



LATVIJAS JURAS MEDICINAS CENTRS JSC

CONSOLIDATED INTERIM REPORT FOR THE 9 MONTHS OF 2013

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

(Translation of the Latvian original)

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

COMPANY NAME: LATVIJAS JURAS MEDICINAS CENTRS JSC

LEGAL STATUS: Joint stock company

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

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

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

MAJOR SHAREHOLDERS: Ilze Birka 17,50%
Martins Birks 17,50%
Ilze Aizsilniece 11,45%
Guna Shvarcberga 10,36%
Janis Birks 08,61%
Adomas Navickas 05,18%

REPORTING PERIOD: December 31, 2012 - September 30, 2013

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

30.09.2013

From April 28, 2010 till the consolidated financial statements signing day

Position	Name	
Chairman of the Council	Martins Birks	140 000
Member of the Council	Viesturs Shilinsh	3 038
Member of the Council	Ineta Gadzjus	-
Member of the Council	Jevgenijs Kalejs	5 283
Member of the Council	Uldis Osis	-

Board of the Group

From August 18, 2009 till the consolidated financial statements signing day

Chairman of the Board	Janis Birks	68 903
Member of the Board	Marta Aizsilniece	1 344
Member of the Board	Andris Vigants	700

LATVIJAS JURAS MEDICINAS CENTRS JSC

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 LJMC was 308758 LVL

The loss before taxes of JM was 9872 LVL

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

Key developments in LJMC during the year 2013 is offering new medical service, improving the quality of existing services with the help of modern medical technology, new specialists and better patient service culture and increase of operational efficiency based on rational use of resources.

A contract was signed with the National Health Service on state-paid medical services at the level planned at the beginning of 2012.

On March 2013 Joint-stock company Latvijas Jūras medicīnas centrs „Ziemeļu diagnostikas centrs” received a quality certificate ISO 9001:2008 in functional diagnostics and radiology from DVN Certification OY/AB, Finland. This certificate is valid till March 14, 2016. The work on the initiation of ISO quality standards in the other structural units continues.

Health inspectorate of ministry of health of the republic of Latvia has made a decision on the inclusion JSC LJMC of medical institutions list which providing medical tourism services.

LJMC JSC has won the tender for PSKUS patient medical care for one year.

A project is developed for more rational use of premises at Vecmīlgrāvis area to reduce utility costs.

Significant rise of utilities and electricity tariffs, as well as the prices of medicines, medical materials and tools in comparison with previous year, has a negative effect on Company's financial performance 2013th. The short-term negative impact on spending leaves the depreciation of large investments in the information technologies at 2012th.

Negative impact on the 2013th the planned and actual financial results left the extra public funding at the end of 2012th. That gave a significant increase in salaries in the last months of the year 2012, which increased the 2013th annual allowance, mainly to the increased holiday costs, in amount about 40000 LVL including taxes.

The results also affected the exceeding the 9 months state financing quota by 172000 LVL. This is only by 68000 LVL less as exceeding at 6 months. All material costs and part of the salaries spend for the services in amount of 240000 LVL have been referred to the 6 months but income will be when the state gradually pays for these services in the next months. It will result in a reduction of losses approximately by 110000 LVL.

LATVIJAS JURAS MEDICINAS CENTRS JSC

MANAGEMENT REPORT

Overall, the 2013th 6 months of the revenue plan is drawn up by 98%. Expenditure side - by 100%

The parent company has given to its subsidiary company a loan of 9500 LVL for 1 year with interest rate 5.3% per year in order to complete the restructuring of real estate. In June the subsidiary company has reduced its borrowing from the parent company till 4562 LVL.

23.05.2013 JSC " LATVIJAS JURAS MEDICINAS CENTRS " has purchased 1,411 (0.7%) Ltd "Juras Medicina" shares with nominal value of 1.00 LVL from the owner AS Baltic Marine Fishing Company paying 2,500 EUR. Consequently, JSC "LATVIJAS JURAS MEDICINAS CENTRS" has become an owner of 100% its subsidiary company "Juras Medicina" Ltd

The share price at the 31.12.12. was LVL 1,90; 31.03.13 - LVL 1,70; 30.06.13 - LVL 2.00; 30.09.13 - LVL 2.00.

