

Olympic Delivery Authority

For the period from 1 April to 2 December 2014

Report and Accounts presented to Parliament pursuant to articles 4(3) and 5(5) of the Olympic Delivery Authority (Dissolution) Order 2014/3184

Ordered by the House of Commons to be printed on 12 March 2015

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OLYMPIC DELIVERY AUTHORITY 2006-2014 – FINAL REPORT

The Olympic Delivery Authority (ODA) was established in April 2006, under the London Olympic Games and Paralympic Games Act 2006 and dissolved on 2nd December 2014 on completion of its work. It was an arms-length body (ALB) accountable to the Department for Culture, Media and Sport which was responsible for co-ordinating the bodies delivering the London 2012 Olympic and Paralympic Games and for managing the £9.3 billion Public Sector Funding Package for the Games.

The ODA was given the task of preparing for London 2012, building a new Olympic Park with venues to make Britain proud – a place to welcome the world just six years later. The ODA had to devise a transport plan to get spectators to their events and was responsible for enforcing legislation about advertising and trading during the Games.

Each year the ODA published 10 key milestones, to make sure that the construction of the Olympic Park was driven forward relentlessly over the next 12-month period, and always in a transparent and accountable way. The ODA set itself the target of raising standards in six priority areas: design and accessibility; employment and skills; equality and inclusion; health, safety and security; legacy, and sustainability.

The ODA recruited staff experienced in major construction schemes or past Olympic and Paralympic Games from the private and public sectors, hired the CLM consortium as a delivery partner to use their global know-how to project-manage the building programme, and were supported by a Board that brought to the ODA a wealth of experience, skills and knowledge.

1. *The ODA built the stage on which the world's best athletes could perform at the London 2012 Olympic and Paralympic Games: globally-acclaimed venues, essential supporting infrastructure like roads, bridges and accommodation, and a stunning new Olympic Park.*

The ODA led and co-ordinated the planning, design, clearing, cleaning and construction of the Olympic Park, with eight new venues, including the Olympic Stadium and legacy facilities for swimming and cycling, a media centre complex, the Olympic and Paralympic Athletes' Village, 250 acres of parklands, and new bridges, roads and energy infrastructure, as well as building one new permanent sports facility outside London and making improvements to two existing ones.

The ODA completed construction of the of the Aquatics Centre, the last major venue on the Olympic Park, a year before London 2012 began, and test events started in summer 2011. These were critically important in ensuring that the stadia, arenas and facilities were ready for the public, and in identifying any fine-tuning that needed to be done. Operating against an immovable deadline the ODA delivered the Olympic Park on time and spent substantially less than the budget allocated to it in 2007.

The International Olympic Committee (IOC) said that the ODA's "early and consistent momentum underpinned the whole project" and the ODA's "record of construction and delivery on time and budget" was impressive, particularly in the light of challenges we faced as a result of the global economic crisis in 2007-08.

2. *The ODA cleared the site and planned its use, tackling pollution, subjected the plans to thorough scrutiny, created an inter-connected Park and linked it to the surrounding area, recycling and re-using materials wherever possible.*

In the location for the Olympic Park the ODA took over a neglected post-industrial landscape riddled with contaminants like oil, tar, arsenic and lead; suffocated by invasive plant species like Japanese Knotweed; scarred by dumped shopping trolleys, cars and tyres, broken fridges and domestic waste, and dominated by giant overhead electricity pylons. This dramatic transformation might have taken

decades, but the ODA did it in six years, from clearing the site and cleaning it to commissioning and completing the venues and infrastructure.

The ODA's planning application, one of Europe's largest, was scrutinised by an independent planning authority which actively sought the views of local people. The ODA turned the vision laid out in the London 2012 Master-plan into a reality, transforming a brownfield site into an urban green space, with lush meadows, lawns, wetlands, woodlands and wildlife habitats alongside sports venues, housing and supporting infrastructure and buildings. Disused buildings were demolished, rivers dredged, and power cables buried in new tunnels, while above ground new roads and bridges were created to link the different parts of the Olympic Park and neighbouring communities. Two million tonnes of soil were cleaned to create the new landscape. Eighty percent of this was re-used, with enough waste from tunnels and shafts to fill Wembley Stadium.

- 3. The ODA attached great importance to the highest standards of design, building flexible venues for the Games and beyond, creating inclusive facilities accessible for all; and promoting maximum sustainability.*

The ODA combined excellence and innovation in creating buildings designed both for the world's top sporting event and long-term use afterwards. Permanent facilities were built only where they had a clear long-term future. The Olympic Park buildings won 12 major design awards and the London Aquatics Centre was hailed as beautiful, sensual, and a great building of our times" by the 2014 Stirling Prize judges.

The ODA created the most accessible Olympic Park yet, helping those with disabilities, young families and older people watch the action and use the venues, by providing gentle gradients, wider corridors and aisles, tactile surfaces and 250 benches at a maximum 50 metres apart. Eton Manor (wheelchair tennis) was the first arena ever built solely for the Paralympic Games. The ODA made venues sustainable, reusing or recycling materials and reducing energy use and water consumption – with 88 rooftop pipes, for instance, cutting the need for artificial light in the Copper Box multi-sports arena. We invested £419 million through the ODA to make the transport network serving the Olympic Park more accessible, with 100,000 Games-time journeys on shuttle buses for people with disabilities or mobility needs, and 27,000 Blue Badge parking spaces.

- 4. The ODA directly provided work for more than 1,600 companies, overwhelmingly British, in difficult economic times, at the head of a huge supply chain running into tens of thousands of businesses, with over 46,000 workers overall on the Park.*

The ODA used an online marketplace, "Compete For," to open up competition for work on the London 2012 programme, and required the contractors it employed to adopt it to make businesses of all types, and wherever they were based, aware of the tens of thousands of opportunities across the supply chain. Of £7 billion worth of ODA contracts awarded, 98% were won by UK-registered businesses, almost a third by small and medium-sized enterprises.

The contribution of British businesses was huge, and the Olympic Park a superb advertisement for the UK, enhancing the reputation of our country, and reminding everyone that we can deliver big projects well. Since the Games, almost 800 contractors have joined the British Olympic Association's Supplier Recognition Scheme, giving them greater freedom to publicise their involvement in the Games. Almost two thirds said their role in London 2012 had helped them to secure new contracts.

At the peak of construction more than 12,000 people were working on the Olympic Park and Olympic Village, over a quarter coming from neighbouring boroughs and one in eight previously unemployed. After the Games, a workforce of 15,000 transformed the athletes' accommodation into the new East Village, converting it into 2,818 apartments.

