

Annual Report



Contents

4	Mayor's foreword
6	Mayor's scope of activities
10	Public works and environmental affairs
14	City planning and real estate
18	Education and cultural affairs
22	Social services, health and early education sector
26	Decision-making
32	Facts about Helsinki
34	Financial statements: Growth in operating expenses slowed
38	Operating expenses and income
40	Processing the result of the financial period
41	Personnel
46	Helsinki City Group
52	Vorwort des Oberbürgermeisters
53	Introduction du Maire
54	Вступительное слово мэра
56	Helsinki in Europe

Mayor's foreword

Helsinki is a leader in openness and citizen participation.

The City of Helsinki operations in 2014 were shadowed by difficult financial conditions not only in Europe and Finland, but in the entire world. In addition, a shift in the global political climate added to instability and increased uncertainty in our neighbouring areas.

The City continued to balance its finances according to the City Council-approved strategy programme, which lays out a productivity goal aimed at curbing growth in operating expenses and sets a limit to investments. If the goals of the strategy programme are met throughout the Council term, we have closed the foreseen deficit in public finances.

The City Group was restructured at year-end with major changes to the City organization necessitated by the Local Government Act, which obliges local governments to introduce and apply a competitive neutrality policy. As a result, Helsingin Energia, the Port of Helsinki and a part of Palmia, which had operated as municipal enterprises, were incorporated.

The new policy means that municipalities have to convey their activities operating in the free market to a limited liability company, an association or a foundation.

Helsinki is a leader in openness and citizen participation. The Open Helsinki policy launched during Helsinki's year as World Design Capital attracts interest around the world. At the end of the year, Helsinki was approved as a member of the UNESCO Creative Cities Network, particularly as a design city. We rely on open data and transparent decision-making to build an increasingly citizen-driven and business-friendly city.

Helsinki is a densely built city served by good transport connections in all areas. This provides ideal conditions for people to come together, to share ideas and to join activities. One of the city's most successful recent social innovations is Restaurant Day, which has spread from Helsinki to all over the world. Helsinki's dynamism is strengthened by vibrant cooperation between the City and local universities and by an ecosystem of start-up enterprises.

I take this opportunity to thank all our partners for the past year and for our good cooperation.

Jussi Pajunen
Mayor





Mayor
Jussi Pajunen

- General planning of the operation and finances of the City
- Group management
- Preparation of the budget and the monitoring of its implementation
- Centralised accounting
- Internal auditing
- Helsingin Energia
- Port of Helsinki
- Business matters, tourism, events
- Preparedness planning
- International matters
- Communications
- Human resource policy

Key figures

Operating profit, million euros	25.1
Operating costs, million euros	164.8
Operating costs per citizen, euros	265.2
Number of personnel	2,317
% of the entire personnel	5.7

Public enterprises within the mayor's field*, turnover, million euros

Helsingin Energia (1,121)	695.0
Port of Helsinki (173)	90.8
Financial Management Services (406)	26.9

Departments*

City of Helsinki Executive Office (599)
Audit Department (18)

* The number of personnel receiving a monthly salary or hourly wages is presented in parenthesis.

Mayor's scope of activities

During fiscal year 2014, Helsinki streamlined operations and curbed growth in operating expenses in accordance with the productivity goal set by the City Council. These measures closed up the sustainability gap in public finances in Helsinki. Operating expenses excluding public enterprises grew by 0.6 percent. The financial statements show a EUR 188.5 million profit for the year.

Helsinki is the world's eighth most liveable place.

The incorporation of two City-owned public enterprises, Helsingin Energia and Port of Helsinki, was prepared, and the incorporation was carried out so that no major cash flows were created between the City and the companies. As a result, the incorporation had no impact on the City's financial position.

Helsinki prepared for the national social services and health care reform and investigated the foreseen impact of the metropolitan administration proposed for the Helsinki region. In addition, the City participated in the preparation of an investigation concerning a re-division of municipalities in the Helsinki Metropolitan Area.

Major themes in regional cooperation included the MASU 2050 land use plan extending to 2015, a housing strategy extending to 2025, and the Helsinki Region Transport System Plan HLJ 2015.

Helsinki region attracts new residents

The land use plan is based on the scenario that the region will be home to over 2 million inhabitants by 2050. The total population of the 14 municipalities that make up the Helsinki region

was 1,420,284, up by nearly 18,000 from the previous year. The population of the Helsinki Metropolitan Area – Helsinki, Espoo, Vantaa and Kauniainen – was 1,106,418. The population of Helsinki also grew and was 620,715 at year-end, up by 8,051 compared to the previous year. The foreign-born population continues to grow and now represents approximately 13 percent of Helsinki's total population. The Estonian-speaking population has grown steadily since 2010, at a rate of approximately 1,000 per year, nearly tripling since the turn of the millennium.

Finland's most business-friendly city

Positive developments in the city are strengthened with supporting economic and employment policies. EnterpriseHelsinki opened a new information centre in the autumn to serve customers in collaboration with other business service providers. Helsinki Think Company, launched with the University of Helsinki, provides networking opportunities for researchers and students interested in entrepreneurship. Investments in the healthcare technology sector strengthen Helsinki's position as a hub of research and development.

Area development

Development plans for Central Pasila moved forward. The construction of new residential areas in the former harbour districts of Jätkäsaari and Kalasatama was well under way, and parts of the areas were already inhabited. Construction was started in the area covered by the Gunnilankallio detailed plan in Kruunuvuorenranta.

A total of 4,687 new housing units were completed in Helsinki. Infill construction helps the City to meet its housing construction goals.

Creativity and openness

Helsinki was ranked first in a survey that looked at cities' abilities to utilise creativity and creative resources in their development. The survey comprised 20 European cities. Helsinki was successful in other international city comparisons as well, such as the Economist Intelligence Unit's annual review, which found Helsinki to be the world's eighth most liveable place.

Helsinki has also become one of the world's leading promoters of open data. Particular interest was aroused by the City's procurements made available as open data. Most data produced by the City is public, and the City now strives to make this data as widely and easily available to citizens as possible.

The City increases openness further by promoting citizen participation. In connection of an organisational reform in the central City administration at the beginning of the year, a unit was established at the new City Executive Office to promote active participation, information and citizen activity.

Urban spaces utilised by citizens

Helsinki features versatile cultural activities, exciting sports events and many festivals. In

addition, the city is the scene of a wealth of novel events. The city's streets and parks host restaurant days, cleaning days, street food festivals and other exciting communal events. As a result, Helsinki has become an increasingly fun and pleasant city.

Tourism developed favourably

Helsinki has steadily increased in popularity as a congress city. Last year, Helsinki hosted the record number of 310 congresses, which brought over 40,000 visitors to the city. The number of visitors remained at the previous year's level. Overnights totalled 3.3 million, up by 0.6 percent. International cruise ships made 261 visits and brought 420,000 cruise passengers to the city. The number of cruise ship passengers remained at the previous year's level, although cruise ship visits decreased.

Passenger numbers at Helsinki Airport showed 4.4 percent growth. The total number of airline passengers was 15.9 million. The Port of Helsinki's passenger terminals recorded a 1.6 percent increase in passenger numbers. Their total number of passengers was 11,736,064. The majority of visitors to Helsinki came from Russia, Germany, the United Kingdom, Sweden, the United States and Japan.





Deputy Mayor
Pekka Sauri

- Public transport
- Rescue services
- Environmental affairs

Key figures

Operating profit, million euros	312.1
Operating costs, million euros	601.9
Operating costs per citizen, euros	968.2
Number of personnel (incl. public enterprises)	6,781
% of the entire personnel	16.8

Public enterprises within the scope of the public works and environmental affairs*, turnover, million euros

Helsinki City Transport (HKL) (992)	151.6
Palmia (2,889)	164.9

Departments*

Procurement Centre (58)
Helsinki Wholesale Market (35)
Helsinki City Rescue Department (678)
Public Works Department (470)
Stara, construction services provider (1,492)
Environment Centre (167)

* The number of personnel receiving a monthly salary or hourly wages is presented in parenthesis.

Public works and environmental affairs

A vibrant city

The advancement of Helsinki's culinary culture has livened up the entire city. Upgraded permit practices improved the operating conditions for terrace restaurants, food trucks and kiosks, allowing food-vending kiosks and vehicles to serve customers in different parts of the city. The newest city event Streat Helsinki Eats aroused interest not only among citizens but local business owners and the international media as well. The Public Works Department

Streat Helsinki Eats aroused interest among the international media.

and the Wholesale Food Market published a book titled Helsinki Streets of Food on the city's culinary culture.

The operations of the Wholesale Market's culinary centre Abattoir expanded markedly, and the facilities were renovated further. The Helsinki whiskey distillery commenced operations in the old heating plant.

Pasila develops

The Central Pasila development project was launched. The project turns much of the area into a vast construction site for the next few years. The area construction projects in Jätkäsaari, Kalasatama and Kruunuvuorenranta continued. The construction of new streets was mainly focused in these areas, but the reconstruction of Keskuskatu in the city centre was also completed. A renovation at the Malmi Hospital was completed. The 100th anniversary of the Central Park was celebrated throughout the year. A renovation of the Leninipuisto park in Alppila was completed.

The Old Market Hall reopened following an extensive renovation, and customer numbers exceeded expectations. Conversely, the Hieta-lahti Market Hall suffered from a lack of customers and vendors, as many vendors moved back to the Old Market Hall.

Cycling Helsinki

Efforts continued to make Helsinki a better city for cyclists. Cycling tours organised by the Public Works Department and Helsinki Cyclists were used to look for new traffic arrangements to improve conditions for cycling.

The volume of operations at the City's construction and maintenance services provider Stara declined mainly due to reduced orders. Stara continued to implement a profitability improvement programme and an occupational well-being programme named Stydi.

Metro automation on hold

The metro automation project, which had been troubled by notable delays before, faced more delays and new problems. Despite efforts to resolve these problems, no acceptable solution was found to continue the project. As a result, the Board of Governors of Helsinki City Transport terminated the contract with the metro automation supplier in December 2014. The City Board confirmed the termination of the contract at the beginning of 2015. The termination of the contract ensured that the west metro can begin operation with manually driven trains as soon as possible after construction is completed in 2016.