Important Events after the Balance Sheet Date

The share price at the 27.11.13 was LVL 2,00.

Future Development of the Group

The Board is planning to develop ambulatory care and offer new, high-quality services for the diagnostic and medical treatment, including Patversmes street 23 area. The development of joint computerized information and accounting system will continue. That will provide precise details of the services rendered to patient; the medical information will be in a digital format, as well as perspective – integration into the e-health system. The Board is optimizing the company's organization coping with the ongoing changes in the health service structure and changing public procurement levels and priorities.

There is planned additional staff training through co-financing opportunities.

Risk Management

On a regular basis the significant risks are assessed, involving a wide range of specialists. Measures are taken to mitigate the potential impact on business activities. Constantly, the Group's future development scenarios are reviewed based on the underlying and predictable market changes.

On behalf of the Group:

Chairman of the Board
Janis Birks

Member of the Board
Marta Aizsilniece

Member of the Board
Andris Vigants

LATVIJAS JURAS MEDICINAS CENTRS JSC
STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Consolidated financial statements are prepared to the best of our knowledge, in accordance with International Financial Reporting Standards adopted by the European Union. These financial statements give a true and fair view of the financial position of the Group and of its financial performance for the period ended 30 September 2013 in all essential aspects. In preparing those financial statements, management:

- selected suitable accounting policies and then apply them consistently;
- made judgments and estimates that are reasonable and prudent;
- prepared the financial statements on the going concern basis to presume that the Group will continue in business.

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

Chairman of the Board

Janis Birks

Member of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Riga, 28 November, 2013.

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

	September 30, 2013	December 31, 2012	Notes	September 30, 2012
ASSETS	LVL	LVL		LVL
Long-term investments:				
Intangible assets:				
Other intangible (fixed) assets	16 283	15 233	2	13 444
Total intangible assets	16 283	15 233		13 444
Fixed assets				
Land and buildings	1 639 986	1 758 202		1 754 922
Technological equipment and machines	630 432	782 185		821 485
Other fixed assets and fixtures	45 380	37 874		35 921
Fixed assets add-ons (EU funds)	110 039	110 039		110 039
Unfinished construction	-	-		-
Advance payments for fixed assets	-	3 322		45 745
Total fixed assets	2 425 837	2 691 622	2	2 768 112
Long-term financial assets				
Investment in associates	135 312	135 312	3	142 927
Total financial assets:	135 312	135 312		142 927
Total long-term investments:	2 577 432	2 842 167		2 924 483
Current assets:				
Inventories				
Raw materials	55 911	68 647	4	58 055
Total Inventories	55 911	68 647		58 055
Debtors:				
Trade receivables	124 834	77 594	5	196 269
Other receivables	5 940	6 677	6	24 873
Deferred expenditure	3 444	2 783	7	3 197
Total debtors	134 218	87 054		224 339
Cash funds	593 966	725 035	8	477 392
Total current assets	784 095	880 736		759 786
TOTAL ASSETS	3 361 527	3 722 903		3 684 269

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

	September 30, 2013	December 31, 2012	Notes	September 30, 2012
LIABILITIES	LVL	LVL		LVL
Equity capital:				
Share capital	800 000	800 000	9	800 000
Reserves:				
c) reserves provided by the Articles of Association	31 993	31 993		31 993
d) fixed asset's revaluation reserve	580 050	653 160	23	677 529
Retained earnings:				
a) brought forward from previous years	1 486 371	1 468 593		1 439 921
b) current year comprehensive income (loss)	(301 266)	(68 135)		(232 073)
Total shareholders' equity	2 597 148	2 885 611		2 717 370
Non-controlling interest	-	1 311		1 317
Total equity capital	2 597 148	2 886 922		2 718 687
Provisions for liabilities and charges:				
Provisions for vacations	48 671	48 671		84 190
Deferred tax provisions	93 290	106 192	22	98 413
Total provisions	141 961	154 863		182 603
Non-current liabilities:				
Deferred income	402 639	419 348	10	435 981
Total non-current liabilities	402 639	419 348		435 981
Current liabilities:				
Advance payments	7 578	12 840	11	7 803
Trade Payables	52 040	63 092	12	175 337
Taxes and social security payments	75 880	85 223	13	76 000
Other payables	84 281	100 615	14	87 858
Total current liabilities	219 779	261 770		346 998
Total liabilities	622 418	681 118		782 979
TOTAL EQUITY, PROVISIONS AND LIABILITIES	3 361 527	3 722 903		3 684 269
				-
CR	3,57	3,36		2,19
DR	0,19	0,18		0,09