- 5. The ODA put health and safety at the heart of its work, delivering the safest project of this size on record in the UK, and one that stood comparison with all workplaces, not just the construction industry.*

London 2012's safety record has attracted global acclaim, with over 86 million hours worked, and no work-related fatalities, even despite the pressure of an immovable deadline. The ODA set new standards and received a special Diamond Jubilee award from the Royal Society for the Prevention of Accidents to recognise an outstanding health and safety achievement during the Queen's reign.

The key to creating a positive health and safety culture – eliminating injuries, preventable illnesses, business losses and environmental harm – has been leadership and engagement with the workforce, and their representatives. The ODA negotiated agreements with the TUC and its unions. The ODA's "Health and Safety Standard" set out how the ODA would build the new venues safely and without risk to health and how ODA would raise the bar within the construction industry. It acted as a constant reminder to contractors of their responsibilities for the safety of their workers. The ODA worked with companies and their employees to embed this culture into the construction of the Olympic Park and transformation of the Athletes' Village into the new East Village, rewarding best practice, and enhancing staff well-being at innovative on-site medical centres.

- 6. The ODA strove to secure value-for-money at all times, making huge savings that helped keep London 2012 within its budget, and subjected its plans to constant scrutiny to ensure that they represented the best use of public money.*

Under the strong oversight and financial control of DCMS the ODA made savings of almost £1.2 billion, without compromising the quality or safety of the facilities for London 2012, or the long term benefits for generations to come. These savings enabled the ODA to avoid calling on £1 billion of available funding, helping overall spending on the Games come in significantly under budget, in spite of rising security costs elsewhere. In addition the Government's decision to publicly fund the construction of the Olympic Village and London 2012 media centre in response to the economic turmoil of 2007-08 and the need for ODA to take on responsibility for some Games-time operations on the Olympic Park meant that the ODA had to take on more work than originally envisaged. So the ODA actually delivered more for less.

The ODA was determined that its spending was a prudent and effective use of public money and always transparent and accountable. The ODA was honoured to receive a special award from the House of Commons Public Accounts Committee for "outstanding service delivery and value for money." ODA applied the same priorities to its work in managing billions of pounds worth of contracts, and in the last two years closing them out to conclude their liabilities as client and employer, exceptionally rapidly for a big construction project.

- 7. The ODA managed effectively a complex set of working relationships with Government, the public sector, Games organisers and private contractors, ensuring London 2012 overcame challenges to become a model for the future.*

This has been a team effort, requiring flexibility and a capacity to manage multiple, contrasting programmes of work at the same time. The ODA attached the highest importance to forming and maintaining positive relationships with the Department for Culture, Media and Sport as its sponsoring Department in Government and co-ordinator of the preparations for the London 2012 Games and the post Games conversion and sale of the Athletes' Village as well as with scores of public and private sector bodies, and with boroughs and communities bordering the Olympic Park, whilst striving at all times for quality, and were determined to complete their task on time and within budget. The ODA employed the CLM consortium to project-manage their construction activity, and incentivised them to

seek savings. The ODA was co-located and co-operated closely with the London Organising Committee of the Olympic and Paralympic Games (LOCOG), seconding employees to work on the staging of the Games and sharing knowledge. For a major event so demanding, there was a remarkably low turnover of staff.

The ODA strove at all times to be a model public body: transparent, accountable, collaborative, securing value for money, delivering new standards in its partnership with Government. When outside events had an impact, the ODA worked with their stakeholders, public and private, Olympic and Paralympic, to find solutions, as in 2007-08 when the financial turmoil forced a change in our plans, requiring the ODA to take on a larger role after the decision to publicly fund the Olympic Village and the London 2012 media centre. And when circumstances changed and it made sense to transfer work to other, better-placed bodies, the ODA did it.

8. *The ODA provided critical behind-the-scenes maintenance, cleaning, security and logistics services during the Games, keeping the Olympic Park, venues and the Olympic and Paralympic Village, in top condition throughout.*

The ODA's role did not end when the venues and infrastructure were complete. The work of the ODA's teams on the Olympic Park was critical to the success of the Games. More than 200 staff from the ODA and its contractors ensured that the sports facilities and parklands stayed in the best condition possible throughout London 2012. They were responsible for vital but unglamorous tasks like weeding, pruning and mowing the grass, ensuring that PA and fire alarm systems always functioned, and that swimming pool water remained of the highest quality – working round the clock so the sport never stopped.

The ODA ran an extensive and complex technology network, with 10 major control rooms, 2100 CCTV cameras, and over 17 kilometres of fencing, as well as operating a fibre optic network transmitting security and other data to and from the Olympic Park.

The ODA was responsible for implementing advertising and trading regulations that are the norm at major sports events and vital to their commercial success, ensuring that spectators could easily get to their events, and preserving a common, celebratory, appearance around the venues.

9. *The ODA devised, channelled funding to, and helped deliver London 2012's transport strategy, investing over £400 million in new facilities, so as to keep London moving during the Games, and ensure smooth access to venues across the country.*

Spectators' enjoyment was enhanced because transport worked: sport, not delays dominated the headlines. That was thanks to Transport for London and rail, bus and road partners working with the ODA to deliver the ODA's strategic plan for a public transport Games. This set out how spectators and athletes would get to and from the venues, whilst keeping London and the rest of the UK moving. The ODA spent £419 million on transport infrastructure improvements in pursuit of our aim that all holders of Games tickets should travel by public transport, on foot, or by cycling, and from all parts of the country. This investment made the Olympic Park one of the best-connected parts of London, served by ten different rail routes.

During the Games, campaigns devised and funded by the ODA helped persuade three-quarters of London travellers to change their journey plans and avoid the risk of severe over-crowding. The ODA worked with businesses to schedule freight deliveries at less busy times. The plans worked, with, for example, 101 million Games-time London Underground journeys (up a quarter on the same period in 2011), over 2.4 million trips by Javelin train (in seven minutes to and from central London), 360,000 journeys to the Eton Dorney rowing venue, using park and ride and shuttle buses, and 86 per cent of spectators at the Olympic Stadium rating as extremely good their experience of getting home after an event.

- 10. The ODA built the Athletes' Village and after the Games transformed it into the thriving new East Village, with 2,818 homes, almost half at affordable rents, all close to the Olympic Park, and shops, a school and health centre, and public transport.*

Just 18 months after full-scale work began on the former Olympic Village its transformation was complete, with brand new kitchens installed, and 15,000 rooms adapted, with Games-time features removed, new flooring fitted and painting, plumbing and electrical work carried out. It was a huge task for the ODA and its contractors to achieve in such a short time, and seeking to deliver the same high standards as on the Olympic Park. The first homes were handed over to the new owners of the Village – QDD (a joint venture of Qatari Diar and Delancey, trading as Get Living London) and Triathlon Homes, so residents could move in during Autumn 2013, and eventually it will be home to more than 8,000 people. Just over half of the apartments and townhouses (1,439 owned by QDD) are available for rent at market prices, with the remaining 1,379 affordable properties for rent (with some for purchase through shared ownership schemes) owned by Triathlon.

