



Mayor of Warsaw

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PB-RB-JCZ-3029-57-1-10

Warsaw, 19th March 2010

Ms.

Ewa Malinowska – Grupińska

Chairwoman of the Warsaw City Council

Pursuant to article 121 point 6 of the law of 27th August 2009 – regulations introducing the public finance law (Law Journal 2009, No 157, 1241 with further amendments) please find enclosed the “Budget report on the implementation of the Capital City of Warsaw 2009 budget” with explanation, accompanied by the Report on the implementation of financial plans of independent public health care institutions and cultural institutions in 2009.

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Hanna Gronkiewicz-Waltz



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Warsaw, 19th March 2010

Mr.

Stanisław Stępień

Deputy Chairman of the

Regional Chamber of Auditors in Warsaw

On the basis of art. 121 point 6 of the Act of 27th August, 2009 – regulations introducing the public finance law (Journal of Laws of 2009 No 157 item 1241 as amended) I enclose the “Budget report on the implementation of the Capital City of Warsaw 2009 budget” with explanation, accompanied by the Report on the implementation of financial plans of independent public health care institutions and cultural institutions in 2009.

Mayor of Warsaw

Hanna Gronkiewicz-Waltz

**REPORT ON THE IMPLEMENTATION
OF THE BUDGET OF THE CITY OF
WARSAW FOR THE YEAR 2009**

WARSAW, MARCH 2010

1. INTRODUCTION

INTRODUCTION

This report is a fulfilment of the regulations of Art. 267 of the Act of 27 August 2009 on Public Finances¹, in connection with Art. 121 point 3 and 6 of the Act of 27 August 2009. Regulations enforcing the Act on Public Finances², in accordance with which up to 20 March 2010 the Board of a Local Government Unit shall present to the decision-making entity of this unit and the Regional Chamber of Auditors an annual report on the implementation of the unit's budget for the year 2009, including detailed compilation of income and expenditures to the extent not smaller than in the Resolution on the budget. The decision-making entity of the Local-Government Unit shall examine the report on the implementation of the budget for the year 2009 by no later than 30 April 2010. Within the same period, based i.a. on the report on the implementation of the budget, the decision-making entity of the Local-Government Unit shall pass a Resolution on a vote of approval for the Board.

Pursuant to the above-mentioned specification of the Act on Public Finances, the report on the implementation of the budget of the Capital City of Warsaw for the year 2009 was prepared with the same accuracy as in the Resolution of the Capital City of Warsaw No. XLV/1407/2008 of 11 December 2008 on the budget of the Capital City of Warsaw for the year 2009, as amended.

In 2009, within the framework of the budget of the Capital City of Warsaw, there were implemented own tasks, commissioned tasks with respect to Government administration, tasks approved for implementation on the basis of agreements made with Government administration entities and other Local-Government entities, and tasks which were commissioned to entities not part of the public finance sector.

The report encompasses a list of budgetary entities which prepared accounts of own income and a statement of own income and expenditures by which these were financed. Also presented were data regarding the implementation of income and expenditures: state enterprises, auxiliary enterprises and funds for specific purposes: the Commune and Poviats Environment Protection and Water Management Fund and the Poviats Geodetic and Cartographic Resources Management Fund; and the implementation of finance plans of Independent Public Healthcare Units and Institutions of Culture, the founding entity of which is Warsaw.

The report includes a descriptive and tabular part divided into tasks pertaining to communes and poviats with isolation of tasks implemented by the districts of the Capital City of Warsaw.

The numerical data were presented on the basis of finance-accounting documentation regarding the implementation of budget income and expenditures and income and expenditures of budgetary companies, auxiliary enterprises, and funds for specific purposes, as well as own income of budgetary units and

¹ Dz.U. [Journal of Laws] No. 157, item 1240

² Dz.U. No. 157, item 1241

expenditures whereby these were financed, in relation to the amounts planned for the year 2009 and considering the changes introduced, i.e. in accordance with the state as at 31 December 2009.

Pursuant to the requirements of the Act on Public Finances, the Mayor of Warsaw passed on to the Council of the Capital City of Warsaw and the Regional Chamber of Auditors in Warsaw an "Information on the course of implementation of the budget for the 1st half-year of 2009". The Adjudicating Panel of the Regional Chamber of Auditors in Warsaw through the Resolution No. 226/W/09 of 23 September 2009 decided to grant a positive assessment on the submitted Information.

External conditions of the implementation of the budget of the Capital City of Warsaw in 2009

The economic slowdown which could be observed in 2009, resulting from continuous recession processes in Europe and in the world, had an adverse effect on the current situation, as well as prospects for the budget of the Capital City of Warsaw in respect of income.

The level of generation of the City's income specified in the Resolution on the budget, in accordance with its state as of 1 January 2009, monitored from early 2009, underwent a progressive decrease in relation to the level from previous years and to the indicators derived from the passage of time. The reduction in the dynamics of budget income concerned particularly income from taxes which are strongly dependent on the macroeconomic situation and income from the sales of premises and real properties, in connection with recession at the real property market.

On the basis of current results of the implementation of the budget recorded in the first months of 2009 and in the light of prognoses on development of the macroeconomic situation, one should have expected income below the planned level and reduction in income in the annual terms. Due to the scale of the adverse effects of the economic slowdown and the way it affected the City's income, it was necessary to verify the budget for the year 2009, as well as to update the assumptions of the multiyear finance prognosis and the City's Multi-Year Investment Programme for the years 2009-2013. The verification of the budget of the Capital City of Warsaw for the year 2009 taking into account the financial effects of the influence of economic slowdown on the City's income, included i.a. reduction in planned income:

- from share in personal income tax (PIT) in the amount of PLN 556.4 million,
- from share in corporate income tax (CIT) in the amount of PLN 70 million,
- from the tax on civil-law transactions (PCC) in the amount of PLN 216 million.

As a consequence, the planned income of the City in the above-mentioned accounts decreased cumulatively by PLN 842.4 million, and expenditures had to be adjusted to the reduced receipts.

In connection with the updates of forecast income, the appropriate changes in the multi-year finance prognosis were also introduced, verifying at the same time projected investment expenditures, taken into consideration in the multi-year investment programme.

IMPLEMENTATION OF THE BUDGET OF THE CAPITAL CITY OF WARSAW

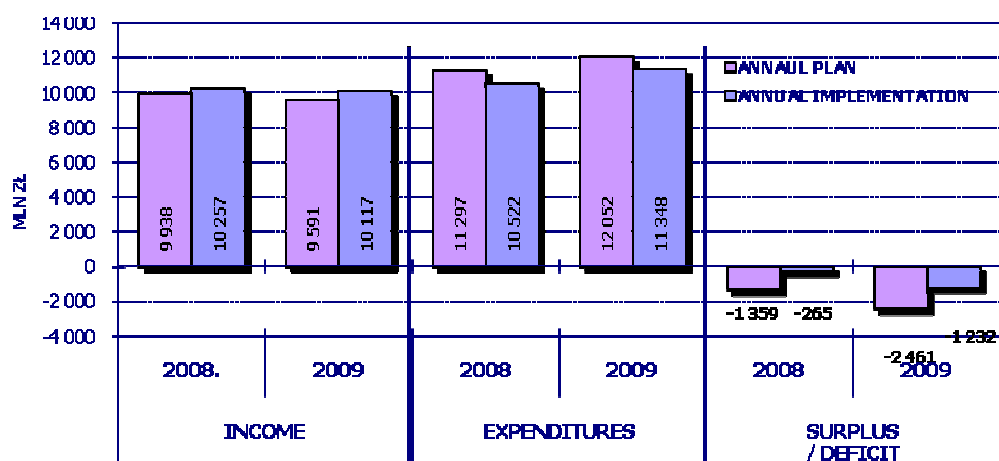
BASIC BUDGET AMOUNTS

The table below demonstrates the implementation of the plan of the main budget items of the Capital City of Warsaw in 2009 in relation to 2008.

TAB. 1 MAIN BUDGET ITEMS IN THE YEARS 2008-2009

No.	SPECIFICATION	YEAR 2008		YEAR 2009		PLAN IMPLEMENTATION INDICATOR		YEAR-ON-YEAR DYNAMICS	
		PLAN AS AT 31.12.2008	ANNUAL IMPLEMENTATION	PLAN AS AT 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION
		IN PLN				IN %			
A	TOTAL INCOME	9 937 647 900	10 256 992 693	9 591 052 095	10 116 715 173	103,2	105,5	96,5	98,6
A.1	CITY PART	6 455 683 811	6 686 452 067	5 905 709 026	6 395 814 035	103,6	108,3	91,5	95,7
A.2	POVIAT PART	1 769 203 780	1 875 934 215	1 907 121 407	1 918 083 821	106,0	100,6	107,8	102,2
A.3	DISTRICT PART	1 712 760 309	1 694 606 411	1 778 221 662	1 802 817 317	98,9	101,4	103,8	106,4
B	TOTAL EXPENDITURES	11 296 724 253	10 522 296 406	12 052 254 816	11 348 207 179	93,1	94,2	106,7	107,8
B.1	CURRENT EXPENDITURES	8 802 948 600	8 425 763 697	9 652 811 943	9 246 568 917	95,7	95,8	109,7	109,7
B.1.1	CITY PART	3 912 298 155	3 648 068 857	4 324 125 235	4 050 085 045	93,2	93,7	110,5	111,0
B.1.2	POVIAT PART	932 280 908	919 961 127	1 072 035 161	1 059 936 853	98,7	98,9	115,0	115,2
B.1.3	DISTRICT PART	3 958 369 537	3 857 733 713	4 256 651 547	4 136 547 019	97,5	97,2	107,5	107,2
B.2	PROPERTY EXPENDITURES	2 493 775 653	2 096 532 709	2 399 442 873	2 101 638 262	84,1	87,6	96,2	100,2
B.2.1	CITY PART	1 628 122 702	1 336 589 958	1 596 797 214	1 389 993 894	82,1	87,0	98,1	104,0
B.2.2	POVIAT PART	45 973 822	41 505 590	43 483 694	38 547 612	90,3	88,6	94,6	92,9
B.2.3	DISTRICT PART	819 679 129	718 437 161	759 161 965	673 096 756	87,6	88,7	92,6	93,7
C	SURPLUS / DEFICIT [A - B]	-1 359 076 353	-265 303 713	-2 461 202 721	-1 231 492 006	-	-	-	-

DIAG. 1 MAIN BUDGET ITEMS IN THE YEARS 2008-2009



The generation of **income** in 2009 amounted to **105.5%** of the plan. Income in 2009 underwent a nominal **decrease** year on year by **1.4%**, i.e. by **PLN 140.3 million**.

The plan of **expenditures in total** for the year 2009 was implemented at **94.2%**. Total expenditures in 2009 **increased** nominally year on year by **7.8%**, i.e. by **PLN 825.9 million**.

The realisation of the **current expenditure** plan in 2009 amounted to **95.8%**. Current expenditures in 2009 **increased** nominally, year on year, to **9.7%**, i.e. by **PLN 820.8 million**.

The realisation of the plan of **property expenditures** in 2009 amounted to **87.6%**. Property expenditures in 2009 **increased** nominally, year on year, by **0.2%**, i.e. by **PLN 5.1 million**.

Report on the implementation of the budget of the City of Warsaw for the year 2009
INTRODUCTION

INCOME

GENERAL INFORMATION

The table below demonstrates the implementation of the plan of budget income of the Capital City of Warsaw, according to sources in 2009 against 2008.

TAB. 2. INCOME ACCORDING TO SOURCES IN THE YEARS 2008-2009

No.	SPECIFICATION	YEAR 2008		YEAR 2009		RATE OF PLAN IMPLEMENTATION		YEAR-ON-YEAR DYNAMICS	
		PLAN AS OF 31.12.2008	ANNUAL IMPLEMENTATION	PLAN AS OF 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION
		in PLN				in %			
CURRENT INCOME		9 172 088 317	9 585 958 831	9 102 951 095	9 648 982 735	104,5	106,0	99,2	100,7
A	OWN INCOME	7 755 192 483	8 178 312 786	7 487 739 501	8 043 046 383	105,5	107,4	96,6	98,3
I	Local taxes and charges	820 592 921	815 506 039	817 117 274	850 107 053	99,4	104,0	99,6	104,2
1	real property tax	746 474 834	767 307 390	775 851 792	809 867 942	102,8	104,4	103,9	105,5
2	transport vehicle tax	67 129 387	37 532 132	35 925 553	31 564 748	55,9	87,9	53,5	84,1
3	market tolls	6 071 020	9 232 067	4 148 470	7 262 031	152,1	175,1	68,3	78,7
4	agricultural tax	819 047	1 324 113	1 077 194	1 296 869	161,7	120,4	131,5	97,9
5	forest tax	94 633	109 911	112 765	114 382	116,1	101,4	119,2	104,1
6	arrears resulting from abolished taxes	4 000	652	1 500	1 079	16,3	71,9	37,5	165,5
7	dog tax	0	-226	0	2	-	-	-	-0,9
II	Taxes collected by Tax Offices	795 000 000	591 375 595	403 500 000	482 275 481	74,4	119,5	50,8	81,6
1	tax on civil law transactions	730 000 000	509 279 066	334 000 000	408 198 514	69,8	122,2	45,8	80,2
2	inheritance and endowment tax	50 000 000	68 479 416	55 000 000	61 667 425	137,0	112,1	110,0	90,1
3	business tax from natural persons in the form of tax cards	15 000 000	13 617 113	14 500 000	12 409 542	90,8	85,6	96,7	91,1
III	Receipts from payments	215 753 650	256 163 600	234 953 173	221 025 951	118,7	94,1	108,9	86,3
1	stamp duties	84 000 000	117 302 202	109 000 000	94 117 512	139,6	86,3	129,8	80,2
2	transport fares	42 060 300	43 391 176	36 500 000	36 170 438	103,2	99,1	86,8	83,4
3	payment for issuing permits for the sale of alcoholic beverages	34 344 000	35 844 686	36 989 000	39 282 775	104,4	106,2	107,7	109,6
4	product fees	160 000	36 100	40 000	36 777	22,6	91,9	25,0	101,9
5	other payments collected on the basis of separate Acts (payment for occupancy of right of way, zoning fees, betterment levies, carriage licence fee)	55 189 350	59 589 436	52 424 173	51 418 449	108,0	98,1	95,0	86,3
IV	Share in taxes constituting income of State budget	3 902 695 873	4 325 828 378	4 016 000 000	4 169 228 907	110,8	103,8	102,9	96,4
1	in Personal Income Tax	3 168 695 873	3 514 470 289	3 266 000 000	3 474 504 707	110,9	106,4	103,1	98,9
2	in Corporate Income Tax	734 000 000	811 358 089	750 000 000	694 724 200	110,5	92,6	102,2	85,6
V	Property income	755 143 291	792 183 830	829 761 355	979 490 216	104,9	118,0	109,9	123,6
1	rental and lease income	429 966 161	453 669 385	460 270 640	520 536 550	105,5	113,1	107,0	114,7
2	payments for management, usufruct and perpetual usufruct of property	290 357 130	314 158 731	292 533 379	329 193 447	108,2	112,5	100,7	104,8
3	dividends from companies	7 520 000	24 221 694	12 825 000	23 012 433	322,1	179,4	170,5	95,0
4	payments from the profits of utility enterprises	20 000 000	133 921	0	122 313	0,7	-	0,0	91,3
5	receipts from the financial resources remaining after winding-up of enterprises	7 300 000	99	8 577 965	7 017 616	0,0	81,8	117,5	7 088 501,0
6	interests from funds on bank accounts	0	0	55 554 371	99 607 857	-	179,3	-	-
VI	Grants from budgets of other Local Government Units	12 560 372	17 039 377	15 694 350	28 902 892	135,7	184,2	125,0	169,6
VII	Other income	1 253 446 376	1 380 215 967	1 170 713 349	1 312 015 883	110,1	112,1	93,4	95,1
1	receipts from services	865 687 269	884 992 120	931 711 067	938 253 020	102,2	100,7	107,6	106,0
2	income related to the implementation of tasks connected with Government administration	60 831 573	76 107 480	67 372 819	65 985 518	125,1	97,9	110,8	86,7
3	receipts from remaining income, payments and taxes	326 927 534	419 116 367	171 629 463	307 777 345	128,2	179,3	52,5	73,4
B	SUBSIDIES, GRANTS, EU FUNDS	1 416 895 834	1 407 646 045	1 615 211 594	1 605 936 352	99,3	99,4	114,0	114,1
I	General subsidy	1 062 955 554	1 062 955 554	1 214 012 738	1 214 012 738	100,0	100,0	114,2	114,2
1	education section	923 321 070	923 321 070	1 022 414 334	1 022 414 334	100,0	100,0	110,7	110,7
2	compensating section	139 634 484	139 634 484	173 752 576	173 752 576	100,0	100,0	124,4	124,4
3	supplementation of general subsidy	0	0	17 845 828	17 845 828	-	100,0	-	-
II	State budget restricted grants	343 557 698	334 089 774	366 322 821	364 315 470	97,2	99,5	106,6	109,0
1	for own tasks	58 269 444	55 802 588	59 725 077	58 940 361	95,8	98,7	102,5	105,6
2	for contracted tasks	283 508 388	276 572 548	305 349 604	304 133 956	97,6	99,6	107,7	110,0
3	for tasks implemented on the basis of agreements with Government administration bodies	1 779 866	1 714 638	1 248 140	1 241 153	96,3	99,4	70,1	72,4
III	Grants for specific purposes	1 867 676	1 647 390	1 621 600	4 293 600	88,2	264,8	86,8	260,6
IV	Funds earmarked for co-financing projects implemented within EU programmes	8 514 906	8 953 327	33 254 435	23 314 544	105,1	70,1	390,5	260,4
PROPERTY INCOME		765 559 583	671 033 862	488 101 000	467 732 438	87,7	95,8	63,8	69,7
A	OWN INCOME	395 662 271	348 515 176	292 858 085	182 233 558	88,1	62,2	74,0	52,3
I	Receipts from the sale of premises and property	291 088 821	243 950 515	284 698 128	174 481 726	83,8	61,3	97,8	71,5
II	Alienation of property rights - the sale of shares in companies	97 879 000	97 260 150	939 800	495 408	99,4	52,7	1,0	0,5
III	Receipts from the sale of property items	220 000	316 698	293 101	797 339	144,0	272,0	133,2	251,8
IV	Receipts from transforming the right of perpetual usufruct into ownership right	6 459 450	6 972 813	6 897 591	6 429 620	107,9	93,2	106,8	92,2
V	Grants from budgets of other Local Government Units for investment costs	15 000	15 000	29 465	29 465	100,0	100,0	196,4	196,4
B	SUBSIDIES, GRANTS, EU FUNDS	369 897 312	322 518 686	195 242 915	285 498 880	87,2	146,2	52,8	88,5
I	Funds earmarked for co-financing projects implemented within EU programmes	357 650 918	310 561 038	146 687 915	233 623 949	86,8	159,3	41,0	75,2
II	State budget restricted grants earmarked for investments	11 611 489	10 956 353	3 540 000	4 871 563	94,4	137,6	30,5	44,5
III	Grants for specific purposes	210 000	0	0	0	0,0	-	0,0	-
IV	Funds for investments raised from other sources	424 905	1 001 295	15 000	2 003 368	235,7	13 355,8	3,5	200,1
V	Supplementation of general subsidy	0	0	45 000 000	45 000 000	-	100,0	-	-
TOTAL INCOME		9 937 647 900	10 256 992 693	9 591 052 095	10 116 715 173	103,2	105,5	96,5	98,6
A	OWN INCOME	8 150 854 754	8 526 827 962	7 780 597 586	8 225 279 941	104,6	105,7	95,5	96,5
B	SUBSIDIES, GRANTS, EU FUNDS	1 786 793 146	1 730 164 731	1 810 454 509	1 891 435 232	96,8	104,5	101,3	109,3

The plan of **income in total** in 2009 was implemented at **105.5%**. Income in 2009 **decreased** nominally, year on year, by **1.4%**, i.e. by **PLN 140.3 million**.

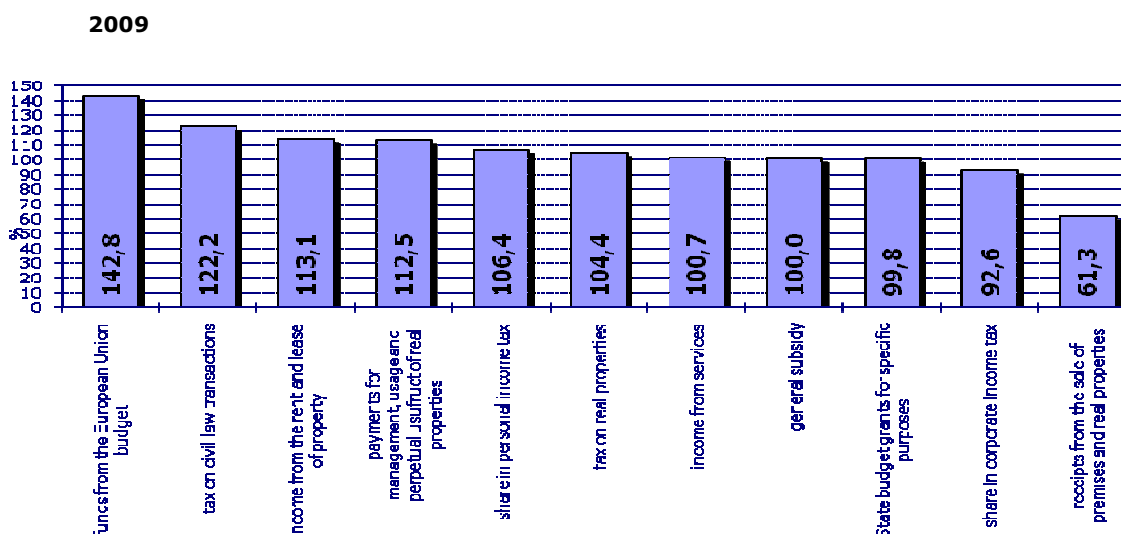
The realisation of the plan of **current income** in 2009 amounted to **106.0%**. Current income in 2009 **increased** nominally, on year, by **0.7%**, i.e. by **PLN 63 million**.

The realisation of the plan of **property income** in 2009 amounted to **95.8%**. Property income in 2009 **decreased** nominally, year on year, by **30.3%**, i.e. by **PLN 203.3 million**.

INCOME ACCORDING TO SOURCES

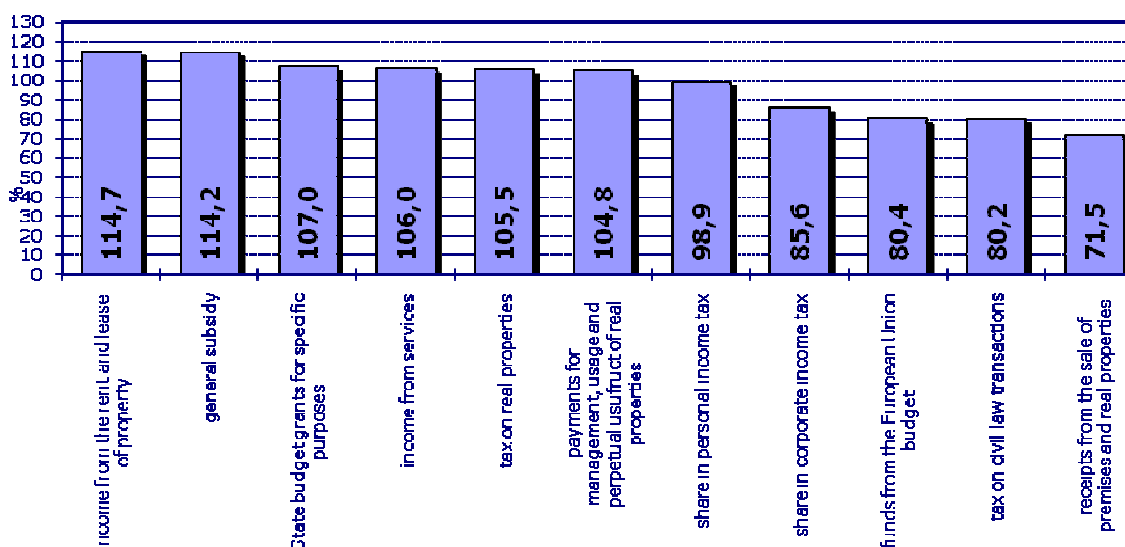
Realised planned **income** in 2009 in a profile of main items according to sources ranged between **61.3%** and **142.8%** (Diag. No. 2).