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

	2013, 9 month period	2012, 12 month period	Notes	2012, 9 month period
	LVL	LVL		LVL
Net sales	2 596 732	3 789 337	15	2 606 954
Cost of goods sold	(2 730 491)	(3 608 993)	16	(2 669 216)
Gross profit or loss	(133 759)	180 344		(62 262)
Administrative expenses	(239 607)	(336 870)	17	(249 814)
Other operating income	81 647	105 301	18	76 200
Other operating expenses	(9 846)	(5 034)	19	(4 008)
Income from investment in associate	-	131	20	-
Interest income and similar income	299	27	21	7 771
Profit (loss) before taxes	(301 266)	(56 101)		(232 113)
Corporate income tax	-	(12 080)	22	-
NET PROFIT OR LOSS	(301 266)	(68 181)		(232 113)
Peļņa no asociētā uzņēmuma daļu iegādes	-	-		-
Other comprehensive income for the year, net of tax	-	-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(301 266)	(68 181)		(232 113)
Profit attributable to				
Owners of LJMC	(301 266)	(68 135)		(232 073)
Non-controlling interest	-	(46)		(40)
	(301 266)	(68 181)		(232 113)
Total comprehensive income attributable to				
Owners of LJMC	-	-		-
Non-controlling interest	-	-		-
	-	-		-
EBITDA	68 618	413 449		124 937
Number of shares	800 000	800 000		800 000
Earnings per Share (EPS)	(0,38)	(0,09)		(0,29)

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

	Share capital	Reserves provided by the Articles of Association	Properties revaluation reserve	Previous years retained earnings	Current year profit	Non-controlling interest	Total
	LVL	LVL	LVL	LVL	LVL	LVL	LVL
At 31 December 2011	800 000	31 993	750 642	1 435 966	(82 058)	1 357	2 937 900
Previous years retained earnings	-	-	-	(82 058)	82 058	-	-
Dividends paid	-	-	-	-	-	-	-
Depreciation of revaluation surplus	-	-	(114 685)	114 685	-	-	-
Deffered tax on revaluation surplus	-	-	17 203	-	-	-	17 203
Profit on purchase of shares from associates	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(68 135)	(46)	(68 181)
At 31 December 2012	800 000	31 993	653 160	1 468 593	(68 135)	1 311	2 886 922
Previous years retained earnings	-	-	-	(68 135)	68 135	-	-
Dividends paid	-	-	-	-	-	-	-
Depreciation of revaluation surplus	-	-	(86 013)	86 013	-	-	-
Deffered tax on revaluation surplus	-	-	12 903	-	-	-	12 903
Profit on purchase of shares from associates	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(100)	(301 266)	(1 311)	(302 677)
At 30 September 2013	800 000	31 993	580 050	1 486 371	(301 266)	-	2 597 148

LATVIJAS JURAS MEDICINAS CENTRS JSC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