Tram and metro car acquisitions were in the headlines for the whole year. The first two Artic tram cars were in service carrying passengers. Feedback on the new tram cars was positive.

The cars were developed further on the basis of user experiences, and mass production of Artic cars was commenced at Transtech's factory in Otamäki.

Evaluated by customer satisfaction, the metro and trams were the favoured forms of public transport in the Helsinki region. Customer satisfaction increased significantly compared to the previous year.

Successful cooperation acknowledged

Helsinki City Transport's tram services – HKL Tram Transport – won the Mayor's Quality Award in the category for City departments and public enterprises. The award acknowledged the services' continuous improvement. HKL Tram Transport is a good example of an innovative operator. A joint municipal engineering worksite project, aimed at improving cooperation in the planning and implementation of construction projects, was recognised for its success. The Public Works Department's Twitter service was named the best social media channel in the public sector category of Alma Media's Some Awards competition.

Environmental perspective in joint procurement

The preparation of a new operating model for the City's climate protection efforts was begun. More efforts will be focused on improving air quality in the city. According to the final report of the Redust street dust project, particles in air during the spring season's heavy street dust period can be decreased by 25 percent by developing the maintenance strategy and practices.

The publicly released results of Oiva food control inspections were posted at store entrances. Requests for action related to

health of housing decreased, but cases under investigation were increasingly difficult such as exceptionally severe indoor air problems at schools.

The role of the Procurement Centre as the City departments' joint procurement unit strengthened. The combined value of the 145 procurement tendering processes organised was approximately 380 million euros. The environmental perspective was integrated into procurement tendering processes better than before.

Accident prevention

The Rescue Department expanded its operations to accident prevention. The law requires that accident control plans include accident prevention. Increasingly systematic and better supervised accident control targeted sites with the highest risks. Accident control was expanded to social media.

Changes to Palmia's operations

The City Council divided the operations of the Palmia public enterprise into two independent entities as of 2015. As a result, the Palmia public enterprise now consists of wellbeing, telephone and catering services excluding personnel catering, while a new service company handles cleaning, real estate, security, meeting and banquet services as well as personnel catering.

The first operating year of the metro and tram security and guarding services provided by Palmia exceeded quality expectations and were operationally successful. The service company continued its home services agreement with the Department of Social Services and Health Care, including yard work for war veterans and disabled veterans in need of such services. Catering to homes was developed.





Deputy Mayor
Hannu Penttilä
 until 15 January 2015

- City planning
- Other land use planning
- Real estate sector
- Building inspection
- Housing policy
- Housing affairs

Key figures

Operating profits, million euros	731.8
Operating costs, million euros	308.1
Operating costs per citizen, euros	495.7
Number of personnel	938
% of the entire personnel	2.3

Departments*

Housing Production Department (62)
 City Planning Department (294)
 Real Estate Department (464)
 Building Regulation Department (118)

* The number of personnel receiving a monthly salary or hourly wages is presented in parenthesis.

City planning and real estate

From the perspective of land use planning, 2014 was a significant year. A draft for Helsinki's new city master plan was completed, and the preparation of the Östersundom plan shared by three municipalities proceeded to the proposal phase.

The new city plan draft details how Helsinki could grow by 250,000 residents by 2050: the inner city would grow denser and expand, motorways would be converted into urban boulevards, new housing and a rail transport hub would be constructed in the Malmi Airport area, and major areas served by public transport, such as Malmi, Itäkeskus, Herttoniemi and Kannelmäki, would grow into new urban centres with new housing, services and jobs.

The shared Östersundom plan prepared by Helsinki, Vantaa and Sipoo allows urban development in the Helsinki Metropolitan Area to expand eastward. The plan would enable a major share of the region's growth in the next 50 years. Helsinki's share in this area would be approximately 47,000–67,000 new residents by 2060.

Infill development near rail transport

The largest residential areas under planning were Atlantinkaari in Jätkäsaari, Koirasaaret in Kruunuvuorenranta and the southern tip of Verkkosaari in Kalasatama. Major areas for infill construction plans were located in Kannelmäki and Roihuvuori. The total residential floor area of the 53 approved detailed plans was 558,858 square metres. The total floor area in detailed plans grew from the previous year and reached targets. Goals were also met in infill construction. 99 percent of the planned residential floor area is located near

existing or planned rail transport lines.

The detailed plan enabling the development of the largest floor area for jobs was that for Pasila's central blocks, providing for 157,000 square metres. Other major projects included detailed plans for the Meilahti Hospital area, the Vuosaari C Power Plant and the Olympic Stadium.

More people used public transport

The transport sector reached its goal of increasing the share of public transport by 0.2 percent of all transport compared to the previous year. Public transport represented 20.69 percent of all transport. The share of sustainable modes of transport, that is, walking, cycling and public transport, grew to 77 percent of all modes of transport.

New land for construction

Improvements in land use policy have helped to increase new housing construction in Helsinki in recent years, but the annual goal of 5,500 new units has not yet been reached. Approximately 4,000 new housing units were completed in Helsinki in 2014.

The Real Estate Department granted development rights for 233,000 square metres of new housing construction. Sites had been reserved for 17,500 new units, but the transfer of development rights was slowed by delays in Kruunuvuorenranta and the somewhat weak economic conditions. Future construction projects were prepared with land surveys and soil examinations. A major share of the Real Estate Department's maps has been available to customers free of charge since 2014.

Electronic permits piloted

Construction was more dynamic than expected, and the number of housing construction permits increased by nearly 50 percent from the previous year. However, new construction projects represented only 3,500 housing units.

A system for electronic applications for construction permits was completed and put into pilot use. The national Lupapiste.fi cloud service has enabled fast system development, and applications for at least some permits can be submitted electronically in 2015.

Shared queuing system for housing applicants

Residents of ARA rental apartments showed satisfaction in a resident survey. Resident turnover was also fairly low. Registered rental housing applicants numbered 24,600, but the number of apartments available was only 2,500. Applying for rental housing became easier in the Helsinki Metropolitan Area. Helsinki, Espoo, Vantaa and the KUUMA municipalities (Hyvinkää, Järvenpää, Kerava, Kirkkonummi, Mäntsälä, Nurmijärvi, Pornainen, Sipoo, Tuusula and Vihti) formed a shared right-of-occupancy market area, which uses a shared queuing number system.

Housing company Kiinteistö Oy Helsingin Palveluasunnot was merged with the rental housing company Helsingin kaupungin asunnot Oy (HEKA) in 2014. Operations were focused into the HEKA group's parent company, and they continued to move to shared office facilities.

Real estate deals

Some of the main single land acquisitions comprised the properties owned by Senate Properties and Finavia Corporation in the Malmi Airport area. The closing of these acquisitions will end the gratuitous land leases in the airport area.

Active land acquisitions in Östersundom were aimed at creating preconditions for the

area's systematic development.

Land sales exceeded the EUR 100 million target set in the City budget. The sites sold consisted primarily of residential plots governed by detailed plans and designated for non-subsidised housing production, as well as constructed commercial plots.

Building projects financed through real estate sales

The Premises Centre invested EUR 160 million in building projects. The largest project was the Malmi Emergency Hospital, which opened in November. Another important milestone was the decision to build the new Central Library.

A major share of the 1,800 buildings maintained by the Real Estate Department was due for renovation. Priority was given to school and day care renovation projects, which especially addressed indoor air problems. Renovation debt is reduced by selling properties no longer needed for City operations. The land sale target of EUR 100 million was achieved and the sale of buildings produced nearly EUR 20 million. Income from land leases to tenants outside the City organisation totalled EUR 168 million.

A total of 1,020 City-built housing units were completed, and it was decided to renovate 584 units and to commence construction of 1,130 new units. The new units to be built comprise 506 ARA rental apartments, 475 right-of-occupancy homes and 149 Hitas homes.

Cornerstone laid in Kruunuvuorenranta

The launch of the Kruunuvuorenranta project site was celebrated with the laying of the cornerstone in October. The 113 right-of-occupancy homes and 57 Hitas homes planned for the site are scheduled for completion at the turn of 2016–2017.

The City's in-house housing production was recognised for good architecture. The 2014 Concrete Structure of the Year award was conferred to a HEKA site in Jätkäsaari, which features lace-like concrete facades.





Deputy Mayor
Ritva Viljanen

- General and vocational education
- Library services
- Cultural matters
- Sports and exercise
- Youth office
- Research and statistics department
- Employment matters
- Immigration

Key figures

Operating profit, million euros	77.5
Operating costs, million euros	928.0
Operating costs per resident, million euros	1,493
Number of personnel (incl. Oiva-akatemia)	8,803
% of total personnel	21.8

Departments*

- City Library (542)
- City Museum (84)
- City of Helsinki Urban Facts (81)
- Cultural Office (124)
- Education Department (6,432)
- Finnish Adult Education Centre (188)
- Helsinki Art Museum (68)
- Helsinki Philharmonic Orchestra (114)
- Helsinki Zoo (78)
- Occupational Health Centre (159)
- Oiva-akatemia (24)
- Sports Department (497)
- Swedish Adult Education Centre (36)
- Youth Department (376)

* The number of personnel receiving a monthly salary or hourly wages is presented in parenthesis.

Education and cultural affairs

Youth well-being improved

The objective of the Youth Guarantee is to support young people in finding employment and in entering further education. The City of Helsinki strives to meet this objective in multiple ways. Owing to increased opportunities for further education and training, more young people were able to continue their studies in upper secondary education. The City of Helsinki Education Department's open studies programme and the Respa project targeting unemployed young people helped those left out of further studies to find placement in education or training. The open studies programme, including open courses offered by Helsinki Vocational College, helped students to prepare for degree studies. The City also employed many young people in work try-outs and subsidised jobs.

Learning results and well-being at comprehensive schools improved. Special efforts were focused on comprehensive reading and writing skills and students' preparedness to function as members of the information society. School drop-outs decreased. New models were developed for preparatory education for young immigrants. Finnish language training following preparatory education was improved. Young people were offered alternative study paths. The Education Department launched a project titled The School of the Future, which tackles future challenges faced by schools.

