

"Rīgas juvelierizstrādājumu rūpnīca" JSC /AS/ single ID 40003044420
Account for the period from 01.01.2010 to 31.12.2010

JSC |A/S| "Rīgas juvelierizstrādājumu rūpnīca"
Single reg.№ 40003044420
Adress: Terēzes iela 1, Rīga, LV-1012

Types of basic activities:
processing of precious metals

Unit: LVL

AUDITED ANNUAL ACCOUNT
for the year 2010

State Revenue Service territorial office: Latgale suburb department

Date submitted: _____

Date received: _____

CONTENT

	Page
Information on the Company	3
Management report	4
Statement on the Company management responsibility	5
Profit or loss statement	6
Balance sheet	
assets	7
liabilities	8
Accounts or changes in equity capital	9
Account on cash flow	10
Appendix to the annual account:	
1. Accounting policy and methods applied	11.-12
2. Explanatory notes to the profit or loss statement items	13.-14
3. Explanatory notes to the balance sheet items	15.-17

INFORMATION ON THE COMPANY

Company name	JSC AS "Rīgas juvelierizstrādājumu rūpnīca"
Company legal status	Joint-Stock Company
Single identification №, place and date of incorporation	40003044420, 10 December 1991
Legal address	Terēzes iela 1, Rīga, LV-1012, tel 7272790
Mailing address	Terēzes iela 1, Rīga, LV-1012
Type of activity	Processing precious metals
Name, address. Tel.of Unit of Business Activities	workshop: Terēzes iela 1, Rīga, LV-1012 pawnshop: Terēzes iela 1, Rīga, LV-1012
Member composition of the JSC Council	Vidis Zaķis Igoris Istomins Eļena Vasuļa Jurijs Čerņecovs Tatjana Reznigskā
Member composition of the JSC Board of Directors	Vladimirs Cadovičs Alefīna Struļeviča Aleksandrs Ančevskis
Bank account JSC "SEB BANKA"	LV62UNLA0001000243901
Chief Accountant	Natalja Beļšova
Account for the period	from 01.01.2010 to 31.12.2010
Auditor	LLC SIA "Auditoru firma "Finansists" Tālavas gatve 11-4, Rīga, LV-1029 ID.№ LV40002046180 Nelli Jermolicka Qualified Auditor (Latvian Association of Qualified Auditors cert
Average number of employees	16 persons

Management report

Information about company

JSC „Rīgas juvelierizstrādājumu rūpnīca” legal address Terezes iela 1, Rīga, LV-1012.

Company is registered in Commercial register with a single registration number 40003044420. Share capital of the company is 4 742 980 LVL, which consists of 4742980 shares having nominal value LVL 1.

Chairman of the Board of the company is Vladimirs Cadovičs, other Members of the Board are: Alefīna Struļeviča un Aleksandrs Ančevskis.

Auditor of the Company is certified controller Nelli Jermoļicka (certificate No.102).

Largest share holders of the Company are:

Vladimirs Cadovics – 531 785 shares

Olegs Perežilo – 380 000 shares

Igors Istomins – 1 160 000 shares

Marija Ančevska – 1 160 000 shares

Operation of the Company during the year of account

Field of operation of JSC „Rīgas juvelierizstrādājumu rūpnīca” is processing of precious metals, production and repair of jewellery.

Name, address, telephone of the structural unit of operation:

workshop: Terezes iela 1, Rīga, LV-1012, tel.: 67277365

pawnshop: Terezes iela 1, Rīga, LV-1012, tel.: 67277365

AS „Rīgas juvelierizstrādājumu rūpnīca” does not have parent and subsidiary companies.

The Company closed the financial year with the following results:

Annual result before extraordinary items and taxes is: -16 177 LVL

Nett result: -20 086 LVL

The recession of general economy in the state has led to recession of demand for products of our company in 2010.

Manufacture of jewels is not renewed.

The Company has begun advertising of the trade mark and made production in Latvia and other Baltic and European Union countries.

The Company continues work on attraction of investors in 2010.

The company has begun active cooperation with the companies from Russia and Lithuania in 2010.

It is planned to begin work with the Spanish manufacturer in 2011.

Development activities of the Company

The Company further development: taking into account world financial crisis conditions Company plans to develop new business possibilities, research of the local and external market, executing an increase of products sale enterprises.