	2013, 9 month period	2012, 12 month period	NOTES	month period
	LVL	LVL		LVL
Cash flows from operating activities				
Net income before tax	(301 266)	(56 101)		(232 113)
Adjustments:				
a) depreciation of fixed assets	362 959	477 100	2	354 139
b) depreciation of intangibles	6 925	4 530	2	2 912
c) provisions	-	(35 519)		-
d) loss (gain) on sale of fixed assets	1 841	409		-
e) interest income	(299)	(27)	20	7 771
f) gain (loss) from investments in associates	-	(131)	19	-
g) gain from the change of fair value of investment property	-	-		-
2. Changes in operating current assets and liabilities	70 160	390 261		132 709
Corrections				
a) receivables	(47 164)	78 609		(53 394)
b) inventory	12 736	(1 511)		9 081
c) current liabilities	(60 080)	(265 906)		(27 090)
3. Gross operating cash flow	(24 348)	201 453		61 306
4. Paid interest	-	-		-
4. Paid corporate income tax	-	(3 570)	12	(3 570)
5. Net cash used in operating activities	(24 348)	197 883		57 736
II. Cash flow used in investment activities				
1. Purchase of shares of associates	-	-		-
2. Purchase of fixed assets	(107 020)	(492 864)	2	(442 635)
3. Income from sale of fixed assets	-	373		-
Saņemtās dividendes	-	7 746		-
4. Received interest	299	27	20	7 771
5. Net cash from investment activities	(106 721)	(484 718)		(434 864)
III. Cash flows used in financing activities				
1. Saņemti EU fondi	-	157 350		-
2. Settlement of loans	-	-		-
3. Paid dividends	-	-		-
2. Net cash from financing activities	-	157 350		-
IV. Net increase (decrease) in cash	(131 069)	(129 485)		(377 128)
V. Cash at the beginning of the period	725 035	854 520		854 520
VI. Cash at the end of the period	593 966	725 035		477 392

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

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 the dates of the Statements of financial position 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 net assets' portion attributed to the parent company are offset with the investment and have been eliminated. The retained earnings portion attributed to the parent company are 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 by the official exchange rate of the Bank of Latvia at the date of transaction. Monetary assets and liabilities are converted by the exchange rate of the Bank of Latvia as on the date of statements of financial position.

The applicable rate used for the principal currencies were the follows:

	September 30, 2013	December 31, 2012
EUR	0.702804	0.702804
USD	0,521	0,539

Gain or loss on conversion is posted to the statement of comprehensive income on the official exchange rate of the Bank of Latvia as of the statement of financial position date and recognized in the period when they incurred.

Exchange differences arising on the settlement of monetary items are recognized in the period in which they arise.

Cash and cash equivalents

The statement on cash flows is prepared according to IAS 7.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

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 statement of financial position date based on individual evaluation of each debtor.

Inventory

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

Fixed assets

Fixed assets excluding real estate are stated at historical cost, less accumulated depreciation. The cost of the item comprises its purchase price, including import duties and any directly attributable costs of bringing the asset to working condition for intended use. The cost of self-constructed asset is determined using the same principles as for an acquired asset. Only assets with its useful life more than one year are capitalized. Depreciation is calculated based on the historical cost.

Separate accounts are used for assets acquired by EU funding.

Repair and maintenance costs are expensed when incurred. Capital expenditures such as refurbishment of buildings and improvements to structural elements are recognized as an asset if the expenditures improve the condition of the asset beyond its original estimated life.

Land and buildings (real estate) are accounted according to the revaluation model, recognized at the fair value determined from market-based evidence. Buildings are revaluated as on 31.12.2011 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
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.

Revenue recognition

Sales of goods are recognized when goods are delivered and title has passed.

Dividends

Dividends are recognized as liabilities in the Company financial statements after the Company shareholders made a decision to pay.

LATVIJAS JURAS MEDICINAS CENTRS JSC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

Deferred income

Government grants are accounted according to IAS 20. A government grant is recognised only when there is reasonable assurance that the Company will comply with any conditions attached to the grant and the grant will be received.

The grant is recognised as income in the statement of profit or loss and other comprehensive income the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

Government grants related to assets, including non-monetary grants, are accounted for at fair value, presented as deferred income in the statement of financial position, which are recognised as income from the different exercises on a systematic and rational, over the life of the related assets.

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 Company 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.