The Helsinki City eCampus project introduced entirely new teaching and learning methods at the City of Helsinki upper secondary schools. Funded by the Finnish National Board of Education, the project developed pedagogy and advanced digitalisation. Online study modules for use by all teachers were

developed in general upper secondary schools and vocational institutions.

The Sports Department's EasySport programme for elementary schools and FunAction programme for young people became established operations. In collaboration with the Education Department, the Sports Department continued to implement the Schools on the Move programme in comprehensive schools. These efforts were recognised by the Ministry of Education and Culture with a School on the Move of the Year award. The Sports Department also simplified the application process and criteria for subsidies granted to sports societies.

The Youth Department interviewed over a thousand young people in different parts of the city. The results of the interviews were used to develop the department's operations further.

Welfare report integrates experience and research

A report on young people's welfare was completed. The report incorporates statistical data, research results and experiential knowledge. The report is updated regularly, and it can be downloaded to smartphones and other devices. The City departments primarily in charge of the preparation of the welfare report were the Youth Department and Urban Facts.

As part of its comprehensive statistical and research activities, Urban Facts published cultural statistics under the title Arts and Culture in Helsinki in collaboration with the Cultural Office.

The City continues to open its datasets and to develop the activity further. The opening up of City procurement data aroused considera-

ble interest. The goal of the activity is to make all public data available in such formats that allow citizens easily to utilise the data. Helsinki's efforts in open data are pioneering by international standards. The Open Ahjo open-data project was awarded in the Open City category of a competition organised by the international organisation WeGO in November.

A fine year of culture

The Cultural Office produced a concept for participatory local cultural work. The office strives to create an equalitarian cultural Helsinki. Current and future needs for cultural services were surveyed among of the city's foreign-born population.

City Museum opened some of its collections for free public use.

The Cultural Office's seven cultural centres hosted over 1,700 performances and events, which attracted nearly 200,000 visitors, while exhibitions attracted 25,000 visitors. The office's art courses were attended by nearly 13,000 children and young people.

Exhibitions at Helsinki City Museum attracted over 200,000 visitors. The most popular exhibitions were Brylcreem and Mad About Helsinki. The City Museum was awarded for its innovative approaches and contributions to museum pedagogy. In addition, the museum was commended for opening some of its collections for free public use in the Finna information search service.

Helsinki Art Museum's most popular exhibitions were Chaplin in Pictures and Hotel Manta of Helsinki. The latter was created by Japanese artist Tatzu Nishi around the Havis Amanda statue.

Self-service at a container library

Helsinki City Library tested new operating methods and self-service at the Korjaamo mini-library and the Kalasatama container library. E-book loans increased, and the library's e-book collection and number of e-book licences grew. A project plan for the future Helsinki Central Library was completed.

The Helsinki Philharmonic Orchestra gave 50 symphony concerts at the Helsinki Music Centre and additional concerts at the City Hall, Ateneum Art Museum and Aurora Hospital. The orchestra made an extensive tour to Germany and the Netherlands.

Helsinki Zoo celebrated its 125th anniversary. The zoo re-entered the Siberian tiger and the wolverine into its range of species. A herd of vicuña was formed, and the zoo welcomed the wild boar as a new species to the zoo. The zoo's wild animal hospital received over 800 injured animals, 40 percent of which were returned to their habitats.

The Joy of Learning

The City's two adult education centres celebrated their 100th anniversary with The Joy of Learning exhibition on display at Virka Gallery. The exhibition and associated workshops were attended by approximately 45,000 visitors. Oiva Academy organised EMBA training in collaboration with Aalto University and diverse leadership training for middle management. Leadership and supervisor training courses were attended by 2,800 people. The first mentoring programme for female managers was launched. The City's Occupational Health Centre celebrated its 50th anniversary, with the anniversary year culminating in a seminar for occupational health care professionals.



Deputy Mayor
Pia Sutinen
from 30 September 2014



- Social services and health care
- Day care and early education

Key figures

Operating profit, million euros	300.1
Operating cost, million euros	2,548.7
Operating cost per citizen, euros	4,100.2
Number of personnel	21,511
% of the entire personnel	53.3

Departments*

Department of Social Services
and Health Care (15,807)
Department of Early Education and Care (5,704)

* The number of personnel receiving a monthly salary or hourly wages is presented in parenthesis.

Social services, health care and early education sector

Services reorganised

The social services and health care network is under reorganisation. As a result, family centres will be responsible for all services for families, while social and health care services for the working-age population will be provided by health and well-being centres. Services for the elderly and people suffering from multiple disorders will be focused into centres providing multiple services. Using an online survey and an online panel, feedback on the service network plan was collected from residents, the Elderly Citizens Council, the Disabled Citizens Council and councils for customers of the service centres. The social services and health care personnel actively participated in the planning process. The service network plan extends to 2030.

Malmi Hospital Emergency Department reopened

The Malmi Hospital Emergency Department was reopened in November following hospital renovation and construction. At the same time, emergency operations at Maria Hospital replacing the services at Malmi closed doors.

The modernised hospital has four wards. The Emergency Department is complemented by a new geriatric acute rehabilitation ward, which operates in the same building. The hospital now incorporates a laboratory, an imaging unit and an internal medicine outpatient clinic.

Electronic services expanded to cover social assistance

The City's electronic services are upgraded regularly. The latest upgrades include an electronic application for social assistance and an electronic form for reporting preliminary information to maternity clinics.

The use of electronic services increased. For example, more than 10 percent of social assistance applications were submitted electronically. Dental care appointments were changed or cancelled electronically nearly 24,000 times during the year, and health care customers were sent nearly 170,000 text messages and approximately 75,000 secure messages through health care eServices. The eServices consent form, which allows health care units to relay patient information, was filled out nearly 140,000 times.

Kustaankartano recognised as an appealing workplace

The Kustaankartano multi-service centre was recognised for its merits as an appealing workplace. The recognition was given to 12 Finnish workplaces in the social services and health care sector.

Factors affecting the appeal of the social services and health care sector as an employer were surveyed by the Ministry of Social Affairs and Health and the Finnish Institute of Occupational Health. Kustaankartano was deemed an appealing employer due to its develop-

ment-friendly and community-minded workplace culture, in which an innovative approach improves the quality of care.

New approach for assessing needs for child protection

One of the year's main focuses in early education, care and child welfare was customer-specific cooperation. The Department of Early Education and Care and the Department of Social Services and Health Care collaborated on the development of an operating model for assessing needs for child protection.

The City's playgrounds' 100th anniversary included a world-record-in-play event, which was attended by 8,867 children.

The work to develop the new model involved training and new tools for the personnel. Early educators and child welfare workers evaluated the effectiveness of the model in local conditions.

Contemporary art for young children

The Museum of Contemporary Art Kiasma and the Department of Early Education and Care agreed on 3-year collaboration aimed at integrating contemporary art into the early education and care for 3- to 6-year-olds.

The programme will include art workshops and guided tours for children as well as training for the personnel. Tunnetila (state of feeling) art workshops held at Helsinki day care centres as part of the programme were enthusiastically received by children. The aim of the collaboration is to increase art in early education and care and to strengthen

children's opportunities for participation and influencing the City's cultural activities.

There's always time for play

The City's playgrounds celebrated their 100th anniversary with festive events. The anniversary year was launched in January with a rap video, the chorus of which – "*Aina on aikaa leikille*" (There's always time for play) – became the theme for the entire year.

The anniversary events included a world-record-in-play event, which was attended by 8,867 children, a winter safari and a bear-party exhibition at Helsinki Zoo, a concert at the Helsinki Music Centre, concerts held by Music Theatre Kapsäkki and ParkClowns, singing and sports events held at parks, and a water competitions day held in collaboration with UNICEF. The playground anniversary year culminated in a Christmas-themed flash mob at Kamppi.

Play clubs grew in popularity

The popularity of play activity clubs grew. The number of clubs operating at day care centres and playgrounds was 136 at year-end, when they recorded 1,200 attendants. Outdoor and nature clubs, in which children learn how to move about and function outdoors, were especially popular.

The voice of early education and care customers

In a Helsinki Metropolitan Area customer satisfaction survey, Helsinki residents rated the City day care services with grade 4.47 on a scale of 1–5. The content of children's individual early education and care plan was developed, incorporating interviews of children conducted by the parents.



**The most important
decision-making
body in Helsinki
is the City Council.
Its 85 members
represent different
political parties.**

20

meetings

123

motions submitted

109

motions processed

118

votes

390

decisions

11

questioning sessions

1 461

**addresses and
comments**

Decision-making bodies

Under the division of powers between central and local government in Finland, municipalities enjoy autonomy in the administration of many of their affairs. Certain basic tasks are stipulated in the Local Government Act, and in addition to these, municipalities may voluntarily assume others. The only way in which the tasks entrusted to municipalities can be altered is by amending the Local Government Act or by special legislation.

City Council

The most important decision-making body in Helsinki is the City Council, the 85 members of which are elected by direct popular vote every four years. The City Council elects a Chair and two Deputy Chairs, the members of the City Board as well as the members of the various committees in proportion to the relative strengths of the various parties represented on it. The other main tasks of the City Council include discussing budgets and balancing accounts, in addition to setting the general goals for the City.

The City Council meetings are open to the public and media, if not otherwise decreed by the Council on special occasions. The meetings are also broadcast live on the internet channel Helsinki-kanava, on which they are also available on demand.

City Board

The City Board is responsible for

- administration and financial management
- preparatory processing of matters to be

dealt with by the City Council

- implementation of Council decisions
- examining the legality of Council decisions

The fifteen members of the City Board are elected by the City Council for two-year terms and in proportion to the Council's political composition.

City Board divisions

The City Group Division's mission is to monitor the operations of the City Group and to ascertain that the Group's affiliated companies and foundations are operating according to the objectives set by the Board.

The Information Technology Division monitors the preparation and implementation of the City's information technology programme as well as how the programme's goals are achieved. It also deals with such information technology projects that exceed one million euros in cost.

The Governance Division makes proposals for reforming City governance.