It is planned to develop a homepage on which production assortment is exposed.

The Company plans to involve partners from Russia and the countries of the European Union for manufacturing of new models of jewels. Also to expand possibilities of cooperation with wholesale dealers of Latvia and to involve small consumers.

For assortment increase in 2011 the Company plans to begin cooperation with the Spanish firm ARAGOM CARMONA.

Has been made the analysis of solvency of clients. Production stands out by results of the analysis and repayment terms are in certain cases regulated.

For commodity market expansion are necessary considerable investments which the Company can't make without attraction of additional means. Efforts of Board and Council to involve investors haven't given positive results yet.

In 2011 it is necessary to increase volume of services in a workshop.

One of the main tasks for 2011 is to develop new advertising the company for recognition of the products of the Company in the market of Latvia.

Proposals to decrease losses

It is provided to search for additional commodity markets.

The company plans to increase goods turn, offering new models of jewels. Also to reduce production cost price.

Chairman of the Board

Member of the Board

Member of the Board

Vladimirs Cadovičs

Alefīna Struļeviča

Aleksandrs Ančevskis

Statement on the Company management responsibility

The Company management shall be held responsible for development of financial statements, based on the initial bookkeeping records concerning each accounting period, which is true and impartial reflection of financial condition of the Company at the 31.12.2010.

Hereby it is confirmed by the Company managers that upon drawing the present report for period, expiring on 31 December 2010, appropriate accounting methods were used, the same were applied on consistent basis, and reasonable and cautious decisions are made.

The Company management shall be held responsible for conducting of appropriate bookkeeping accounts, for maintenance of the Company funds, as well as for prevention of fraudulent activities and other on other ignominies.

Hereby it is confirmed by the Company management that data and explanations requisite for the audit have been provided thereby.

Chairman of the Board
Vladimirs Cadovičs

Member of the Board
Alektina Struļeviča

Member of the Board
Aleksandrs Ančevskis

Profits or loss statements for the period from

01.01.2010 to 31.12.2010 and 01.01.2009 to 31.12.2009

Parameter designation	Appendices	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Net turnover	1	245 825	258 870	349 777	368 339
Manufacturing expenditures of sold products	2	-197 193	-249 920	-280 580	-355 604
Gross profit or loss		48 632	8 950	69 197	12 735
Selling costs	3	-102 527	-13 445	-145 883	-19 131
Administrative expenses	4	-72 480	-89 678	-103 130	-127 600
Other revenue of the Company business operations	5	127 365	41 133	181 224	58 527
Other expenses of the Company business operations	6	-17 194	-372	-24 465	-529
Other interests income and similar	7	104	102	148	145
Other interest and similar expenditures	8	-78	-30	-111	-43
Profit or loss before extraordinary items and taxations		-16 177	-53 340	-23 018	-75 896
Profit or loss before taxation and minority interest		-16 177	-53 340	-23 018	-75 896
Different corporate income tax					
Other taxes	9	-3 909	-4 495	-5 562	-6 396
Loss for the year of account (net income)		-20 086	-57 835	-28 580	-82 292
Profit or loss for ONE stock, annual		-0,002	-0,011	-0,003	-0,016
Profit or loss for ONE stock as from commencement of operations		-0,804	0,800	-1,144	1,139

Appendix from Page 9 to 13 shall constitute an integral part to the present financial statement

Balance sheet at 31 december 2010 and 2009

ASSETS	Appen- dices	2010 LVL	2009 LVL	2010 EUR	2009 EUR
1. Long-term investments					
I Fixed assets					
Land, building, constructions and perenial plantations		112 097	121 116	159 500	172 333
Equipment and machinery		305	584	434	831
Other fixed assets and inventory		6 456	10 042	9 186	14 288
Total fixed assets		118 858	131 742	169 120	187 452
II Investments property		36 198	39 134	51 505	55 683
Total investments property		36 198	39 134	51 505	55 683
Total long-term investments	1	155 056	170 876	220 625	243 135
2. Current assets					
III Inventory					
Raw materials, direct materials and auxiliary materials	2	258 444	187 496	367 733	266 783
Unfinished products	3	115 333	90 692	164 104	129 043
Finished goods and goods for sale	4	212 370	140 278	302 175	199 598
Advance payment for goods	5	340	26	484	37
Total inventory		586 487	418 492	834 496	595 460
IV Debtors' indebtedness					
Indebtedness of customers and clients	6	279 205	399 976	397 273	569 115
Other debtors	7	11	11	16	16
Expenses of subsequent perios	8	628	7 672	894	10 916
Accumulate income	9	0	3 757	0	5 346
Total debtors		279 844	411 416	398 182	585 392
V Shot-term financial investments					
Other securities		0	0	0	0
Total shot-term financial investments		0	0	0	0
Funds (total)	10	73 514	83 906	104 601	119 387
Total current assets		939 845	913 814	1 337 279	1 300 240
Assets grand total		1 094 901	1 084 690	1 557 904	1 543 375