LATVIJAS JURAS MEDICINAS CENTRS JSC
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE PERIODS ENDED 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

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

As on 30 September 2013 and 31 December 2012

fixed assets are composed as follows:

LVL	Intangible assets	Land & buildings	Machinery and equipment	Other fixed assets	Fixed assets add-ons (EU funds)	Unfinished building objects	Advance payments for fixed assets	Total
Historical cost								
At 31 December 2011	26 377	2 606 458	2 523 307	337 389	411 569	6 033	110 039	6 021 172
Additions	19 031	49 045	173 570	28 217	225 712	(2 711)	-	492 864
Transfers	-	637 281	-	-	(637 281)	-	-	-
Disposals	-	-	(31 347)	(13 193)	-	-	-	(44 540)
At 31 December 2012	45 408	3 292 784	2 665 530	352 413	-	3 322	110 039	6 469 496
Additions	7 975	19 170	56 077	27 120	-	(3 322)	-	107 020
Transfers	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Disposals or change in classification	(2 080)	(1 301)	(31 856)	(22 663)	-	-	-	(57 900)
At 30 September 2013	51 303	3 310 653	2 689 751	356 870	-	-	110 039	6 518 616
Accumulated depreciation								
At 31 December 2011	25 645	1 365 848	1 635 072	298 204	-	-	-	3 324 769
Charge for the year	4 530	54 049	279 620	28 746	-	-	-	366 945
Charge for the period for revaluated fixed assets	-	114 685	-	-	-	-	-	114 685
Disposals	-	-	(31 347)	(12 411)	-	-	-	(43 758)
At 31 December 2012	30 175	1 534 582	1 883 345	314 539	-	-	-	3 762 641
Charge for the year	6 925	51 373	207 800	17 773	-	-	-	283 871
Charge for the period for revaluated fixed assets	-	86 013	-	-	-	-	-	86 013
Disposals or change in classification	(2 080)	(1 301)	(31 826)	(20 822)	-	-	-	(56 029)
At 30 September 2013	35 020	1 670 667	2 059 319	311 490	-	-	-	4 076 496
Net book value								
At 31 December 2011	732	1 240 610	888 235	39 185	411 569	6 033	110 039	2 696 403
At 31 December 2012	15 233	1 758 202	782 185	37 874	-	3 322	110 039	2 706 855
At 30 September 2013	16 283	1 639 986	630 432	45 380	-	-	110 039	2 442 120

3. INVESTMENT IN ASSOCIATES

	Capital share (%)	Amount of investment	Capital share (%)	Amount of investment
	2013		2012	
	LVL		LVL	
Participating interests in associated enterprises				
Participation in "Neirozu klinika" Ltd.	45,32	135 312	45,32	135 312
Total participating interests in associated enterprises		<u>135 312</u>		<u>135 312</u>

4. RAW MATERIALS

	2013	2012
	LVL	LVL
Pharmaceutical	55 537	68 121
Food products	-	-
Advance payments to supplier of goods	259	275
Inventory in warehouse	-	-
Inventory[re-usable]	-	-
Other materials	115	251
Total	<u>55 911</u>	<u>68 647</u>

5. TRADE RECEIVABLES

	2013	2012
	LVL	LVL
Riga's health department	52 498	6 981
P.Stradiņa klīniskā universitātes slimnīca	20 855	17 475
Other customers	18 620	16 037
Insurance BTA SE	7 908	20 606
Ergo Latvija AAS	3 707	2 384
Gjensidege Baltic	2 786	3 488
IF Latvija AAS	2 506	1 746
Latvian University	733	2 932
SEESAM Latvija	561	2 068
Latvian railway JSC	1 210	1 210
Olla M Ltd.	587	1 161
Balva AAS	1 543	724
Baltijas apdrošināšanas nams	347	1 134
Biogen Idec Ltd.	125	125
Balta AAS	1 226	478
Compensa Life Vienna Insurance group	2 076	973
Ministry of Interior – health and social department	158	848
Narkologijas centrs	10 089	-
Bad debt provisions	(2 701)	(2 776)
Total	<u>124 834</u>	<u>77 594</u>

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6. OTHER RECEIVABLES

	2013	2012
	LVL	LVL
Taxes overpaid (note No.12)	3 594	3 592
VAT for unpaid invoices	-	2 042
Other receivables	2 346	1 043
Total	5 940	6 677

