid dividends.	-	-		56 915
2. Net cash from financing activities	-	-		56 915
IV. Net increase (decrease) in cash	(63 907)	(131 953)		(243 044)
V. Cash at the beginning of the period	1 344 257	1 476 210		1 476 210
VI. Cash at the end of the period	1 280 350	1 344 257		1 233 166

The notes on pages 12-21 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 2010 AND 31 DECEMBER 2009

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, 2010	December 31, 2009
EUR	0,702804	0,702804
USD	0,521	0,489

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 recognised 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 2010 AND 31 DECEMBER 2009

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.

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 2010 AND 31 DECEMBER 2009

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 2010 AND 31 DECEMBER 2009

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

As of 31 March 2010 and 31 December 2009
fixed assets are composed as follows: (EUR)

EUR	Intangible assets	Land & buildings	Investment assets	Machinery and equipment	Other fixed assets	Long-term investments in rented fixed assets	Advance payments for fixed assets	Unfinishe d building objects	Total
Historical cost									
At 31 December									
2008	36 898	6 191 487	-	2 784 381	554 833	-	18 852	250 201	9 836 651
Additions	976	49 532	-	22 905	16 749	-	41 455	-	131 617
Transfers	-	(2 625 992)	-	-	-	-	(60 307)	-	(2 686 299)
Disposals	(777)	-	-	(38 193)	(83 118)	-	-	-	(122 088)
At 31 December									
2009	37 097	3 615 026	-	2 769 094	488 463	-	-	250 201	7 159 881
Additions	-	-	-	95 146	4 650	-	6 666	-	106 462
Transfers	-	-	-	-	-	-	-	-	-
Revaluation Disposals or change of classification	-	-	-	(6 823)	(5 524)	-	-	-	(12 346)
At 31 March									
2010	37 097	3 615 026	-	2 857 417	487 590	-	6 666	250 201	7 253 997
Accumulated depreciation									
At 31 December									
2008	18 833	1 155 352	-	1 863 763	425 086	-	-	-	3 463 034
Charge for the year	7 252	48 159	-	253 594	50 518	-	-	-	359 523
Charge for the period for revaluated fixed assets	-	309 634	-	-	-	-	-	-	309 634
Disposals	(295)	-	-	(38 117)	(82 118)	-	-	-	(120 530)
At 31 December									
2009	25 791	1 513 144	-	2 079 240	393 485	-	-	-	4 011 660
Charge for the period	1 631	13 337	-	62 710	11 451	-	-	-	89 129
Charge for the period for revaluated fixed assets	-	40 795	-	-	-	-	-	-	40 795
Disposals or change of classification	-	-	-	(6 823)	(5 524)	-	-	-	(12 346)
At 31 March									
2010	27 422	1 567 276	-	2 135 127	399 413	-	-	-	4 129 238
Net book value									
At 31 December									
2008	18 065	5 036 135	-	920 618	129 747	-	18 852	250 201	6 373 618
At 31 December									
2009	11 306	2 101 882	-	689 854	94 978	-	-	250 201	3 148 221
At 31 March									
2010	9 676	2 047 750	-	722 290	88 177	-	6 666	250 201	3 124 759

3 PARTICIPATING INTERESTS IN ASSOCIATED ENTERPRISES

	Capital share (%)	Amount of investment 2010 EUR	Capital share (%)	Amount of investment 2009 EUR
Participating interests in associated enterprises				
Participation in "Neirozu klinika" Ltd.	45	180 589	45	180 589
Total participating interests in associated enterprises		180 589		180 589

4 RAW MATERIALS

	2010 EUR	2009 EUR
Pharmaceutical	65 408	68 648
Stock in warehouse	1 917	3 039
Inventory	329	669
Products	425	582
Furniture	-	-
Other materials	396	1 015
Advance payments to supplier of goods	396	373
Total	68 870	74 325