"Rīgas juvelierizstrāda" JSC /AS/ single ID 40003044420
Account for the period from 01.01.2010 to 31.12.2010

LIABILITIES	Appendices	2010 LVL	2009 LVL	2010 EUR	2009 EUR
I Equity capital					
Stock or share capital (fixed capital)	11	4 742 980	4 742 980	6 748 653	6 748 653
Revaluation reserve of long-term investments		113 956	119 954	162 145	170 679
<i>Retained earnings</i>				0	0
a) retained earnings from previous year		-3 796 160	-3 738 325	-5 401 449	-5 319 157
b) retained earnings for the year of account		-20 086	-57 835	-28 580	-82 292
<i>Total retained earnings</i>		-3 816 246	-3 796 160	-5 430 029	-5 401 449
Total equity capital		1 040 690	1 066 774	1 480 768	1 517 883
III Creditors					
2. Short-term debts					
Indebtedness to suppliers and contractors	12	30 241	184	43 029	262
Taxes and social security liabilities	13	11 598	7 916	16 502	11 263
Other creditors	14	3 031	3 326	4 313	4 732
Accrued liabilities	15	9 341	6490*	13 291	9 234
Total short-term debts		54 211	17 916	77 135	25 492
Total creditors		54 211	17 916	77 135	25 492
Liabilities grand total		1 094 901	1 084 690	1 557 904	1 543 375

*Marked positions are classified
Data from 31.12.2009 Liabilities

	Before	After
Other accumulations		2 555
Accumulated obligations	2 555	

Appendix from Page 9 to 13 shall constitute an integral part to the present financial statement

Chairman of the Board
Vladimirs Cadovičs

Member of the Board
Alefina Struļeviča

Member of the Board
Aleksandrs Ančevskis

Account on changes in equity capital, year 2009 and 2010

	Stock or share capital (fixed)	Revaluation reserve of long-term investments	Retained earnings from previous year	Profit for the year of account	Total equity capital
	LVL	LVL	LVL	LVL	LVL
Remaining amount on 31 December 2008	4 742 980	126 267	-3 715 292	-23 033	1 130 922
Transferred losses			-23 033	23 033	0
Losses in year of account				-57 835	-57 835
Reserve reduction		-6 313			-6 313
Remaining amount on 31 December 2009	4 742 980	119 954	-3 738 325	-57 835	1 066 774
Transferred losses			-57 835	57 835	0
Losses in year of account				-20 086	-20 086
Reserve reduction		-5 998			-5 998
Remaining amount on 31 December 2010	4 742 980	113 956	-3 796 160	-20 086	1 040 690

	Stock or share capital (fixed)	Revaluation reserve of long-term investments	Retained earnings from previous year	Profit for the year of account	Total equity capital
	EUR	EUR	EUR	EUR	EUR
Remaining amount on 31 December 2008	6 748 653	179 662	-5 286 384	-32 773	1 609 157
Transferred losses			-32 773	32 773	0
Losses in year of account				-82 292	-82 292
Reserve reduction		-8 983			-8 983
Remaining amount on 31 December 2009	6 748 653	170 679	-5 319 157	-82 292	1 517 883
Transferred losses			-82 292	82 292	0
Losses in year of account				-28 580	-28 580
Reserve reduction		-8 534			-8 534
Remaining amount on 31 December 2009	6 748 653	162 145	-5 401 449	-28 580	1 480 768

