

# **Financial Statements 2020 Appendix**



**CITY OF  
TURKU**

# CITY OF TURKU

## Income statement 1 Jan 2020 - 31 Dec 2020

Income statement	2020 1 000 €	2019 1 000 €
<b>Operating revenue</b>	<b>269 829</b>	<b>282 339</b>
Sales proceeds	92 331	107 099
Fees and charges	63 797	63 190
Subsidies and grants	39 684	27 347
Rental yield	46 552	47 973
Other operating revenue	27 465	36 729
<b>Production for own use</b>	<b>1 601</b>	<b>1 777</b>
<b>Operating expenses</b>	<b>-1 390 200</b>	<b>-1 355 405</b>
Personnel expenses	-522 299	-510 351
Salaries and fees	-412 308	-404 473
Social security expenses	-109 991	-105 878
Pension expenses	-92 358	-92 311
Other social security expenses	-17 634	-13 568
Procured services	-640 635	-620 359
Materials, supplies and goods	-57 648	-56 912
Allowances and grants	-102 136	-100 737
Renting expenses	-57 911	-54 199
Other operating expenses	-9 572	-12 848
<b>Operating margin</b>	<b>-1 118 770</b>	<b>-1 071 290</b>
<b>Tax revenue</b>	<b>816 677</b>	<b>785 052</b>
Municipal income tax	654 073	621 945
Share of corporate tax income	110 192	107 347
Property tax	52 412	55 759
<b>Central government transfers to local government</b>	<b>336 454</b>	<b>261 721</b>
<b>Financing income and expenses</b>	<b>30 539</b>	<b>36 244</b>
Interest income	15 788	18 643
Other financing income	24 587	26 064
Interest expenses	-7 617	-7 376
Other financing expenses	-2 220	-1 087
<b>Annual contribution margin</b>	<b>-2 220</b>	<b>11 727</b>
<b>Depreciations and reduction in value</b>	<b>64 899</b>	<b>-57 729</b>
Depreciations according to plan	-56 741	-57 691
Reductions in value	-56 314	-38
<b>Extraordinary items</b>	<b>-427</b>	<b>7 606</b>
Extraordinary income	0	7 606
<b>Financial result for the accounting period</b>	<b>8 158</b>	<b>-38 396</b>
Increase (-) or decrease (+) in depreciation difference	-922	1 945
Increase (-) or decrease (+) in voluntary provisions	3 000	0
<b>Surplus/deficit for the accounting period</b>	<b>10 236</b>	<b>-36 451</b>

<b>Income statement ratios</b>	<b>2020</b>	<b>2019</b>
Operating revenue / Operating expenses, %	19.4	20.9
Annual contribution margin / Deprecations, %	114.4	20.3
Annual contribution margin € / resident	334	61
Number of residents	194 488	193 246 *

\* advance information

## Balance sheet 31 Dec 2019

	2020	2019
	1 000 €	1 000 €
<b>NON-CURRENT ASSETS</b>	<b>1 464 678</b>	<b>1 424 371</b>
<b>Intangible assets</b>	<b>20 528</b>	<b>15 947</b>
Intangible rights	3 536	2 349
Other capitalised long-term expenses	11 650	13 114
Advance payments	5 343	485
<b>Tangible assets</b>	<b>702 120</b>	<b>692 725</b>
Land and water area	139 233	140 039
Buildings	214 533	203 284
Fixed structures and installations	268 766	276 805
Machinery and equipment	20 255	15 895
Other tangible assets	3 493	3 299
Advance payments and construction in progress	55 839	53 404
<b>Investments</b>	<b>742 029</b>	<b>715 699</b>
Subscribed capital	259 032	257 736
Other loan receivables	482 827	457 792
Other receivables	170	170
<b>FUNDS FROM ASSIGNMENTS</b>	<b>44 194</b>	<b>44 184</b>
State assignments	16 930	18 178
Endowment assets	25 551	24 245
Other reserves from assignments	1 713	1 760
<b>CURRENT ASSETS</b>	<b>283 823</b>	<b>337 787</b>
<b>Current assets</b>	<b>2 217</b>	<b>1 935</b>
Materials and supplies	708	647
Work in process	1 510	1 288
<b>Receivables</b>	<b>104 869</b>	<b>97 314</b>
Long-term receivables	1 506	4 642
Loan receivables	297	299
Other receivables	1 208	4 343
Short-term receivables	103 363	92 672
Sales receivables	16 586	16 542
Loan receivables	41 807	45 806
Other receivables	16 878	11 790
Prepayments and accrued income	28 093	18 533
<b>Shares and holdings</b>	<b>40 606</b>	<b>123 807</b>
Shares and other similar rights of ownership	17 704	23 582
Bond receivables	22 902	100 225
<b>Cash in hand and at banks</b>	<b>136 131</b>	<b>114 731</b>
<b>ASSETS IN TOTAL</b>	<b>1 792 695</b>	<b>1 806 342</b>