5 DUE FROM CUSTOMERS

	2010 EUR	2009 EUR
VOVAA Rigas department	107 936	59 154
Riga slimokase AAS	42 281	41 276
Gjesidege Baltic	14 197	16 596
BTA AAS	17 597	15 911
IF Latvija AAS	15 632	14 886
Latvian University	9 865	11 790
SEESAM Latvija	8 280	11 409
Balta AAS	2 856	10 277
Balva AAS	8 597	7 425
Narkologijas centrs	5 236	4 071
Baltijas apdrošināšanas nams	3 079	3 194
Compensa Life Vienna Insurance group	266	2 541
NBS militāras medicīnas centrs	3 246	2 329
Ministry of Interior – health and social dep:	650	1 945
Ergo Latvija AAS	3 588	1 864
Biogen Idec Ltd.	2 279	1 662
Evolution Latvia	-	-
Merck sharp	-	-
Accrued income	-	-
Other customers	16 578	13 382
Bad debt provisions	(19 973)	(19 973)
Total	242 190	199 740

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 31 MARCH 2010 AND 31 DECEMBER 2009

6 OTHER RECEIVABLES

	2010	2009
	EUR	EUR
Taxes overpayment (note No.12)	33 806	33 806
VAT for unpaid invoices	697	6 147
Other debtors	12 921	2 944
Total	<u>47 424</u>	<u>42 897</u>

7 DIFFERED EXPENSES

	2010	2009
	EUR	EUR
Assurance expense	4 162	5 987
Riga Stock Exchange, shares quotation	-	
Other expense	-	
Total	<u>4 162</u>	<u>5 987</u>

8 CASH

	2010	2009
	EUR	EUR
Cash in banks	1 224 741	1 296 995
Deposit	42 406	42 406
Cash on hands	13 203	4 856
Total	<u>1 280 350</u>	<u>1 344 257</u>

9 SHARE CAPITAL

	2010	2010	2009	2009
Shareholders:	Number of	Share %	Number of	Share %
	shares		shares	
Janis Birks	60 883	7,6%	60 883	7,6%
Ilze Birka	140 000	17,5%	140 000	17,5%
Martins Birks	140 000	17,5%	140 000	17,5%
Ilze Aizsiliece	91 565	11,4%	91 565	11,4%
Guna Shvarcberga	82 917	10,4%	82 917	10,4%
Other shareholders (shares less than 5%)	284 635	35,6%	284 635	35,6%
Total	<u>800 000</u>	<u>100,0%</u>	<u>800 000</u>	<u>100,0%</u>

10 DUE TO RECEIVED ADVANCE PAYMENTS

	2010	2009
	EUR	EUR
VOAVA advance payment for 2009	-	
Other advances	586	30
Total	<u>586</u>	<u>30</u>

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11 DUE TO SUPPLIERS AND CONTRACTORS

	2010	2009
	EUR	EUR
Amerilat MD	-	7 187
Latvijas Gaze	-	6 249
Latvenergo Rīgas elektrotīkls	-	6 175
Sistēmu Audits SIA	3 443	3 443
Latvian University	-	2 738
Rīgas Ūdens	1 464	1 393
Academic histologic laboratory	1 076	1 033
Lattelekom	-	716
AB Medical Group Riga	-	320
Recipe Plus SIA	-	-
B.Braun SIA	5 441	-
Tradintek SIA	34 166	-
Olympus Latvia SIA	-	-
Other suppliers	43 659	8 886
Total	<u>89 250</u>	<u>38 140</u>

12 TAXES

	As of 31-12- 2008	Calculated	Paid	Transfer	As of 31- 03-2010
Value added tax	1 349	12 084	(11 411)	-	2 022
Social insurance	61 077	193 862	(186 608)	-	68 331
Personal income tax	36 073	128 659	(117 545)	-	47 187
Corporate income tax	(31 391)	-	-	-	(31 391)
Unemployment duty	114	370	(366)	-	118
Natural resources tax	323	-	(323)	-	-
Real estate tax	(2 415)	438	(438)	-	(2 415)
Total, including	<u>65 129</u>	<u>335 414</u>	<u>(316 691)</u>	<u>-</u>	<u>83 851</u>
due to the budget	98 935				117 657
overpayment	(33 806)				(33 806)

13 DUE TO OTHER COMPANIES

	2010	2009
	EUR	EUR
Salaries	140 833	128 926
Deposited salary	484	1 043
Trade union	1 337	1 399
Total	<u>142 654</u>	<u>131 368</u>

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14 NET SALES

	2010	2009
	EUR	EUR
Medical ambulant services	598 514	2 549 583
Medical hospital services	317 774	2 451 420
Insurance payments	130 083	863 532
VS ZDC ambulant services	46 582	248 894
Services - minimum fixed part	3 287	126 118
Residents training	11 678	91 664
Stomatology services	14 441	62 073
Family doctors	11 460	52 972
Other income	8 194	45 742
Total	<u>1 142 013</u>	<u>6 491 999</u>