DIAG. 2 THE LEVEL OF IMPLEMENTATION OF THE INCOME PLAN ACCORDING TO MAIN SOURCES IN



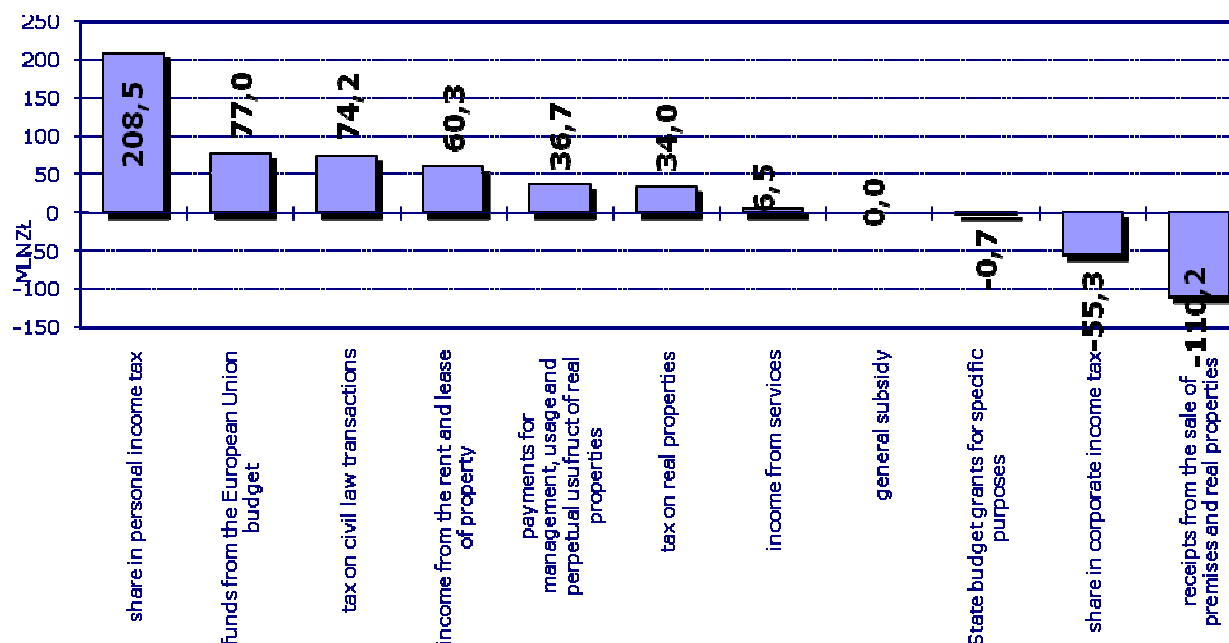
Nominal dynamics of income in 2009 against 2008 in a profile of **main items according to sources** ranged between **71.5%** and **114.7%** (Diag. No. 3).

DIAG. 3 NOMINAL DYNAMICS OF INCOME 2009/2008 ACCORDING TO MAIN SOURCES



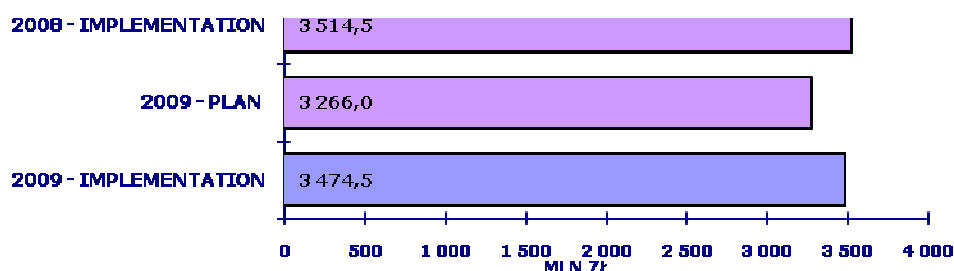
Monetary deviations from the plan of income in 2009 within the framework of **main items in according to sources** amounted from **PLN -110.2 million** to **PLN +208.5 million** (Diag. No. 4).

DIAG. 4 DEVIATION FROM THE INCOME PLAN IMPLEMENTATION ACCORDING TO MAIN SOURCES IN 2009



INCOME ACCORDING TO SOURCES – MAIN IMPLEMENTATION DEVIATIONS FROM THE PLAN

SHARE IN PERSONAL INCOME TAX



The realisation of the plan of **income on account of the share in personal income tax** in 2009 amounted to **106.4%**. Income in 2009 **decreased** year on year by **1.1%**, i.e. by **PLN 40.0 million**.

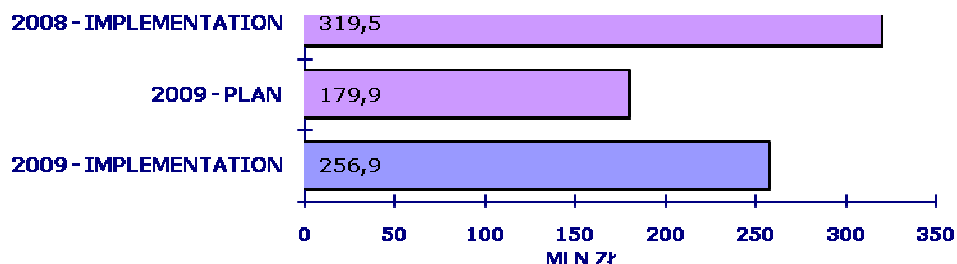
The decrease in income on a year-on-year basis was mostly determined by the lowering of the tax scale for payers settling taxes in accordance with general principles (from 19%, 30%, 40% to 18%, 32%), which overlapped the effects of the economic slowdown related to the world economic crisis.

In the face of the extent of the adverse financial effects of the economic slowdown recorded with regard to receipts on account of share in PIT, the initial plan of income from this source was updated on the basis of

current macroeconomic forecasts. Planned receipts were reduced by PLN 556.4 million, i.e. by 14.6%. Eventually, the obtained income from share in the PIT tax were larger by PLN 208.5 million in relation to the adjusted plan.

Real growth in GDP amounted to 1.7%, with a moderate increase in registered unemployment, the level of which at the end of 2009 amounted to 11.9%, against the planned 12.5%. According to the data from the end of November 2009, employment fell by 0.9% in the national economy, and by 2.2% in the business sector, in relation to corresponding period of the preceding year. The average monthly gross remuneration in the national economy increased by 5.5% in the period from January to November 2009 in relation to the corresponding period of the preceding year, and by 4.4% in the business sector on a year-on-year basis. Receipts from the share in PIT obtained in 2009 were lower by PLN 40 million in relation to 2008.

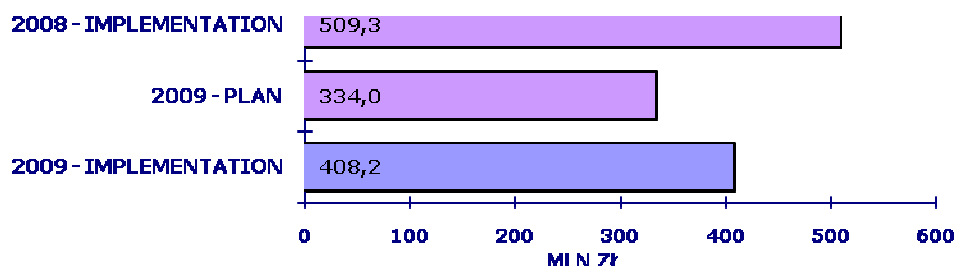
RESOURCES FOR THE SUBSIDISATION OF PROJECTS IMPLEMENTED AS PART OF EU PROGRAMMES



The realisation of the plan of **income from resources for the subsidisation of projects implemented as part of EU programmes** in 2009 amounted to **142.8%**. Income in 2009 **decreased** by **19.6%** year on year, i.e. by **PLN 62.6 million**.

The implementation of income exceeding the planned quota results from the influx of resources on account of the co-financing of the construction of the Copernicus Science Centre by the European Union – planned for 2010.

TAX ON CIVIL LAW TRANSACTIONS



The realisation of the plan of **income from the tax on civil law transactions** in 2009 amounted to **122.2%**. Income in 2009 **decreased** by **19.8%** year-to-year, i.e. by **PLN 101.1 million**.

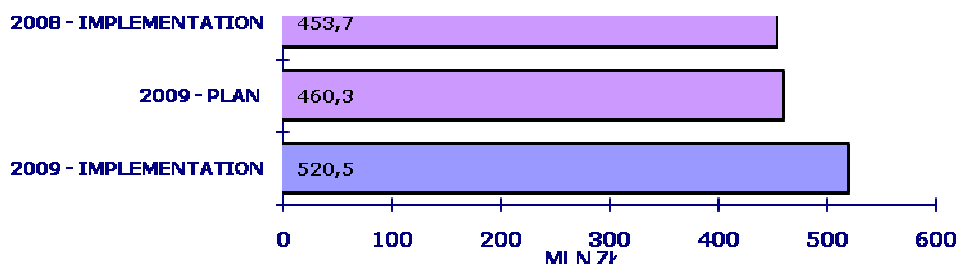
The decrease in income from this tax observed in 2009 in relation to 2008 and preceding years results from the continuation of the 4th quarter 2008 economic slowdown and the decline in the number and value of transactions subject to this tax. The freeze that occurred in the real property market contributed to the decline in the City's income from tax on civil-law transactions in 2009. This in turn was an incentive to conduct during the budget year an adjustment of the plan of income on this account by PLN -216 million, i.e. -39.3%.

The decrease in income was further intensified by system reforms, the introduction of which began in January last year. Their aim was to limit the range of activities going under this tax (i.e. excluding from taxation changes in the contracts of capital companies and activities connected with the transfer of assets and liabilities in capital companies).

The final results from this tax were significantly affected by singularly high income from the realisation of the agreement between the State Treasury with Eureka on the PZU S.A. *[joint stock company]* – in October last year (PLN 30 million) and connected with the articles of association of KAPPA S.A. *[joint stock company]*.

Despite incidental receipts, income from the tax on civil law transactions were lower by PLN 101.1 million in relation to 2008.

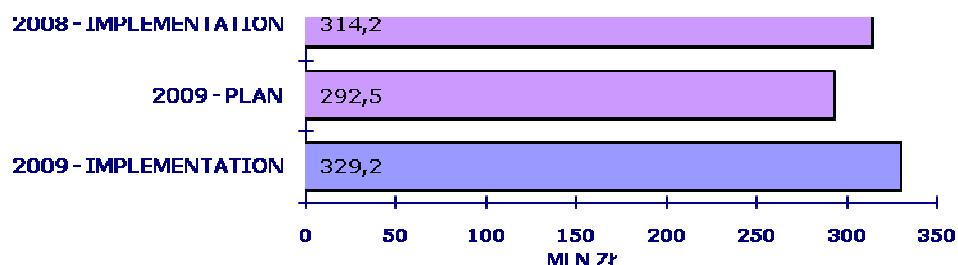
INCOME FROM RENTS AND LEASE OF PROPERTY



The realisation of the plan of **income from rents and lease of property** in 2009 amounted to **113.1%**. Income in 2009 **increased** by **14.7%** year on year, i.e. by **PLN 66.8 million**.

The increase in income was due to higher generation of income from rents and lease of property by districts, after incorporating the verification of rent payments for public housing premises (financial effect of the increase of rents is estimated at PLN 40 million). The amount of receipts also includes increased income on account of the collection of receivables. Higher-than-planned income from the said source were also an effect of the better-than-planned implementation of income on the part of districts from the lease of lands – by PLN 17.3 million from the rent of usable premises – by PLN 6 million from the leasing of land for advertising – by PLN 1 million.

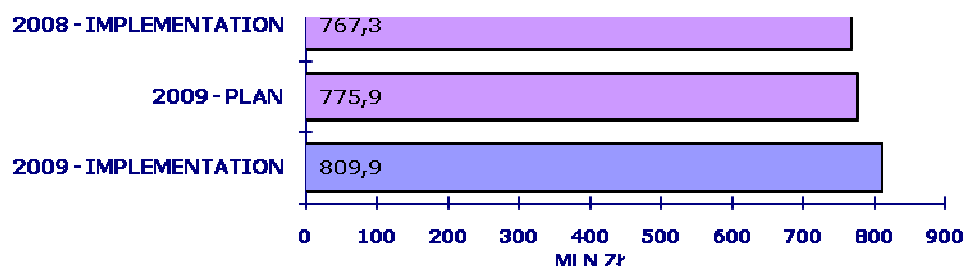
PAYMENTS FOR MANAGEMENT, USAGE AND PERPETUAL USUFRUCT OF REAL PROPERTIES



The realisation of the plan of **income from payments for management, usage and perpetual usufruct of real properties** in 2009 amounted to **112.5%**. Income in 2009 **increased** by **4.8%** year on year, i.e. by **PLN 15.0 million**.

Income exceeding the planned quota results, i.a. from the revaluation of payments. Income is mainly generated by districts.

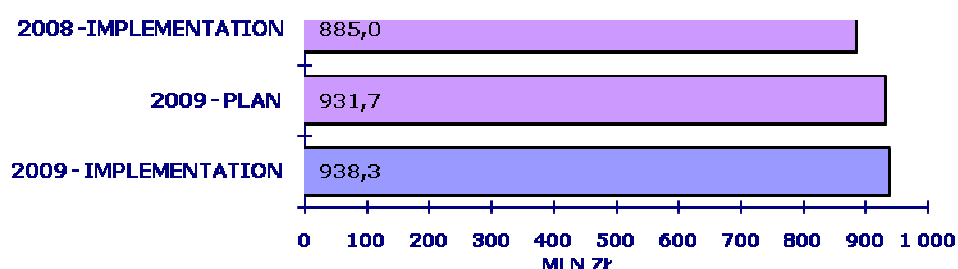
TAX ON REAL PROPERTIES



The realisation of the plan of **income from the tax on real properties** in 2009 amounted to **104.4%**. Income in 2009 **increased** by 5.5% year on year, i.e. by **PLN 42.6 million**.

In 2009 a growth tendency was observable in receipts on account of tax on properties which was an effect of the systematic improvement in the level of debt recovery and increase in the tax base, i.e. taxable lands, buildings intended for business activity and constructions.

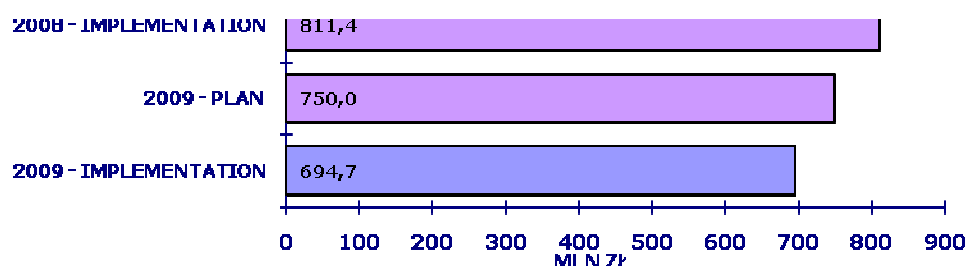
INCOME FROM SERVICES



The realisation of **the plan of income from receipts from services** in 2009 amounted to **100.7%**. Income in 2009 **increased** by **6.0%** year on year, i.e. by **PLN 53.3 million**.

The increase in income was mainly caused by the effect of base, i.e. a change in the price of public transport tickets in the middle of 2008 – in 2009 higher prices were in force for the whole year. Worth attention as well as the above-average monthly generation of income in December of last year, this being the effect of increased sales of period tickets in the form of city cards in connection with the planned introduction of a personalised city card from January 2010.

SHARE IN CORPORATE INCOME TAX

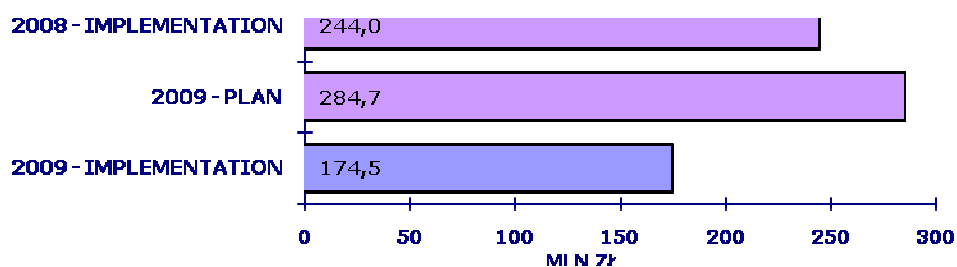


The realisation of the plan of **income on account of share in the corporate income tax** in 2009 amounted to **92.6%**. Income in 2009 **decreased** by **14.4%** year on year, i.e. by **PLN 116.7 million**.

Preliminary analysis suggests that the financial results obtained by companies were poorer than in the preceding year. Income underwent slower growth than costs, which contributed to the worsening of the majority of basic economic-financial correlations. A decline in profitability was also incurred by banks, as a consequence of faster growth in costs (e.g. provisions for non-performing loans) than in income from bank activity.

As a result, income on account of share in the corporate income tax were generated at a level below the planned value and in the amount by PLN 116.7 million than in 2008.

RECEIPTS FROM SALES OF PREMISES AND REAL PROPERTIES



The realisation of **the plan of income from receipts from sales of premises and real properties** in 2009 amounted to **61.3%**. Income in 2009 **decreased** by **28.5%** year on year, i.e. by **PLN 69.5 million**.

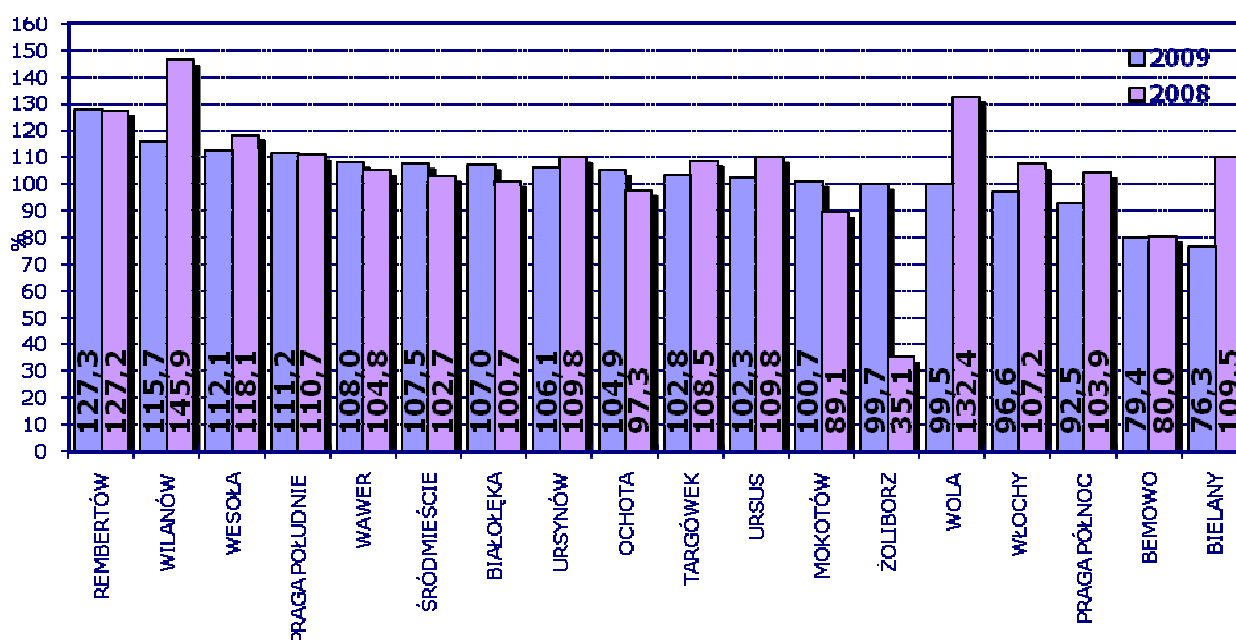
A decline in income was connected with frozen demand for real properties on the part of investors, as a consequence of the worse situation in the real property market. Out of 90 tenders announced by the Office of Real Properties last year only 13 tenders settled positively, with 5 of them as limited tenders, and 77 negatively.

INCOME OF THE CITY IMPLEMENTED BY THE DISTRICTS

The realisation of the plan of **income generated by the districts** in 2009 amounted to **101.4%**. Income in 2009 **increased** by **6.4%** year on year, i.e. by **PLN 108.2 million**.

In the diagram below is presented the implementation of the income plan on the part of particular districts of Warsaw in 2009 against 2008.

DIAGRAM 5: INCOME OF THE DISTRICTS – THE STAGE OF IMPLEMENTATION OF THE PLAN IN THE YEARS 2008-2009



Generation of planned income by the districts in 2009 amounted to between **76.3%** and **127.3%**.

In 2009, as compared with the previous year, **8 districts** recorded an **increase in the implementation of the annual plan**, while **10 districts** recorded a **decrease**.

The highest level of realisation of the income plan in 2009 occurred in the following districts:

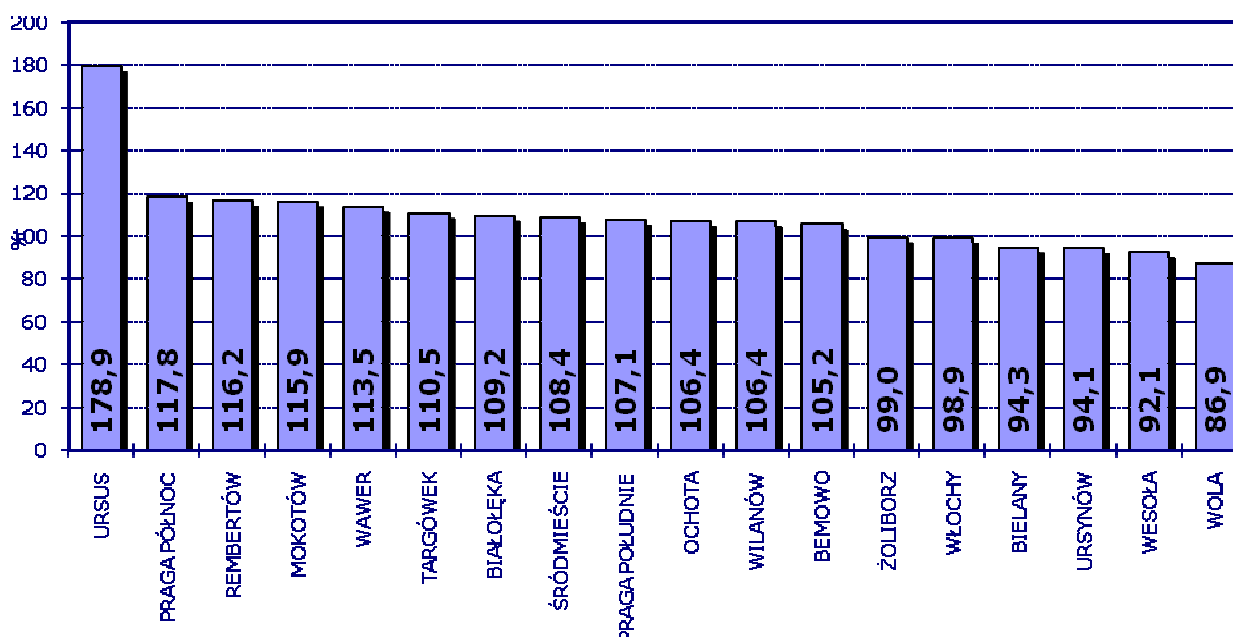
1. Rembertów: 127.3%
2. Wilanów: 115.7%
3. Wesoła: 112.1%

The lowest level of realisation of the income plan in 2009 occurred in the following districts:

1. Bielany: 76.3%,
2. Bemowo: 79.4%,
3. Praga Północ: 92.5%.

The diagram below presents the dynamics of income in relation to the realisation in individual districts of Warsaw in 2009 compared to 2008.