But the ODA's work on the Village went beyond the new homes. Even before the first residents moved in, the new Chobham Academy was open, with the Sir Ludwig Guttmann Health and Wellbeing Centre starting GP services soon after. The Academy has places for 2,000 students of all ages, serving the wider community as well as the Village residents. The finishing touches came in the form of 25 acres of new parklands, play space and wetlands, flowering and picnic lawns and hundreds of benches.

- 11. The ODA ensured that there were no "white elephants", so the Olympic Park would become a popular visitor destination with well-used sports facilities, in demand for use by global stars and the local community alike.*

The ODA was committed to building an Olympic Park that would thrive and grow in the decades after London 2012 and gave it the flexibility to ensure that this would happen. Of every pound spent by the ODA, 75p has helped secure the long-term regeneration of the area. Outside London, the Lee Valley White Water Centre in Hertfordshire, even opened for public use 15 months before the Games, with well over 500,000 visitors since. ODA also improved the rowing facilities at Dorney Lake (Eton Dorney) and the sailing facilities at Weymouth and Portland.

The post-Games legacy transformation of the Olympic Park is being undertaken by the London Legacy Development Corporation (LLDC), a Mayoral Development Corporation answering to the Mayor of London. The first part of converted Olympic Park – now known as the Queen Elizabeth Olympic Park – was opened by the LLDC a year after the Games, and the rest in Spring 2014. Within two years of the Games three million people had visited the Park, and the London Aquatics Centre, Lee Valley Velopark, Lee Valley Hockey and Tennis Centre and the Copper Box multi-sports arena have become firm favourites. These are now popular venues for international events, resident teams and community use, with gyms, cafes and creches. The Olympic Stadium is now being remodelled by the LLDC as a multi-use venue which will not only provide a new home for West Ham United Football Club from 2016 but will become a competition centre for athletics too, staging the sports' IAAF and IPC world championships in 2017 and Rugby World Cup matches in 2015.

Over 20,000 jobs are being created on the Queen Elizabeth Olympic Park by 2019, including 7,500 as a result of the "Here East" business campus. BT's Sports Channels are broadcasting from the former London 2012 media centre and the Queen Elizabeth Olympic Park is now a magnet for visitors, and an invaluable, sustainable facility for people in East London.

- 12. The ODA leaves behind it unique skills and knowledge benefitting individuals, employers and the UK, with training and apprenticeships, and a "learning legacy" website to preserve the know-how from London 2012.*

The ODA made sure that the benefits from hosting the London Games would last for generations – not just through the bricks and mortar of the Olympic Park and the Village. The ODA was committed to giving businesses and workers new skills to improve their future prospects, helping them win contracts or get jobs. Innovative initiatives saw the number of apprentices exceed the ODA target, hundreds of women given the training to secure building industry jobs, a skills academy providing 3,500 places and a “digger school” instructing workers in how to operate construction machinery.

The ODA created a “learning legacy” website to pass on the knowledge the ODA acquired to the public and private sectors, students, cities hosting major sports events, at home and abroad. This store of knowledge has so far been consulted by over 100,000 users – a third from outside the United Kingdom. This is a powerful ambassador for the ODA’s work as are its former staff. From graduates in first jobs to senior directors, they are using what they learned on London 2012 to benefit new employers and the country, contributing their skills and know-how to major infrastructure projects, for government, the public and private sectors, in education, in sport and for charities.

Accounting Officer's Statements

Strategic Report

Statutory background

The Olympic Delivery Authority (ODA) was established under Section 3 of the London Olympic Games and Paralympic Games Act 2006 (the Act) as a body corporate and commenced business on 1 April 2006. It was an executive arm's length body, sponsored by the Department for Culture, Media and Sport (DCMS).

The Act made provision for the dissolution of the ODA by order of the Secretary of State, subject to a draft order being laid before Parliament. The order was laid on 13 October 2014 and the ODA was duly dissolved on 2 December 2014. Its remaining assets and liabilities were transferred to the Secretary of State for Culture, Media and Sport.

During the period ministerial responsibility was held by the Rt. Hon Sajid Javid MP, the Secretary of State for Culture, Media and Sport. The Minister for Sport, with responsibility for the Olympics was Helen Grant MP.

Principal activities and review of the business

Under Section 4(1) of the Act the ODA was empowered to take any action necessary or expedient for the purpose of making arrangements in preparation for or in connection with the use or management, before, during or after the Games, of premises and other facilities acquired, constructed or adapted in preparation for the Games.

The ODA completed its work on the Olympic Park during the year 2012-13, and its remaining material responsibilities relating to conversion of the East Village (formerly the Olympic and Paralympic Village) for legacy use were completed in the period to 2 December 2014. This culminated in the successful completion of the disposal of the ODA's remaining interests in the East Village via the corporate sale of its subsidiary, SVDP Ltd.

The Act and the ODA Management Statement contemplated dissolution of the ODA at the earliest possible time subsequent to completion of its delivery activities, and as such, the ODA has worked towards dissolution throughout the period, transferring residual property assets to third parties; working towards commercial close on its main construction and service contracts; providing career transition guidance to remaining staff ahead of their redundancy; and working with DCMS to provide for an orderly transfer of remaining assets and liabilities.

Presentation of the Accounts

The Accounts for the period to 2 December 2014 have been prepared in accordance with the Direction on the Annual Accounts issued by the Secretary of State with the consent of HM Treasury in accordance with paragraph 18(2)(e) of Schedule 1 to the Act. Details of the Direction can be found on page 46. The Accounts are prepared in accordance with the Financial Reporting Manual issued by HM Treasury which incorporates International Financial Reporting Standards.

Details of the principal accounting policies are provided in Note 1 to the Accounts. As the ODA has been dissolved, these accounts are prepared on a basis other than going concern.

SVDP

In 2008 the ODA established the Stratford Village Development Partnership (SVDP), a limited partnership, to develop the East Village. In August 2011, contracts were exchanged for the sale of SVDP's parent company, SVDP Ltd, to QDD Athletes Village UK Ltd (QDD), a joint venture between Delancey and Qatari Diar. In line with the provisions of the contract, the sale was completed in August 2014 when the work to convert the accommodation used by 23,000 athletes and officials during the Olympic and Paralympic Games into homes for Londoners was completed. QDD paid £1 for the share capital of SVDP Ltd and put funds into SVDP to enable it to repay grant funding to the ODA of

£558,817,000. As a result of the sale, SVDP Ltd and its subsidiaries are no longer consolidated into the ODA group accounts.