Chairman of the Board
Vladimirs Cadovičs

Member of the Board
AleĶina StruļeviĶa

Member of the Board
Aleksandrs AnĶevskis

ACCOUNT ON CASH FLOW for the PERIOD having EXPIRED
 on 31 december 2010 (by direkt method)

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
I. Cash flow from basic activities				
Proceeds from no product selling and provision of services	174577	328 480	248 401	467 385
Payments to suppliers, staff, other expenditures of basic activities	-261641	-379 632	-372 282	-540 168
Receipts and expenditures from other basic activities of the Company	81040	58 230	115 310	82 854
Gross basic activities cash flow	-6 024	7 078	-8 571	10 071
Expenditures for percentage payments	0	-30	0	-43
Expenditures for real property tax payments (-)	-3909	-4 495	-5 562	-6 396
Cash flow before extraordinary items	-9 933	2 553	-14 133	3 633
Net basic activities cash flow	-9 933	2 553	-14 133	3 633
II. Cash flow of investment operations				
Acquisition of fixed assets and intangible investments (-)	-563	-306	-801	-435
Acquisition/sale of securities (+)	0	22 457	0	31 953
Interest received (+)	104	102	148	145
Net cash flow of investment operations	-459	22 253	-653	31 663
V. Net cash flow for the yer of account	-10 392	24 806	-14 786	35 296
VI. Cash and equivalents thereof at the begininig of period	83 906	59 100	119 387	84 092
VII. Cash and equivalents thereof at the end of period	73 514	83 906	104 601	119 387

Chairman of the Board
Vladimirs Cadovičs

Member of the Board
Aleřina Struļeviča

Member of the Board
Aleksandrs Ančevskis

Appendices to the annual account

1. Accounting policy and methods applied

General principles

Annual account is developed in accordance with the laws of the Republic of Latvia "On Accounting" and "On Annual Accounts of Enterprises" and corresponding to the Latvian accountancy standards. The following Latvian accountancy standards (LGS) are applied in development of the present annual account: 1.LGS, 2.LGS, 3. LGS, 4. LGS, 5. LGS, 6.LGS, 7.LGS, 8.LGS, 9.LGS.

Profit or loss statement has been developed in correspondence with the turnover expenditures method.

Cash flow statement has been developed according to the direct method.

Financial statement is providing true and clear representation of the Company funds, liabilities, financial condition and profits or losses.

Accounting policy ensures that financial statements is providing information, which:

1. Is appropriate for users of the financial statements in order to make decisions
2. Is credible to such extent that statements:

*are properly revealing the Company results and financial condition - revealing not only the legal form of transactions, but also economic substance thereof, are neutral ones, i.e. Are unbiased, are cautious;

*are perfect in any significant aspects.

Principles of accounting applied

Items of the annual account are assessed in accordance with the following accountancy principles:

- a) It is assumed that the Company will proceed with its operations even further.
- b) The same methods of assessment are applied as for the preceding year of account.
- c) Assessment of items is performed with proper caution, in compliance with conditions as follows:
 - * the account includes exclusively the profits earned until the date when balance sheet is drawn; consideration, also when the same have become known within the time period from the date of balance sheet to the date when the annual account is drawn;
 - date of payment and the date when bill is received or invoice. Expenditures are attuned to income within the relevant accounting periods.
- e) Components for the items of assets and liabilities are assessed separately.
- f) Opening balance for the year of account correspond to closing balance of the preceding year.
- g) All the items are specified, which exert significant impact on evaluation and decision-making of users of the annual account.
- g) Business transactions are reflected in the annual account, taking into consideration their economic content and substance rather than legal form.

Accounting period from January 2010 to December 2010

Money value and revaluation of foreign currency

Indices reflected by these financial statements are expressed in national currency of Latvia - lats (LVL).

Items of any monetary assets and liabilities are recalculated to lats according to currency rate fixed by the Bank of Latvia on the last day of the year of account.

Foreign currency rates at the end of accounting period during the last two years were as follows:

2010.12.31		2009.12.31	
RUR	0,0176	RUR	0,0164
EUR	0.702804	EUR	0.702804

relevant period.

Long-term and short-term items

In the short-term assets the asset amounts are indicated:

- * which are intended to be sold or consumed within the normal cycle of business operations; the date of balance;
- * it is cash or equivalent thereof having unlimited capacities to be used.

Other assets are classified as long-term ones.