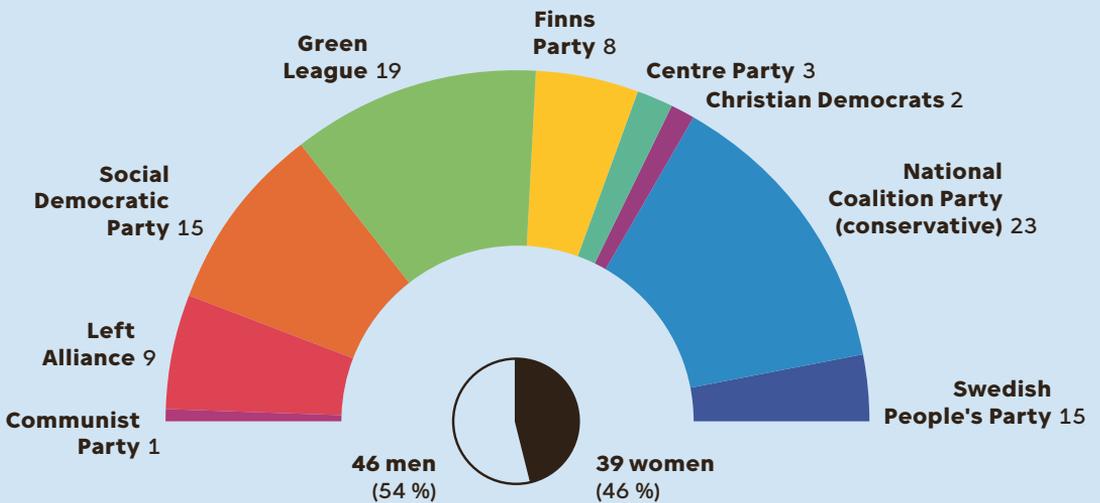
Mayor and Deputy Mayors

The Mayor and the four Deputy Mayors are each responsible for distinct sectors of operations and report to the City Board. They follow activities in their respective segments and oversee the implementation of decisions. They are also responsible for preparatory processing of matters within their authorities and for reporting to the City Board on these matters.



Chairs of the City Council: Mari Puoskari, Sara Paavolainen and Harry Bogomoloff

Political party representation



Helsinki City Council has 85 members.

The City Council's meetings can be followed on www.helsinkikanava.fi or in the Council's chamber, address: Sofiankatu 3.

City Board and divisions



*Chairs of
the City Board:
Emma Kari, Tatu
Rauhamäki and
Osku Pajamäki*

City Board

15 members representing the following political parties:

National Coalition (conservative)
Green League of Finland
Social Democratic Party
Left Alliance
Finns Party
Swedish People's Party
Centre Party

Information Technology Division

9 members representing the following political parties:

National Coalition (conservative)
Green League of Finland
Social Democratic Party
Left Alliance
Swedish People's Party

City Group Division

9 members representing the following political parties:

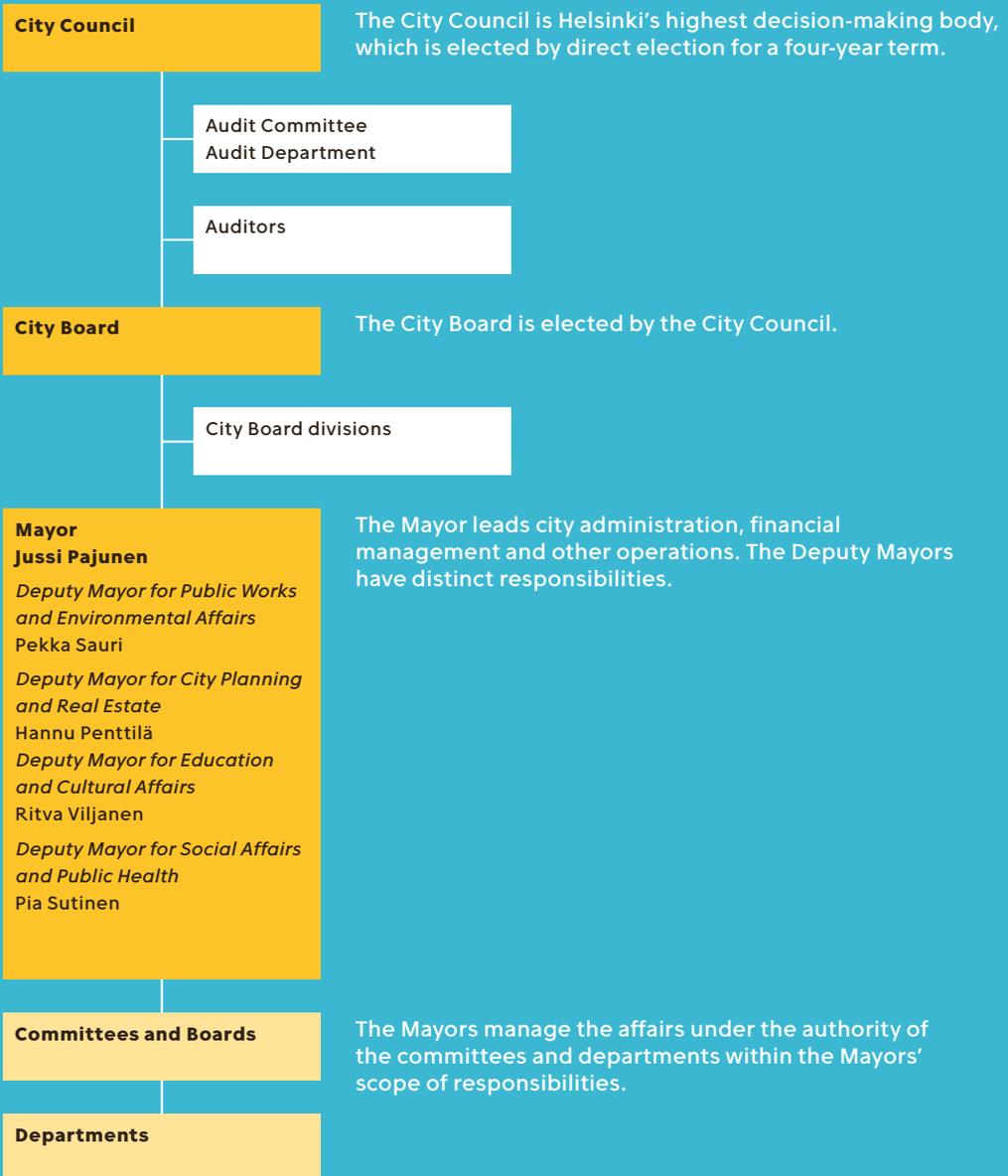
National Coalition (conservative)
Green League of Finland
Social Democratic Party
Left Alliance
Finns Party

Governance Division

9 members representing the following political parties:

National Coalition (conservative)
Green League of Finland
Social Democratic Party
Left Alliance
Finns Party
Swedish People's Party

City of Helsinki organization



Facts about Helsinki

Helsinki	
Founded in 1550	
The Finnish Capital since 1812	

Area and environment	
Total area, km ²	719
Land, km ²	216
Population density, inhabitants/km ²	2,870
Shoreline, km	123
Islands	315

Mean temperature 2014	
Whole year, °C	7.3
Warmest month, July °C	20.1
Coldest month, January, °C	-5.9

Population	
Total population 2014/2015	620,715
Age groups %	
0-6	7.2
7-15	7.5
16-64	69.0
65-74	9.5
75+	6.9
Life expectancy 2009-2013	80.1
Men	76.8
Women	82.9
Finnish nationality, %	91.1
Other nationals, %	8.9
Finnish-speaking, %	80.8
Swedish-speaking, %	5.8
Other languages, %	13.5

Housing	
Dwellings total, 2013	342,303
Owner-occupied dwellings, %	43.4
Housing density, m ² /person	34.1
Rental dwellings owned by the City, 2012	49,564

Labour market	
Jobs, 2014	411,200
Primary production (SIC A-B), %	0.1
Processing (SIC C-F), %	10.9
Services total (SIC G-S), %	88.0
Market services (SIC G-N, R-S), %	61.6
Public administration, welfare services (SIC O-Q), %	26.4
Other or unknown (SIC T-X), %	0.9
Number of companies, 2013	44,574
Labour force (15-74 year olds), 2014	
Employed	319,900
Unemployed	27,100
Participation rate, %	71.2
Rate of unemployment, %	7.8

Transport and communications 2014	
Registered cars per 1,000 inhabitants	401
Public transport within the city, total journeys	206 M
Mobile phones per 100 inhabitants (in Finland)	171
Internet users (16-74 year olds), percentage of population	95.7

Energy and water supply 2013	
Sales of electricity, GWh	7,196
Sales of district heating, GWh	6,873
Sales of water (Helsinki Metropolitan Area), m ³	71.2 M
Water consumption per capita per day (Helsinki Metropolitan Area), l	223
Treated wastewater, m ³	96.3 M

Health care 2014	
City sub-district health centres	25
City hospitals*	6

Primary health care	
Primary health care visits total	4.9 M
Visits to health centres	4.5 M
Dental care visits	0.5 M
Total per inhabitant	7.9
Average number of patients in institutional care every day	911
In city hospitals	856
In contract hospitals	55
Visits per 1,000 inhabitants	1.5

Specialized medical care	
Out-patient visits total	1.0 M
In city units	0.3 M
In contract outpatient clinics	0.7 M
Total per inhabitant	1.6
Average number of patients in institutional care every day	1,123
In city units	432
In contract hospitals	691
Visits per 1,000 inhabitants	1.8

Social Welfare 2014	
Children in daycare**, for 100 children ages 1–6	64.7
Places in assisted living housing for the elderly	3,042
Per 100 persons aged 75+	7.1
Places in institutional care***	1,645
Per 100 persons aged 75+	3.8

Education 2013	
Educational structure	
% of 15-year-olds and older with	
Comprehensive school certificate only	27
Secondary education	33
Tertiary education	40
Number of educational institutions, 2014	
Universities	6
Polytechnics	5
Vocational training institutions	24
Comprehensive schools and upper secondary schools	162

Culture and leisure 2014	
City library	
Book loans	8.8 M
Loans per inhabitant	14.2
Museums	62
Recreational trails and jogging tracks, km	216
Swimming pools	13
Sport halls and gyms	32

Travel 2014	
Passengers	
Via Helsinki Airport	16 M
Via Port of Helsinki	12 M
Via Helsinki railway station	48 M
Hotel guests, 2013	1.9 M
Overnight stays, total	3.1 M
Of which foreigners	1.6 M
Hotels	52
Rooms	8,471
Beds	16,044
International conferences and events	310
Participants	40,642

* *Herttoniemi, Laakso, Malmi, Suursuo, Haartman, Aurora.*

** *Includes municipal daycare centres, family centres and contract daycare centres.*

*** *Includes institutional care and long-term care for the elderly.*

Financial statements: Growth in operating expenses slowed

During fiscal year 2014, Helsinki streamlined operations and curbed growth in operating expenses in accordance with the City Council's strategy. Operating expenses excluding public enterprises grew by 0.6 percent. The financial statements show a EUR 188.5 million profit for the year.