<b>CAPITAL AND RESERVES</b>	<b>784 034</b>	<b>773 798</b>
Initial capital	601 956	601 956
Other internal funds	23	23
Surplus/deficit from previous accounting periods	171 820	208 271
Surplus/deficit for the accounting period	10 236	-36 451
<b>DEPRECIATION DIFFERENCE AND VOLUNTARY PROVISIONS</b>	<b>33 960</b>	<b>36 038</b>
Depreciation difference	32 216	31 294
Voluntary provisions	1 744	4 744
<b>MANDATORY PROVISIONS</b>	<b>11 539</b>	<b>8 968</b>
Provisions for pensions	2 228	2 749
Other mandatory provisions	9 311	6 219
<b>CAPITAL FROM ASSIGNMENTS</b>	<b>44 794</b>	<b>46 891</b>
State assignments	16 930	18 153
Capital from donation funds	26 151	26 978
Other capital from assignments	1 713	1 760
<b>LIABILITIES</b>	<b>918 367</b>	<b>940 646</b>
<b>Long-term liabilities</b>	<b>541 944</b>	<b>485 583</b>
Debentures	0	50 000
Loans from financial institutions and insurance	520 003	414 244
Advances received	660	0
Other liabilities / Connection fees and other debts	21 024	20 979
Accrued expenses and deferred income	256	360
<b>Short-term liabilities</b>	<b>376 424</b>	<b>455 063</b>
Debentures	50 000	30 000
Loans from financial institutions and insurance	4 240	104 240
Loans from other creditors	138 539	143 056
Advances received	81	258
Accounts payable	66 673	75 597
Other liabilities / Connection fees and other debts	21 350	18 218
Accrued expenses and deferred income	95 541	83 695
<b>LIABILITIES IN TOTAL</b>	<b>1 792 695</b>	<b>1 806 342</b>

<b>Balance sheet ratios</b>	<b>2020</b>	<b>2019</b>
Equity ratio, %	45.6	44.8
Relative indebtedness, %	64.5	70.8
Accumulated surplus/deficit, 1,000 €	182 055	171 820
Accumulated surplus/deficit, € / resident	936	890
Loan portfolio 31 Dec	712 783	741 540
Loans, € / resident	3 665	3 843
Loan receivables 31 Dec	482 827	457 792
Number of residents	194 488*	192 962