Land and property ownerships - freehold land interests

As at dissolution the ODA had successfully disposed of all its material freehold land interests. The ODA disposed of the majority of its freehold land interests in the East Village via the disposal of its subsidiaries as set out above (SVDP).

Its remaining land interests on the periphery of the East Village were disposed of in three tranches. In the first, land at Great Eastern Road was sold to Westfield Holdings Ltd and London & Continental Railways at open market value. Secondly, surplus land at East Village, along with air rights at Angel Lane, was transferred to Network Rail Infrastructure Ltd. Finally, and subsequent to dissolution, remaining interests were transferred to the London Borough of Newham; these interests comprised land at Henrietta Street and Alma Street acquired by the ODA for the construction of bridges and approach roads to the East Village, surplus land at Warton Road originally acquired to facilitate highways improvements, and the lease of air rights from HS1 Ltd relating to bridges to the south of the East Village, and the lease of a footbridge over Temple Mills Lane.

Other leasehold property interests

In May 2014 the ODA entered into a lease for offices at 25 Canada Square, Canary Wharf, expiring after one year, with a break at 31 December 2014, which was exercised in the period. The ODA's lease of its premises at 1 Churchill Place expired in June 2014. Rental payments under these leases have been charged to the Statement of Comprehensive Net Income.

Delivery Partner

The ODA appointed CLM Delivery Partner Ltd (CLM) as its Delivery Partner in September 2006 to support the ODA in project managing the delivery programme for the venues and infrastructure for the Games. CLM is a consortium of CH2M Hill, Laing O'Rourke Ltd and Mace Limited, providing the ODA with world class project and programme management expertise with experience of previous Olympic and Paralympic Games. The ODA had no transactions with CLM in the period to 2 December 2014.

Financial Review

The Authority Statement of Comprehensive Net Income shows a surplus for the period of £171,261,000 (2013-14: a deficit of £45,677,000). The surplus arose due to recognition of the receipt arising upon the disposal of SVDP in the statement of Comprehensive Net income. The transfer of this receipt to DCMS was taken directly through reserves.

Funding and Anticipated Final Cost

The budget for the Games, announced in March 2007 by the Minister for the Olympics, was £9,325 million, within which the total funding available to the ODA was £8,099 million. From within this, the ODA original baseline budget of £7,095 million was approved in November 2007, with a further £1,004 million of funders' contingency available to the ODA. Against this, the anticipated final cost for the ODA programme as at November 2014, including residual liabilities to be discharged by the ODA statutory successor body, DCMS, was £6,739 million. Savings against the original baseline budget derived primarily from value engineering changes, effective risk management, procurement, lower inflation, efficient delivery, prompt commercial close out and VAT recovery. Savings were returned to government and used to fund the East Village development and Games-time broadcast facilities, originally planned to be funded substantially by private investment.

As at dissolution, the ODA cumulative expenditure, net of income relating to the sale of the Village to Triathlon Homes LLP and QDD, was £6,711.7 million. The remaining expenditure comprises provisions against residual liabilities including those relating to the East Village for rectification of latent defects, and a cash-limited contribution to maintenance of the East Village public realm.

Sources of Funding

	Budget March 2007	Outturn November 2014
	£m	£m
Central Government	5,226	4,337
National Lottery	1,800	1,704
London (GLA and LDA)	1,022	658
Sport England	51	40
Total funding available to the ODA	8,099	6,739

The total approved funding available to the ODA aligned to its final Anticipated Final Cost (AFC). During the period the ODA was reliant on funding from DCMS and utilisation of income received from the Olympic Lottery Distributor in previous years, but deferred to the period ending 2 December 2014.

In the period the cash receipt from QDD was remitted in full to DCMS. This has been reflected in the accounts as a general fund sum repaid to the DCMS, and as such the payment passed through reserves rather than being charged to the Statement of Comprehensive Net Income.

Expenditure during the period, which is shown in Note 2, related to the retrofit of the East Village, management of the ODA and residual activity to close out the work of the ODA.

At the period end the Final Outturn shows net liabilities of £8,798,000 (2013-14: group net assets of £387,143,000). The net liabilities will be funded by DCMS.

Assets and liabilities

As the accounts have been prepared on a basis other than going concern, assets have been adjusted where appropriate to net realisable value. As a result of the Dissolution Order, all remaining assets and liabilities transferred to the Secretary of State.

Tangible and intangible non-current assets

As at dissolution the ODA held very limited quantities of tangible fixed assets, comprising specialised Games-time security equipment which is being held in storage pending disposal or transfer to a third party, and minor items of office and IT equipment. These items continue to be held at nil value as the likelihood of a material receipt arising upon disposal is deemed low. Intangible assets comprise software licences which also continue to be held at nil value.

Cash balances

Cash balances, which are disclosed in Note 12, are held on deposit with the Government Banking Service (GBS). Deposits held on deposit with the GBS do not earn interest but are used to reduce the overall level of government borrowing. The ODA other commercial bank accounts were closed prior to dissolution. The ODA does not have the authority to invest in other financial instruments.

Amounts payable and receivable

The amounts payable and receivable at 2 December 2014 have substantially reduced compared with 31 March 2014, reflecting the reduced level of activity as ODA concluded its work. The majority of these balances comprise retentions due to construction sub-contractors and from Triathlon Homes LLP, payable and receivable at the end of a two year defects liability period which expires during 2016.

Sustainability

The ODA has taken advantage of the exemption from the requirement to produce a sustainability report, on the basis that during the period it had fewer than 250 staff and occupied less than 1,000m² of accommodation.

Health and safety

The ODA ensured that health and safety continued to be treated as a priority issue during the completion of the retrofit of the East Village, and commencement of occupations. The ODA worked in partnership with contractors and suppliers to ensure that the established exemplary health and safety record was maintained through the period.

Work in East Village was closely specified and supervised, but the primary drivers for high standards remained visible leadership and the close engagement of the workforce. Works were also closely monitored by assurance staff, to confirm compliance with the ODA Safety, Health and Environment Standard.

The accident rate remained well below industry averages – exceeding a period of three million hours worked without a reportable incident. The ODA continued to look after the health and well-being of its own staff and the construction workforce, through regular monitoring and effective control of the working environment, and occupational health schemes for staff and operatives.

The health and safety programme was overseen by the Audit Committee of the Board.

Employee matters

All remaining employees of the ODA were made redundant upon the date of dissolution.