DIAG. 6 INCOME OF DISTRICTS – NOMINAL DYNAMICS 2009/2008



Nominal dynamics of income generated by districts in 2009 against 2008 ranged from **86.9%** to **178.9%**.

In 2009 in comparison to the preceding year, **12 districts** recorded an **increase in income**, while **6 districts** recorded its **decrease**.

The highest relative growth in income in 2009 against 2008 occurred in the following districts:

1. Ursus: +78.9%,
2. Praga Północ: +17.8%,
3. Rembertów: +16.2%.

The highest growth in income in absolute numbers in 2009 against 2008 occurred in the following districts:

1. Mokotów: PLN +37.9 million,
2. Śródmieście: PLN +34.3 million,
3. Ursus: PLN +25.1 million.

The highest relative decline in income in 2009 against 2008 occurred in the following districts:

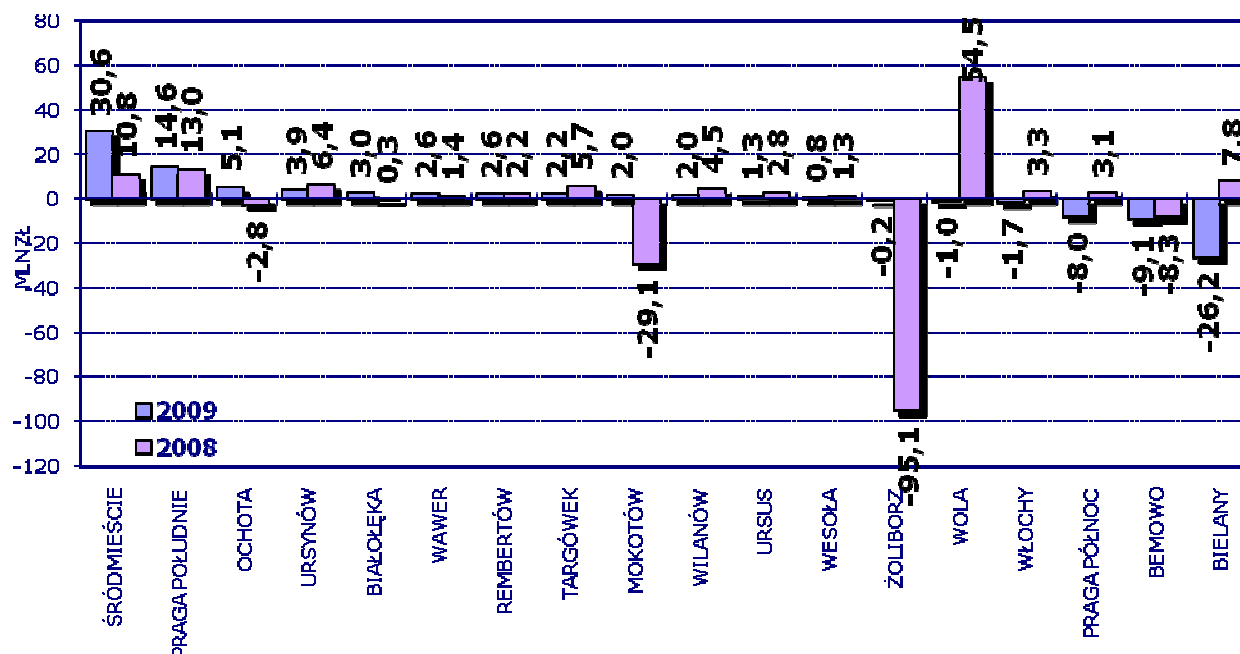
1. Wola: -13,1%,
2. Wesoła: -7,9%,
3. Ursynów: -5,9%.

The highest decline in income in absolute numbers in 2009 against 2008 occurred in the following districts:

1. Wola: PLN -29.2 million,
2. Bielany: PLN -5.2 million,
3. Ursynów: PLN -4.2 million.

The diagram below presents deviations from implementation of the plan of income to realisation in particular districts of the Capital City of Warsaw in 2009 against 2008.

DIAG. 7 INCOME OF DISTRICTS – IMPLEMENTATION DEVIATION FROM THE PLAN IN THE YEARS 2008-2009



Amount deviations from the plan of income realised by districts in 2009 amounted to between **PLN -26.2 million** (income not realised – Bielany District) and **PLN +30.6 million** (extra income – Śródmieście District).

The highest positive deviation from the implementation of the plan of income in 2009 occurred in the following districts:

1. Śródmieście: PLN +30.6 million,
2. Praga Południe: PLN +14.6 million,
3. Ochota: PLN +5.1 million.

The highest negative deviation from the implementation of the plan of income in 2009 occurred in the following districts:

1. Bielany: PLN -26.2 million,
2. Bemowo: PLN -9.1 million,
3. Praga Północ: PLN -8.0 million.

EXPENDITURES

The plan of **expenditures in total** for 2009 was implemented at **94.2%**. Expenditures in total in 2009 **increased** by **7.8%** year on year, i.e. by **PLN 825.9 million**.

The realisation of plan of **current expenditures** in 2009 amounted to **95.8%**. Current expenditures in 2009 **increased** by **9.7%** year on year, i.e. by **PLN 820.8 million**.

The realisation of **property expenditures** in 2009 amounted to **87.6%**. Property expenditures in 2009 increased by **0.2%** year on year, i.e. by **PLN 5.1 million**.

EXPENDITURES IN TOTAL ACCORDING TO DIVISIONS OF BUDGET CLASSIFICATION

The table below presents the realisation of the plan of budżet expenditures according to divisins in the Capital City of Warsaw in 2009 against 2008.

TAB. 3 EXPENDITURES ACCORDING TO DIVISIONS IN THE YEARS 2008-2009

Report on the implementation of the budget of the City of Warsaw for the year 2009
INTRODUCTION

DIVISION	SPECIFICATION	YEAR 2008		YEAR 2009		RATE OF PLAN IMPLEMENTATION		YEAR-ON-YEAR DYNAMICS	
		PLAN AS OF 31.12.2008	ANNUAL IMPLEMENTATION	PLAN AS OF 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION
						IN PLN			
TOTAL EXPENDITURES		11 296 724 253	10 522 296 406	12 052 254 816	11 348 207 179	93,1	94,2	106,7	107,8
CURRENT EXPENDITURES		8 802 948 600	8 425 763 697	9 652 811 943	9 246 568 917	95,7	95,8	109,7	109,7
-	REMUNERATIONS AND RELATED EXPENDITURES	2 729 381 747	2 676 278 854	2 950 609 413	2 859 460 269	98,1	96,9	108,1	106,8
-	GRANTS	1 551 323 702	1 543 055 921	1 821 855 381	1 813 471 452	99,5	99,5	117,4	117,5
-	PURCHASE OF MATERIAL ASSETS	4 355 148 077	4 074 749 123	4 657 325 533	4 441 259 742	93,6	95,4	106,9	109,0
-	DEBTS SERVICING	142 438 604	122 827 316	188 365 100	120 122 655	86,2	63,8	132,2	97,8
-	GUARANTEES AND WARRANTIES	24 656 470	8 852 483	34 656 516	12 254 799	35,9	35,4	140,6	138,4
PROPERTY EXPENDITURES		2 493 775 653	2 096 532 709	2 399 442 873	2 101 638 262	84,1	87,6	96,2	100,2
010	AGRICULTURE AND HUNTING	55 267	50 862	61 131	52 225	92,0	85,4	110,6	102,7
-	current expenditures	55 267	50 862	61 131	52 225	92,0	85,4	110,6	102,7
-	property expenditures	0	0	0	0	-	-	-	-
020	FORESTRY	7 890 000	7 579 244	4 526 100	4 455 995	96,1	98,5	57,4	58,8
-	current expenditures	4 840 000	4 747 417	4 507 100	4 437 218	98,1	98,4	93,1	93,5
-	property expenditures	3 050 000	2 831 827	19 000	18 777	92,8	98,8	0,6	0,7
400	PRODUCTION AND SUPPLY IN ELECTRIC ENERGY, GAS AND WATER	6 295 649	5 612 788	6 103 123	5 543 975	89,2	90,8	96,9	98,8
-	current expenditures	4 763 892	4 120 090	4 627 289	4 074 959	86,5	88,1	97,1	98,9
-	property expenditures	1 531 757	1 492 698	1 475 834	1 469 016	97,5	99,5	96,3	98,4
500	TRADE	30 873	26 069	20 293	8 270	84,4	40,8	65,7	31,7
-	current expenditures	30 873	26 069	20 293	8 270	84,4	40,8	65,7	31,7
-	property expenditures	0	0	0	0	-	-	-	-
600	TRANSPORT AND COMMUNICATIONS	3 271 006 802	2 905 125 028	3 106 723 633	2 925 189 028	88,8	94,2	95,0	100,7
-	current expenditures	2 096 528 924	1 997 434 143	2 285 672 032	2 237 719 314	95,3	97,9	109,0	112,0
-	property expenditures	1 174 477 878	907 690 885	821 051 601	687 469 714	77,3	83,7	69,9	75,7
630	TOURISM	5 235 250	4 812 815	7 591 030	6 564 544	91,9	86,5	145,0	136,4
-	current expenditures	5 185 250	4 764 354	6 648 050	6 564 544	91,9	98,7	128,2	137,8
-	property expenditures	50 000	48 461	942 980	0	96,9	0,0	1 886,0	0,0
700	HOUSING MANAGEMENT	1 209 896 449	1 101 322 455	1 268 145 767	1 194 639 890	91,0	94,2	104,8	108,5
-	current expenditures	1 043 897 308	957 178 890	1 084 066 698	1 040 884 077	91,7	96,0	103,8	108,7
-	property expenditures	165 999 141	144 143 565	184 079 069	153 755 813	86,8	83,5	110,9	106,7
710	SERVICES	79 591 292	64 394 233	58 570 042	49 914 338	80,9	85,2	73,6	77,5
-	current expenditures	54 086 555	39 597 607	49 533 761	41 452 324	73,2	83,7	91,6	104,7
-	property expenditures	25 504 737	24 796 626	9 036 281	8 462 014	97,2	93,6	35,4	34,1
750	PUBLIC ADMINISTRATION	959 022 628	892 982 142	957 173 798	843 887 398	93,1	88,2	99,8	94,5
-	current expenditures	812 280 612	755 507 177	892 512 117	787 172 644	93,0	88,2	109,9	104,2
-	property expenditures	146 742 016	137 474 965	64 661 681	56 714 754	93,7	87,7	44,1	41,3
751	OFFICES OF MAIN STATE, CONTROL, LAW PROTECTION AND JUDICIARY AUTHORITIES	247 008	247 008	2 051 887	1 997 783	100,0	97,4	830,7	808,8
-	current expenditures	247 008	247 008	2 051 887	1 997 783	100,0	97,4	830,7	808,8
-	property expenditures	0	0	0	0	-	-	-	-
754	PUBLIC SECURITY AND FIRE PROTECTION	263 287 907	256 896 607	268 032 509	256 540 104	97,6	95,7	101,8	99,9
-	current expenditures	229 540 537	227 452 405	231 080 415	230 708 701	99,1	99,8	100,7	101,4
-	property expenditures	33 747 370	29 444 202	36 952 094	25 831 403	87,2	69,9	109,5	87,7
756	INCOME OF LEGAL ENTITIES, NATURAL PERSONS AND OTHER ENTITIES WITHOUT LEGAL PERSONALITY AND EXPENDITURES RELATED TO THEIR COLLECTION	4 466 527	3 832 507	3 960 726	3 029 374	85,8	76,5	88,7	79,0
-	current expenditures	4 466 527	3 832 507	3 960 726	3 029 374	85,8	76,5	88,7	79,0
-	property expenditures	0	0	0	0	-	-	-	-
757	PUBLIC DEBTS SERVICING	168 095 074	131 685 002	228 481 616	134 704 191	78,3	59,0	135,9	102,3
-	current expenditures	168 095 074	131 685 002	228 481 616	134 704 191	78,3	59,0	135,9	102,3
-	property expenditures	0	0	0	0	-	-	-	-
758	VARIOUS SETTLEMENTS	785 750 558	782 312 016	1 039 946 373	1 018 124 105	99,6	97,9	132,4	130,1
-	current expenditures	785 747 848	782 312 016	1 039 746 250	1 018 124 105	99,6	97,9	132,3	130,1
-	property expenditures	2 710	0	200 123	0	0,0	0,0	7 384,6	0,0
801	EDUCATION	2 154 614 454	2 117 057 105	2 280 284 968	2 246 266 610	98,3	96,5	105,8	106,1
-	current expenditures	1 879 745 584	1 860 302 441	2 023 779 991	2 002 805 680	99,0	99,0	107,7	107,7
-	property expenditures	274 868 870	256 754 664	256 504 977	243 460 930	93,4	94,9	93,3	94,8
803	HIGHER EDUCATION	2 079 904	2 079 904	2 111 560	2 108 777	100,0	99,9	101,5	101,4
-	current expenditures	2 079 904	2 079 904	2 111 560	2 108 777	100,0	99,9	101,5	101,4
-	property expenditures	0	0	0	0	-	-	-	-
851	HEALTH CARE	284 534 910	251 195 311	239 243 740	232 044 500	88,3	97,0	84,1	92,4
-	current expenditures	88 377 585	79 801 819	93 430 455	87 010 214	90,3	93,1	105,7	109,0
-	property expenditures	196 157 325	171 393 492	145 813 285	145 034 286	87,4	99,5	74,3	84,6
852	SOCIAL AID	610 508 053	589 255 012	700 053 437	669 878 132	96,5	95,7	114,7	113,7
-	current expenditures	577 449 050	561 947 020	616 496 254	592 001 203	97,3	96,0	106,8	105,3
-	property expenditures	33 059 003	27 307 992	83 557 183	77 876 929	82,6	93,2	252,8	285,2
853	OTHER TASKS RELATED TO SOCIAL POLICY	91 805 483	87 147 688	99 006 323	93 533 989	94,9	94,5	107,8	107,3
-	current expenditures	73 145 743	69 952 576	88 985 523	83 912 115	95,6	94,3	121,7	120,0
-	property expenditures	18 659 740	17 195 112	10 020 800	9 621 874	92,2	96,0	53,7	56,0
854	EDUCATION CARE	231 566 874	227 114 130	270 622 337	262 716 064	98,1	97,1	116,9	115,7
-	current expenditures	213 440 876	210 187 096	246 741 678	243 107 384	98,5	98,5	115,6	115,7
-	property expenditures	18 125 998	16 927 034	23 880 659	19 608 680	93,4	82,1	131,7	115,8
900	MUNICIPAL MANAGEMENT AND ENVIRONMENTAL PROTECTION	285 020 361	258 121 970	354 562 706	327 782 971	90,6	92,4	124,4	127,0
-	current expenditures	206 910 961	189 188 827	208 646 879	189 940 219	91,4	91,0	100,8	100,4
-	property expenditures	78 109 400	68 933 143	145 915 827	137 842 752	88,3	94,5	186,8	200,0
921	CULTURE AND PROTECTION OF NATIONAL HERITAGE	551 598 030	533 576 340	707 871 025	635 605 829	96,7	89,8	128,3	119,1
-	current expenditures	396 532 556	394 706 978	385 752 985	384 409 290	99,5	99,7	97,3	97,4
-	property expenditures	155 065 474	138 869 362	322 118 040	251 196 539	89,6	78,0	207,7	180,9
925	BOTANICAL AND ZOOLOGICAL GARDENS	53 609 000	50 433 279	41 050 066	40 276 991	94,1	98,1	76,6	79,9
-	current expenditures	36 309 000	34 210 552	30 807 466	30 047 608	94,2	97,5	84,8	87,8
-	property expenditures	17 300 000	16 222 727	10 242 600	10 229 383	93,8	99,9	59,2	63,1
926	PHYSICAL CULTURE AND SPORT	270 515 900	249 436 891	406 060 626	393 342 096	92,2	96,9	150,1	157,7
-	current expenditures	119 191 666	114 430 937	123 089 787	120 296 698	96,0	97,7	103,3	105,1
-	property expenditures	151 324 234	135 005 954	282 970 839	273 045 398	89,2	96,5	187,0	202,2

The realisation of planned expenditures in 2009 according to divisions of budget classification had the following results:

- **expenditures in total** between **40.8%** and **99.9%**
- **current expenditures** between **40.8%** and **99.9%**
- **property expenditures** between **0.0%** and **99.9%**

EXPENDITURES IN TOTAL ACCORDING TO TASK STRUCTURE

Report on the implementation of the budget of the City of Warsaw for the year 2009
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The table below presents the realisation of the plan of budget income in the task structure in the Capital City of Warsaw in 2009 against 2008

TABLE 4. EXPENDITURES ACCORDING TO SECTORS IN THE YEARS 2008 – 2009

SECTOR	SPECIFICATION	YEAR 2008		YEAR 2009		PLAN IMPLEMENTATION INDICATOR		YEAR-ON-YEAR DYNAMICS	
		PLAN AS AT 31.12.2008	ANNUAL IMPLEMENTATION	PLAN AS AT 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION
						W ZŁ			
	TOTAL EXPENDITURES	11 296 724 253	10 522 296 406	12 052 254 816	11 348 207 179	93,1	94,2	106,7	107,8
I	TRANSPORT AND COMMUNICATIONS	3 209 871 118	2 877 356 041	3 001 130 351	2 818 613 507	89,6	93,9	93,5	98,0
-	current expenditures	1 983 388 156	1 919 553 813	2 162 569 729	2 114 231 791	96,8	97,8	109,0	110,1
-	property expenditures	1 226 482 962	957 802 228	838 560 622	704 381 716	78,1	84,0	68,4	73,5
II	SPATIAL ORDER AND PROPERTY MANAGEMENT	1 235 298 816	1 120 441 956	1 293 765 071	1 214 535 507	90,7	93,9	104,7	108,4
-	current expenditures	1 066 836 655	974 265 028	1 103 683 002	1 055 822 143	91,3	95,7	103,5	108,4
-	property expenditures	168 462 161	146 176 928	190 082 069	158 713 364	86,8	83,5	112,8	108,6
III	MUNICIPAL MANAGEMENT AND ENVIRONMENTAL PROTECTION	465 440 368	400 972 966	522 618 186	495 443 050	86,1	94,8	112,3	123,6
-	current expenditures	369 277 058	313 156 668	374 698 665	355 611 934	84,8	94,9	101,5	113,6
-	property expenditures	96 163 310	87 816 298	147 919 521	139 831 116	91,3	94,5	153,8	159,2
IV	PUBLIC ORDER AND SECURITY	271 759 259	265 147 324	275 950 558	264 403 740	97,6	95,8	101,5	99,7
-	current expenditures	238 011 889	235 703 122	238 998 464	238 572 337	99,0	99,8	100,4	101,2
-	property expenditures	33 747 370	29 444 202	36 952 094	25 831 403	87,2	69,9	109,5	87,7
V	EDUCATION	2 388 355 232	2 346 344 455	2 553 158 960	2 511 219 860	98,2	98,4	106,9	107,0
-	current expenditures	2 095 266 364	2 072 569 441	2 272 643 324	2 248 031 859	98,9	98,9	108,5	108,5
-	property expenditures	293 088 868	273 775 014	280 515 636	263 188 001	93,4	93,8	95,7	96,1
VI	HEALTH CARE AND SOCIAL AID	976 841 580	917 660 114	1 025 759 552	983 038 872	93,9	95,8	105,0	107,1
-	current expenditures	728 965 512	701 763 518	785 968 284	750 505 783	96,3	95,5	107,8	106,9
-	property expenditures	247 876 068	215 896 596	239 791 268	232 533 089	87,1	97,0	96,7	107,7
VII	CULTURE AND PROTECTION OF NATIONAL HERITAGE	513 759 510	497 087 140	702 193 766	631 071 595	96,8	89,9	136,7	127,0
-	current expenditures	396 532 556	394 706 978	385 782 726	384 437 395	99,5	99,7	97,3	97,4
-	property expenditures	117 226 954	102 380 162	316 411 040	246 634 200	87,3	77,9	269,9	240,9
VIII	RECREATION, SPORT, TOURISM	275 751 150	254 249 706	413 588 884	399 863 124	92,2	96,7	150,0	157,3
-	current expenditures	124 376 916	119 195 291	129 675 065	126 817 726	95,8	97,8	104,3	106,4
-	property expenditures	151 374 234	135 054 415	283 913 819	273 045 398	89,2	96,2	187,6	202,2
IX	PROMOTIONAL ACTIVITIES AND SUPPORT OF DEVELOPMENT	49 071 696	40 434 198	46 746 263	41 459 038	82,4	88,7	95,3	102,5
-	current expenditures	49 071 696	40 434 198	46 746 263	41 459 038	82,4	88,7	95,3	102,5
-	property expenditures	0	0	0	0	-	-	-	-
X	MANAGEMENT OF LOCAL GOVERNMENT STRUCTURES	939 568 627	873 061 938	938 595 487	829 860 946	92,9	88,4	99,9	95,1
-	current expenditures	788 297 611	732 875 072	873 498 806	772 380 971	93,0	88,4	110,8	105,4
-	property expenditures	151 271 016	140 186 866	65 096 681	57 479 975	92,7	88,3	43,0	41,0
XI	FINANCE AND VARIOUS SETTLEMENTS	971 006 897	929 540 568	1 278 747 738	1 158 697 940	95,7	90,6	131,7	124,7
-	current expenditures	962 924 187	921 540 568	1 278 547 615	1 158 697 940	95,7	90,6	132,8	125,7
-	property expenditures	8 082 710	8 000 000	200 123	0	99,0	0,0	2,5	0,0

The realisation of planned expenditures in 2009 according to the sectors of the task structure had the following result:

- **expenditures in total** between **88.4%** and **98.4%**
- **current expenditures** between **88.4%** and **99.8%**
- **property expenditures** between **0.0%** and **97.0%**