\* advance information

## Cash flow statement 1 Jan 2019 - 31 Dec 2020

	2020	2019
	1 000 €	1 000 €
<b>Cash flow from operations</b>	<b>48 077</b>	<b>-6 453</b>
Annual margin	64 899	11 727
Extraordinary items	0	7 606
Adjustments to internal financing	-16 822	-25 786
<b>Cash flow from investment</b>	<b>-52 621</b>	<b>-83 425</b>
Investment expenses	-80 404	-120 895
Allotments for capital expenditure	3 382	4 169
Proceeds from sale of non-current assets	24 401	33 302
<b>Operating and investment cash flow</b>	<b>-4 544</b>	<b>-89 878</b>
<b>Cash flow from from financing</b>		
<b>Change in long-term receivables</b>	<b>-25 035</b>	<b>182 764</b>
Increases in granted loans	-29 500	-8 699
Decreases in granted loans	4 466	191 463
<b>Change in loans</b>	<b>-28 757</b>	<b>-79 284</b>
Increase in long-term loans	110 000	0
Repayments of long-term loans	-104 240	-83 123
Change in short-term loans	-34 517	3 839
<b>Other changes in liquidity</b>	<b>-3 465</b>	<b>17 245</b>
Change in funds and capital from assignments	-2 107	1 243
Change in current assets	-282	-363
Change in receivables	-7 555	11 174
Change in interest-free liabilities	6 479	5 191
<b>Net cash flow from financing</b>	<b>-57 257</b>	<b>120 725</b>
<b>Change in liquid assets</b>	<b>-61 801</b>	<b>30 847</b>
Change in liquid assets	-61 801	30 847
Liquid assets 31 Dec	176 737	238 538
Liquid assets 1 Jan	238 538	207 691

### Cash flow statement ratios

	2020	2019
Cash flow accumulation of operations and investments 5 yr., 1,000€	-104 546	30 977
Cash flow financing of investments, %	84.3	10.0
Loan servicing margin	0.7	0.2
Sufficiency of funds, days	40	55
Number of residents	194 488	192 962

CONSOLIDATED INCOME STATEMENT	2020	2019
	1 000 €	1 000 €
<b>Operating revenue</b>		
Sales proceeds (+)	<b>944 424</b>	<b>985 337</b>
Extraordinary items	749 107	800 078
Subsidies and grants (+)	71 550	73 735
Rental yield (+)	52 859	33 990
Other operating revenue (+)	31 346	31 413
<b>Change in stocks of products</b>	<b>39 562</b>	<b>46 120</b>
<b>Production for own use (+)</b>	<b>6 042</b>	<b>10 890</b>
<b>Operating expenses</b>	<b>-1 969 638</b>	<b>-1 963 277</b>
Personnel expenses		
Salaries and fees (-)	-658 062	-651 234
Social security expenses		
Pension expenses (-)	-117 767	-119 368
Other social security expenses (-)	-48 211	-43 384
Procured services (-)	-594 549	-568 343
Materials, supplies and goods	-287 828	-318 327
Allowances and grants (-)	-94 141	-93 968
Renting expenses (-)	-71 680	-63 490
Other operating expenses (-)	-97 400	-105 163
<b>Share of profit (loss) of associated companies</b>	<b>16 291</b>	<b>7 978</b>
<b>OPERATING MARGIN</b>	<b>-1 002 880</b>	<b>-959 072</b>
<b>Tax revenue</b>	<b>812 087</b>	<b>780 377</b>
<b>Central government transfers to local government (+)</b>	<b>398 249</b>	<b>316 473</b>
<b>Financial income and expenses</b>	<b>-14 262</b>	<b>-9 101</b>
Interest income (+)	3 087	5 177
Other financing income (+)	5 420	6 076
Interest expenses (-)	-19 524	-18 865
Other financing expenses (-)	-3 246	-1 489
<b>ANNUAL CONTRIBUTION MARGIN</b>	<b>193 194</b>	<b>128 677</b>
<b>Depreciations and reduction in value</b>	<b>-148 427</b>	<b>-145 908</b>
Depreciations according to plan (-)	-148 531	-145 896
Ownership elimination differences	150	0
Reductions in value	-46	-12
<b>Extraordinary items</b>	<b>0</b>	<b>76 296</b>
Extraordinary income (+)	0	76 296
<b>FINANCIAL RESULT FOR THE ACCOUNTING PERIOD</b>	<b>44 766</b>	<b>59 065</b>
Appropriations	0	-1 935
Current tax	-4 390	-3 878
Deferred tax	-2 086	-3 044
Minority interest	-2 309	376
<b>SURPLUS / DEFICIT FOR THE ACCOUNTING PERIOD</b>	<b>35 982</b>	<b>50 585</b>
<b>Consolidated income statement ratios</b>	<b>2020</b>	<b>2019</b>
Operating revenue / Operating expenses, %	48.1	50.5
Annual contribution margin / Deprecations,%	130.0	88.2
Annual contribution margin, € / resident	993	666
Number of residents	194 488	193 246