As short-term liabilities the amounts of liabilities are indicated:

- *whereto settlements are envisaged the normal cycle of business operations;
- *which should be settled not later than within twelve months after the date of balance.

Other liabilities are classified as long-term ones.

"Rīgas juvelierizstrādaļjumu rūpnīca" JSC /AS/ single ID 40003044420
Account for the period from 01.01.2010 to 31.12.2010

Cash and cash equivalents

Cash and cash equivalents are composed of cash and balances of blank current accounts.

Depreciation of intangible investments and fixed assets

depreciation.

Depreciation is calculated by the linear method, taking as basis the following depreciation norms:

Fixed assets:

*Buildings and constructions	5%
*Technological equipment	20%
*Means of transport	20%
*Other fixed assets	20%
*Furniture	20%
*Computers and data storage facilities	35%

*Depreciation for land is not calculated.

Inventory assessment

In the inventory assessment method of direct expenditures is used. In the balance sheet the inventories are specified by prime cost for acquisition thereof. Value of the obsolete, slow turnover or damaged inventories is written-off. Inventory residues are examined in the annual stocktaking.

Debtors' indebtedness

Debtors' indebtedness in the balance sheet are indicated as net (acquisition) value, by deduction from the initial value of special accruals for doubtful and bad debtors' indebtedness. Accruals for doubtful and bad debtors' indebtedness are developed in cases when the management considers recovery of said debtors' indebtedness to be questionable.

Taxes

Expenditures of the corporate income tax for the year of account are included in the financial statement, based on calculations performed by the management in accordance with tax laws of the Republic of Latvia.

Related parties

As related parties are deemed to be the Company shareholders, members of the Board of Directors, their close members of family and companies where the said entities are having control or significant impact.

Application of assessments

Requirements of the Latvian laws are providing that upon development of financial statements, management of the enterprise shall assess and assumptions having impact on assets and liabilities specified by accounts and off-balance as the day for development of annual account, as well as the specified receipts and expenditures of the accounting period. Actual results may be different from these estimates.

Classification

In 2010, according to changes in a law and decision of management, classification of data was changed as compared to 2009. Data from 31.12.2009 Liabilities

	Before	After
Other accumulations		2 555
Accumulated obligations	2 555	

Appendices to the account

2. Explanatory notes to items of the profit or loss calculation

1. Net turnover	2010	2009	2010	2009
	LVL	LVL	EUR	EUR
Jewelry sale	175 198	183 492	249 284	261 086
Workshop (jewelry repairs)	48 354	54 507	68 802	77 556
Pawnshops (jewelry)	3 169	3 723	4 509	5 297
Production of thermal energy	19 104	17 148	27 183	24 399
Total	245 825	258 870	349 777	368 339

2. Manufacturing expenditures of sold products

Salary of workers	0	87 287	0	124 198
Obligatory social payments of workers	0	20 453	0	29 102
Purchasing expenses of the sold jewels	42 065	0	59 853	0
Expenses for manufacturing of jewels	7 156	0	10 182	0
Lease payments for the production facilities	0	9 315	0	13 254
Utilities	0	33 717	0	47 975
Direct materials	255	74 667	363	106 242
Assaying of jewelry at State Assay Supervision Inspection	1 314	3 642	1 870	5 182
Low-grade inventory, and tools	360	1 303	512	1 854
Auxiliary materials	4	1 106	6	1 574
Depreciation of fixed assets	0	289	0	411
Current repairs (equipment, facilities)	0	739	0	1 052
Long-term investments' writing-off in the leased fixed assets	0	0	0	0
Changes in stock and value of the unfinished products	-3 708	2 844	-5 276	4 047
Changes in stock and value of the finished products	149 548	14 483	212 788	20 607
Tax undeducted part	23	14	33	20
Tax of nature resources	79	62	112	88
Goods insurance	97	0	138	0
Total	197 192	249 921	280 580	355 606

3. Selling costs

Salary of workers	34 461	6 584	49 034	9 368
Obligatory social payments of workers	8 160	1 586	11 611	2 257
Utilities	33 848	0	48 161	0
Accumulations for vacations	625	1 102	889	1 568
Expenses on advertising	2 312	3 095	3 290	4 404
Rent of the earth and premises	13 857	0	19 717	0
Depreciation of fixed assets	6 794	0	9 667	0
Goods write-off	2 459	0	3 499	0
Other selling costs	11	1 078	16	1 534
Total	102 527	13 445	145 883	19 131