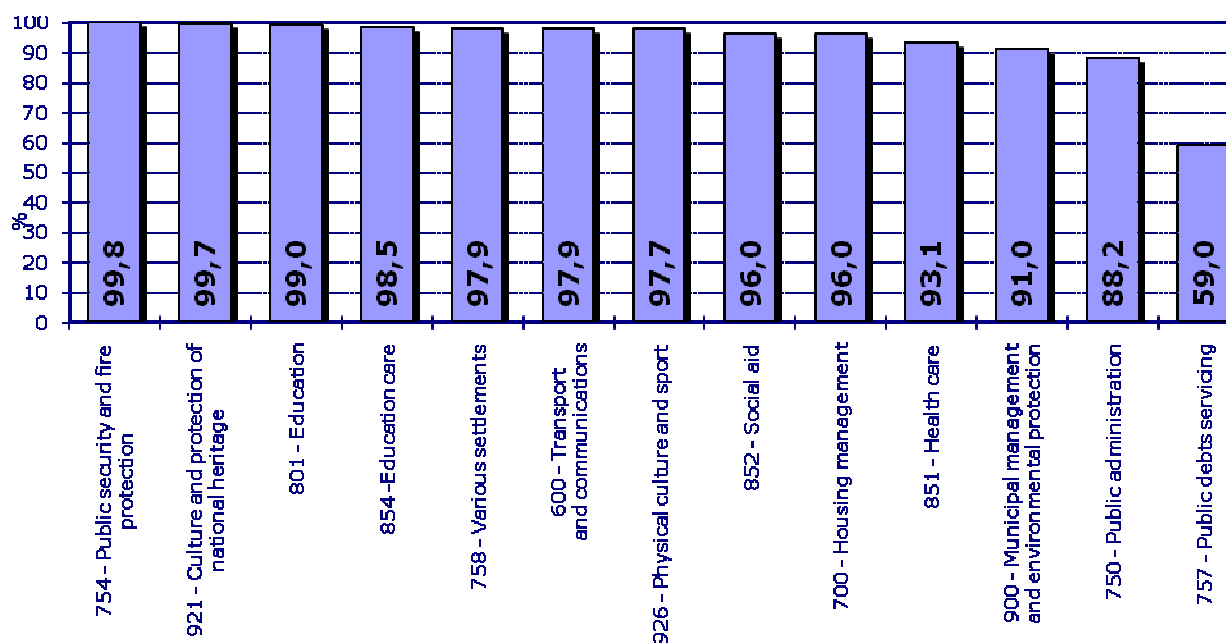
CURRENT EXPENDITURES

Current expenditures planned for 2009 amounted to **PLN 9 652.8 million**. The expenditures realised in the amount of **PLN 9 246.6 million**, i.e. 95.8% of the plan

CURRENT EXPENDITURES ACCORDING TO DIVISIONS OF THE BUDGET CLASSIFICATION

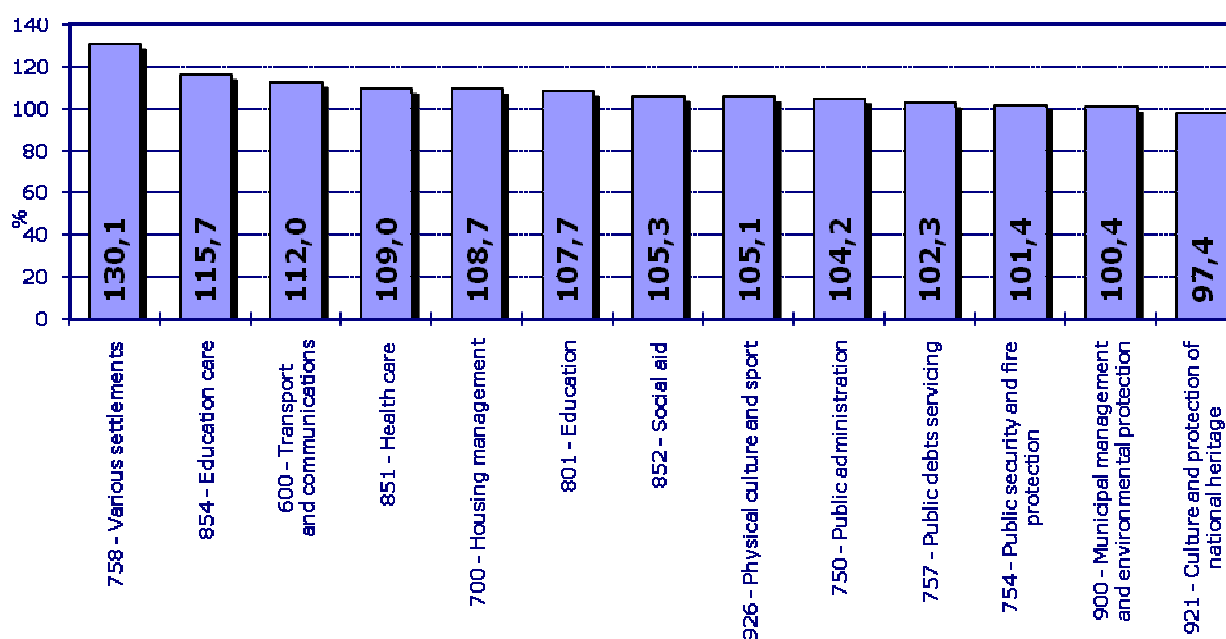
The realisation of current expenditures in 2009 in a profile of main divisions ranged between 59.0% and 99.8% (diagram No. 8).

DIAG. 8 CURRENT EXPENDITURES ACCORDING TO MAIN DIVISIONS – THE DEGREE OF PLAN IMPLEMENTATION IN 2009



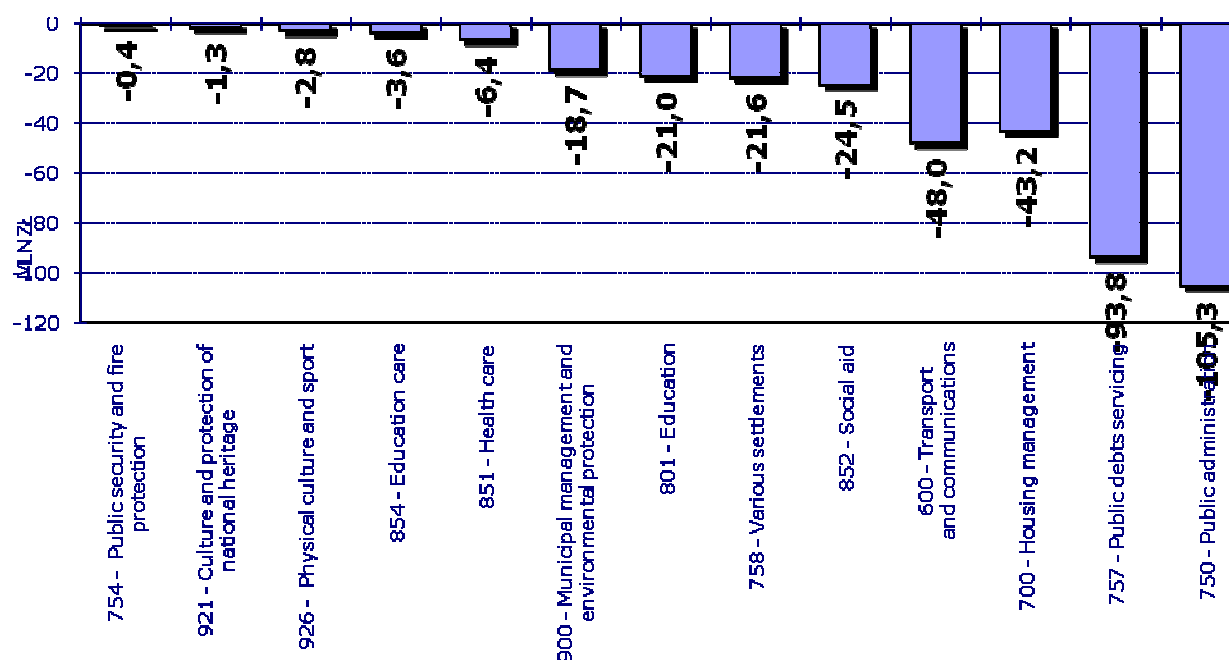
The nominal dynamics of current expenditures in 2009 against 2008 in a profile of main divisions amounted to between 97.4% and 130.1% (diagram No. 9).

DIAG. 9 CURRENT EXPENDITURES ACCORDING TO MAIN DIVISIONS – NOMINAL DYNAMICS 2009/2008



Money deviations from the plan of current expenditures in 2009 as part of main items according to divisions amounted to between **PLN -105.3 million** and **PLN -0.4 million** (Diagram No. 10).

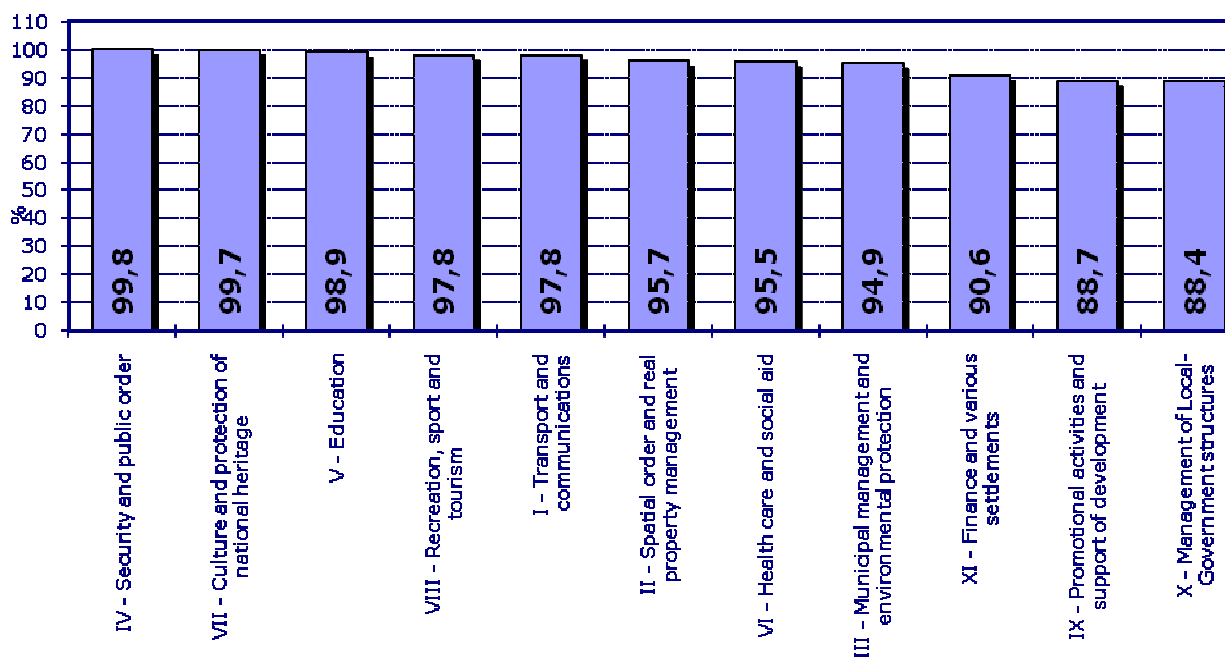
DIAG. 10 CURRENT EXPENDITURES ACCORDING TO MAIN DIVISIONS - IMPLEMENTATION DEVIATION FROM THE PLAN IN 2009



CURRENT EXPENDITURES ACCORDING TO SECTORS OF THE TASK STRUCTURE

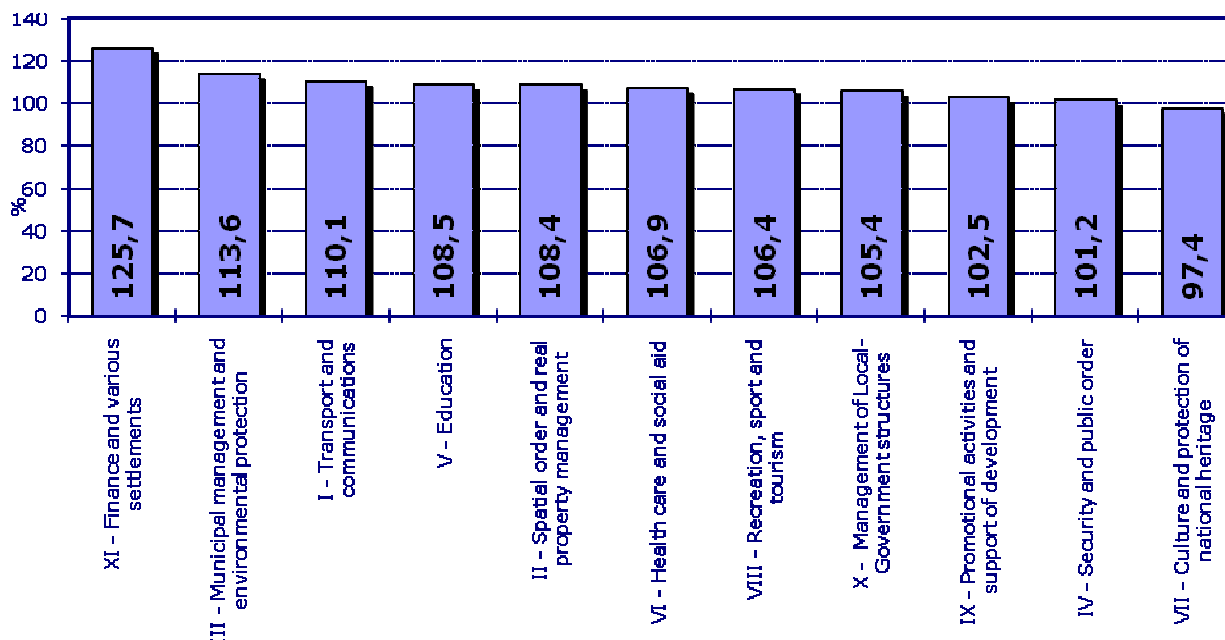
The realisation of planned **current expenditures** in 2009 in the task structure according to sectors amounted to between 88.4% and 99.8% (Diagram No. 11).

DIAG. 11 CURRENT EXPENDITURES ACCORDING TO SECTORS - THE DEGREE OF PLAN IMPLEMENTATION IN 2009



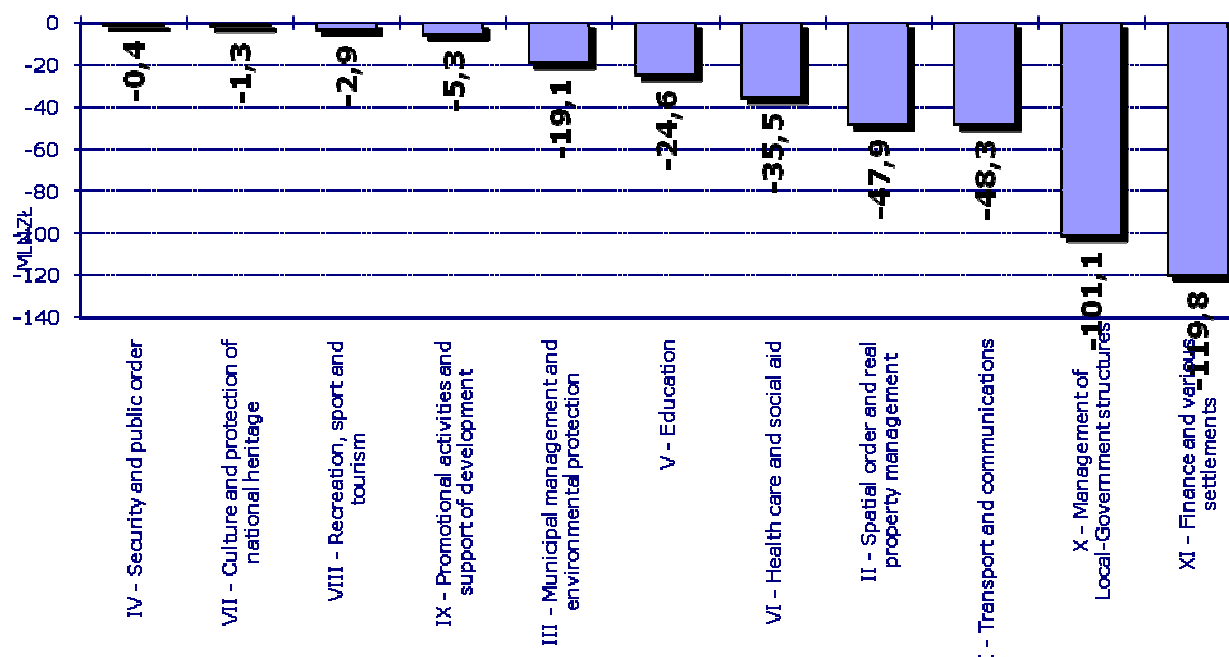
The nominal dynamics of current expenditures in 2009 against 2008 in a profile of main sectors amounted to between **97.4%** and **125.7%** (Diagram No. 12).

DIAG.12 CURRENT EXPENDITURES ACCORDING TO SECTORS – NOMINAL DYNAMICS 2009/2008



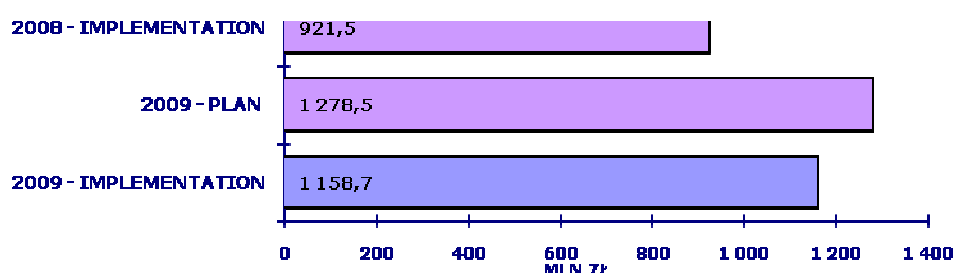
Monetary deviations from the plan of current expenditures in 2009 as part of sectors of the task structure amounted to between **PLN -119.8 million** and **PLN -0.4 million** (Diagram No. 13).

DIAG. 13 CURRENT EXPENDITURES ACCORDING TO SECTORS – IMPLEMENTATION DEVIATIONS FROM THE PLAN IN 2009



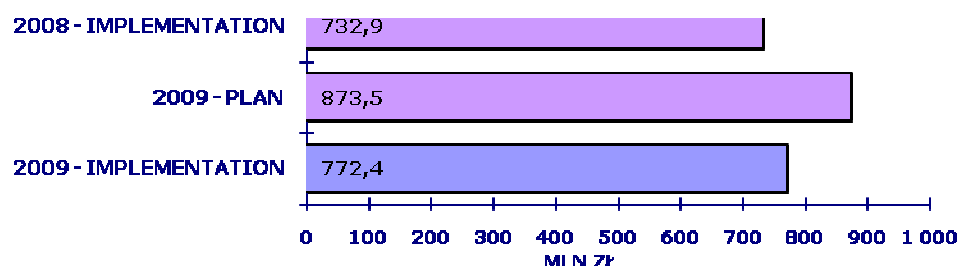
CURRENT EXPENDITURES ACCORDING TO SECTORS OF THE TASK STRUCTURE – THE REASONS OF MAIN DEVIATIONS FROM THE PLAN

SECTOR XI – FINANCES AND VARIOUS SETTLEMENTS



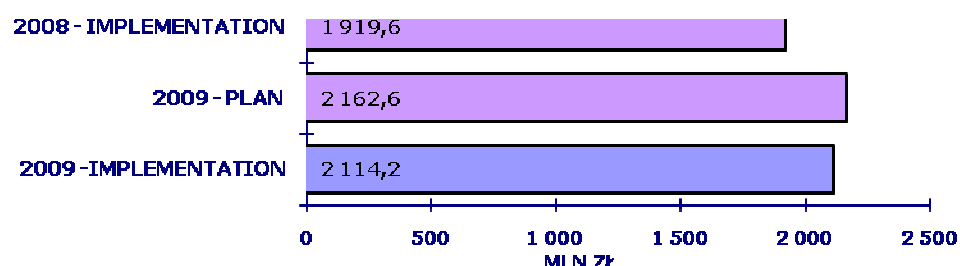
Savings in this sector are mainly the result of a lower-than-planned level of costs related with the debt. As part of the present expenditures, in connection with guarantees granted by the City for bank loans incurred by Public Health Care Institutions. Banks were paid the amount of PLN 12.3 million, of which: Szpital Praski (Praga Hospital) – PLN 5.34 million, Szpital Grochowski (Grochowski Hospital) – PLN 4.14 million, Szpital Solec (Solec Hospital) – PLN 2.78 million.

SECTOR X – MANAGEMENT OF LOCAL-GOVERNMENT STRUCTURES



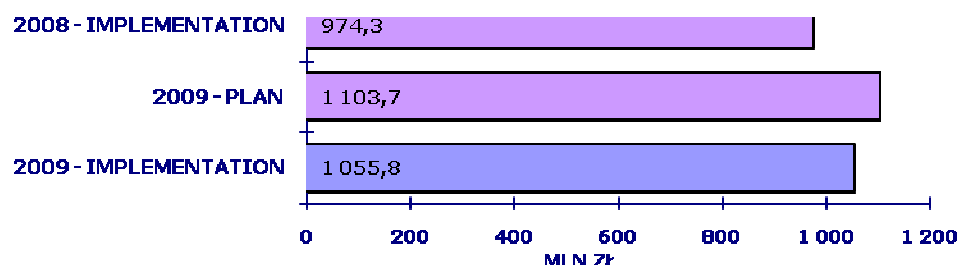
Reduction in expenditures in the amount of PLN 101.1 million in the administrative costs results from savings. In particular, lower costs were the result of savings in remuneration (89.2% of the plan) and the rationalisation of expenditures related with the functioning of the City Office and District Offices (85.4% of the plant).

SECTOR I – TRANSPORT AND COMMUNISATION



Reduction in expenditures classified in this sector was mainly caused by savings in the costs of management of public city transport (90% of the plan) and lower costs of maintenance and overhauls of roads (94.5%) and street lighting (89.5%).

SECTOR II – SPATIAL ORDER AND MANAGEMENT OF REAL PROPERTIES



Savings related to expenditures for the management of the municipal housing stock (97.3% of the plan). They involve mainly lower consumption of gas fuel and electricity, and lower than-planned prices for overhaul services achieved in tenders.

PROPERTY EXPENDITURES

Property expenditures planned for the year 2009 amounted to **PLN 2 399.4 million**. The expenditures were implemented in the amount of PLN 2 101.6 million, which is **87.6%** of the plan.

The investment plan of the Capital City of Warsaw (as of 31 December 2009) included in total **1047 titles**, of which **277 were general-city investments** and **770 tasks planned for implementation by the districts** of the Capital City of Warsaw.

The expenditures implemented included financing of general-city and district investment tasks, and other property tasks. The amount of implementation included expenditures which did not expire by the end of 2009 in the amount of PLN 162 million, intended for financing of general-city investments tasks (PLN 108 million) and district (PLN 54 million).

With regard to **general-city investments** in 2009 for the realisation of tasks the resources planned amounted to PLN 1 556.2 million. They were used at 86.4%, i.e. PLN 1 345.1 million.

For the financing of **district investments** in 2009 the planned resources amounted to PLN 759.2 million. Financial implementation of investments realised by the districts of the Capital City of Warsaw for the end of 2009 amounted to PLN 673.1 million, i.e. 88.7% of the plan.