15 COST OF GOODS SOLD

	2010	2009
	EUR	EUR
Salaries and	535 937	2 756 292
Medical goods	147 863	890 298
Fixed assets depreciation	129 924	669 157
Social tax	124 271	635 563
VAT - expenses	66 361	241 190
Public utilities	47 130	191 702
equipment	15 573	138 525
Repair expenses	23 879	91 808
Household goods	15 479	58 870
Computer maintenance, repair	5 790	33 502
Security expenses	7 187	30 129
Utilities	3 653	17 969
Current assets write-off	14 409	53 012
Feeding expenses	6 086	47 255
Medical researches	6 170	43 470
Employees trainings	868	40 364
Advertising	11 739	26 582
Gifts to employees	309	26 447
Accruals for vacations	-	20 385
Office expenses	5 117	13 226
Transport expense	1 831	9 408
Insurance expenses	1 882	6 860
Allowances to employees	697	3 771
duty	370	1 810
Received		
discounts	(2 429)	(10 875)
Other operating expenses	34 031	86 681
Total	<u>1 204 127</u>	<u>6 123 400</u>

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16 ADMINISTRATIVE EXPENSES

	2010	2009
	EUR	EUR
Salaries and wages	54 573	290 200
Social tax	12 538	67 675
Board remuneration	8 468	47 873
Board chairperson remuneration	5 588	45 075
Communication expenses	3 661	24 488
Council members remuneration	3 586	18 964
Sakaru izdevumi	1 746	11 300
Office expenses	6 944	9 122
Chairperson of the Board social tax	1 346	9 627
Council chairperson remuneration	2 049	8 196
Audit expenses	-	7 114
Council members social tax	822	4 296
Presentation expenses	713	5 171
Bank expenses	1 329	3 839
Other administrative expenses	430	2 796
Chairperson of the Council social tax	401	1 975
Legal services	-	235
Total	<u>104 193</u>	<u>557 945</u>

17 OTHER OPERATING INCOME

	2010	2009
	EUR	EUR
Rent income	22 836	94 573
Income from social tax return	-	12 362
Press goods	-	4 062
Solarium income	222	1 939
Laundry income	307	1 296
Feeding income	539	1 060
Other income	10 653	16 108
Total	<u>34 557</u>	<u>131 401</u>

18 OTHER OPERATING EXPENSES

	2010	2009
	EUR	EUR
Currency exchange loss	-	710
Loss from fixed assets disposals	-	1 511
Penalties	-	1 483
Real estate tax	-	90
Other expenses	-	1 928
Total	<u>-</u>	<u>5 721</u>

19 INCOME FROM INVESTMENT IN ASSOCIATES

	2010	2009
	EUR	EUR
Neurology clinic Ltd.	-	(10 054)
Total	<u>-</u>	<u>(10 054)</u>

LATVIJAS JURAS MEDICINAS CENTRS JSC
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20 INTEREST INCOME AND SIMILAR INCOME

	2010	2009
	EUR	EUR
Interest income	2 403	45 296
Total	<u>2 403</u>	<u>45 296</u>

21 CORPORATE INCOME TAX

	2010	2009
	EUR	EUR
Calculated Corporate income tax	-	51 563
Deferred Corporate income tax	-	3 395
Total	<u>-</u>	<u>54 958</u>

21 CORPORATE INCOME TAX (CONTINUED ...)

	2010	2009
	EUR	EUR
Profit (loss) before tax	-184 043	-40 445
Theoretically calculated corporate income	-	-1 803
Permanent differences	-	51 563

Calculated corporate income tax - **34 972**

Deferred tax

Temporary difference between financial	(383 985)	(383 985)
Temporary difference of fixed assets revaluation	(988 513)	(1 029 308)
Accruals for vacations	137 311	137 311
Accrued liabilities	-	-
Total temporary differences	<u>(1 235 186)</u>	<u>(1 275 982)</u>
Tax rate applied	15%	15%
Deferred tax liabilities	<u>185 278</u>	<u>191 398</u>
Recognized deferred tax liabilities	<u>185 278</u>	<u>191 398</u>

22 PROPERTIES REVALUATION RESERVE

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