4. Administration expenditures

Salary of workers	34 138	36 270	48 574	51 608
Obligatory social payments of workers	8 224	8 668	11 702	12 333
Accumulations for vacations	39	1 454	55	2 069
Business activity risk duty	49	99	70	141
Communication expenditures	2 491	2 546	3 544	3 623
Annual account expenditures	700	850	996	1 209
Lawyer services	3 977	300	5 659	427
Bank services	242	194	344	276

"Rīgas juvelierizstrādaļumu rūpnīca" JSC /AS/ single ID 40003044420
Account for the period from 01.01.2010 to 31.12.2010

Appendices to the profit or loss calculation (continued)

	2010	2009	2010	2009
	LVL	LVL	EUR	EUR
Office costs	1 302	1 288	1 853	1 833
Computer, printer, telefax, cash register servicing costs	0	553	0	787
Expenditures of statutory regulary	0	416	0	592
To "NASDAQ OMO Riga"	5 000	4 989	7 114	7 099
Expenditures for organization of annual general meeting and amendments to Articles of Association	205	516	292	734
Traveling allowances	1 170	320	1 665	455
Depreciation of fixed assets	3 280	9 905	4 667	14 094
Carpet replacement (workshop)	120	49	171	70
Electric energy	0	5 054	0	7 191
Water	4	14	6	20
Lease of land	0	4 895	0	6 965
Waste disposal	300	232	427	330
Deratization costs	0	50	0	71
Security services	6 356	5 606	9 044	7 977
Expenditors for insurance of motor transport	325	601	462	855
Motor transport expenditures for administration	3 968	3 358	5 646	4 778
Expenditors for representation	338	35	481	50
Other administration expenditures	252	1 416	359	2 015
Total	72 480	89 678	103 130	127 600

5. Other income from the Company business activities

Revolution reserve of long-term investments reduction	5 998	6 313	8 534	8 983
Income from revaluation of finished goods	94 991	1 069		1 521
Leasing out premises	26 247	32 340	37 346	46 016
Result of a course change of currencies	83	0	118	0
Addition of value of securities	0	1 411	0	2 008
Other	46	0	65	0
Total	127 365	41 133	46 064	58 527

6. Other expenditures from the Company business activities

Currency purchases or sale net result	249	32	354	46
Gifts and support	100	340	142	484
Building pulling down project	6 356	0	9 044	0
Write-off of hopeless debtors	2 024	0	2 880	0
Formation of accumulation of doubtful debtors	2 791	0	3 971	0
Other expenditures	5 674	0	8 073	0
Total	17 194	372	24 465	529

7. Other interest and similar income

Bank interest income	104	102	148	145
Total	104	102	148	145

8. Other interest and similar expenditures

Penalties	78	30	111	43
Total	78	30	111	43

9. Real property tax

	3 909	4 495	5 562	6 396
Total	3 909	4 495	5 562	6 396

Appendices to the annual account

3. Explanatory notes to the balance sheet items

1. Fixed assets

		Investment property	Lands, buildings construction	Long-term investments leased fixed	Equipment and machinery	Other fixed assets	Total	
		LVL	LVL	LVL	LVL	LVL	LVL	EUR
Initial Value 31.12.2009.		58 700	180 389	74 026	64 356	46 265	423 736	602 922
Initial Value 31.12.2010.		58 700	180 389	74 026	64 356	46 828	424 299	603 723
Depreciation 31.12.2009.		19 566	59 273	74 026	63 772	36 223	252 860	359 787
Depreciation 31.12.2010.		22 502	68 292	74 026	64 051	40 372	269 243	383 098
Residual value 31.12.2009	LVL	39 134	121 116	0	584	10 042	170 876	
	EUR	55 683	172 333	0	831	14 288		243 135
Residual value 31.12.2010	LVL	36 198	112 097	0	305	6 456	155 056	
	EUR	51 505	159 500	0	434	9 186		220 625

Fixed assets in the balance sheet are reflected as the residual value

Residues of fixed assets as at 31.12.2009. are checked in stocktaking on 31.12.2009.