7. DEFERRED EXPENDITURE

	2013	2012
	LVL	LVL
Assurance	3 444	2 783
Total	3 444	2 783

8. CASH FUNDS

	2013	2012
Cash in banks	586 608	718 625
Cash on hands	7 358	6 410
Total	593 966	725 035

9. SHARE CAPITAL

	2013		2012	
Shareholders:	Number of	Share %	Number of	Share %
	shares		shares	
Ilze Birka	140 000	17,50%	140 000	17,50%
Martins Birks	140 000	17,50%	140 000	17,50%
Ilze Aizsilniece	91 565	11,45%	91 565	11,45%
Guna Shvarcberga	82 917	10,36%	82 917	10,36%
Janis Birks	68 903	8,61%	67 983	8,50%
Adomas Navickas	41 412	5,18%	39 508	4,94%
Other shareholders (shares less than 5%)	235 203	29,40%	238 027	29,75%
Total	800 000	100,00%	800 000	100,00%
Share equity	800 000		800 000	

10. DEFERRED INCOME

	2013	2012
	LVL	LVL
ERAF projektu izdevumu atlīdzināšana	402 639	419 348
Total	402 639	419 348

11. ADVANCE PAYMENTS

	2013	2012
	LVL	LVL
VEK advance payment for 2010	2 930	2 930
Other advances	4 648	9 910
Total	7 578	12 840

12. TRADE PAYABLES

	2013	2012
	LVL	LVL
Tradintek	-	38 223
Būvprojektu vadība	-	-
Latvijas Gaze	-	-
Latvenergo Rīgas elektrotīkls	-	7 866
Sistēmu Audits SIA	-	4 235
Rīgas Ūdens	910	687
Academic histologic laboratory	195	107
Amerilat MD	-	-
Lattelekom	-	-
Other suppliers	50 935	11 974
Total	52 040	63 092

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13. TAXES AND SOCIAL SECURITY PAYMENTS

	As of 31- 12-12	Calculated	Paid	Returned	As of 30- 9-13
	LVL	LVL	LVL	LVL	LVL
Value added tax	903	20 636	(20 589)	73	1 023
Social insurance	53 631	471 954	(478 640)	-	46 945
Personal income tax	30 441	257 511	(264 605)	-	23 347
Corporate income tax	(3 588)	-	-	-	(3 588)
Unemployment duty	81	790	(789)	-	82
Natural resources tax	167	345	(518)	-	(6)
Uzņēmuma vieglo a/m trasp.nodoklis	-	180	(180)	-	-
Real estate tax	(4)	11 761	(7 268)	-	4 489
Total, including	81 631	763 177	(772 589)	73	72 292
due to the budget	85 223				75 880
overpayment	(3 592)				(3 588)

14. OTHER PAYABLES

	2013 LVL	2012 LVL
Salaries	83 274	99 633
Trade union	449	642
Deposited salary	558	340
Total	84 281	100 615

15. NET SALES

	2013 LVL	2012 LVL
Medical ambulant services	1 696 826	2 392 942
Medical hospital services	502 930	892 331
Insurance payments	159 531	211 859
VS ZDC ambulant services	149 842	160 918
Services - minimum fixed part	6 929	9 238
Residents training	12 461	26 081
Stomatology services	31 870	45 349
Family doctors	17 375	27 801
Other income	18 968	22 818
Total	2 596 732	3 789 337

16. COST OF GOODS SOLD

	2013 LVL	2012 LVL
Salaries and wages	1 200 076	1 491 267
Fixed assets depreciation	369 884	481 630
Medical goods	351 477	476 031
Social tax	281 957	350 026
VAT - expenses	136 626	223 260
Public utilities	104 922	163 739
Repair expenses	82 863	136 695
Rent of equipment	-	-
Household goods	14 853	21 748
Security ezpenses	20 579	23 802
Current assets write-off	38 658	59 595

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16. COST OF GOODS SOLD (Continued..)