Equalities

The table below sets out the breakdown of permanent staff by gender as at 2 December 2014:

Grade	Male	Female	Total
Directors	1	1	2
Heads of Function	4	1	5
Others	4	7	11
Total	9	9	18

The ODA gave full and fair consideration to all applications for employment from disabled people, having regard to their aptitudes and abilities, and seeking ways to make reasonable adjustments where appointments of disabled people were made.

Going Concern

The ODA was dissolved by statutory instrument on 2 December 2014, under the provisions of the Act, and as such the accounts have been prepared on a basis other than going concern. This has no material effect on the balances reported in the Statement of Financial Position.

Principal activities

In the period to dissolution the ODA's activities were as follows:

- Completion of the remaining works to convert the East Village into legacy usage through the ODA's development subsidiary, SVDP;
- Completion of the sale of SVDP to QDD and receipt of balance of consideration;
- Delivery of remaining obligations to Triathlon Homes under the development agreements between SVDP and Triathlon;
- Delivery of estate management services to the East Village through East Village Management Limited, a company limited by guarantee. The ODA's interest in this company was via SVDP and its subsidiaries;
- Completion of a number of property transactions;
- Settlement of remaining utility agreements and transfer of concessions to the appropriate residuary body;
- Commercial close out of the supply chain contracts and subcontracts; and

- Preparation for an orderly dissolution and handover of residual responsibilities, assets and liabilities.

Approved and signed by:

Sue Owen
Accounting Officer
7 March 2015

Accounting Officer's Statements

Directors' Report

ODA Board membership

The ODA's Board in the period to dissolution comprised seven members, appointed by the Secretary of State for Culture, Olympics, Media and Sport. The members of the ODA's Board are listed below; all board members served the whole period from 1 April to dissolution:

Sir John Armitt Chair
Sir Roy McNulty
Lorraine Baldry OBE
Neale Coleman CBE
David Fison
Christopher Garnett OBE
David Taylor CBE

Upon dissolution of the ODA all appointments to the Board were effectively terminated. No directorships or other significant interests were held by board members which conflicted with their management responsibilities.

Committees of the Board

Audit Committee

The Audit Committee was a sub-Committee of the ODA Board. The Committee's role was to oversee the development, implementation and maintenance of the overall risk management framework and its risk strategy and policies to ensure they are in line with corporate governance and reviews the developmental and commercial strategies; to ensure that the ODA's financial statements comply with all relevant statutory and administrative requirements; to ensure that the ODA meets the highest standards of propriety and accountability for the use of public funds; to review and challenge financial plans and the use of resources; and review the ODA's Safety, Health and Environment Standards and their implementation. Representatives of the internal and external auditors met with the committee on a regular basis, as detailed in the Governance Statement.

The Committee members were:

Sir Roy McNulty Chair
Lorraine Baldry OBE
Neale Coleman CBE
David Fison
Christopher Garnett OBE

Remuneration Committee

The Remuneration Committee was a sub-Committee of the ODA Board established to review the remuneration arrangements of the ODA staff including pensions and performance related pay. The Committee members were:

Sir Roy McNulty Chair
Sir John Armitt
Lorraine Baldry OBE
Christopher Garnett OBE

Village sub-Committee

The Village sub-Committee was a sub-Committee of the ODA Board established to assist the ODA in discharging its duty for oversight of all aspects of the Village programme and sales to QDD and Triathlon Homes LLP. The sub-Committee members were:

Sir John Armit	Chair
David Fison	
David Taylor CBE	

Senior Management Team

Gerry Murphy served as Chief Operating Officer until the date of dissolution. She was also designated as Accounting Officer and was responsible to the ODA Board for the general exercise of the ODA Board's functions, and particularly for completion of the East Village sale transactions and general management of the ODA.

Mike Cornelius was Director of Village, Commercial and Legal until the date of dissolution, responsible for the delivery of the retrofit of the Village and handover to purchasers.

The senior management team assisted the Chief Operating Officer and Director of Village, Commercial and Legal in the discharge of their responsibilities. The senior management team included the heads of commercial, communications, finance, human resources, legal and property, and met regularly during the period.

Pensions

Employees were entitled to join the ODA's group stakeholder pension plan which is described in Note 3 to the Accounts. Upon dissolution, the scheme will remain in place as a closed scheme with all existing members' investments continuing to be managed by Fidelity. Members can at any time choose to make changes to their investments, to transfer their pension benefits to another registered regulated pension arrangement, or take retirement. Members cannot continue to make contributions to the scheme. The ODA has no liabilities in relation to the scheme.

Losses and special payments

Losses and special payments are disclosed in Note 19 to the Accounts.

Protected personal data

The ODA had no protected personal data incidents during the period or in prior years and has made no reports to the Information Commissioner's office.

Sickness

The average number of days per employee lost through sickness during the period was 0.9 (2013-14: 6.7).

Financial Instruments

The ODA has implemented IAS 32 Financial Instruments: Presentation, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures. Details of the ODA's accounting policy on financial instruments are contained in Note 1 and the value of financial instruments held at the statement of financial position date is disclosed in Note 10. As at the period end the only financial instruments held were primary financial instruments such as trade debtors and creditors that are managed in the normal course of business.

Auditors

The Comptroller and Auditor General is the statutory appointed auditor.

So far as the Accounting Officer is aware, there is no relevant audit information of which the ODA's auditors are unaware, and she has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the ODA's auditors are aware of that information.

Events after the reporting period

There were no reportable events after the reporting period.

Signed and approved by

Sue Owen
Accounting Officer
7 March 2015

Accounting Officer's Statements

Remuneration Report

Remuneration Committee

The Committee had four main functions:

- To consider recommendations and proposals from the Chief Operating Officer regarding pay, performance related pay and any other matters regarding remuneration;
- To advise the ODA Board and the Chief Operating Officer as requested on general matters regarding remuneration of employees; and
- To consider any matters relating to the ODA's pension arrangements that may require the attention of the ODA Board.
- To determine the former Chief Executive's performance related pay;

The membership of the Committee during the period is set out on page 12.

Remuneration Policy

The Remuneration Committee had regard, within the constraints of Public Sector Pay Policy, to the need to recruit high calibre employees to ensure the delivery of the Olympic Programme to schedule and the management of the remaining interests and obligations of the ODA through to dissolution.

The ODA operated a discretionary, non-pensionable performance-related pay scheme designed to incentivise employees and based on the achievement of the ODA's objectives, as measured through a rigorous performance management framework. The performance management framework assessed the performance of individuals during each financial year.

ODA Board members received an annual fee for serving on the ODA Board. Committee members were paid a daily rate according to the time that they spent on Committee duties.

Service contracts

The Secretary of State for Culture, Media and Sport appointed ODA Board members and set the level of their remuneration.