## CONSOLIDATED BALANCE SHEET

ASSETS	2020	2019
	1 000 €	1 000 €
<b>NON-CURRENT ASSETS</b>	<b>2 654 936</b>	<b>2 559 186</b>
<b>Intangible assets</b>	<b>29 774</b>	<b>28 389</b>
Intangible assets	4 252	2 990
Consolidated goodwill	0	162
Other capitalised long-term expenses	20 083	24 752
Advance payments	5 439	485
<b>Tangible assets</b>	<b>2 401 330</b>	<b>2 330 944</b>
Land and water area	236 103	231 063
Buildings	1 219 361	1 211 210
Fixed structures and installations	543 057	549 430
Machinery and equipment	89 264	90 201
Other tangible assets	122 893	125 960
Advance payments and construction in progress	190 652	123 081
<b>Investments</b>	<b>223 832</b>	<b>199 852</b>
Holdings in associated companies	115 336	103 176
Subscribed capital	77 916	72 336
Bond receivables	4 425	500
Other loan receivables	25 719	23 409
Other receivables	435	432
<b>FUNDS FROM ASSIGNMENTS</b>	<b>35 006</b>	<b>33 691</b>
State assignments	4 766	4 105
Special margins for donation funds	25 902	24 587
Other reserves from assignments	4 338	4 998
<b>CURRENT ASSETS</b>	<b>428 878</b>	<b>493 614</b>
<b>Current assets</b>	<b>10 782</b>	<b>9 410</b>
Materials and supplies	9 024	7 869
Work in process	1 522	1 303
Finished products/goods	235	228
Other current assets	0	11
<b>Receivables</b>	<b>158 240</b>	<b>151 460</b>
Long-term receivables	13 333	16 950
Loan receivables	1 497	299
Deferred tax receivables	1 454	1 479
Other receivables	2 730	8 470
Prepayments and accrued income	7 652	6 702
Short-term receivables	144 907	134 510
Sales receivables	83 472	85 175
Loan receivables	30	214
Other receivables	27 849	21 619
Prepayments and accrued income	33 555	27 501
<b>Shares and holdings</b>	<b>71 115</b>	<b>151 393</b>
Shares and other similar rights of ownership	19 804	25 782
Investments in money market instruments	2 481	2 687
Bond receivables	24 903	102 738
Other securities	23 927	20 187
<b>Cash in hands at banks</b>	<b>188 741</b>	<b>181 351</b>
<b>ASSETS IN TOTAL</b>	<b>3 118 820</b>	<b>3 086 491</b>