Impact of incorporation reflected in financial statements

The final accounts include a EUR 1,056 million profit from the incorporation of the Helsingin Energia and Port of Helsinki public enterprises. This profit is recorded under extraordinary income in the profit and loss statement and increases the profit for 2014 by the same amount. The impact of the incorporation on the final accounts including the profit for the year was EUR 1,244.6 million, and the surplus was EUR 1,633.2 million. In the incorporation of the personnel catering, real estate, cleaning and security services of the public enterprise Palmia, balance sheet values were considered to correspond to current values, so no profit was recorded.

The incorporation was carried out by transferring the public enterprises' assets to the established companies as capital contributions in exchange for company stock and partly as business acquisitions so that the purchase price was included in long-term liabilities to the company. In the incorporation arrangements, assets were transferred to the companies at current values. The incorporation did not have a significant impact on the City's financial position in 2014.

Return on the City's investments was 18 percent (investment expenses of EUR 2,720.9 million, including total share subscription costs of EUR 2,172.3 million). Eliminating comparable return on investment, the impact of the incorporation on the final accounts was 87 percent (investment expenses of EUR 548.5 million).

Annual profit margin was EUR 480.7 million. Annual profit margin indicates income financing available for various investments and loan repayments. Annual profit margin covered depreciations by 117 percent. Annual profit margin excluding public enterprises and funds was EUR 212.3 million, which covered 75 percent of depreciations. A municipality's income financing is deemed adequate if annual profit margin covers depreciations. The impact of the incorporation on the final accounts did not affect annual profit margin.

Tax revenue

Tax revenue totalled EUR 2,951 million, an increase of EUR 45.6 million, or 1.7 percent, compared to the previous year. Municipal tax revenue totalled EUR 2,435.1 million with the municipal tax rate of 18.5 percent. Municipal tax revenue declined by EUR 7.0 million, or 0.3 percent, compared to the previous year. Corporate tax revenue increased by EUR 41.2 million, or 15.4 percent, compared to the previous year. Real estate tax totalled EUR 206.7 million, increasing by EUR 11.4 million, or 5.8 percent, compared to the previous year.

State subsidies received by Helsinki totalled EUR 250.6 million, declining by EUR 25 million compared to the previous year.



Superstar

TAALIN

POR

The City's liquidity was 44 days at year-end. This means that the City could continue to pay invoices, wages and salaries and other expenses for 44 days even with zero income. Liquid assets increased by EUR 86.6 million over the year.

The City's loans totalled EUR 2,540 per capita, up from EUR 2,446 for the previous year. Total debt was close to EUR 1.6 billion at year-end 2014, up by EUR 70 million since a year before.

Equity ratio was 78 percent. The City's

equity ratio has remained above 75 percent in recent years; the targeted average in municipal finances is 70 percent.

Balance sheet total was EUR 13,556.6 million, an increase of EUR 1,300 million compared to the previous year. Equity was increased by the profit from the incorporation, which was recorded under the surplus for the year.

The City of Helsinki's financial statement documents and a summary of the financial statements are available at www.hel.fi.

Calculation formulas for financial indicators

Operating profit/operating costs

= 100 x operating profit / operating costs – production for own use

Equity ratio %

= 100 x (shareholders' equity + depreciation difference + voluntary reserves) / (grand total of the balance sheet – advance payments received)

Annual profit margin / depreciation, %

= 100 x annual profit margin / depreciation

Financial assets, euro per citizen

= (receivables + financial values + cash and bank receivables – liabilities + advance payments received) / population, 31 December

Relative indebtedness, %

= (liabilities – advance payments received) / (operating profit + tax profit + state subsidies)

Loan portfolio 31 December (million euros)

= liabilities – (advance payments received + accounts payable + deferred debts + other debts)

Debt servicing margin

= (annual profit margin + interest expenses) / (interest expenses + loan instalments)

Internal financing for investments, %

= 100 x annual profit margin / internal investment acquisition cost

Loans receivable 31 December

= debenture bonds receivable listed in investments and other loans receivable

Number of citizens 31 December

= The number of population is an estimate used as a basis for the budget. The official number of total population is shown on page 32.

Business indicators in the financial statements for 2014

	Group		City	
	2014	2013	2014	2013
Business indicators of the profit and loss account				
Operating profit from the operating costs, %	57	56.3	38.8	39.0
Annual contribution margin, MEUR	831.7	765.3	480.7	472.7
Annual contribution margin, % of depreciations	127.4	119.8	117.8	117.3
Annual contribution margin, EUR/inhabitant	1,338	1,249	773	772
Annual contribution margin excluding public enterprises and funds, MEUR	..	..	212.0	170.4
Annual contribution margin excluding public enterprises and funds, % of depreciations	..	..	75.1	59.8
Annual contribution margin excluding public enterprises and funds. EUR/inhabitant	..	..	341	278
Business indicators of the funds statement				
Cash flow accumulation from operations and investments from five years, MEUR	-834.1	-1,314.0	699.0	18.9
Cash flow accumulation from operations and investments from five years, MEUR, excluding the accounting impact of the incorporation of public enterprises in 2014 and the establishment of the HSY municipal federation in 2010	..	..	-387.3	-687.9
Internal financing of investments, %	..	..	-387.3	-687.9
Internal financing of investments, %, excluding the accounting impact of the incorporation of public enterprises	34.9	66.3	17.7	74.5
Internal financing of investments, %, excluding public enterprises and funds	..	..	88.5	74.5
Internal financing of investments, %, excluding public enterprises and funds, excluding the accounting impact of the incorporation of public enterprises	..	..	8.3	42.4
Debt coverage ratio	1.7	2.5	1.7	4.3
Cash sufficiency, days	60	60	44	63
Business indicators of the balance sheet				
Equity ratio, %	58.8	58.8	78	76.2
Relative indebtedness, %	94.9	92.9	45.6	44.4
Loan portfolio, 31 December, MEUR	4,941	4,787	1,579	1,499
Loans, EUR/inhabitant	7,949	7,815	2,540	2,446
Loan receivables, 31 December, MEUR	472	478	2,087	1,524
Group's loan receivables, 31 December, EUR/inhabitant	760	781	..	..
Inhabitants 31 December	621,600	612,600	621,600	612,600

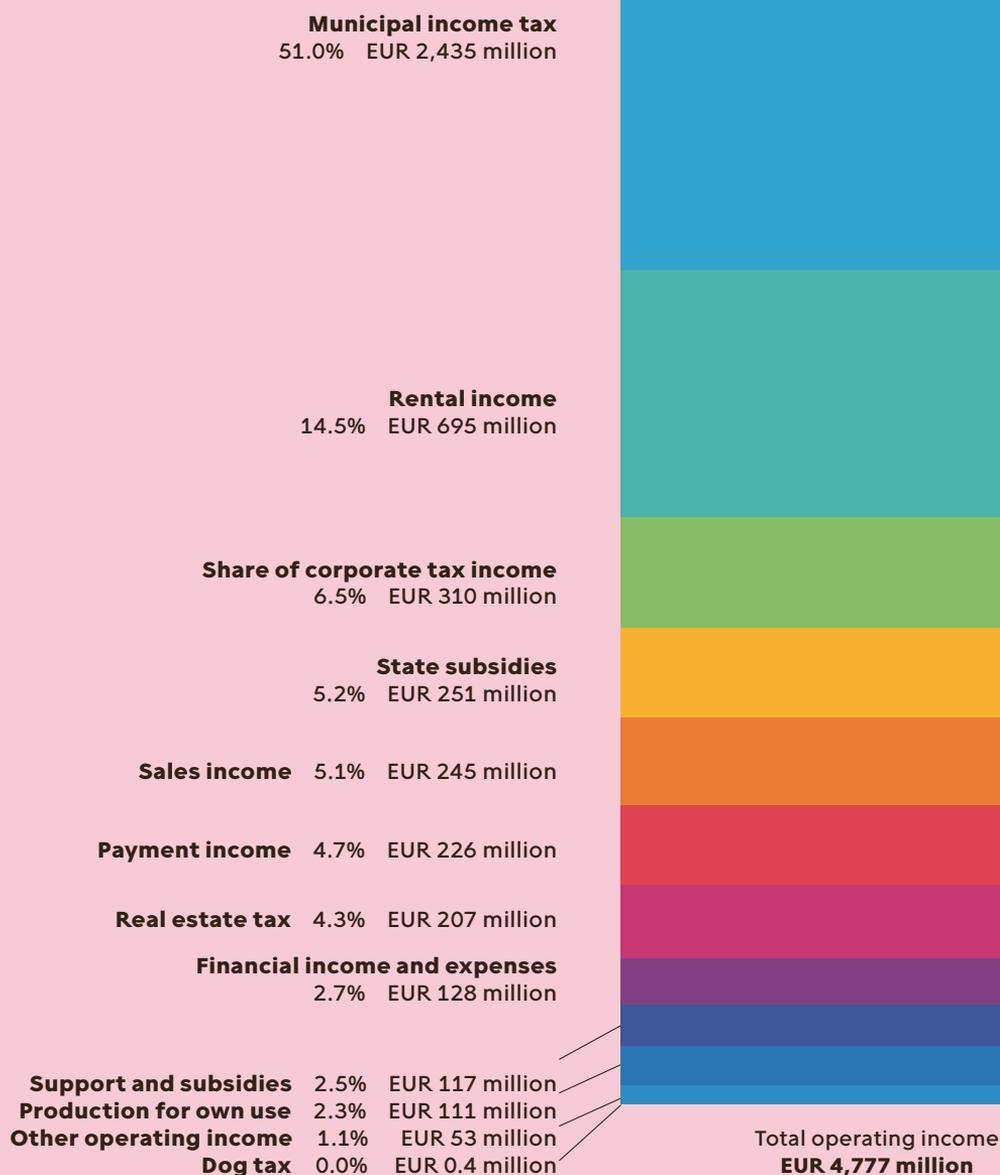
Operating expenses

By sector in 2014,
MEUR



Operating income

Tax and state subsidy income, net financial income by sector in 2014, MEUR



Processing the result of the financial period

The result for the financial period before adjustments to reserves and funds is EUR 1,244,564,473.60. The result also includes the results of public enterprise and funds treated as independent balance sheets, which are processed in accordance with the accounting regulations in their respective financial statements.