Accounting Officer's Statements

Remuneration Report continued

Remuneration (audited information)

ODA Board members

		Period to 2 December 2014	2013-14
		£'000	£'000
Sir John Armit	Chairman	48	72
Sir Roy McNulty	Deputy Chairman	16	29
Lorraine Baldry		7	10
Neale Coleman		7	10
David Fison		7	10
Christopher Garnett		7	10
David Taylor		7	10

ODA Board members received no benefits in kind or pension entitlements. ODA Board members received reimbursement of travel and subsistence expenses amounting to £1,000 (2013-14: £2,000) in the financial year.

Executive Management Board

Single Total Figure of Remuneration						
		Salary	Performance related pay	Employer's pension contributions	Total Period to 2 December 2014	Total 2013-14
		£'000	£'000	£'000	£'000	£'000
Gerry Murphy	Chief Operating Officer	129	30	17	176	253
Mike Cornelius	Director of Village and Commercial	128	30	16	174	253

Both directors were members of the ODA's group stakeholder pension plan. The Chief Operating Officer and the Director of Village and Commercial were the ODA's highest paid employees in the period to 2 December 2014. Median remuneration in the period was £80,032 (on an annualised basis) (2013-14: £67,101). The ratio of the highest paid employee to the median was 2.7:1 (2013-14: 3.4:1). For the purpose of this calculation, remuneration has been defined as salary, benefits (excluding employer pension contributions) and performance related payments.

Directors received no taxable benefits in the period (2013-14: nil).

Exit Payments

The former Chief Executive was entitled to receive statutory redundancy and an end of project bonus equivalent to 60% of his salary but no other exit payments on his departure from the ODA in March 2013. The Remuneration Committee decided to award a provisional end of project bonus of 49% of his salary, to pay half of that amount in July 2013 and to defer the remainder of the bonus until such time as the overall programme out-turn could be fully assessed following completion of the sale of

East Village. The Remuneration Committee has now determined that the final award of the former Chief Executive' terminal bonus is 45.7% of his salary and the remaining balance has now been paid.

Other staff members received statutory redundancy pay, accrued annual leave where applicable and pay in lieu of notice.

Exit Payments to Executive Management Board

Both directors received exit payments made up of the elements shown in the table below:

		Statutory Redundancy	Payment in lieu of notice	Unused Holiday Pay	Total
		£	£	£	£
Gerry Murphy	Chief Operating Officer	3,480	87,954	7,269	98,703
Mike Cornelius	Director of Village and Commercial	4,176	87,954	-	92,130

Statutory Redundancy was calculated by following the Government guidance in operation at the point the ODA was dissolved on 2 December 2014, and outlined on the GOV.UK website – under the heading “Calculate your statutory redundancy pay”. There was no discretion exercised in this calculation.

Payment in lieu of notice was calculated on the basis of five and a half months salary. This basis had previously been agreed by the Remuneration Committee. There was no discretion exercised in this calculation.

Unused Holiday Pay was calculated using the agreed annual number of working days – two hundred and sixty four. The annual salary was divided by the agreed number of working days, to give a daily figure, and this was multiplied by the number of unused annual leave days to produce a compensation calculation for unused holiday days. There was no discretion exercised in this calculation.

Payments to third parties

There were no payments to third parties for the services of senior managers.

Pensions

Employees could elect to join the ODA group stakeholder pension plan which is administered by Fidelity Ltd. Details of the scheme are given in the Directors' Report and in Note 3 to the Accounts.

Signed and approved by

Sue Owen
Accounting Officer
7 March 2015

Accounting Officer's Statements

Statement of Accounting Officer's Responsibilities

Under Schedule 1 of the London Olympic Games and Paralympic Games Act 2006, the ODA is required to prepare, for each financial year, a statement of accounts in the form and on the basis determined by the Secretary of State, with the consent of HM Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the ODA's state of affairs and of its Comprehensive Net Expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (the FReM) and in particular to:

- observe the Accounts Direction issued by the Secretary of State on 14 June 2012, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis; and
- state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the accounts.

Upon dissolution, the Accounting Officer for the Department for Culture, Media and Sport assumed responsibility for the preparation of the ODA's accounts. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the ODA's assets, are set out in 'Managing Public Money' issued by HM Treasury. The specific requirements to produce a Final Report and Accounts are contained in the Olympic Delivery Authority (Dissolution) Order 2014.

Accounting Officer's Statements

Governance Statement

Scope of Responsibility

As Accounting Officer for the Department for Culture, Media and Sport I have responsibility for reporting on the governance structure and internal control framework of the ODA pertaining to the period from 1 April 2014 to its dissolution. My report is based on written assurances provided by the Accounting Officer of the ODA during that period, the ODA's Chief Operating Officer, Gerry Murphy, whose responsibility it was to maintain a governance structure and internal control framework that:

- supported the achievement of the ODA's policies, aims and objectives;
- safeguarded the public funds and ODA assets in her responsibility, in accordance with Accounting Officer responsibilities set out in *Managing Public Money*; and
- ensured compliance with the '*Management Statement*' and the '*Financial Memorandum*', including specific accountability arrangements with the Department for Culture, Media and Sport, and the Greater London Authority.

The assurances I have been given are in respect of the Olympic Delivery Authority and its subsidiaries, to the point of disposal of those subsidiaries, which pre-dated the dissolution of the ODA. The ODA Board and Audit Committee exercised oversight of the actions of these subsidiaries until the point of disposal.

Corporate Governance

The ODA was guided by the principles set out in "Corporate governance in central government departments: Code of good practice 2011". These principles relate to:

- Accountability;
- Role, composition and effectiveness of the Board; and
- Risk management.

The ODA complied with the principles set out in the Code although, given its particular role and the particular statutory provisions governing its activities, and in particular its pending dissolution, the ODA implemented the principles in ways which differ in detail from the Code, but were appropriate for the tasks given to the Authority.

The Board and Governance

The ODA Board was responsible for ensuring the effectiveness of the governance and internal control framework, and was assisted in this regard by the work of the Audit Committee which, in turn, draws on the work of Risk & Audit. Risk & Audit reports to the Chief Operating Officer and has unfettered access to the Chair of the Audit Committee. From May 2014 the Audit Committee agreed that given the remaining work of the ODA it would be reasonable to dispense with the services of EY as providers of the Risk and Audit service, although EY remained available at the disposal of the Chairman of the Audit Committee.

The Board was comprised of members with the appropriate balance of skills, experience, independence and knowledge of the ODA to enable them to discharge their duties and responsibilities effectively. The members were also able to commit sufficient time to the ODA to enable them to discharge their duties effectively, through to the dissolution of the ODA.