<b>LIABILITIES</b>	<b>2020</b>	<b>2019</b>
	1 000 €	1 000 €
<b>CAPITAL AND RESERVES</b>	<b>1 109 868</b>	<b>1 072 059</b>
Initial capital	601 956	601 956
Initial capital of foundations	29 016	29 016
Other internal funds	75 384	73 556
Surplus/deficit from previous accounting periods	367 530	316 945
Surplus/deficit for the accounting period	35 982	50 585
<b>MINORITY INTEREST</b>	<b>71 715</b>	<b>70 195</b>
<b>MANDATORY PROVISIONS</b>	<b>22 779</b>	<b>19 744</b>
Provisions for pensions	2 264	2 786
Other mandatory provisions	20 515	16 958
<b>CAPITAL FROM ASSIGNMENTS</b>	<b>35 538</b>	<b>36 461</b>
State assignments	4 766	4 079
Capital from donation funds	26 609	27 453
Other capital from assignments	4 164	4 929
<b>LIABILITIES</b>	<b>1 878 920</b>	<b>1 888 032</b>
Long-term liabilities	1 368 748	1 299 575
Debentures	0	50 000
Loans from financial institutions and insurance companies	1 225 960	1 096 088
Loans from general government	55 002	65 531
Loans from other creditors	25	25
Advances received	1 151	3
Connection fees and other debts	62 563	65 083
Accrued expenses and deferred income	256	360
Deferred tax liabilities	23 790	22 485
Short-term liabilities	510 171	588 457
Debentures	50 000	30 000
Loans from financial institutions and insurance companies	50 294	152 202
Loans from general government	8 675	9 120
Loans from other creditors	47 133	53 864
Advances received	6 458	5 090
Accounts payable	107 005	121 734
Connection fees and other debts	59 930	53 896
Accrued expenses and deferred income	163 316	145 946
Deferred tax liabilities	17 360	16 605
<b>LIABILITIES IN TOTAL</b>	<b>3 118 820</b>	<b>3 086 491</b>

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<b>Consolidated balance sheet ratios</b>	<b>2020</b>	<b>2019</b>
Equity ratio, %	38.0	37.1
Relative indebtedness, %	86.8	90.4
Accumulated surplus/deficit, 1,000 €	403 512	367 530
Accumulated surplus/deficit, € / resident	2 075	1 902
Loan portfolio 31 Dec, 1,000 €	1 437 090	1 456 831
Loan portfolio 31 Dec, € / resident	7 389	7 539
Loan receivables 31 Dec, 1,000 €	30 144	23 909
Number of residents	194 488 *	192 962
* advance information		

CONSOLIDATED CASH FLOW STATEMENT		2020	2019
		1 000 €	1 000 €
<b>Cash flow from operations</b>			
Annual margin	193 194	128 677	
Extraordinary items	0	76 296	
Current tax	-4 390	-3 878	
Adjustments to internal financing	-26 029	-94 539	
	162 775	106 557	
<b>Cash flow from investments</b>			
Investment expenses	-244 929	-278 522	
Allotments for capital expenditure	4 486	4 376	
Proceeds from sale of non-current assets	31 087	66 396	
	-209 355	-207 750	
Operating and investment cash flow	-46 581	-101 193	
<b>Cash flow from financing</b>			
Change in long-term receivables			
Increase in granted loans	-8 518	-1 370	
Decrease in granted loans	2 279	72 718	
	-6 239	71 347	
Change in loans			
Increase in long-term loans	176 532	176 537	
Repayments of long-term loans	-165 488	-125 539	
Change in short-term loans	-30 703	31 982	
	-19 659	82 979	
Change in operating capital			
Change in operating capital	2 167	0	
Changes in minority share	268	0	
	2 435	0	
Other changes in liquidity			
Change in funds and capital from assignments	-2 238	1 268	
Change in current assets	-1 878	2 984	
Change in receivables	-7 904	-2 714	
Change in interest-free liabilities	9 175	-4 311	
	-2 844	-2 773	
Net cash flow from financing	-26 307	151 553	
<b>Change in liquid assets</b>	<b>-72 888</b>	<b>50 360</b>	
<b>Change in liquid assets</b>	<b>-72 888</b>	<b>50 360</b>	
Liquid assets, 31 Dec	259 856	332 744	
Liquid assets, 1 Jan	332 744	282 384	
<b>Consolidated cash flow statement ratios</b>	<b>2020</b>	<b>2019</b>	
Cash flow financing of investments, %	80.3	46.9	
Loan servicing margin	1.1	0.7	
Sufficiency of funds, days	1.0	1.0	
Cash flow accumulation of operations and investments 5 yr., 1,000€	39	51	