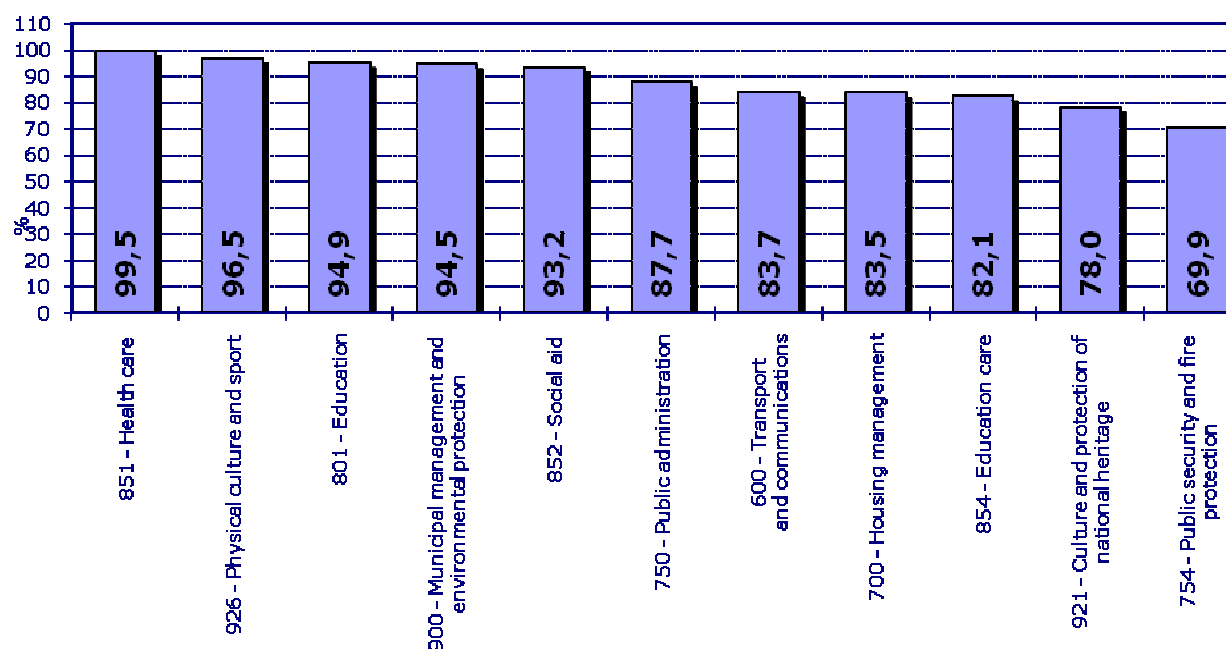
For the implementation of the **remaining property tasks** the planned resource amounted to PLN 84.0 million. Realisation in this respect amounted to 99.3% of the plan. The incurred expenditures included:

- money input to cover the new shares in the increased share capital of the MPWiK S.A. [*joint-stock company*] and the Towarzystwo Budownictwa Społecznego Praga Południe Sp. z o.o. [*Social Construction Association Praga-Południe Ltd*],
- targeted donation for the Voivodeship Police Department for the purchase of means of transport and special devices,
- subsidising the purchase of special equipment for Nadwiślański Oddział Straży Granicznej [*the Vistula Division of Border Guard*].

PROPERTY EXPENDITURES ACCORDING TO DIVISIONS OF THE BUDGET CLASSIFICATION

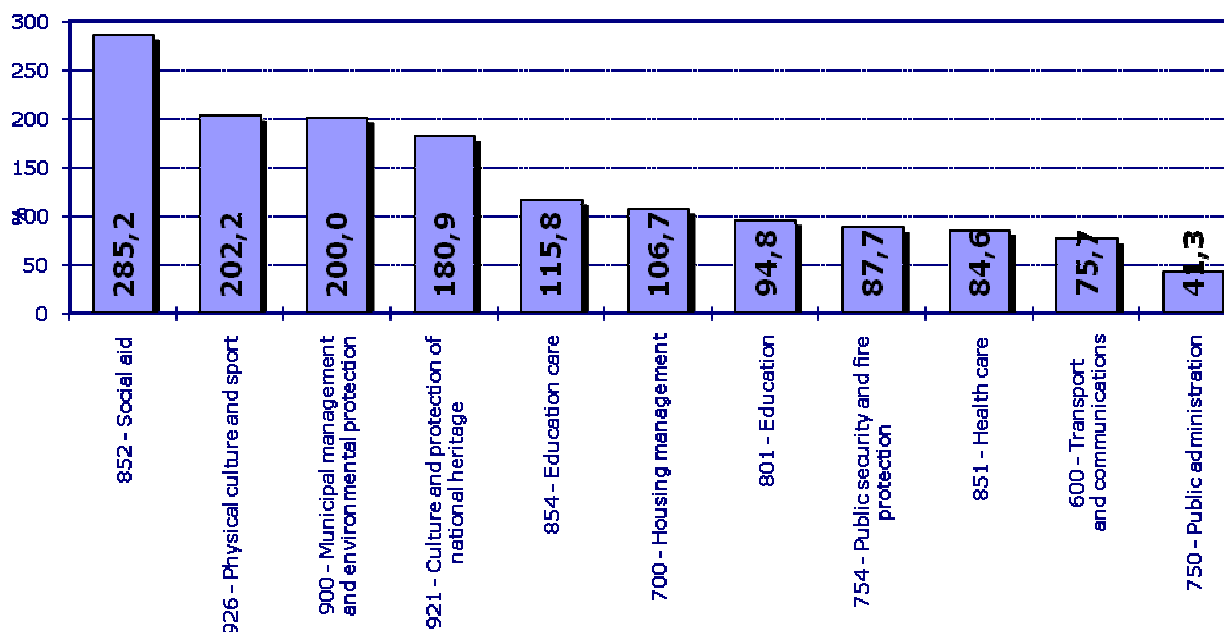
The realisation of planned property expenditures in 2009 in a profile of main divisions amounted to between **69.9%** and **99.5%** (Diagram No. 14).

DIAG. 14 PROPERTY EXPENDITURES ACCORDING TO MAIN DIVISIONS – THE DEGREE OF PLAN IMPLEMENTATION IN 2009



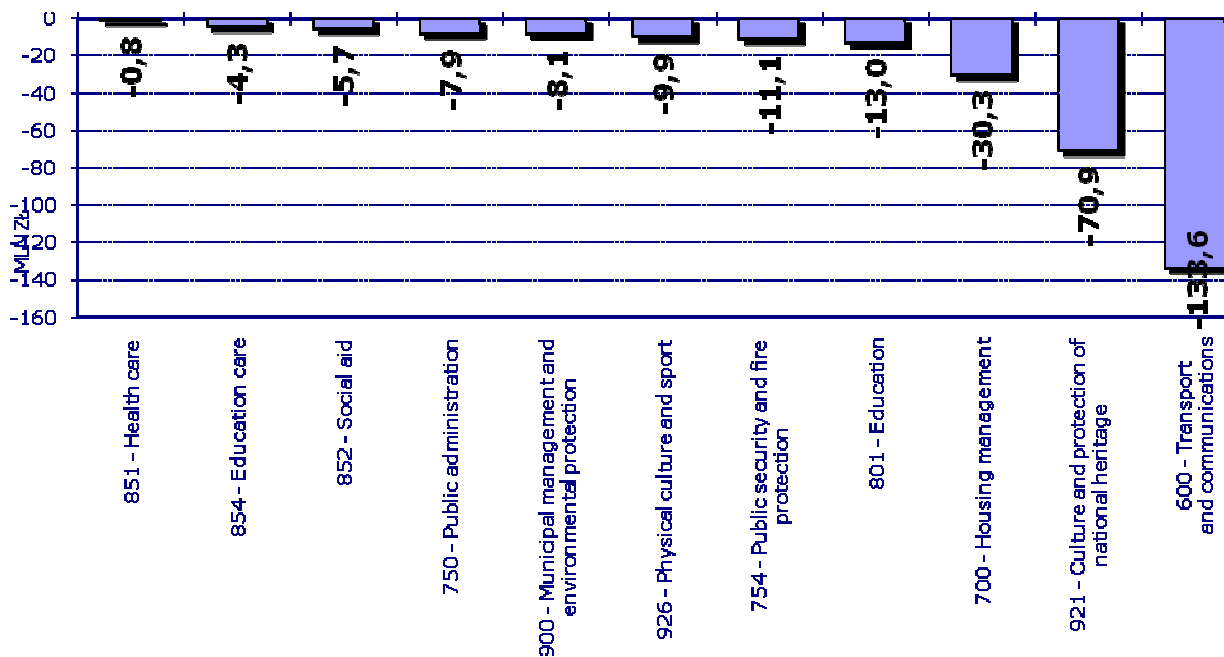
The nominal dynamics of property expenditures in 2009 against 2008 in a profile of main divisions amounted to between **41.3%** and **285.2%** (Diagram No. 15).

DIAG. 15 PROPERTY EXPENDITURES ACCORDING TO MAIN DIVISIONS – NOMINAL DYNAMICS IN 2009 / 2008



Monetary deviations from the plan of property expenditures in 2009 as part of main items according to divisions amounted to between **PLN -133.6 million** and **PLN -0.8 million** (Diagram No. 16).

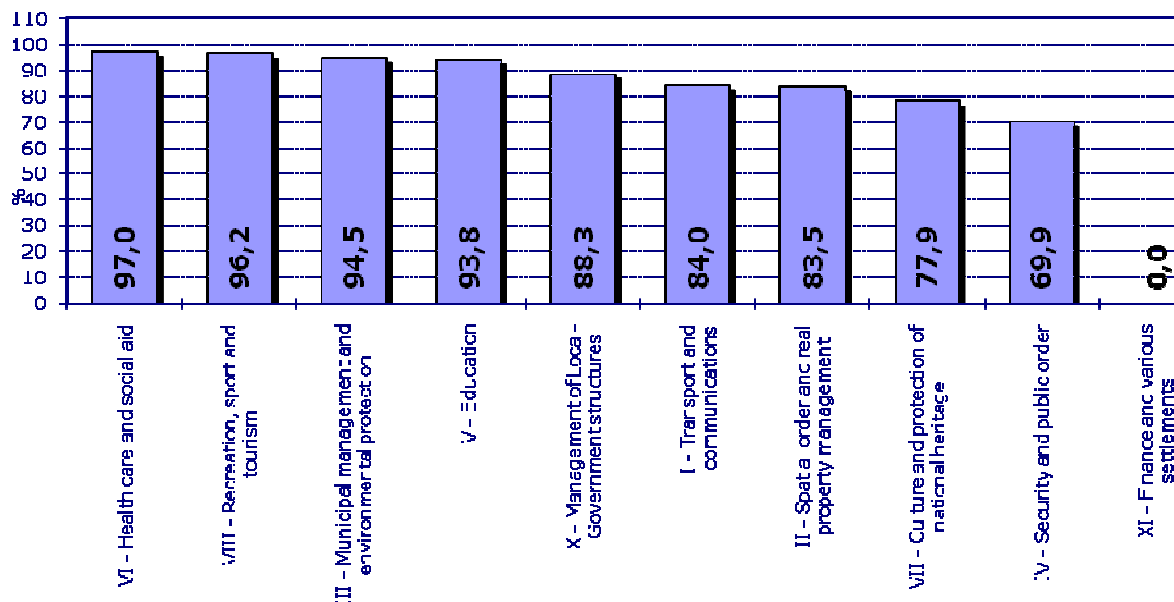
DIAG. 16 PROPERTY EXPENDITURES ACCORDING TO MAIN DIVISIONS - IMPLEMENTATION DEVIATION FROM THE PLAN IN 2009.



PROPERTY EXPENDITURES ACCORDING TO THE SECTOR OF THE TASK STRUCTURE

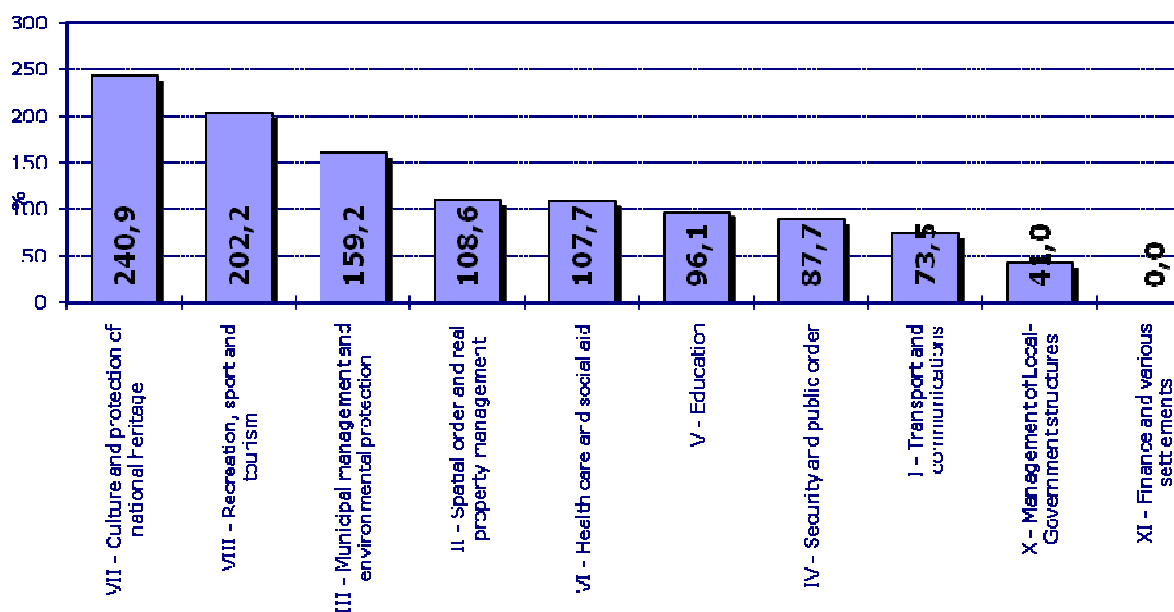
The realisation of planned property expenditures in 2009 in the task structure according to the sectors amounted to between **0.0%** to **97.0%** (Diagram No. 17).

DIAG. 17 PROPERTY EXPENDITURES ACCORDING TO SECTOR – THE DEGREE OF PLAN IMPLEMENTATION IN 2009



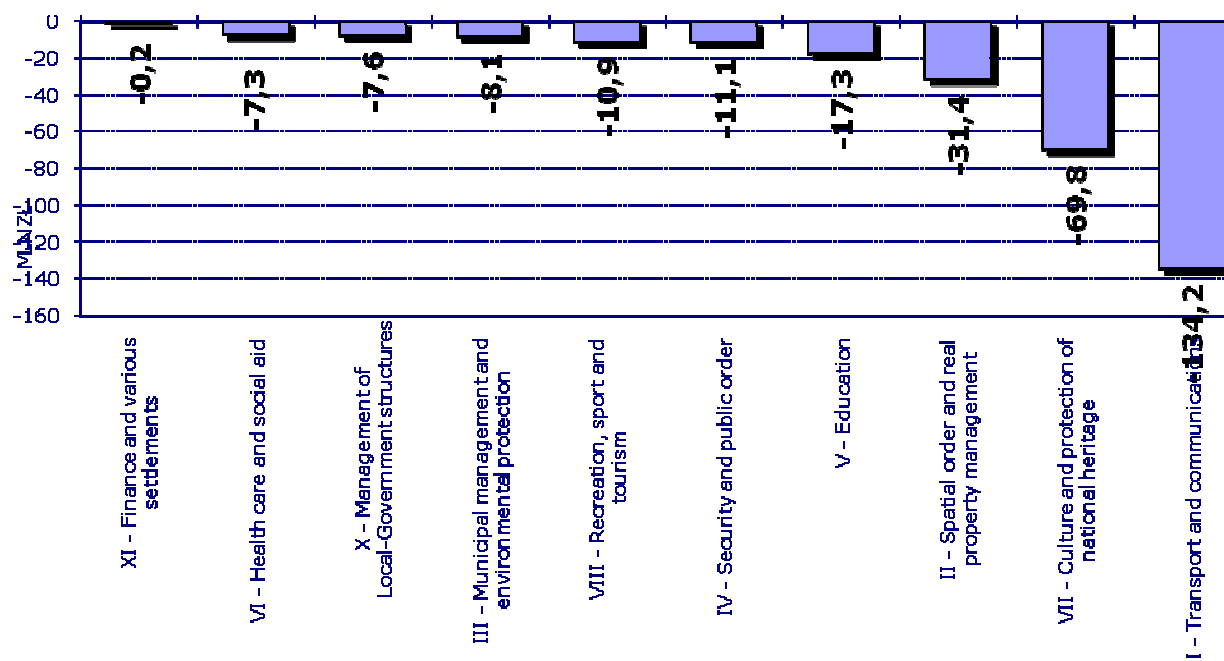
The nominal dynamics of property expenditures in 2009 against 2008 in a profile of main sectors amounted to between **0.0%** and **240.9%** (Diagram No. 18).

DIAG. 18 PROPERTY EXPENDITURES ACCORDING TO SECTOR – NOMINAL DYNAMICS 2009/2008



Monetary deviations from the plan of property expenditures in 2009 as part of sectors of the task structure amounted to between **PLN -134.2 million** and **PLN -0.2 million** (Diagram No. 19).

DIAG. 19 PROPERTY EXPENDITURES ACCORDING TO SECTORS – IMPLEMENTATION DEVIATION FROM THE PLAN IN 2009



PROPERTY EXPENDITURES ACCORDING TO SECTORS OF THE TASK STRUCTURE – IMPLEMENTATION OF THE PLAN BY MAIN ITEMS

GENERAL CITY INVESTMENTS

SECTOR I – TRANSPORT AND COMMUNICATIONS – PLN 594.6 million

The largest resources were devoted to the financing of the construction of the Northern Bridge (PLN 164.7 million), reconstruction of ul. Modlińska (PLN 55.5 million), construction of the Siekierska Route (PLN 53.7 million), reconstruction of al. Wilanowska (PLN 41.8 million), construction of the Krasińskiego Route (PLN 22.9 million), construction of al. Rzeczypospolitej (PLN 19.9 million), construction of a viaduct at ul. Powązkowska (PLN 19.1 million), and modernisation of the crossroads of al. Jerozolimskie and ul. Łopuszańska (PLN 18.7 million).

SECTOR VII – CULTURE AND PROTECTION OF CULTURAL HERITAGE – PLN 223.8 million

The largest share of the expenditures were incurred on: the construction of the „Copernicus” Science Centre (PLN 160.1 million), the reconstruction and modernisation of Teatr Powszechny [*Common Theatre*] (PLN 15.6 million), and financing the residence of the Sinfonia Varsovia Orchestra (PLN 15.5 million).

SECTOR VI – HEALTH CARE AND SOCIAL AID – PLN 211.9 million

The main tasks that were implemented: construction of the Centre for Persons Afflicted with Alzheimer's Disease (PLN 51.1 million), modernisation and expansion of the Inflancka Hospital (PLN 33.3 million), reconstruction and expansion of the Praga Hospital (PLN 23.4 million), expansion and modernisation of the St' Family Hospital (PLN 22.6 million), modernisation and expansion of the St. Zofia Hospital (PLN 11.1 million).

SECTOR VIII – RECREATION, SPORT, AND TOURISM – PLN 206.3 million

Financed projects were, i.a. the management of recreational-sport grounds at Łazienkowska Street (PLN 181.7 million), modernisation of the Sport and Recreation Centre „Rozbrat” (PLN 9.8 million), and construction of multifunctional recreation sport fields (PLN 9.4 million).

DISTRICT INVESTMENTS

SECTOR V – EDUCATION – PLN 252.5 million

The main tasks completed were Targówek District – construction of a gym and fields by Primary School No. 206 at ul. Bartnicza (PLN 15.1 million); Białołęka District – construction of a gym and a sports field at Secondary School No. 121 at ul. Płużnicka (PLN 11.3 million); Bielany District – modernisation of High School No. 39 at ul. Lindego (PLN 9.9 million); Wesoła District – construction of a gym at Secondary School Np. 119 at ul. Klimatyczna (PLN 8.1 million); Targówek District – construction of a kindergarten at ul. Syrokomli (PLN 7.5 million); Śródmieście District – modernisation of the Complex of Gastronomy Schools at ul. Poznańska (PLN 7.3 million); and Ochota District – construction of a Youth Cultural Centre at ul. Rokossowska (PLN 6.1 million).

SECTOR II – SPATIAL ORDER AND REAL PROPERTY MANAGEMENT – PLN 130.7 million

The largest expenditures were incurred in the Wola District – residential buildings at ul. Piaskowa 7 – 2nd stage (PLN 24.3 million), Targówek District – construction of public housing apartments – I, II, III stage (PLN 16.3 million), Bielany District – construction of public housing apartments (PLN 15.3 million), Wawer District – construction of the III and IV municipal building at ul. Włokiennicza (PLN 7.8 million).

SECTOR I – TRANSPORT AND COMMUNICATIONS– PLN 109.8 million

The largest expenditures were allocated i.a. for: Bielany District – reconstruction of ul. Gwiaździsta (PLN 10.6 million), Praga-Południe District – construction of ul. Makowska (PLN 6.8 million), Białołęka District – reconstruction of junction at ul. Głębocka and ul. Małej Brzozy (PLN 6.2 million), Wesoła District – construction of ul. Diamentowa (PLN 4.3 million), Ursynów District – construction of ul. Nowoursynowska (PLN 3.2 million), Ursynów District – reconstruction of ul. Baletowa (PLN 2.9 million), Mokotów District – modernisation of the lighting on communal streets (PLN 2.4 million), Mokotów District – construction of a line of the streets Okrężna-Jeziorna (PLN 2.1 million), Ursus District – construction of ul. Zielonej Gęsi and ul. Gierdziejewskiego (PLN 2.0 million).

SECTOR VIII – RECREATION, SPORT, AND TOURISM – PLN 66.8 million

The main tasks implemented in this respect were Włochy District – construction of a sport-recreational complex Okęcie (PLN 18 million), Wawer District – construction of a district swimming pool (PLN 14.8 million), Praga Północ District – modernisation of sports fields and a social infrastructure facility at ul. Kawęczyńska (PLN 7.6 million), Ochota District – construction of an open swimming pool in the Szczęśliwice Park (PLN 3.5 million).

SECTOR III – MUNICIPAL MANAGEMENT AND ENVIRONMENTAL PROTECTION – PLN 46.3 million

The largest expenditures were incurred on: Śródmieście District – modernization of the B Wodiczko square (PLN 6.6 million), Wola District – development of the E. Szymańskiego Park (PLN 5.4 million), Śródmieście District – modernisation of the Grzybowski Square laws (PLN 4.5 million), Ursynów District – construction of the Park „Przy Bażantarni” (PLN 4.3 million).

SECTOR X – MANAGEMENT OF LOCAL-GOVERNMENT STRUCTURES – PLN 23.7 million

A large part of financial resources was devoted to the modernisation of buildings in which are located the District Offices of the Capital City of Warsaw, in connection with, e.g., organising Resident Service Departments (the largest expenditures were incurred in the Ochota District – PLN 9 million) and for investment purchases for the needs of the Office.

SECTOR VII – CULTURE AND PROTECTION OF CULTURAL HERITAGE – PLN 22.9 million

The main tasks in this respect were: Bielany District – construction of „Mediatek” in the building located at ul. Szegedyńska (PLN 5.8 million), Wilanów District – reconstruction of a building at ul. Przyczółkowa (PLN 2.9 million), Rembertów District – Public Library at ul. Konwisarska (PLN 2.5 million), Ursus District – reconstruction of a concert bowl in the Czechowicki Park (PLN 2.1 million).

SECTOR VI – HEALTH CARE AND SOCIAL AID – PLN 20.6 million

Realised investments were, i.a: Targówek District – construction of a covered rehabilitation-educational swimming pool and expansion of a rehabilitation out-patient clinic for children at ul. Balkonowa together with necessary infrastructure (PLN 11.2 million), Białołęka District – construction of a creche at ul. Książkowa (PLN 1.6 million), Rembertów District – expansion of the Golden Age Centre at ul. Plutonowych (PLN 1.6 million), Praga-Południe District – construction of a Care-Educational Centre (PLN 1 million).

DISTRICT EXPENDITURES

DISTRICT EXPENDITURES IN TOTAL

The realisation of **the plan of expenditures on the part of districts** in 2009 amounted to **95.9%**.