Fixed assets are not encumbered.

Vehicle are insured.

2. Raw materials, direct material and auxiliary

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
gold	202 287	130 565	287 828	185 777
silver	2 087	2 087	2 970	2 970
precious stones, semiprecious stones	48 362	49 077	68 813	69 830
other auxiliary materials	49	49	70	70
low-value materials and inventory	741	817	1 054	1 162
tools	4 583	4 583	6 521	6 521
construction materials for current repairs	288	300	410	427
fuel in tanks of cars	47	18	67	26
Total	258 444	187 496	367 733	266 783

3. Unfinished products

Unfinished manufacture	115 333	90 692	164 104	129 043
Total	115 333	90 692	164 104	129 043

4. Finished production and goods on sale

Goods in warehouse	212 370	140 278	302 175	199 598
Total	212 370	140 278	302 175	199 598

5. Advance payments for products

To LLC /SIA/ NESTE for fuel	340	26	484	37
Total	340	26	484	37

Appendices to the balance sheet (continued)

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
6. Indebtedness of cusmomert and clients				
Indebtedness of customers and clients	246 543	365 484	350 799	520 037
Settlements with other debtors	16 969	25 457	24 145	36 222
Credit on the security in a pawnshop	3 618	3 036	5 148	4 320
Settlements for lease	14 866	5 999	21 152	8 536
Accumulation of doubtful debtors	-2 791	0	-3 971	0
Total	279 205	399 976	397 273	569 115

7. Other debtors

VENDEN pledge	11	11	16	16
Total	11	11	16	16

8. Expenditures for the subsequent periods

Insurance of vehicles	159	65	226	92
Lietišķas inmormācijas dienests (laws of the Republic of Latvia)	108	43	154	61
Newspaper, journals	354	0	504	0
Project documentation	0	7 564	0	10 763
NASDAQ OMO Rīga for the stock quotation	7	0	10	0
Total	628	7 672	894	10 916

9. Saved incomes

Bills written out in 2010	0	3 757	0	5 346
Total	0	3 757	0	5 346

10. Money resources

Monetary in cash	8 516	8 121		11 555
Monetary in operating accounts	64 998	75 785	92 484	107 832
Total	73 514	83 906	92 484	119 387

11. Information of the aggregate Company own stock and shares

The JSC was founded on 10 December 1991 with fixed capital Ls 4742980, composed of 4742980 shares, share par value constituting Ls 1,-

All the stocks are ordinary stocks with voting rights.

From the totality of Company stocks 4 493 700 stocks are bearer stocks in dematerialized form.

From the totality of Company stocks 249 280 are registered stocks in dematerialized form.

Appendices to the balance sheet (continued)

	2010	2009	2010	2009
	LVL	LVL	EUR	EUR
12. Indebtedness to suppliers and contractors				
Venden SIA	2	0	3	0
EPS SIA carpets change	12	11	17	16
AM Pakalpojumi SIA	91	0	129	0
Rīgas ūdens SIA	228	173	324	246
Federal Express Corporation	44	0	63	0
NASDAQ OMX Riga AS	756	0	1 076	0
Koslovskis Miks	2	0	3	0
DIALMA GIOIELLI S.A.S.	29 106	0	41 414	0
Total	30 241	184	43 029	262
13. Taxes and social security payments				
VAT	8 165	5 531	11 618	7 870
State social security obligatory payments	2 232	1 290	3 176	1 836
Personal income tax	1 118	1 029	1 591	1 464
Natural resources tax	79	62	112	88
Business activity duty	4	4	6	6
Total	11 598	7 916	16 502	11 263
14. Other creditors (short-term)				
Salaries	2 866	3 319	4 078	4 723
Advance calculations	165	7	235	10
Total	3 031	3 326	4 313	4 732
15. Accured liabilities				
Latvenergo SIA	2 518	2 270	3 583	3 230
Latvijas gāze AS	3 346	983	4 761	1 399
Lattelecom SIA	52	52	74	74
FINANSISTS SIA	0	425	0	605
Prior SIA	0	70	0	100
Program RasmusNet	120	0	171	0
Latvijas Mobilais Telefons SIA	86	135	122	192
Accumulation on unused holidays	3 219	2555*	4 580	3 635
Total	9 341	6 490	13 291	9 234

*Classification