The City Government proposes that the result of the financial period is processed as follows:

- The surplus of the Helsingin Energia public enterprise, EUR 142,510,860.71, is transferred to the balance sheet of the City of Helsinki as equity.
- The surplus of the Port of Helsinki public enterprise, EUR 28,838,958.89, is transferred to the balance sheet of the City of Helsinki as equity.
- The surplus of the Helsinki City Transport public enterprise, EUR 2,355,499.11, is transferred, according to the proposal by the board of Helsinki City Transport, to the balance sheet of Helsinki City Transport as equity.
- The surplus of the City of Helsinki's Palmia public enterprise, EUR 8,421,538.97, is transferred, according to the proposal by the board of Palmia, to the balance sheet of Palmia as equity.
- The surplus of the City of Helsinki's Financial Management Services public enterprise (Talpa), EUR 3,558.82, is transferred, according to the proposal by the board of the Department of Financial Management, to the balance sheet of the Financial Management Services as equity.
- The surplus of the City of Helsinki's Personnel Development Services (Oiva Akatemia) public enterprise, EUR 205,538.18, is transferred, according

to the proposal by the board of the Personnel Development Services, to the balance sheet of the Personnel Development Services as equity.

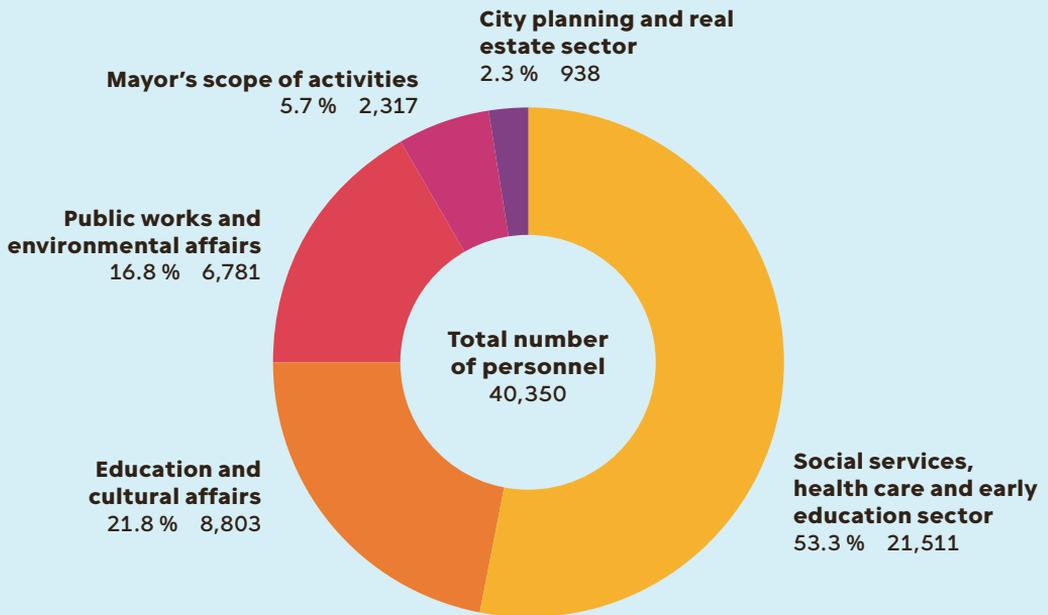
- The deficit of the housing production fund EUR -26,130,436.44, the surplus of sports and recreation department fund, EUR 198,710.16, the deficit of the insurance fund EUR -1,080,049.15, and the deficit of the innovation fund, EUR -3,899,092.49, are transferred to their fund equity, in accordance with the rules of the funds.

Furthermore, the City Government proposes that the financial period for other operations are processed as follows:

- The EUR 4,570,059.85 of investments in the Kamppi-Töölönlahti area will be recognised as income from the Kamppi-Töölönlahti Area Investment Fund.
- As proposed by the Housing Production Commission, EUR 585,000.00 will be transferred from the Housing Production Department profits for the financial period to the Housing Production Fund.
- EUR 4,031,984.33, an amount equivalent to the actual expenditure, will be recognised as income from the Suburban Fund.
- The depreciation difference of EUR 840,939.63, resulting from the investment reserve for the renovation of the city office building in Kallio, will be recognised as income.
- It is proposed that the surplus of EUR 1,450,802,720.69 for other operations after reserve and fund entries be entered in the City of Helsinki balance sheet under equity as surplus/deficit from previous financial periods.

Personnel

Number of personnel in different sectors,
31 December 2014



Investments

Investment costs without public enterprises, millions euros

Fixed assets	73
House construction	162
Streets, traffic lanes and tracks	78
Bomb shelters	1
Park construction	6
Sports facilities	11
Helsinki Zoo	3
Basic acquisition of movable property	46
Helsinki Wholesale Market	2
Municipal federations	0
Securities	2 176*
Other capital economy	4
In total	2 563**

* The public enterprises Helsingin Energia and Port of Helsinki were incorporated at year-end 2014, as required by the Local Government Act. The incorporation costs were 2,172 million euros.

** Excluding incorporation costs: 391 million euros

City of Helsinki's profit and loss account

MEUR

	1 Jan-31 Dec 2014	1 Jan-31 Dec 2013
Operating profit		
Sales income	1,034.4	1,064.5
Payment income	220.3	187.1
Supports and subsidies	115.7	116.1
Rental income	321.5	329.7
Other operating profit	69.8	74.7
	1,761.7	1,772.0
Production for own use	124.8	129.2
Operating expenses		
Personnel expenses		
Wages and salaries	-1,450.4	-1,432.2
Secondary personnel expenses		
Pensions	-383.4	-406.2
Other secondary personnel expenses	-81.8	-82.7
Procured services	-1,602.6	-1,601.5
Materials, supplies and goods	-507.3	-536.0
Subsidies	-407.3	-389.1
Rental costs	-205.5	-171.5
Other operating expenses	-26.8	-54.3
	-4,665.1	-4,673.5
Operating margin	-2,778.6	-2,772.3
Taxes and state subsidies		
Tax revenue	2,951.9	2,906.3
State subsidies	250.6	275.7
	3,202.6	3,182.1
Financing income and expenses		
Interest earnings	51.8	52.1
Other financing income	28.5	26.7
Interest expenses	-23.2	-15.3
Other financing expenses	-0.4	-0.6
	56.7	62.9
Annual contribution margin	480.7	472.7
Depreciation, amortisation and impairment		
Planned depreciation	-408.1	-403.1
	-408.1	-403.1
Extraordinary items		
Extraordinary income	1,172.1	77.9
Extraordinary expenses	-0.1	-0.4
	1,172.0	77.5
Result for the financial period	1,244.6	147.1
Increase (-) or decrease (+) in depreciation difference	200.9	11.3
Increase (-) or decrease (+) in reserves	96.2	-5.3
Increase (-) or decrease (+) in funds	91.6	5.9
	388.6	12.0
Surplus/deficit (-) for the financial period	1,633.2	159.0

City of Helsinki's funds statement

MEUR

	2014	2013
Cash flow of the operations		
The annual marginal profit	480.7	472.7
Extraordinary items	1,172.0	77.5
Adjustments to internal financing	-1,557.5	-98.2
	95.3	452.0
Cash flow from investments		
investment expenses	-2,720.9	-647.3
Financial contributions for investment expenses	5.2	13.2
Revenues from transfers of fixed assets	3,022.4	107.0
	306.8	-527.1
Operating and investment cash flow	402.0	-75.1
Cash flow from financing		
Changes in lending		
Additions to lending claims	-737.4	-22.7
Reductions to lending claims	174.2	69.7
	-563.2	47.1
Changes in loan stocks		
Additions to long-term loans	355.0	403.0
Repayments of long-term loans	-274.9	-113.1
	80.1	290.0
Changes in equity	-54.8	0
Other changes in liquidity		
Changes in funds and capital for assignments	7.6	17.1
Changes to current assets	81.7	-3.4
Changes in receivables	101.9	11.0
Changes in interest-free liabilities	-23.4	-32.6
	167.8	-7.9
Cash flow from financing	-315.4	329.0
Change in liquid assets		
Liquid assets, 31st Dec	1,007.9	921.3
Liquid assets, 1st Jan	921.3	667.4
	86.6	253.9

The City of Helsinki's balance sheet

MEUR

	31 Dec 2014	31 Dec 2013
ASSETS		
FIXED ASSETS		
Intangible assets		
Intangible rights	20.7	37.8
Other long-term expenses	87.1	246.7
Advance payments	0.1	0.3
	107.9	284.9
Tangible assets		
Land and water areas	3,101.7	3,046.7
Buildings	1,642.8	1,690.4
Fixed structures and equipment	1,265.3	2,060.8
Machinery and equipment	181.0	187.3
Other tangible assets	11.8	11.3
Advance payments and unfinished procurements	221.2	300.3
	6,423.8	7,296.9
Investments		
Shares and holdings	3,122.5	1,279.6
Bonds receivables	0.0	0.0
Other loan receivables	2,087.1	1,523.6
Other receivables	0.5	0.8
	5,210.1	2,804.0
Assignment reserves		
State assignments	145.7	163.6
Special margins for donation funds	4.3	4.2
Other assignment reserves	425.4	367.3
	575.4	535.1
Short-term assets		
Current assets		
Materials and supplies	11.3	93.6
Unfinished products	3.5	2.9
Other current assets	0.1	0.0
	14.9	96.6
Receivables		
Long-term receivables	0.1	0.0
Sales receivables	0.1	0.1
Loan receivables	29.1	6.8
Other receivables	29.3	6.9
Short-term receivables		
Sales receivables	48.3	115.3
Loan receivables	1.5	1.5
Other receivables	36.4	58.0
Accrued income	100.6	136.3
	186.8	311.1
Total receivables	216.1	318.0
Marketable securities		
Investment in financial instruments	683.6	348.0
Cash and bank receivables	324.2	573.3
TOTAL ASSETS	13,556.2	12,256.6