	2013	2012
	LVL	LVL
Computer maintenance, repair	17 768	18 035
Medical researches	12 144	17 880
Advertising	4 276	12 545
Office expenses	6 812	6 639
Utilities	12 014	15 233
Feeding expenses	14 941	26 952
Insurance expenses	3 154	3 397
Transport expense	4 155	6 682
Employees trainings	1 580	6 751
Allowances to employees	650	1 200
Unemployment duty	790	1 044
Gifts to employees	438	595
Accruals for vacations	(75)	(1 904)
Received discounts	(4 416)	(10 292)
Other operating expenses	54 365	76 443
Total	<u>2 730 491</u>	<u>3 608 993</u>

17. ADMINISTRATIVE EXPENSES

	2013	2012
	LVL	LVL
Salaries and wages	133 725	183 445
Social tax	31 463	43 135
Board remuneration	18 110	23 602
Board chairperson remuneration	15 194	21 869
Communication expenses	5 804	10 669
Council members remuneration	10 080	13 440
Office expenses	3 603	5 745
Presentation expenses	745	2 057
Council chairperson remuneration	4 320	5 760
Audit expenses	1 406	5 000
Board members social tax	3 753	5 016
Chairperson of the Board social tax	3 660	5 268
Bank expenses	2 965	4 081
Council members social tax	2 171	2 906
Other administrative expenses	1 567	1 919
Chairperson of the Council social tax	1 041	1 388
Legal services	-	1 570
Total	<u>239 607</u>	<u>336 870</u>

18. OTHER OPERATING INCOME

	2013	2012
	LVL	LVL
Rent income	52 328	51 055
Hotel services – food	7 927	12 337
Utilities for tenants	2 363	9 937
Feeding income	-	-
Laundry income	506	861
Solarium income	250	477
Other income	18 273	30 634
Total	<u>81 647</u>	<u>105 301</u>

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19. OTHER OPERATING EXPENSES

	2013	2012
	LVL	LVL
Real estate tax	8 986	482
Penalties	-	359
Loss from fixed assets disposals	-	409
Currency exchange loss	68	-
Other expenses	792	3 784
Total	<u>9 846</u>	<u>5 034</u>

20. INCOME FROM INVESTMENT IN ASSOCIATE

	2013	2012
	LVL	LVL
Neurology clinic Ltd.	-	131
Total	<u>-</u>	<u>131</u>

21. INTEREST INCOME AND SIMILAR INCOME

	2013	2012
	LVL	LVL
Interest income	299	27
Total	<u>299</u>	<u>27</u>

22. CORPORATE INCOME TAX

	2013	2012
	LVL	LVL
Calculated Corporate income tax	-	-
Deferred Corporate income tax	-	12 080
Total	<u>-</u>	<u>12 080</u>

22. CORPORATE INCOME TAX (CONTINUED ...)

	2013	2012
	LVL	LVL
Profit (loss) before tax	(56 101)	(56 101)
Loss from subsidiary	6 624	6 624
Income from the evaluation of the associate company	7 614	7 614
Theoretically calculated corporate income tax, rate 15%	(6 279)	(6 279)
Permanent differences	5 323	5 323
Calculated corporate income tax	<u>-</u>	<u>-</u>

Deferred tax

Temporary difference between financial statement	(377 274,00)	(377 274)
Temporary difference of fixed assets revaluation	(293 332,00)	(379 345)
Accruals for vacations	48 671,00	48 671
Total temporary differences	(621 935,00)	(707 948)
Tax rate applied	15%	15%
Deferred tax liabilities	(93 290,00)	(106 192)
Recognized deferred tax liabilities	<u>93 290,00</u>	<u>106 192,00</u>

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Movement and components of deferred tax

Deferred tax liabilities (asset) at the beginning of the financial year	111 074	111 074
Deferred tax charged to the income statement	17 444	17 444
Changes in deferred tax recognised in properties revaluation reserves	<u>(22 526)</u>	<u>(22 526)</u>
Deferred tax liabilities (asset) at the end of the financial year	<u>105 992</u>	<u>105 992</u>