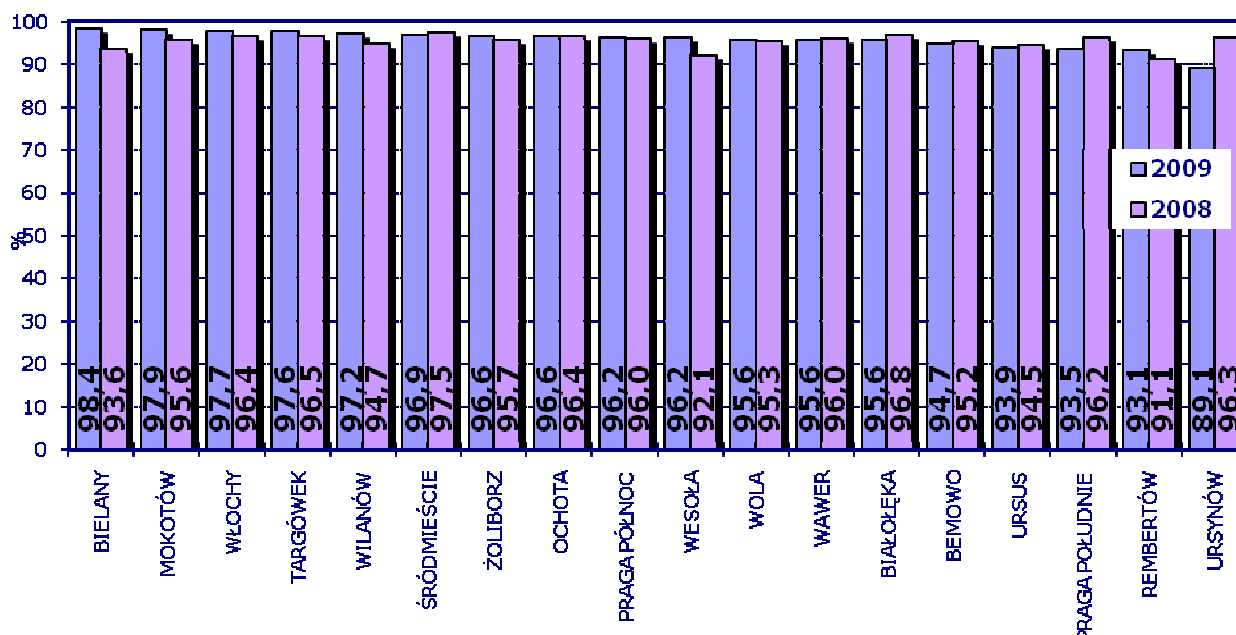
The table below demonstrates the implementation of the plan for budget expenditures on the part of particular districts of the Capital City of Warsaw, according to a division into current and property expenditures in 2009 against 2008

Table 5 DISTRICT EXPENDITURES IN THE YEARS 2008-2009

No.	SPECIFICATION	2008 ROK		2009 ROK		PLAN IMPLEMENTATION INDICATOR		YEAR-ON-YEAR DYNAMICS	
		PLAN AS AT 31.12.2008	ANNUAL IMPLEMENTATION	PLAN AS AT 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION
		IN PLN				IN %			
	TOTAL EXPENDITURES	4 778 048 666	4 576 170 874	5 015 813 512	4 809 643 775	95,8	95,9	105,0	105,1
	CURRENT EXPENDITURES	3 958 369 537	3 857 733 713	4 256 651 547	4 136 547 019	97,5	97,2	107,5	107,2
	PROPERTY EXPENDITURES	819 679 129	718 437 161	759 161 965	673 096 756	87,6	88,7	92,6	93,7
01	BEMOWO	190 867 296	181 743 148	202 649 668	191 979 780	95,2	94,7	106,2	105,6
-	current expenditures	151 379 865	146 603 712	165 958 711	159 777 208	96,8	96,3	109,6	109,0
-	property expenditures	39 487 431	35 139 436	36 690 957	32 202 572	89,0	87,8	92,9	91,6
02	BIAŁOLEKA	203 855 099	197 264 517	221 637 677	211 883 961	96,8	95,6	108,7	107,4
-	current expenditures	139 485 956	137 505 509	161 261 958	156 998 658	98,6	97,4	115,6	114,2
-	property expenditures	64 369 143	59 759 008	60 375 719	54 885 303	92,8	90,9	93,8	91,8
03	BIELANY	353 932 475	331 274 480	367 816 072	361 862 114	93,6	98,4	103,9	109,2
-	current expenditures	292 394 513	288 833 936	310 088 180	304 369 569	98,8	98,2	106,1	105,4
-	property expenditures	61 537 962	42 440 544	57 727 892	57 492 545	69,0	99,6	93,8	135,5
04	MOKOTÓW	536 635 346	512 768 772	552 479 031	541 023 846	95,6	97,9	103,0	105,5
-	current expenditures	485 241 846	477 082 758	519 419 426	509 468 283	98,3	98,1	107,0	106,8
-	property expenditures	51 393 500	35 686 014	33 059 605	31 555 563	69,4	95,5	64,3	88,4
05	OCHOTA	242 127 005	233 400 786	270 356 135	261 038 210	96,4	96,6	111,7	111,8
-	current expenditures	224 156 905	216 304 354	239 087 788	232 912 217	96,5	97,4	106,7	107,7
-	property expenditures	17 970 100	17 096 432	31 268 347	28 125 993	95,1	90,0	174,0	164,5
06	PRAGA POŁUDNIE	439 929 540	423 244 366	471 487 315	440 857 525	96,2	93,5	107,2	104,2
-	current expenditures	391 880 552	382 980 866	413 234 951	407 169 631	97,7	98,5	105,4	106,3
-	property expenditures	48 048 988	40 263 500	58 252 364	33 687 894	83,8	57,8	121,2	83,7
07	PRAGA PÓŁNOC	277 193 903	266 199 497	283 686 692	273 024 035	96,0	96,2	102,3	102,6
-	current expenditures	245 346 441	238 872 484	256 926 480	250 070 758	97,4	97,3	104,7	104,7
-	property expenditures	31 847 462	27 327 013	26 760 212	22 953 277	85,8	85,8	84,0	84,0
08	REMBERTÓW	75 004 782	68 348 788	75 764 369	70 502 929	91,1	93,1	101,0	103,2
-	current expenditures	53 705 282	52 172 579	56 716 160	55 014 002	97,1	97,0	105,6	105,4
-	property expenditures	21 299 500	16 176 209	19 048 209	15 488 927	75,9	81,3	89,4	95,8
09	ŚRÓDMIEŚCIE	607 082 343	591 631 164	656 442 843	636 217 124	97,5	96,9	108,1	107,5
-	current expenditures	553 189 878	541 016 110	601 335 031	585 254 277	97,8	97,3	108,7	108,2
-	property expenditures	53 892 465	50 615 054	55 107 812	50 962 847	93,9	92,5	102,3	100,7
10	TARGÓWEK	291 030 313	280 805 184	334 208 826	326 321 786	96,5	97,6	114,8	116,2
-	current expenditures	234 107 553	230 613 710	256 831 275	251 143 500	98,5	97,8	109,7	108,9
-	property expenditures	56 922 760	50 191 474	77 377 551	75 178 286	88,2	97,2	135,9	149,8
11	URSUS	140 583 004	132 781 358	131 568 195	123 561 683	94,5	93,9	93,6	93,1
-	current expenditures	97 755 602	95 028 560	105 995 585	102 701 178	97,2	96,9	108,4	108,1
-	property expenditures	42 827 402	37 752 798	25 572 610	20 860 505	88,2	81,6	59,7	55,3
12	URSYNÓW	295 519 865	284 607 526	295 001 776	262 817 917	96,3	89,1	99,8	92,3
-	current expenditures	217 296 148	211 833 805	243 238 776	229 988 459	97,5	94,6	111,9	108,6
-	property expenditures	78 223 717	72 773 721	51 763 000	32 829 458	93,0	63,4	66,2	45,1
13	WAWER	181 014 261	173 728 769	191 566 731	183 167 722	96,0	95,6	105,8	105,4
-	current expenditures	136 754 886	133 285 892	146 303 716	142 020 872	97,5	97,1	107,0	106,6
-	property expenditures	44 259 375	40 442 877	45 263 015	41 146 850	91,4	90,9	102,3	101,7
14	WESOŁA	76 951 669	70 864 539	77 395 011	74 446 735	92,1	96,2	100,6	105,1
-	current expenditures	42 822 125	41 148 413	47 499 419	45 304 758	96,1	95,4	110,9	110,1
-	property expenditures	34 129 544	29 716 126	29 895 592	29 141 977	87,1	97,5	87,6	98,1
15	WILANÓW	76 553 053	72 474 696	77 795 936	75 611 856	94,7	97,2	101,6	104,3
-	current expenditures	45 953 339	44 255 149	52 082 693	50 176 381	96,3	96,3	113,3	113,4
-	property expenditures	30 599 714	28 219 547	25 713 243	25 435 475	92,2	98,9	84,0	90,1
16	WŁOCHY	142 584 055	137 412 089	142 437 371	139 094 520	96,4	97,7	99,9	101,2
-	current expenditures	94 341 055	91 887 834	100 691 823	97 494 733	97,4	96,8	106,7	106,1
-	property expenditures	48 243 000	45 524 255	41 745 548	41 599 787	94,4	99,7	86,5	91,4
17	WOLA	479 094 363	456 796 048	494 200 602	472 664 984	95,3	95,6	103,2	103,5
-	current expenditures	410 726 163	391 676 408	434 740 562	415 344 171	95,4	95,5	105,8	106,0
-	property expenditures	68 368 200	65 119 640	59 460 040	57 320 813	95,2	96,4	87,0	88,0
18	ŻOLIBÓRZ	168 090 294	160 825 147	169 319 262	163 567 048	95,7	96,6	100,7	101,7
-	current expenditures	141 831 428	136 631 634	145 239 013	141 338 364	96,3	97,3	102,4	103,4
-	property expenditures	26 258 866	24 193 513	24 080 249	22 228 684	92,1	92,3	91,7	91,9

The diagram below demonstrates the implementation of the plan of expenditures in 2009 against 2008 on the part of particular districts

DIAG. 20 DISTRICT EXPENDITURES IN TOTAL – THE DEGREE OF PLAN IMPLEMENTATION IN THE YEARS 2008 – 2009



Planned district expenditures in total in 2009 amounted to between **89.1%** and **98.4%**.

In 2009, as compared with the previous year, **11 districts** recorded **an increase in the level of implementation of the annual plan**, while **7 districts** recorded a **decrease**.

The highest level of the realisation of the plan of expenditures in total in 2009 occurred in the following districts:

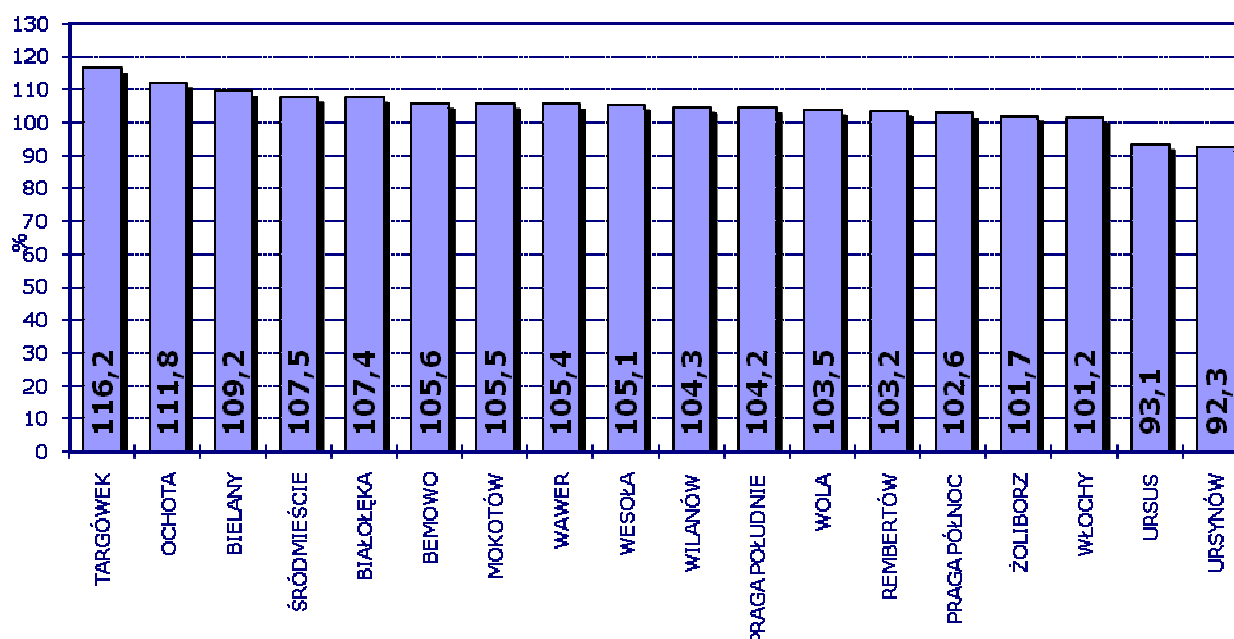
1. Bielany: 98.4%,
2. Mokotów: 97.9%,
3. Włochy: 97.7%.

The lowest level of the realisation of the plan of expenditures in total in 2009 occurred in the following districts:

1. Ursynów: 89.1%,
2. Rembertów: 93.1%,
3. Praga Południe: 93.5%.

The Diagram below demonstrates dynamics of expenditures in total in particular districts of the Capital City of Warsaw in 2009 against 2008.

DIAG. 21 DISTRICTS' EXPENDITURES IN TOTAL - NOMINAL DYNAMICS 2009/2008



The nominal dynamics of expenditures in total in 2009 against 2008 in particular districts of the Capital City of Warsaw amounted to between **92.3%** and **116.2%**.

In 2009 in relation to the previous year **16 districts** recorded an **increase in expenditures**, while **2 districts** recorded a **decrease**.

The highest relative increase in expenditures in total in 2009 against 2008 occurred in the following districts:

1. Targówek: +16.2%,
2. Ochota: +11.8%,
3. Bielany: +9.2%.

The highest increase in expenditures in 2009 against 2008 shown in absolute numbers occurred in the following districts:

1. Targówek: +PLN 45.5 million,
2. Śródmieście: +PLN 44.6 million,
3. Bielany: +PLN 30.6 million.

Decreases in expenditures in total in 2009 against 2008 occurred in the following districts

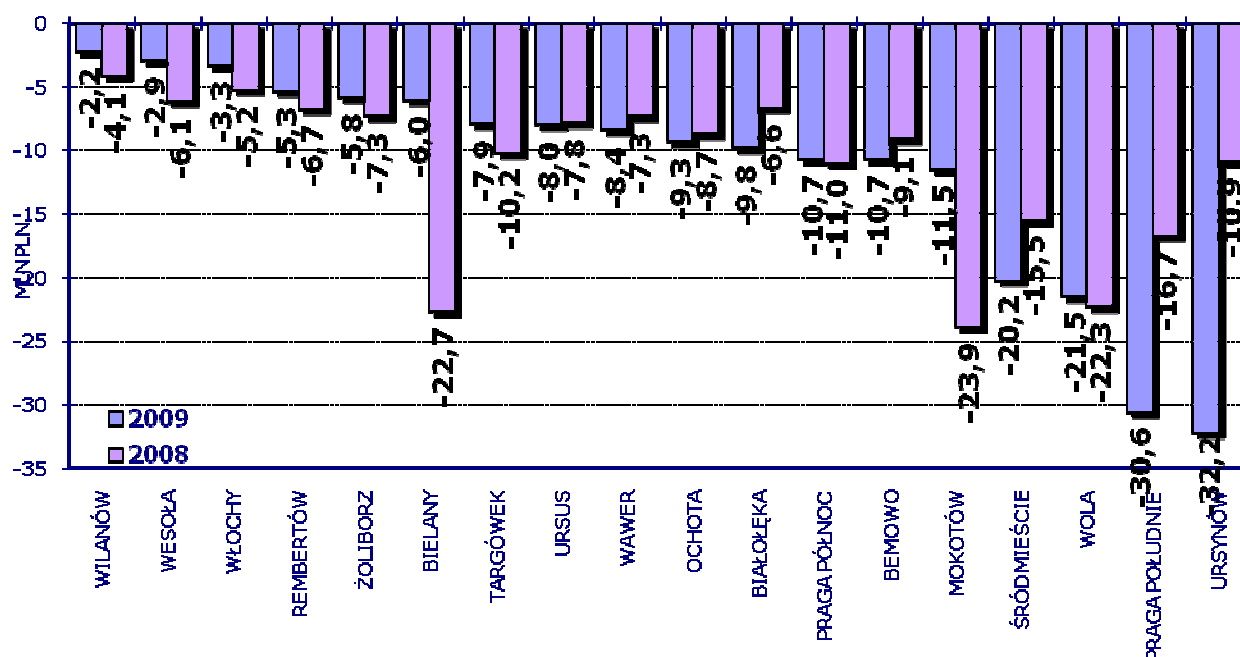
1. Ursynów: -7.7%,
2. Ursus: -6.9%.

Decreases in expenditures in total in 2009 against 2008, shown in absolute numbers, amounted to:

1. Ursynów: PLN -21.8 million,
2. Ursus: PLN -9.2 million.

The diagram below demonstrates deviations of implementation from the plan of expenditures in total in particular districts of the Capital City of Warsaw in 2009 against 2008.

DIAG. 22 DISTRICT EXPENDITURES IN TOTAL – IMPLEMENTATION DEVIATION FROM THE PLAN IN THE YEARS 2008 – 2009



Monetary deviations from the plan of expenditures in total in particular districts in 2009 amounted to between PLN -32.3 million (Ursynów District) and PLN -2.2 million (Wilanów District).

The lowest deviation from the plan of expenditures in total in 2009 occurred in the following districts:

1. Wilanów: PLN -2.2 million,
2. Wesoła: PLN -2.9 million,
3. Włochy: PLN -3.3 million.

The highest deviation from the plan of expenditures in total in 2009 occurred in the following districts:

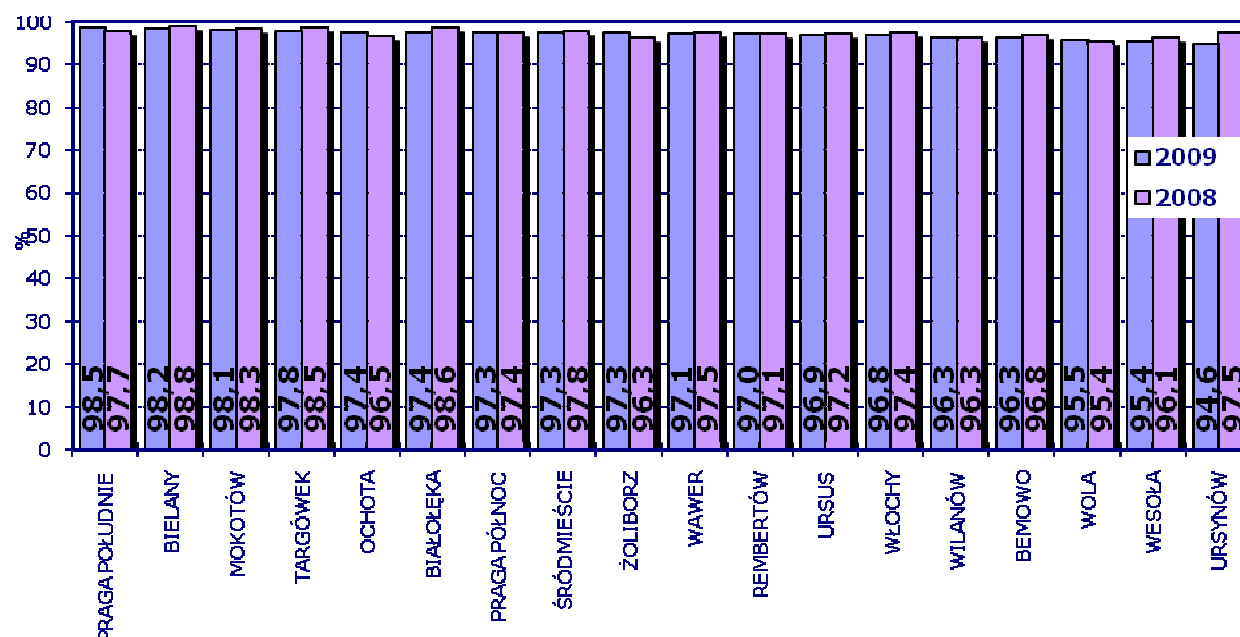
1. Ursynów: PLN -32.2 million,
2. Praga Południe: PLN -30.6 million,
3. Wola: PLN -21.5 million.

DISTRICTS' CURRENT EXPENDITURES

The realisation of the plan of **current expenditures on the part of districts** in 2009 amounted to **97.2%**.

The Diagram below demonstrates the implementation of the plan of current expenditures by particular districts of the Capital City of Warsaw in 2009 against 2008.

Diag. 23 DISTRICTS' CURRENT EXPENDITURES – THE DEGREE OF PLAN IMPLEMENTATION IN THE YEARS 2008 - 2009



The realisation of planned current expenditures on the part of districts in 2009 amounted to between 94.6% and 98.5%.

In 2009, in relation to the preceding year, **3 districts** recorded an **increase in the level of implementation of the annual plan**, **13 districts** recorded a **decrease**, and in **2 districts** the plan implementation indicator **did not change**.

The highest degree of the realisation of current expenditures plan in 2009 occurred in the following districts:

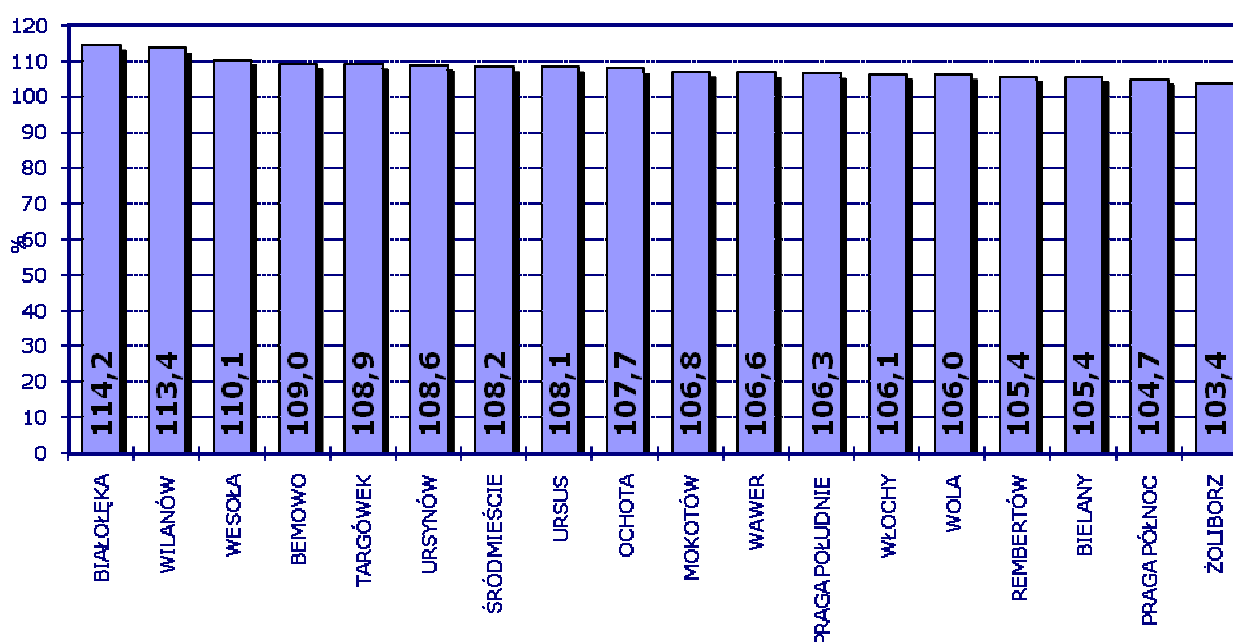
1. Praga Południe: 98.5%,
2. Bielany: 98.2%
3. Mokotów: 98.1%

The lowest degree of the realisation of current expenditures plan in 2009 occurred in the following districts:

1. Ursynów: 94.6%,
2. Wesoła: 95.4%,
3. Wola: 95.5%.

The Diagram below demonstrates the dynamics of current expenditures in 2009 against 2008 in particular districts of the Capital City of Warsaw.