EQUITY AND LIABILITIES	31 Dec 2014	31 Dec 2013
Equity		
Initial capital	2,972.4	2,972.4
Revaluation reserve	1,811.0	1,816.7
Other internal funds	474.1	525.5
Other shareholders' equity	729.0	729.0
Surplus/deficit (-) from previous accounting periods	2,867.2	2,748.4
Surplus/deficit (-) for the financial period	1,633.2	159.0
	10,486.9	8,951.1
Depreciation difference and voluntary provisions		
Depreciation difference	55.3	256.1
Voluntary provisions	16.0	112.2
	71.3	368.3
Mandatory provisions		
Provisions for pensions	152.0	187.4
Other mandatory provisions	0.0	8.4
	152.0	195.8
Equities for assignments		
State assignments	146.5	163.8
Equities for endowments funds	4.3	4.2
Equities for other assignments	416.6	351.5
	567.5	519.5
Liabilities		
Long-term		
Debenture bonds	0.0	0.0
Loans from financial institutions and insurance companies	1,454.6	1,270.2
Loans from other creditors	7.4	7.4
Advance payments received	6.9	0.0
Accounts payable	1.1	16.1
Connection fees and other debts	0.2	0.3
	1,470.1	1,294.0
Short-term		
Debenture bonds	0.0	100.0
Loans from financial institutions and insurance companies	116.6	120.9
Advance payments received	8.9	22.7
Accounts payable	152.6	179.0
Connection fees and other debts	137.7	101.6
Deferred debts	392.6	403.7
	808.5	928.0
Liabilities in total	2,278.6	2,222.0
EQUITY AND LIABILITIES IN TOTAL	13,556.2	12,256.6

Helsinki City Group

In 2014, the Helsinki City Group consisted of 27 City departments, 4 public enterprises, approximately 80 subsidiaries and foundations and their more than 30 sub-group companies. The city maintains control of 11 foundations, and it is a member of 6 municipal alliances.

The City Group companies and foundations supplement the City's service production and manage support functions required by the City Group. The City's ownership policy is based on the City Council's strategy programme and other decisions concerning ownership policy.

Changes in City Group

Helsinki incorporated its public enterprises Helsingin Energia and Port of Helsinki at the end of 2014. An amendment to the Local Government Act concerning a competitive neutrality policy took effect on 1 September 2013.

According to this amendment, municipalities have to convey their activities operating in the free market to a limited liability company, a cooperative, an association or a foundation.

The personnel catering, real estate, cleaning and security services operations of the public enterprise Palmia were also incorporated, meaning that the public enterprise Palmia was partially incorporated.

The City established new subsidiaries and associated companies: Kruunuvuorenrannan jätteen putkikeräys Oy, the associated company Kruunuvuorenrannan Palvelu Oy and the real estate company Fastighets Ab Glaspalatset i Helsingfors.

City and City Group companies

City of Helsinki

Departments 27

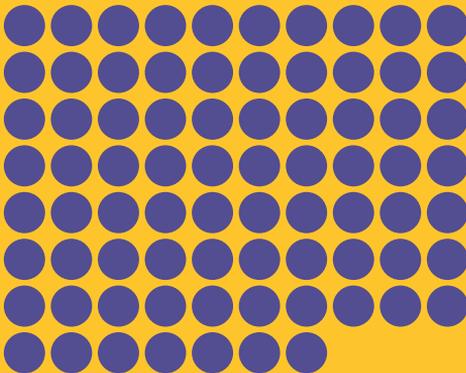


Public enterprises 4

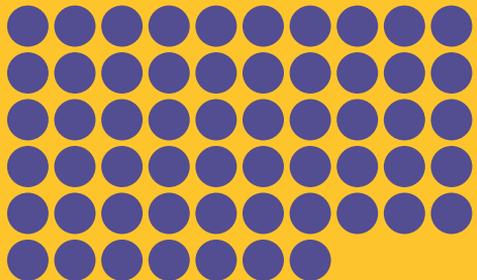


City Group companies

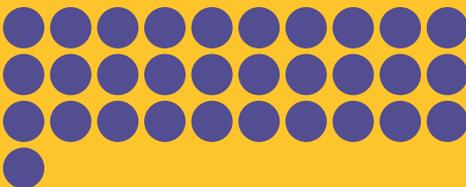
Subsidiaries 88



Associated companies 57



Sub-group companies 31



Foundations 11



Municipal alliances 6



Other 2



Group profit and loss account

MEUR

	1 Jan-31 Dec 2014	1 Jan-31 Dec 2013
Operating profit	3,073.0	3,028.5
Operating expenses	-5,392.0	-5,378.4
Share of affiliated companies' profits/ losses (-)	16.3	7.5
Operating margin	-2,302.7	-2,342.4
Tax revenue	2,952.0	2,906.3
State subsidies	250.6	275.7
Financing income and expenses		
Interest earnings	17.6	19.3
Other financing income	14.6	11.8
Interest expenses	-95.3	-101.7
Other financing expenses	-5.0	-3.9
	-68.2	-74.4
Annual contribution margin	831.7	765.3
Depreciation, amortisation and impairment		
Planned depreciation	-651.3	-638.6
The financial period's over and under par values	1.1	2.0
Amortisations and impairments	-1.7	0
	-651.9	-636.6
Extraordinary items	115.7	77.4
Result for the financial period	295.5	206.1
Appropriations	135.3	-12.6
Minority holdings	2.1	1.1
Surplus/deficit (-) for the financial period	432.9	194.6
Business indicators of the group profit and loss account		
Operating profit/operating costs, %	57.0	56.3
Annual contribution margin/ depreciations, %	127.4	119.8
Annual contribution margin, EUR/ inhabitant	1,338	1,249
Inhabitants	621,600	612,600

Group funds statement

MEUR

	1 Jan-31 Dec 2014	1 Jan-31 Dec 2013
Operating cash flow		
Annual contribution margin	831.7	765.3
Extraordinary items	115.7	77.4
Income financing adjustment items	-161.6	-92.4
	785.8	750.3
Cash flow from investments		
Investment expenditures	-2,386.8	-1,170.0
Financial contributions to investment expenditures	5.9	15.8
Income from transfers of fixed assets	1,643.0	166.7
	-737.9	-987.5
Operating and investment cash flow	47.9	-237.1
Financing cash flow		
Changes in lending		
Additions to lending claims	-4.6	-11.5
Reductions in lending claims	7.8	54.4
	3.2	42.8
Changes in loan portfolio		
Additions to long-term loans	590.7	848.9
Reduction in long-term loans	-447.7	-248.3
Changes in short-term loans	10.9	10.2
	153.9	610.8
Changes in equity	9.6	5.3
Other changes in liquidity		
Changes assignment assets and capital	-1.9	-147.6
Changes in current assets	6.0	-2.8
Changes in receivables	-17.3	5.2
Change in non-interest-bearing debts	39.8	-43.1
	26.7	-188.3
Financing cash flow	193.5	470.6
Change in liquid assets	241.4	233.5
Liquid assets, 31 Dec	1,372.1	1,130.7
Liquid assets, 1 Jan	1,130.7	897.3
	241.4	233.5
Business indicators of the group funds statement		
Cash flow accumulation from operations and investments from five years, TEUR	-834,127	-1,314,995
Internal financing of investments, %	34.9	66.3
Debt coverage ratio	1.7	2.5
Cash sufficiency (days)	60	60

Group's balance sheet

MEUR

ASSETS	31 Dec 2014	31 Dec 2013
FIXED ASSETS		
Intangible assets		
Intangible rights	56.5	55.6
Other long-term expenses	258.9	284.2
Advance payments	4.8	3.7
	320.2	343.5
Tangible assets		
Land and water areas	3,172.3	3,115.6
Buildings	5,328.6	5,213.1
Fixed structures and equipment	2,280.0	2,874.2
Machinery and equipment	1,251.9	636.5
Other tangible assets	19.3	19.5
Advance payments and unfinished procurements	615.6	588.9
	12,667.8	12,447.7
Investments		
Holdings in affiliated companies	225.0	226.5
Other shares and holdings	413.1	404.2
Other loan receivables	472.0	478.3
Other receivables	7.6	8.2
	1,117.7	1,117.2
Assignment reserves	440.9	391.1
Short-term assets		
Current assets	102.1	108.1
Receivables		
Long-term receivables	86.6	34.9
Short-term receivables	379.1	413.5
	465.7	448.4
Marketable securities	703.9	362.6
Cash and bank receivables	668.2	768.2
TOTAL ASSETS	16,486.4	15,986.7

LIABILITIES	31 Dec 2014	31 Dec 2013
Equity		
Initial capital	2,972.4	2,972.4
Initial capital of associations and foundations	5.8	5.8
Revaluation reserve	1,815.9	1,821.6
Other internal funds	746.4	758.8
Other equity	734.1	734.1
Surplus/deficit (-) from previous accounting periods	2,346.6	2,191.1
Surplus/deficit (-) for the financial period	432.9	194.6
	9,054.1	8,678.4
Minority holdings	63.8	62.1
Depreciation difference and voluntary provisions		
Depreciation difference	483.3	479.7
Voluntary provisions	100.3	182.2
	583.6	662.0
Mandatory provisions		
Provisions for pensions	153.7	189.2
Other mandatory provisions	34.2	39.8
	187.9	229.0
Equities for assignments	570.1	522.2
Liabilities		
Long-term		
Long-term interest-bearing liabilities	4,594.7	4,365.6
Long-term interest-free liabilities	91.8	86.1
	4,686.4	4,451.6
Short-term		
Short-term interest-bearing liabilities	346.6	421.8
Short-term interest-free liabilities	993.9	959.7
	1,340.5	1,381.5
Total liabilities	6,026.9	5,833.1
TOTAL EQUITY AND LIABILITIES	16,486.4	15,986.7
Business indicators of the group's balance sheet		
Equity ratio, %	58.8	58.8
Relative indebtedness, %	94.9	92.9
Accrued surplus 31 December, TEUR	2,779,468	2,385,629
Accrued surplus, EUR/inhabitant	4,471	3,894
Group's loan portfolio 31 December, TEUR	4,941,245	4,787,332
Group's loan portfolio, EUR/inhabitant	7,949	7,815
Group's loan receivables 31 December, TEUR	472,305	478,325
Group's loan receivables, EUR/inhabitant	760	781

Vorwort des Oberbürgermeisters

Die angespannte wirtschaftliche Lage weltweit, in Europa und auch in Finnland hat sich auf die Arbeit der Stadt Helsinki im Jahr 2014 ausgewirkt. Die Änderung der weltpolitischen Lage hat zu wachsender Instabilität und Unsicherheit in der näheren Nachbarschaft geführt.