The Board was instrumental in the development of strategy and received regular reports from management to satisfy itself that the strategy was promulgated effectively. Additionally, the Board agreed the annual business plan and monitored the achievement of this. The Board ensured the ODA retained sufficiently talented people to enable it to achieve its challenging work programme.

The Board was supplied in a timely manner with sufficient information in a form and of a quality appropriate to enable it to discharge its duties. The Board made enquires of management and was

satisfied that all data presented to it was of sufficient quality to permit informed decision making. During the period to dissolution there were four meetings of the board. Details of the attendance at these board meetings are set out below.

Member	Meetings attended
Sir John Armitt (Chairman)	4
Sir Roy McNulty	3
Lorraine Baldry	4
Neale Coleman	2
Christopher Garnett	4
David Fison	3
David Taylor	3

The Audit Committee, established by the Board, ensured the ongoing integrity of the ODA governance arrangements. The Audit Committee approved the work programme of Risk & Audit for the period, Risk & Audit reported to the Audit Committee on the progress of the work programme and submitted reports on the areas reviewed as and when required. The Audit Committee received details of the top risks facing the ODA at each meeting.

As a result of considering the reports produced and the management response to such reports, the Audit Committee was able to satisfy itself as to the appropriateness and effectiveness of the governance and internal control framework in the period to dissolution.

The Audit Committee was chaired by the ODA Deputy Chairman and its membership was comprised of non-executive directors with skills commensurate to the demands of the ODA's work programme. During the period to dissolution there were four meetings of the Audit Committee and details of the attendance at these meetings is set out below:

Member	Meetings attended
Sir Roy McNulty (Chairman)	3
Lorraine Baldry	4
Neale Coleman	3
Christopher Garnett	4
David Fison	3

Since September 2012, the Audit Committee subsumed the functions of the Finance and Safety, Health and Environment committees, with focus of both on:

- Finance: challenge financial plans, review the use of resources (in particular, the ODA's running costs and the utilisation of the Delivery Partner) to ensure that value for money is achieved
- Safety, Health and Environment: reviewing the suitability and implementation of the ODA's Safety, Health and Environmental Management Standard and associated policies.

The papers received by the Board and Audit Committee pertained to matters integral to the overall performance of the ODA and enabled the members of these bodies to discharge their responsibilities.

The Internal Control Framework

The internal control framework was designed to manage risk to an appropriate level and not to eliminate absolutely all risk of failure to achieve policies, aims and objectives. The framework therefore only provided appropriate and not absolute assurance of effectiveness.

The internal control framework was based on an ongoing risk management process which was designed to:

- identify and prioritise the risks to the achievement of ODA aims, objectives and policies;
- evaluate the likelihood of those risks being realised, and the impact should they be realised; and
- manage risks efficiently, effectively and economically.

During the period to dissolution, the focus of the ODA was on completion of retrofit and handover of East Village; completion of the transaction to dispose of SVDP Ltd to QDD; commercial close-out of contracts; finalisation of various property matters and dissolution of the organisation. The ODA modified its processes during the period, commensurate with the completion of its works programme and the reduction of its staffing levels.

The internal control framework has been in place in the ODA for the whole of the period to dissolution and accords with HM Treasury guidance.

Risk Management Governance Framework

The ODA attached considerable importance to the management of risk and established a framework which has been embedded into the overall system of internal control and which facilitates the effective management and reporting of risk.

The ODA's Risk Policy identified clearly how risk was managed through three lines of defence:

- First Line: line management was responsible for delivery of the ODA's programme objectives and managing the risk arising in its day to day activities in accordance with the processes set out in the ODA's 'Risk Management Framework'.
- Second Line: the Head of Business Planning was responsible for the effective oversight and challenge of risk management, reporting on effectiveness to the Senior Management Team (SMT) and the ODA Board.
- Third Line: the Risk & Audit function was responsible for delivering an internal audit work programme to provide assurance to the Audit Committee and executive on the effectiveness of implementation of the system of internal control and Risk Management Framework, noting that the resource was substantially reduced as the ODA's programme drew to a close and risks reduced commensurately.

Throughout the period management continued to manage risk and deliver the ODA's objectives, and in particular:

- the Chief Operating Officer monitored and reported on the top risks to the organisation to the Audit Committee and had overall responsibility for oversight and effectiveness of risk management;
- The Head of Legal had responsibility for managing the process to achieve dissolution in accordance with the requirements of the ODA's Management Statement, and where required, the timely and complete handover of ongoing residual activities to the appropriate successor body; and
- The Head of Business Planning had responsibility for ensuring that all recommendations of the Risk and Audit function were appropriately implemented in the period from the cessation of the works programme to dissolution.

The roles were recognised and overseen by the ODA Board, Audit Committee and the Senior Management Team. These were supported by two committees of the Board:

- Remuneration Committee – responsible for setting the remuneration levels and incentive structure of executive management, and
- The Village Sub-committee – oversight of all aspects of the Village programme and sale to QDD and Triathlon

Further support was provided by three key executive operating committees:

- Commercial Board – oversight of closing out the ODA's contractual arrangements and commitments;

- Programme Change Board – responsible for considering change requests and for ensuring the effective management of such changes; and
- Exit Steering Group (chaired by DCMS) – responsible for ensuring a joint exit strategy for orderly and timely wind-up of the ODA and its activities, and for providing transparency to stakeholders of exit related issues, particularly entities which inherited assets and liabilities of the ODA before dissolution.

The ODA's Senior Management Team met regularly to review the risk profile of the ODA and additionally had the twin aims of:

- promoting sound risk management practice across the ODA's operations, as an integral part of strategic and operational decision making, planning and implementation; and
- reviewing and challenging the effectiveness of the ODA's approach to risk governance, particularly identification, prioritisation and mitigation of strategic and key programme risks, and their upward reporting to executive management.

Following completion of the sale of SVDP Ltd in August 2014, the function of the Senior Management Team was incorporated into a weekly Exit Board dealing specifically with risks and issues pertaining to closing out the business and dissolution of the ODA.

Internal audit reports received by the Audit Committee during the period to dissolution

Commensurate with the completion of the ODA's works programme, the successful completion of the sale of SVDP Ltd to QDD and the consequential dissolution of the ODA, the internal audit programme was scaled down in the period. The Audit Committee received the following reports from the Risk and Audit function in the period:

- East Village Retrofit Review Update
- QDD Sale Transaction Readiness Report

No material threats to or departures from the Internal Control Framework were identified in the course of these reviews.