DIAG. 24 DISTRICTS' CURRENT EXPENDITURES – NOMINAL DYNAMICS 2009/2008



In 2009 against 2008 **all districts recorded an increase in current expenditures**.

The nominal dynamics of current expenditures in 2009 against 2008 in particular districts of the Capital City of Warsaw balanced between **103.4%** and **114.2%**.

The highest relative increase in current expenditures in 2009 against 2008 occurred in the following districts:

1. Białołęka: +14.2%,
2. Wilanów: +13.4%,
3. Wesoła: +10.1%.

The highest increase in current expenditures shown in absolute numbers in 2009 against 2008 occurred in the following districts:

1. Śródmieście: PLN +44.2 million,
2. Mokotów: PLN +32.4 million,
3. Praga Południe: PLN +24.2 million.

The lowest relative increase in current expenditures in 2009 against 2008 occurred in the following districts:

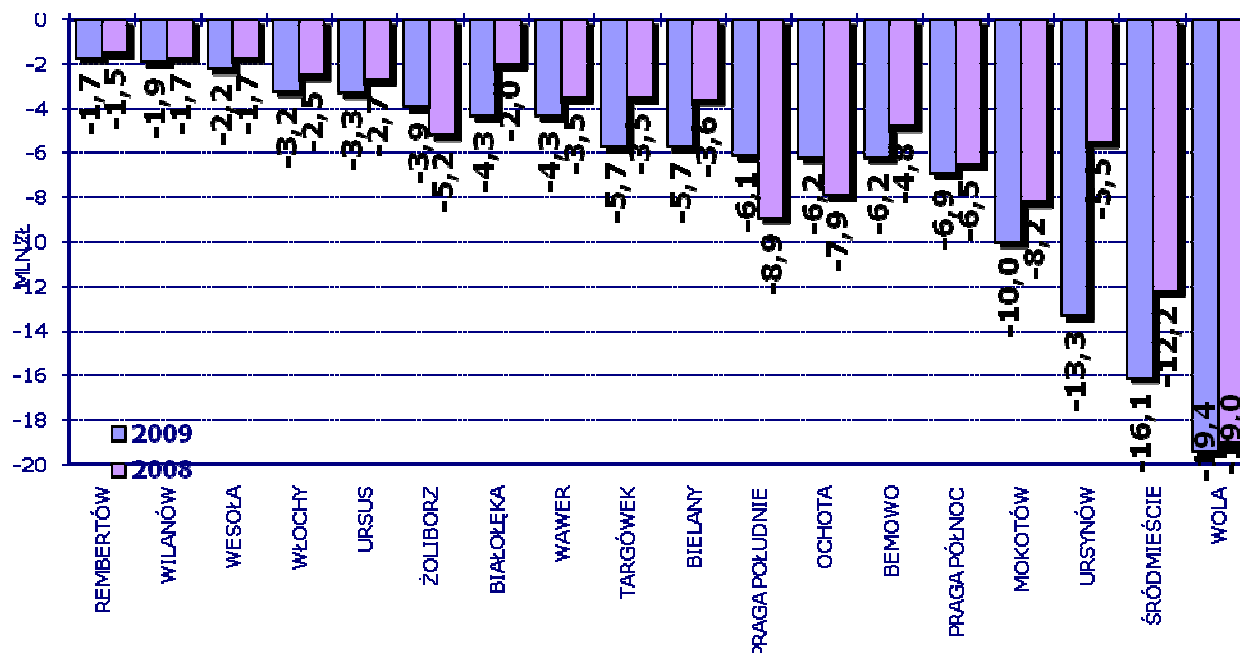
1. Żoliborz: +3.4%,
2. Praga Północ: +4.7%,
3. Bielany: +5.4%.

The lowest relative increase in current expenditures shown in absolute numbers in 2009 against 2008 occurred in the following districts:

1. Rembertów: PLN +2.8 million,
2. Wesoła: PLN +4.2 million,
3. Żoliborz: PLN +4.7 million.

The diagram below demonstrates deviations from the plan of current expenditures in particular districts of the Capital City of Warsaw in 2009 against 2008.

DIAG. 25 DISTRICTS' CURRENT EXPENDITURES – IMPLEMENTATION DEVIATION FROM THE PLAN IN THE YEARS 2008-2009



Monetary deviations from the plan of current expenditures in particular districts in 2009 amounted to between **PLN -19.4 million** (Wola District) and **PLN -1.7 million** (Rembertów District).

The lowest deviation from the plan of current expenditures in 2009 occurred in the following districts:

1. Rembertów: PLN -1.7 million,
2. Wilanów: PLN -1.9 million,
3. Wesoła: PLN -2.2 million.

The highest deviation from the plan of current expenditures in 2009 occurred in the following districts:

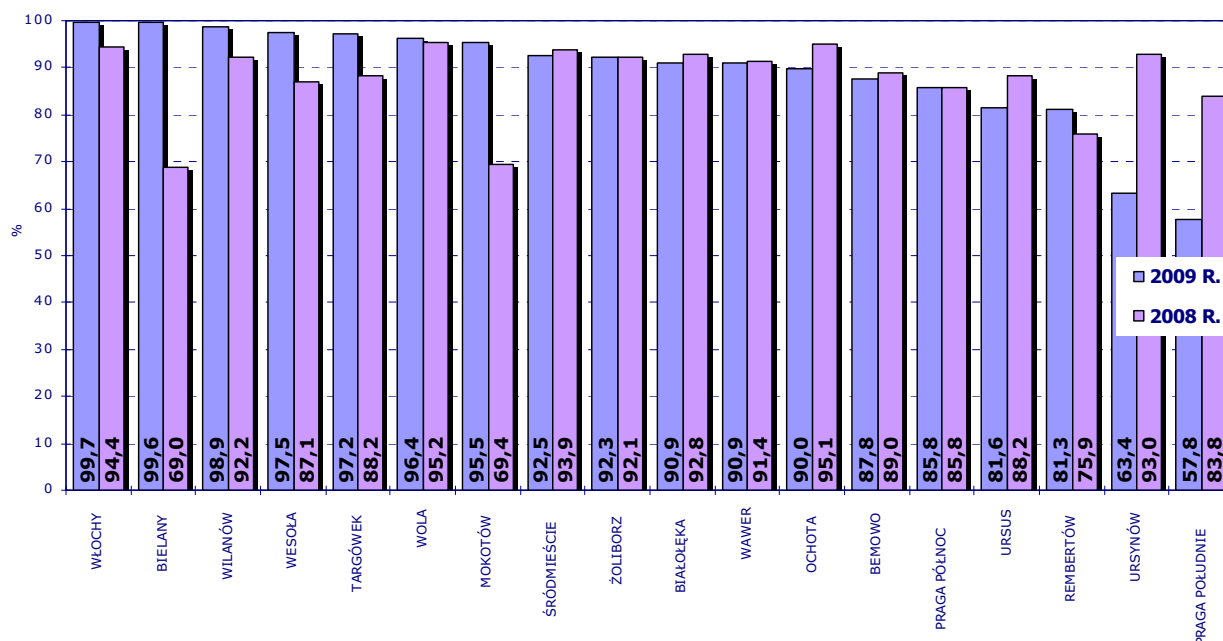
1. Wola: PLN -19.4 million,
2. Śródmieście: PLN -16.1 million,
3. Ursynów: PLN -13.3 million.

DISTRICTS' PROPERTY EXPENDITURES

The **realisation** of the plan of **property expenditures on the part of the districts** in 2009 amounted to **88.7%**.

The diagram below demonstrates the implementation of the plan of property expenditures on the part of particular districts of the Capital City of Warsaw in 2009 against 2008.

DIAG. 26 DISTRICTS' PROPERTY EXPENDITURES – THE DEGREE OF PLAN IMPLEMENTATION IN THE YEARS 2008 – 2009



Planned property expenditures of the districts in 2009 balanced from **57.8%** to **99.7%**.

In 2009 in relation to the preceding year **9 districts** recorded **an increase in the degree of implementation of the annual plan**, **8 districts** recorded a decrease, and in **1 district** this degree did not change.

The highest degree of realisation of the property expenditure plan in 2009 occurred in the following districts:

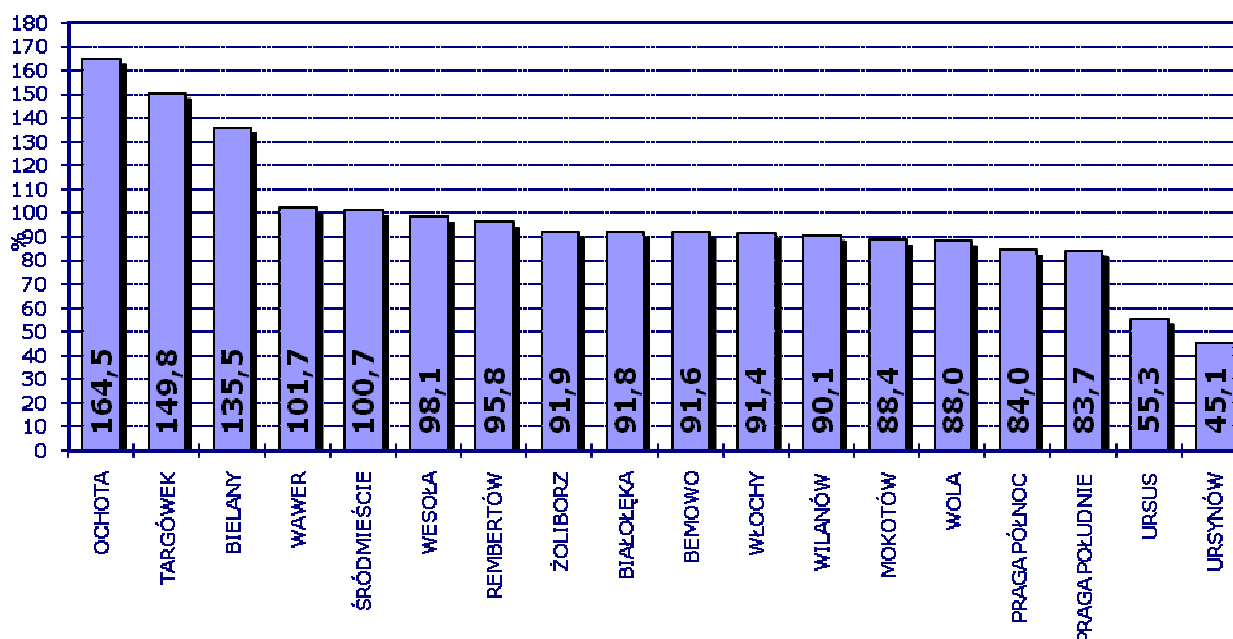
1. Włochy: 99.7%,
2. Bielany: 99.6%,
3. Wilanów: 98.9%.

The lowest degree of realisation of the annual property expenditure plan in 2009 occurred in the following districts:

1. Praga Południe: 57.8%,
2. Ursynów: 63.4%,
3. Rembertów: 81.3%.

The diagram below demonstrates the dynamics of property expenditures in 2009 against 2008 in particular districts of the Capital City of Warsaw.

DIAG. 27 DISTRICTS' PROPERTY EXPENDITURES - NOMINAL DYNAMICS 2009/2008



In 2009, as compared with the preceding year, **5 districts** recorded **an increase in property expenditures**, while **13 districts** recorded **a decrease**.

The nominal dynamics of property expenditures in 2009 against 2008 in particular districts of the Capital City of Warsaw ranged from **45.1%** to **164.5%**.

The highest relative increase in property expenditures in 2009 against 2008 occurred in the following districts:

1. Ochota: +64.5%,
2. Targówek: +49.8%,
3. Bielany: +35.5%.

The highest decrease in property expenditures in 2009 against 2008 **as shown in absolute numbers** occurred in the following districts:

1. Targówek: PLN +25.0 million,
2. Bielany: PLN +15.1 million,
3. Ochota: PLN +11.0 million.

The highest relative decrease in property expenditures in 2009 against 2008 occurred in the following districts:

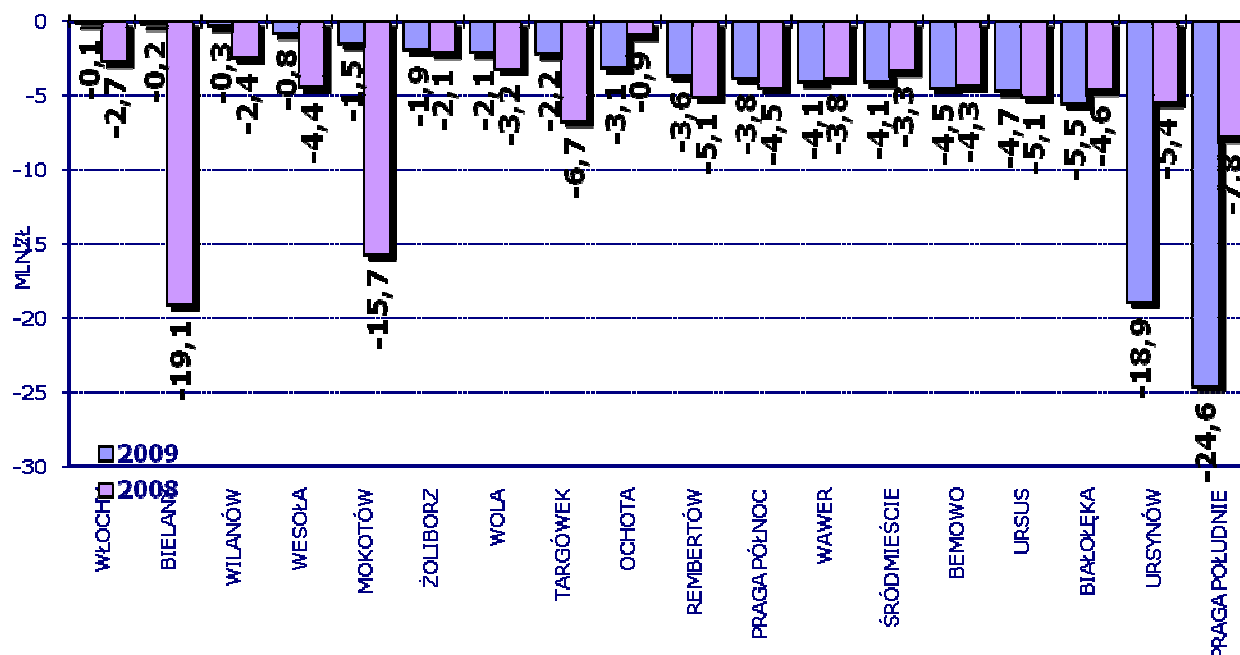
1. Ursynów: -54.9%,
2. Ursus: -44.7%,
3. Praga Południe: -16.3%.

The highest decrease in property expenditures in 2009 against 2008 **as shown in absolute numbers** occurred in the following districts:

1. Ursynów: PLN -39.9 million,
2. Ursus: PLN -16.9 million,
3. Wola: PLN -7.8 million.

The diagram below demonstrates deviations from the implementation of the property expenditures plan in particular districts of the Capital City of Warsaw in 2009 against 2008

**DIAG. 28 DISTRICTS' PROPERTY EXPENDITURES – IMPLEMENTATION DEVIATION FROM THE PLAN
IN THE YEARS 2008 – 2009**



Monetary deviations from the property expenditures plan in particular districts in 2009 amounted to between PLN -24.6 million (Praga Południe District) and PLN -0.1 million (Włochy District).

The lowest deviation from the property expenditures plan in 2009 occurred in the following districts:

1. Włochy: PLN -0.1 million,
2. Bielany: PLN -0.2 million,
3. Wilanów: PLN -0.3 million.

The highest deviation from the property expenditures plan in 2009 occurred in the following districts:

1. Praga Południe: PLN -24.6 million,
2. Ursynów: PLN -18.9 million,
3. Białołęka: PLN -5.5 million.

FINANCING OF THE BUDGET DEFICIT

The table below demonstrates the implementation of the budget of the Capital City of Warsaw for the year 2009 with regard to incomings and outgoings.

TAB. 6. INCOMINGS AND OUTGOINGS IN 2009.

§	SPECIFICATION	YEAR 2009		DYNAMICS
		PLAN AS OF 31.12.2009	ANNUAL IMPLEMENTATION	
		IN PLN		IN %
SURPLUS [+] / BUDGET DEFICIT [-]		-2 461 202 721	-1 231 492 006	-
REVENUES		3 197 321 044	3 178 344 316	99,4
931	Revenues from the sale of other securities (bonds)	1 467 858 898	1 456 850 031	99,3
941	Revenues from indirect privatisation	10 000 000	0	0,0
942	Revenues from direct privatisation	9 500 000	116 252	1,2
953	Revenues from loans and credits obtained on the foreign market	550 000 000	550 000 000	100,0
955	Revenues from other domestic settlements	1 159 962 146	1 171 378 033	101,0
OUTGOINGS		718 213 958	708 724 427	98,7
982	Redemption of securities (bonds)	6 000 000	6 000 000	100,0
992	Repayment of domestic credits and loans	151 998 892	151 968 570	100,0
993	Repayment of foreign credits	50 254 605	50 187 210	99,9
994	Transfers into deposit accounts	509 960 461	500 568 647	98,2

ISSUE OF BONDS ON THE FOREIGN MARKET

Within the framework of a bond issuance programme on the European market (EMTN - European Medium Term Note) established in 2009, on 6 May 2009 5-year bonds were issued with a nominal value of EUR 200 million, with the fixed annual coupon of 6.875%, and a maturity date of 6 May 2014. The issue was public. Warsaw's eurobonds are quoted on the stock exchange in Luxembourg. To the bank account of the Capital City of Warsaw was transferred the amount of EUR 198 574 000, after considering commission for the banks which organised the issue and discount.

Both the EMTN programme and the first issue were given the international rating at the level A2.

The main purchasers of the bonds were banks, investment funds, and insurance companies.

ISSUE OF BONDS ON THE DOMESTIC MARKET

Within the framework of the bond issuance programme on the domestic market, on 30 July 2009 10-year bonds of the WAW1019 series were issued, with a nominal value of PLN 600 000 000, with the fixed annual coupon of 6.7% and a maturity date of 25 October 2019. The issue was public and was directed to institutional investors. The bonds introduced to the domestic regulated market. To the bank account of the Capital City of Warsaw was transferred the amount of PLN 571 512 000 after considering the discount.

Both the issue programme and the issue of bonds were given the AAA (pol) level rating by the Fitch Ratings.

The main purchasers of the bonds were banks, investment funds and insurance companies.

CREDITS OBTAINED FROM FOREIGN MARKETS

1. A credit obtained from the Council of Europe Development Bank in the amount of PLN 200 million, maturing in 2029, allocated for the financing of investment projects pertaining to education, health, and improvement in living conditions in urban and rural areas.

2. A credit obtained from the European Investment Bank in the amount of PLN 350 million maturing in 2029 with a 6-year grace period, allocated for financing investment projects pertaining to the road network and transport, modernisation of public utility buildings, modernisation of public administration, cultural, historical and architectural heritage, and restoration of green terrains and open public areas.

FINANCIAL RESULT

The table below demonstrates the form of the financial result of the Capital City of Warsaw in 2009 against 2008

TAB. 7 FINANCIAL RESULT IN THE YEARS 2008-2009

No.	SPECIFICATION	YEAR 2008		YEAR 2009		PLAN IMPLEMENTATION INDICATOR		YEAR-ON-YEAR DYNAMICS	
		PLAN AS AT 31.12.2008	ANNUAL IMPLEMENTATION	PLAN AS AT 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION ATION
		IN PLN							
A	INCOME	9 937 647 900	10 256 992 693	9 591 052 095	10 116 715 173	103,2	105,5	96,5	98,6
B	EXPENDITURES	11 296 724 253	10 522 296 406	12 052 254 816	11 348 207 179	93,1	94,2	106,7	107,8
C	SURPLUS/ DEFICIT [A - B]	-1 359 076 353	-265 303 713	-2 461 202 721	-1 231 492 006	-	-	-	-
D	OUTGOINGS	523 277 000	448 353 586	718 213 958	708 724 427	85,7	98,7	137,3	158,1
D1	INCLUDING INVESTMENTS IN TREASURY BILLS	0	0	509 960 461	500 568 647	-	98,2	-	-
E1	SURPLUS / ACTUAL DEFICIT [A - B - D]	-1 882 353 353	-713 657 299	-3 179 416 679	-1 940 216 433	-	-	-	-
E2	SURPLUS / ADJUSTED ACTUAL DEFICIT [A - B - D + D1]	-1 882 353 353	-713 657 299	-2 669 456 218	-1 439 647 786	-	-	-	-
F	INCOMINGS	1 882 353 353	1 878 184 433	3 197 321 044	3 178 344 316	99,8	99,4	169,9	169,2
G1	FINANCIAL RESULT [A - B - D + F]	0	1 164 527 134	17 904 365	1 238 127 883	-	-	-	-
G2	ADJUSTED FINANCIAL RESULT [A - B - D + D1 + F]	0	1 164 527 134	527 864 826	1 738 696 530	-	-	-	-

SURPLUS / DEFICIT [INCOME- EXPENDITURES]

In 2009 the expenditures of the Capital City of Warsaw exceeded income, which means a budget deficit occurred in the amount of **PLN 1 231.5 million**.

SURPLUS / FACTUAL DEFICIT [INCOME – EXPENDITURES – OUTGOINGS]

In 2009 in the Capital City of Warsaw, after deducting outgoings from the budget deficit, the final negative result, being **the actual budget deficit**, amounted to **PLN 1 940.2 million**. After adjusting **the actual state of the budget deficit** with **investments to treasury bills** amounting in total to **PLN 500.6 million** included in outgoings, the **real actual budget deficit** amounted to **PLN 1 439.6 million**.

The table below demonstrates the form of basic budget parameters determining the financial balance of the Capital City of Warsaw in 2009 against 2008.

TAB. 8 SURPLUS / OPERATIONAL DEFICIT IN THE YEARS 2008 – 2009

No.	SPECIFICATION	YEAR 2008		YEAR 2009		PLAN IMPLEMENTATION INDICATOR		YEAR-ON-YEAR DYNAMICS	
		PLAN AS AT 31.12.2008	ANUAL IMPLEMENTATION	PLAN AS AT 31.12.2009	ANNUAL IMPLEMENTATION	YEAR 2008	YEAR 2009	PLAN	IMPLEMENTATION
IN PLN						IN %			
A	SURPLUS / GROSS OPERATING DEFICIT	369 139 717	1 160 195 134	-549 860 848	402 413 818	314,3	-73,2	-149,0	34,7
B1	SURPLUS / NET OPERATING DEFICIT	-154 137 283	711 841 548	-1 268 074 806	-306 310 609	-461,8	24,2	-	-
B2	SURPLUS / ADJUSTED NET OPERATING DEFICIT	-154 137 283	711 841 548	-758 114 345	194 258 038	-461,8	-	-	27,3
C	INDICATOR OF THE COVERAGE OF CURRENT EXPENDITURES BY CURRENT INCOME	104,2	113,8	94,3	104,4	-	-	-	-

SURPLUS / GROSS OPERATIONAL DEFICIT [CURRENT INCOME– CURRENT EXPENDITURES]

In 2009 in the Capital City of Warsaw showed an **operational gross surplus**, being a surplus to current income over current expenditures in the amount of **PLN 402.4 million** in relation to planned the operational gross deficit in the amount of **PLN 549.9 million**. The resulting gross operational surplus means that current expenditures of the Capital City of Warsaw in 2009 were fully financed by current income.