Der Haushalt wurde im Rahmen des vom Stadtrat verabschiedeten Strategieprogramms weiter stabilisiert. Das Strategieprogramm sieht ein Rentabilitätsziel vor, das den Anstieg der Betriebskosten bremsen soll, und einen vorgegebenen Investitionsrahmen berücksichtigt. Werden die Ziele des Strategieprogramms bis zum Ende der Wahlperiode umgesetzt, wird die Stadt Helsinki die berechnete Tragfähigkeitslücke des öffentlichen Haushalts ausgleichen.

Der Stadtkonzern wurde Ende 2014 aufgrund des in der Gemeindeordnung festgelegten Grundsatzes der Wettbewerbsneutralität grundlegend umstrukturiert. Die ehemaligen öffentlichen Betriebe der Stadt, das Energieunternehmen Helsingin Energia, die Hafengesellschaft Helsingin Satama sowie ein Teil des Dienstleistungsunternehmens Palmia, wurden formell privatisiert. In der Praxis müssen die Gemeinden in einer Wettbewerbssituation auf dem Markt die Aufgaben, die sie bisher selbst erledigt haben, Aktiengesellschaften, Vereinen oder Stiftungen überlassen.

Helsinki ist ein Vorreiter in Sachen Transparenz und Stärkung der Bürgerbeteiligung. Das Funktionsmodell Open Helsinki, das von Helsinki Welt-Designhauptstadt ins Leben gerufen wurde, sorgt weltweit für Interesse. Ende 2014 wurde Helsinki insbesondere als Design-Stadt in das Netzwerk „Creative Cities“ von UNESCO aufgenommen. Durch einen Open Data-Ansatz und transparente Entscheidungsstrukturen wird die Stadt noch bürger- und unternehmerfreundlicher gestaltet.

Die kompakte und verkehrstechnisch günstige Stadtstruktur Helsinkis bietet einen idealen Stadtraum für Begegnungen, um gemeinsam Dinge zu schaffen und Erfahrungen zu teilen. Eine großartige soziale Innovation ist der Restauranttag, der sich von Helsinki aus bereits in verschiedenen Teilen der Welt durchgesetzt hat. Auch die lebendige Universitätslandschaft und das Start-up-Ökosystem fördern die Vitalität der Stadt.

Ich danke allen Partnern für das vergangene Jahr sowie für die gute Zusammenarbeit.

Jussi Pajunen

Oberbürgermeister

Introduction du maire

Le fonctionnement de la Ville d'Helsinki en 2014 a été marqué par une situation économique difficile dans le monde et en Europe, y compris en Finlande. L'évolution des événements politiques dans le monde a créé un climat instable et plus incertain près de chez nous.

Nous avons poursuivi notre politique de stabilisation économique de la Ville conformément au Programme stratégique arrêté par le Conseil municipal, en instaurant un plafond d'investissement et un objectif de productivité visant à freiner la hausse des coûts opérationnels. Si les objectifs de ce programme stratégique se réaliseront tout au long de l'actuel mandat, Helsinki pourra de sa part combler le déficit public à présent connu.

À la fin de l'année, la structure du Groupe d'entreprises de la Ville a connu un changement de taille lorsque l'organisation de la Ville a été remodelée pour être conforme au principe de neutralité concurrentielle prévu par les récentes modifications faites dans la loi sur les municipalités. Helsingin Energia (Energie d'Helsinki), Helsingin Satama (Ports d'Helsinki) ainsi qu'une partie de Palmia (fournisseur de nombreux services aux collectivités, notamment aux cantines scolaires), qui jusque-là étaient des entreprises publiques de la Ville, se sont constituées en sociétés. Aujourd'hui, en cas de situation de concurrence sur le marché, les communes doivent déléguer leurs tâches à une société anonyme, une association ou une fondation.

Helsinki est un exemple de transparence et de mise en œuvre des actions participatives. Le modèle « Open Helsinki », qui vit le jour lors qu'Helsinki fut la Capitale mondiale du design, suscite l'intérêt au niveau mondial. À la fin de l'année, Helsinki a joint le réseau des Villes créatives de l'UNESCO, tout particulièrement comme « ville de design ». Grâce à des informations accessibles et à une prise de décision transparente, nous construisons une ville encore plus proche de ses habitants et plus accueillante pour les entreprises.

Sa structure urbaine desservie d'un réseau de transports publics fonctionnel font d'Helsinki une ville favorable à se réunir, pratiquer des activités et vivre des expériences ensemble. « Ravintolapäivä », la Journée du restaurant, en est un exemple. Il s'agit d'une innovation sociale spectaculaire qui s'est déjà étendue d'Helsinki aux quatre coins du monde. La vive communauté universitaire et l'écosystème des startups contribuent également à la vitalité de la ville.

Merci à tous pour l'année passée et pour votre bonne collaboration.

Jussi Pajunen

Maire d'Helsinki

Вступительное слово мэра

Непростая экономическая ситуация во всем мире и, в частности, в Финляндии отразилась и на муниципальной деятельности г.Хельсинки в 2014 году. Изменения в мировой политической обстановке повлияли и на нашу с вами жизнь, добавив в нее неуверенности.

Действия по сбалансированному развитию городской экономики были продолжены в соответствии с принятой Городским советом стратегической программой, направленной на сдерживание эксплуатационных расходов в целях рентабельности и с учетом существующих инвестиционных ограничений. В случае достижения целей, поставленных стратегической программой на весь срок полномочий Городского совета, г. Хельсинки покроет свою часть известного на данный момент устойчивого дефицита бюджета государственного сектора.

Под конец года в структуре городского концерна произошли большие изменения после внесения в Закон о местном самоуправлении Положения о принципе конкурентного нейтралитета, что повлекло за собой реструктуризацию муниципалитета. Муниципальные коммерческие предприятия Helsingin Energia и Helsingin Satama, а также часть предприятий муниципального концерна Palmia, были преобразованы в самостоятельные компании. На практике это означает, что в условиях рыночной конкуренции муниципалитеты обязаны передать свои полномочия акционерному обществу, объединению или фонду.

Хельсинки является лидером в отношении открытости своей деятельности и укрепления активной роли горожан. Модель Open Helsinki, появившаяся в Год Столицы мирового дизайна, вызвала интерес во всем мире. В конце года Хельсинки был принят ЮНЕСКО в сеть креативных городов, прежде всего, в качестве города дизайна. Процесс принятия решений, основанный на системе открытых данных и прозрачности, поможет нам еще больше приблизить город к потребностям горожан и сделать его более благоприятным для предпринимателей.

Компактная городская структура Хельсинки с ее унифицированной транспортной системой создает предпосылки для совместных начинаний и экспериментов. Отличным примером социальной инновации стал фестиваль еды Ресторанный день (Ravintolapäivä), который обрел популярность в разных уголках земного шара. Дополнительную жизненную энергию привносят в город оживленное студенческое сообщество и экосистема компаний-стартапов.

Выражаю всем благодарность за плодотворное сотрудничество в прошедшем году.

Юсси Паюнен

Мэр города

Helsinki in Europe



Helsinki – as the nation’s capital – is the centre of administrative, economic and cultural life in Finland.

Helsinki and the neighbouring cities form a metropolitan area with about 1.4 million inhabitants and more than 50,000 enterprises.

Finland has been a member state of the European Union since 1995 and adopted the euro in 1999.

EU eurozone member states

Austria
Belgium
Cyprus
Estonia
Finland
France
Germany
Greece
Ireland
Italy
Latvia
Lithuania
Luxembourg
Malta
Netherlands
Portugal
Slovakia
Slovenia
Spain

EU eurozone member states

Bulgaria
Croatia
Czech Republic
Denmark
Hungary
Poland
Romania
Sweden
United Kingdom





City of Helsinki Annual Report

Helsinki central administration publications 2015:12

Publisher

Helsinki City Executive Office

Graphic design

Kokoro & Moi

Cover photo

Lauri Rotko

Photos

pages 5, 6, 10, 14, 18, 22, 29, 31: Maija Astikainen

pages 9, 13, 55: Lauri Rotko

page 17: Arno de la Chapelle

page 21: Janne Saavalainen

page 35: Seppo Saarentola

Layout

Tuomas Kärkkäinen, City Executive Office

Translations

Multiprint Oy / Multidoc

Printed at

SLY-Lehtipainot Oy

Kirjapaino Uusimaa

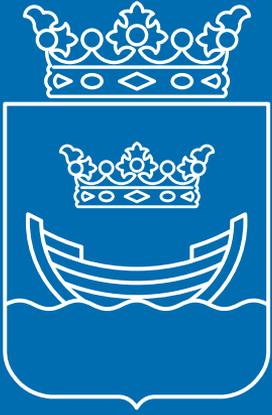
ISBN 978-952-272-902-2
(printed publication)

ISBN 978-952-272-903-3
(online publication)

ISSN-L 2242-4504

ISSN 2242-4504
(printed publication)

ISSN 2323-8135
(online publication)



City of Helsinki
Executive Office

Pohjoisesplanadi 11-13
00170 Helsinki
P.O. Box 1
00099 City of Helsinki
Telephone +358(0)9 310 1641
www.hel.fi