SURPLUS / NET OPERATIONAL DEFICIT [CURRENT INCOME – CURRENT EXPENDITURES – OUTGOINGS]

In 2009 in the Capital City of Warsaw there occurred a **net operational deficit** in the amount of **PLN 306.3 million** compared with a planned net operational deficit in the amount of **PLN 1 268.1 million**. After adjusting the actual net deficit with **investments in bonds** included in outgoings amounting to **PLN 500.6 million**, the result obtained was a **net operational surplus** in the amount of **PLN 194.3 million**.

INDICATOR OF THE COVERAGE OF CURRENT EXPENDITURES BY CURRENT INCOME [CURRENT INCOME / CURRENT EXPENDITURES]

In 2009 in the Capital City of Warsaw **the coverage of current expenditures by current income**, describing the ratio of current income to current expenditures, was **104.4%**.

CHANGES IN THE BUDGET MADE DURING ITS IMPLEMENTATION

In the Capital City of Warsaw in 2009 **9 changes** were made following **Resolutions passed by the City Council**, and **38 changes** following **directives of the Mayor of the City** within the scopes corresponding with the authority of these bodies.

The table below demonstrates the financial dimension of changes in the budget of the Capital City of Warsaw for the year 2009 made in 2009 in terms of income and expenditures.

TAB. 9. CHANGES IN THE BUDGET FOR THE YEAR 2009 ACCORDING TO MAIN ITEMS

SPECIFICATION	YEAR 2009				DIFFERENCE	DYNAMICS
	PLAN AS AT 1 I	CHANGES INTRODUCED WITH THE COUNCIL'S RESOLUTIONS	CHANGES INTRODUCED WITH THE MAYORS'S DIRECTIVES	PLAN AS AT 31 XII		
	W ZŁ					W %
TOTAL INCOME	10 200 619 558	-676 230 665	66 663 202	9 591 052 095	-609 567 463	94,0
TOTAL EXPENDITURES	12 526 751 558	-523 255 579	48 758 837	12 052 254 816	-474 496 742	96,2
CURRENT EXPENDITURES	9 420 445 091	182 908 015	49 458 837	9 652 811 943	232 366 852	102,5
PROPERTY EXPENDITURES	3 106 306 467	-706 163 594	-700 000	2 399 442 873	-706 863 594	77,2

DEFICIT

The planned budget deficit **increased** by **PLN 135.1 million**, i.e. by **5.8%**.

INCOME

The income planned in the budget of the Capital City of Warsaw for 2009 as at 31 December 2009 amounted to PLN 9 591.1, million which means the plan decreased in relation to the budget resolution by 6.0%, i.e. PLN 609.5 million, as a result of an aggregated decrease in income by PLN 676.2 million following Resolutions of the City Council, and an increase in income by PLN 66.7 million following directives of the Mayor of the City.

EXPENDITURES

The budget of the Capital City of Warsaw for the year 2009 closed **on the expenditure side** at the amount of **PLN 12 052.3 million**, i.e. with a decrease in relation to the budget Resolution by **3.8%, i.e. PLN 474.5 million**, as a result of an aggregated **decrease** in expenditures by **PLN 523.3 million** following Resolutions of the City Council, and an increase in expenditures in the amount of **PLN 48.8 million** following directives of the Mayor of the City.

As seen in a profile of main the **divisions of the budget classification**, the changes in terms of planned **expenditures** ranged from **-17.2% (division 926 – physical culture and sport)** to **+13.1% (division 700 – Residential management)**.

TAB. 10 CHANGES IN THE PLANNED EXPENDITURES ACCORDING TO DIVISIONS

DIVISION	SPECIFICATION	YEAR 2009		DIFFERENCE	DYNAMICS
		PLAN AS AT 1 I	PLAN AS AT 31 XII		
		IN PLN			IN %
EXPENDITURES IN TOTAL		12 526 751 558	12 052 254 816	-474 496 742	96,2
010	AGRICULTURE AND HUNTING	36 409	61 131	24 722	167,9
020	FORESTRY	4 301 500	4 526 100	224 600	105,2
400	PRODUCTION AND SUPPLY IN ELECTRIC ENERGY, GAS AND WATER	5 635 500	6 103 123	467 623	108,3
500	TRADE	10 900	20 293	9 393	186,2
600	TRANSPORT AND COMMUNICATIONS	3 669 655 394	3 106 723 633	-562 931 761	84,7
630	TOURISM	5 386 600	7 591 030	2 204 430	140,9
700	HOUSING MANAGEMENT	1 120 937 700	1 268 145 767	147 208 067	113,1
710	SERVICES	55 190 659	58 570 042	3 379 383	106,1
750	PUBLIC ADMINISTRATION	1 001 197 356	957 173 798	-44 023 558	95,6
751	OFFICES OF MAIN STATE, CONTROL, LAW PROTECTION, JUDICIARY AUTHORITIES	247 008	2 051 887	1 804 879	830,7
754	PUBLIC SECURITY AND FIRE PROTECTION	259 332 669	268 032 509	8 699 840	103,4
756	INCOME OF LEGAL ENTITIES, NATURAL PERSONS AND OTHER ENTITIES WITHOUT LEGAL PERSONALITY AND EXPENDITURES RELATED TO THEIR COLLECTION	4 115 561	3 960 726	-154 835	96,2
757	PUBLIC DEBTS SERVICING	228 747 000	228 481 616	-265 384	99,9
758	VARIOUS SETTLEMENTS	1 189 743 025	1 039 946 373	-149 796 652	87,4
801	EDUCATION	2 139 801 953	2 280 284 968	140 483 015	106,6
803	HIGHER EDUCATION	2 083 500	2 111 560	28 060	101,3
851	HEALTH CARE	216 899 873	239 243 740	22 343 867	110,3
852	SOCIAL AID	644 696 937	700 053 437	55 356 500	108,6
853	OTHER TASKS RELATED TO SOCIAL POLICY	78 311 339	99 006 323	20 694 984	126,4
854	EDUCATION CARE	252 523 175	270 622 337	18 099 162	107,2
900	MUNICIPAL MANAGEMENT AND ENVIRONMENTAL PROTECTION	356 029 892	354 562 706	-1 467 186	99,6
921	CULTURE AND PROTECTION OF NATIONAL HERITAGE	756 992 867	707 871 025	-49 121 842	93,5
925	BOTANICAL AND ZOOLOGICAL GARDENS	44 600 860	41 050 066	-3 550 794	92,0
926	PHYSICAL CULTURE AND SPORT	490 273 881	406 060 626	-84 213 255	82,8

DEBT AND CAUTION INDICATORS

The table below demonstrates budget parameters connected with the debt of the Capital City of Warsaw in 2009.

TAB. 11 THE LEVEL OF DEBT AND COSTS RELATED WITH ITS SERVICING IN 2009

No.	SPECIFICATION	2009
		ANNUAL IMPLEMENTATION
		IN PLN
A	THE LEVEL OF DEBT AS OF 31 XII	4 023 652 767
I	CREDITS AND LOANS	2 595 508 017
II	BONDS	1 428 140 000
III	LIABILITIES DUE	4 750
B	DEBT SERVICING	340 533 234
I	REDEMPTION OF SECURITIES (BONDS)	6 000 000
II	REPAYMENT OF CREDITS AND LOANS INSTALMENTS	202 155 780
III	INTERESTS	120 122 655
IV	PAYMENTS RELATED TO GRANTED GUARANTEES AND WARRANTIES	12 254 799
C	THE INDICATOR OF THE DEBT LEVEL [STATUTORY LIMIT 60% OF INCOME]	39,8%
D	THE INDICATOR OF THE DEBT SERVICING [STATUTORY LIMIT 15% OF INCOME]	3,4%

The **debt level** by the end of 2009 amounted to **PLN 4 023.7 million**.

The resources designated for **debt servicing** (capital instalments increased by interest and payment of guarantees and warranties due) in 2009 amounted to **PLN 340.5 million**, i.e. less than planned by PLN 90.7 million.

The indicator of the debt level (debt in relation to income) according to the state as of the end of 2009, amounted to 39.8%.

Pursuant to art. 170 of the Act on Public Finances³ of 30 June 2005 the debt of a Local-Government Unit at the end of a financial year cannot exceed 60% of implemented income of this unit in that financial year. Additionally, during the financial year the total amount of debt of a Local-Government Unit at the end of a quarter cannot exceed 60% of that unit's income planned for that year.

The indicator of debt servicing (debt servicing in relation to income) in 2009 amounted to **3.4%**.

Pursuant to art. 169 of the Act of 30 June 2005 on Public Finances⁴, the total amount of resources spent in the financial year for the servicing of debt of a Local-Government Unit cannot exceed 15% of implemented income of this unit in this financial year.

RECEIVABLES AND LIABILITIES

RECEIVABLES

The table below demonstrates the state of receivables of budgetary units of the Capital City of Warsaw as at the end of 2009 compared with the state as at the end of 2008.

TAB. 12 THE STATE OF RECEIVABLES OF BUDGETARY UNITS IN THE YEARS 2008 – 2009

³ Dz.U. No. 249, item 2104 as amended

⁴ Dz.U. No. 249, item 2104 as amended

Report on the implementation of the budget of the City of Warsaw for the year 2009
INTRODUCTION

No.	SPECIFICATION		YEAR 2008	YEAR 2009	DIFFERENCE	DYNAMICS
			AS AT 31.12.2008	AS AT 31.12.2009		
			IN PLN			
TOTAL RECEIVABLES			1 071 923 493	1 354 027 977	282 104 484	126,3
A	RECEIVABLES DUE, INCLUDING:		857 086 551	1 105 903 115	248 816 564	129,0
I	Housing management, including i.a.:		364 257 925	480 216 454	115 958 529	131,8
1	perpetual usufruct		91 767 422	127 204 183	35 436 761	138,6
2	rent and lease		133 566 417	201 675 026	68 108 609	151,0
3	paid services (providing media to public housing)		88 561 371	91 074 590	2 513 219	102,8
II	Taxes and payments, including i.a.:		238 329 823	238 665 900	336 077	100,1
1	real property tax		114 138 552	118 165 411	4 026 859	103,5
2	business tax from natural persons paid in the form of tax cards j		49 652 144	47 537 319	-2 114 825	95,7
3	transport vehicle tax		11 802 651	12 627 087	824 436	107,0
4	tax on civil law transactions		10 677 609	5 237 592	-5 440 017	49,1
5	inheritance and endowment tax		10 319 168	12 401 534	2 082 366	120,2
6	stamp duty		10 863 054	10 754 849	-108 205	99,0
7	local payments collected on the basis of separate Acts (betterment levy, zoning fee, payment for occupancy of the right of way)		24 875 249	26 346 006	1 470 757	105,9
III	Transport and communications (resulting from i.a.: fines and penalties from legal entities, paid parking lots, various kinds of income)		28 963 024	48 651 313	19 688 289	168,0
IV	Charges for stay in detoxification centres		33 339 519	31 524 315	-1 815 204	94,6
V	Tickets given by municipal police		17 305 096	20 631 744	3 326 648	119,2
VI	Interests from delayed contributions relating to taxes and payments and other interests		150 249 012	250 671 009	100 421 997	166,8
B	UNMATURED RECEIVABLES		214 836 942	248 124 862	33 287 920	115,5

Receivables of budgetary entities in total according to the state as at the end of 2009 amounted to **PLN 1 354.0 million**, which means they increased in relation to the end of 2008 by **26.3%**, i.e. **PLN 282.1 million**.

Receivables due of budgetary units in total according to the state as at the end of 2009 amounted to **PLN 1 105.9 million** which means **an increase** in relation to the end of 2008 by **29.0%**, i.e. **PLN 248.8 million**.

Unmatured receivables of budget units, according to the state as at the end of 2009 amounted to **PLN 248.1 million**, which means an **increase** in relation to the end 2008 by **15.5%**, i.e. **PLN 33.3 million**.

LIABILITIES

LIABILITIES OF BUDGETARY ENTITIES OF THE CAPITAL CITY OF WARSAW

The table below demonstrates the state of liabilities of budget entities of the Capital City of Warsaw at the end of 2009 against the state at the end of 2008.

TAB. 13. THE STATE OF LIABILITIES OF BUDGETARY ENTITIES OF THE CAPITAL CITY OF WARSAW

No.	SPECIFICATION	YEAR 2008	YEAR 2009	DIFFERENCE	DYNAMICS
		AS AT 31.12.2008	AS AT 31.12.2009		
		IN PLN			IN %
TOTAL LIABILITIES		229 243 021	365 352 111	136 109 090	159,4
A	LIABILITIES DUE, INCLUDING:	47 633	4 750	-42 883	10,0
I	Budgetary units	42 883	0	-42 883	0,0
II	Budgetar companies	4 750	4 750	0	100,0
B	UNMATURED LIABILITIES OF BUDGETARY UNITS	229 195 388	365 347 361	136 151 973	159,4

The liabilities of budgetary entities in total according to the state as at the end of 2009 amounted to PLN **365.4 million**, which means they **increased** in relation to the end of 2008 by **59.4%**, i.e. **PLN 136.1 million**

Liabilities due according to the state as at the end of 2009 amounted to **PLN 4 750**, which means they **decreased** in relation to the end of 2008 by **90.0%**, i.e. **PLN 42 883**.

Liabilities due related to a state enterprise "Orle Gniazdo" in Sromowce Wyżne near Nowy Targ, on account of liabilities to the teachers' savings and loans fund in Nowy Targ – due to embezzlement on the part of one of its employees, the fund has been liquidated, and a trial in this case is being held.

Unmatured liabilities, according to the state as at the end of 2009, amounted to **PLN 365.3 million**, which means they **increased** in relation to the end of 2008 by **59.4%**, i.e. **PLN 136.2 million**.

The level of liabilities as at the end of 2009 is connected i.a. with revealing liabilities with regard to calculated interests from the issue of bonds in Euro and PLN with a maturity date in 2010 and considering discount on the issue of bonds in Euro and PLN with maturity dates in 2014 and 2019.

LIABILITIES OF SPZOS AND CULTURAL INSTITUTIONS FOR WHICH THE CITY IS THE FOUNDING ENTITY

In the table below are presented the liabilities of Independent Public Healthcare Units (SPZOS) and Cultural Institutions for which the City is the founding entity, according to the state as state as at the end of 2009 against the end of 2008.

TAB. 14 THE STATE OF LIABILITIES OF SPZOSZ AND CULTURAL INSTITUTIONS IN THE YEARS 2008-2009

No.	SPECIFICATION	YEAR 2008	YEAR 2009	DIFFERENCE	DYNAMICS
		AS AT 31.12.2008	AS AT 31.12.2009		
		IN PLN			
INDEPENDENT PUBLIC HEALTH CARE CENTRES					
A	TOTAL LIABILITIES , INCLUDING I.A.:	159 954 437	177 219 574	17 265 137	110,8
I	MATURED LIABILITIES	55 670 136	82 238 280	26 568 144	147,7
	SPZSOZ SOLEC	15 097 243	30 618 676	15 521 433	202,8
	SPZSOZ PRAGA HOSPITAL	17 128 689	18 315 168	1 186 479	106,9
	SPZSOZ Grochowski Hospital	11 224 200	17 651 859	6 427 659	157,3
	SPZSOZ Czerniakowski Hospital	9 976 182	14 398 008	4 421 826	144,3
	SPZSOZ Warsaw Children Hospital	1 639 468	884 928	-754 540	54,0
	SPZSOZ Bielański Hospital	261 239	108 134	-153 105	41,4
	Independent Public Complex of Outpatient Care Units (SZPZLO) - Warsaw-Bródno	114 723	107 797	-6 926	94,0
	SZPZLO Warsaw-Mokotów	0	81 305	81 305	-
	SZPZLO Warsaw-Bemowo	67 181	44 751	-22 430	66,6
	SPZZLO Warsaw-Wesoła	2 466	24 014	21 548	973,8
	SPZLO Warsaw-Włochy	80 654	3 640	-77 014	4,5
	SZPZLO Warsaw-Ochota	76 520	0	-76 520	0,0
	SZPZLO Warsaw-Żoliborz	1 562	0	-1 562	0,0
	SZPZLO Warsaw- Praga Południe	9	0	-9	0,0
CULTURAL INSTITUTIONS					
A	TOTAL LIABILITIES, INCLUDING:	18 480 387	5 011 455	-13 468 932	27,1
I	LIABILITIES DUE	35 626	24 289	-11 337	68,2
	Cultural centre Ochota	0	6 189	6 189	-
	Teatr Powszechny (Common Theatre)	0	6 118	6 118	-
	Teatr Dramatyczny (Drama Theatre)	0	5 627	5 627	-
	Ateneum Theatre	0	3 511	3 511	-
	Roma Music Theatre	976	1 245	269	127,6
	Museum of the History of Polish Jews	0	845	845	-
	Public Library in Wilanów District	0	750	750	-
	The Zygmunt Łazarski Public Library in Mokotów District	0	4	4	-
	Teatr Nowy (New Theatre)	29 963	0	-29 963	0,0
	Studio Theatre	3 172	0	-3 172	0,0

INDEPENDENT PUBLIC HEALTHCARE UNITS (SPZOSZ)

The liabilities of SPZOSZ in total according to the state as at the end of 2009 amounted to **PLN 177.2 million**, which means they increased in relation to the end of 2008 by **10.8%**, i.e. **PLN 17.3 million**.

The liabilities due of SPZOSZ according to the state as of the end of 2009 amounted to **PLN 82.2. million** which means they increased in relation to the end of 2008 by **47.7%**, i.e. **PLN 26.6 million**.

CULTURAL INSTITUTIONS

Liabilities of cultural institutions in total according to the state as at the end of 2009 amounted to **PLN 5.0 million**, which means they decreased in relation to the end of 2008 by **72.9%**, i.e. **PLN 13.5 million**.

Liabilities due of SPZOZ according to the state as at the end of 2009 amounted to **PLN 24 289** which means they decreased in relation to the end of 2008 by **31.8%**, i.e. **PLN 11 337**.

GRANTED ALLOWANCES, EXEMPTIONS, AMORTISATIONS, AND DEFERMENTS

GRANTED ALLOWANCES, EXEMPTIONS, AMORTISATIONS, AND TAX DEFERMENTS

In the table below are presented the financial consequences of allowances, exemptions, amortisations, and deferments granted to taxpayers from the area of the Capital City of Warsaw in 2009.

TAB. 15. THE AMOUNT OF GRANTED ALLOWANCES, EXEMPTIONS, AMORTISATIONS AND TAX DEFERMENTS IN 2009

No.	SPECIFICATION	FINANCIAL CONSEQUENCES OF GRANTED ALLOWANCES AND EXEMPTIONS (EXCLUDING STATUTORY EXEMPTIONS) INTRODUCED BY THE COUNCIL'S RESOLUTIONS BASED ON STATUTORY ENTITLEMENTS	FINANCIAL CONSEQUENCES OF DECISIONS MADE BY THE TAX BODY BASED ON THE TAX ORDINANCE ACT		TOTAL
			AMORTISATION OF TAX ARREARS	PAYMENT IN INSTALLMENTS, DEFERMENT OF PAYMENT DATES	
A	LOCAL TAXES AND CHARGES, INCLUDING:	10 466	177 704	1 064 868	1 253 038
I	real property tax	0	113 195	868 027	981 222
II	agricultural tax	0	175	10 902	11 077
III	forest tax	0	0	34	34
IV	transport vehicle tax	10 466	63 772	184 615	258 853
V	market toll	0	562	1 290	1 852

In 2009, financial consequences of allowances, exemptions, amortisations, and deferments granted to taxpayers from the area of the Capital City of Warsaw amounted to **PLN 1.3 million**.

GRANTED ALLOWANCES, EXEMPTIONS, AMORTISATIONS, AND NON-TAX DEFERMENTS

In the table below are presented financial consequences of allowances, exemptions, amortisations, and non-tax deferments granted to taxpayers from the area of the Capital City of Warsaw in 2009.

TAB. 16 THE AMOUNT OF GRANTED ALLOWANCES, EXEMPTIONS, AMORTISATIONS, AND NON-TAX DEFERMENTS IN 2009

No.	SPECIFICATION	AMORTISATION			
		MAIN AMOUNT DUE	INTERESTS	OTHER INCIDENTAL DUES	TOTAL
		IN PLN			
TOTAL		12 917 308	2 548 507	488 956	15 954 771
I	Perpetual usufruct of land	53 365	47 832	753	101 950
II	Lease or rent of real property	47 443	15 703	3 396	66 542
III	Rent for residential premises (or compensation due the non-contractual occupation of to premises)	2 166 344	1 510 171	324 556	4 001 071
IV	Rent for commercial premises (or compensation due the non-contractual occupation of to premises)	314 114	134 338	32 307	480 759
V	Other	10 336 042	840 463	127 944	11 304 449

No.	SPECIFICATION	DEFERMENT OF PAYMENT DATE			
		MAIN AMOUNT DUE	INTERESTS	OTHER INCIDENTAL DUES	TOTAL
		IN PLN			
TOTAL		117 479	9 926	0	127 405
I	Perpetual usufruct of land	21 214	585	0	21 799
II	Lease or rent of real property	0	895	0	895
III	Rent for residential premises (or compensation due to non-contractual occupation of premises)	64 925	7 776	0	72 701
IV	Rent for commercial premises (or compensation due the non-contractual occupation of premises)	6 078	653	0	6 731
V	Other	25 262	17	0	25 279

No.	SPECIFICATION	INSTALMENTS			
		MAIN AMOUNT DUE	INTERESTS	OTHER INCIDENTAL DUES	TOTAL
		IN PLN			
TOTAL		14 113 401	5 439 230	1 739 801	21 292 432
I	Perpetual usufruct of land	1 105 555	197 286	14 406	1 317 247
II	Lease or rent of real property	854 743	347 258	27 200	1 229 201
III	Rent for residential premises (or compensation due to non-contractual occupation of premises)	9 937 226	4 323 170	1 598 185	15 858 581
IV	Rent for commercial premises (or compensation due the non-contractual occupation of premises)	1 207 966	426 751	46 224	1 680 941
V	Other	1 007 911	144 765	53 786	1 206 462

No.	SPECIFICATION	TOTAL			
		MAIN AMOUNT DUE	INTERESTS	OTHER INCIDENTAL DUES	TOTAL
		IN PLN			
TOTAL		27 148 188	7 997 663	2 228 757	37 374 608

In 2009, the financial consequences of allowances, exemptions, amortisations, and non-tax deferments granted to taxpayers from the area of the Capital City of Warsaw amounted to **PLN 37.4 million**.

SUMMARY

**IMPLEMENTATION OF THE MAIN BUDGET PARAMETERS OF THE CAPITAL CITY OF WARSAW IN 2009
 PROCEEDED AS FOLLOWS:**

	IMPLEMENTATION IN 2009	DEGREE OF PLAN IMPLEMENTATION	DYNAMICS 2009 / 2008
INCOME IN TOTAL	10.116,7 mln zł	105,5%	98,6%
EXPENDITURES IN TOTAL	11.348,2 mln zł	94,2%	107,8%
CURRENT EXPENDITURES	9.246,6 mln zł	95,8%	109,7%
PROPERTY EXPENDITURES	2.101,6 mln zł	87,6%	100,2%
BUDGET DEFICIT [EXPENDITURES - INCOME]	1.231,5 mln zł		
DEBT AS AT 31 XII	4.023,7 mln zł		
DEBT INDICATOR [DEBT / INCOME]	39,8%		
DEBT SERVICING INDICATOR [DEBT SERVICING / INCOME]	3,4%		