Information Security

The ODA maintained information management policies and processes throughout the period to dissolution consistent with its remaining scope of activities and formally adopted government standards as outlined by the Cabinet Office's Security Policy Framework (SPF). Systems and processes to support this policy were embedded into operations across the organisation and programme. A formal audit of compliance with stated standards was deemed unnecessary, however the ODA continued to follow the appropriate policies. In June 2014, operational control of the ODA's electronic records management system was transferred to DCMS and the system was migrated to the DCMS IT network. From that date the DCMS Departmental Record Officer (DRO) also became responsible for compliance with the Public Records Act in respect of the ODA's records. Following the transfer of the records management system to DCMS the ODA conformed to DCMS's IS policies whilst retaining its own levels of security culture, particularly with regard to the handling of hard copy information assets and user hardware. During the period to dissolution, there were no information security incidents occurred that required reporting to the Information Commissioner.

Fraud

The ODA maintained a comprehensive anti-fraud framework which included fraud awareness as a key preventative control. The ODA experienced a low incidence of fraud that has in turn resulted in a comparatively small level of loss throughout its existence. This experience has continued throughout the period to dissolution with no instances of fraud identified.

Review of Effectiveness of the Internal Control Framework

The former Accounting Officer of the ODA had responsibility for reviewing the effectiveness of the internal control framework until the point of dissolution. This review of the effectiveness of the internal control framework was informed by the work of:

- the Executive Directors and Senior Management Team within the ODA who had responsibility for the development and maintenance of the internal control framework;
- Risk & Audit;
- the Board and Audit Committee;
- comments made by the external auditors in their management letter and other reports.

The review of effectiveness concluded that the internal control framework continued to be effective and appropriate to the ODA's reducing activity and risk profile in the period to dissolution.

Significant internal control issues

There were no significant internal control issues to report in period to dissolution

Overview of Performance

Since its inception the ODA recognised the benefits which arise from establishing and maintaining a disciplined approach to programme and risk management. The systems which were initially established, and which were kept under regular review to ensure their ongoing effectiveness and appropriateness, were integral to the successful achievement of the ODA's objectives.

The ODA Board, Audit Committee and Senior Management Team not only endorsed the approach to risk management but wholeheartedly encouraged its application across the ODA's work programme. The governing bodies of the ODA received an independent and objective assessment of the integrity of the risk and internal control framework.

Conclusion

Throughout its existence the ODA always attached considerable importance to the establishment of a sound governance framework and has allied this to a strong focus on the management of risk.

Placing reliance on the aforementioned assurances received from the former Accounting Officer of the ODA, I am satisfied that an appropriate and sound system of governance was in place to manage, monitor and report on the ODA programme in the period to dissolution.

Sue Owen
Accounting Officer
7 March 2015

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Olympic Delivery Authority for the period ended 2 December 2014 under the Olympic Delivery Authority (Dissolution) Order 2014. The financial statements comprise: the Statements of Comprehensive Net Income, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Board, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Olympic Delivery Authority (Dissolution) Order 2014. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Olympic Delivery Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Olympic Delivery Authority; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Final Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Olympic Delivery Authority's affairs as at 2 December 2014 and of the net income for the period then ended; and
- the financial statements have been properly prepared in accordance with the Olympic Delivery Authority (Dissolution) Order 2014 and with directions issued to the Olympic Delivery Authority before its dissolution by the Secretary of State under paragraph 18 of Schedule 1 to the London Olympic Games and Paralympic Games Act 2006.

Emphasis of Matter

Without qualifying my opinion, I draw attention to the disclosures in note 1 of the financial statements. The Olympic Delivery Authority (Dissolution) Order 2014 provided for the dissolution of the Olympic Delivery Authority and the transfer of property, rights and liabilities to the Department for Culture, Media and Sport on 2 December 2014. As such, the financial statements have been prepared on a basis other than going concern.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the London Olympic and Paralympic Games Act 2006; and
- the information given in Accounting Officer's Statements for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General

Date 9 March 2015

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Statement of Comprehensive Net Income for the period ended 2 December 2014

	Note	Period to 2 December 2014 (Authority) £'000	2013-14 (Group) £'000
Expenditure			
Programme expenditure	2	(47,421)	(32,437)
Programme management	2	(6,836)	(10,163)
Write down of Non-Current Assets	2	-	(355)
Write down of Inventory	2	-	(101,341)
Cost of East Village sales	2	-	(372,239)
Repayment of Funders' grant	5	(69,200)	-
		(123,457)	(516,535)
Income			
Property sales	4	822	372,239
Repayment of grant by subsidiary	5	218,838	-
Funders grant receivable	5	75,678	90,375
Other income	6	11	9,981
		295,349	472,595
Net income/(expenditure)		171,892	(43,940)
Net interest payable	7	(631)	(1,738)
Net income/(expenditure) after interest		171,261	(45,678)
Taxation	8	-	1
Total comprehensive net income (expenditure) for the period ended 2 December 2014		171,261	(45,677)

Further explanation of the surplus is given on page 8 under the heading "Financial Review".

The notes on pages 30-46 form part of these Accounts.

Statement of Financial Position at 2 December 2014

	Authority	31 March	Group
	2 December 2014	2014	31 March
Note	£'000	£'000	2014 £'000
Non-current assets			
Accrued income	11	5,176	-
Current assets			
Inventory	9	-	222,722
Trade and other receivables	11	1,482	314,158
Cash and cash equivalents	12	10,735	25,835
Total current assets		12,217	339,993
Current liabilities			
Trade and other payables	13	(25,441)	(79,670)
Financial liabilities	10	-	(60,543)
Provisions for liabilities and charges	14	(750)	-
Total current liabilities		(26,191)	(140,213)
Total assets less net current liabilities		(8,798)	199,780
Assets less liabilities		(8,798)	199,780
Taxpayers' equity			
General reserve		(8,798)	199,780
Net assets/(liabilities)		(8,798)	199,780

All balances were transferred to DCMS on 2 December 2014.

Signed and approved

Sue Owen
Accounting Officer
7 March 2015

The notes on pages 30-46 form part of these Accounts.

Statement of Cash Flows for the period ended 2 December 2014

	Authority Period to 2 December 2014	2013-14	Group 2013-14 £'000
Cash flows from operating activities			
Net income/(expenditure) after interest and before tax	171,261	212,944	(45,678)
Write down of non-current assets	-	355	355
(Increase) / Decrease in inventory	-	-	258,420
Decrease/(Increase) in trade and other receivables and accrued income	307,500	(297,711)	(305,618)
(Decrease)/increase in trade payables	(54,229)	(165,026)	(158,787)
(Decrease)/increase in Financial liabilities	(60,543)	1,812	1,812
Movement in provisions	750	(1,071)	799
Net cash (inflow)/outflow from operating activities	364,739	(248,697)	(248,697)
Taxation			
Corporation tax	-	1	1
	-	1	1
Cash flows from financing activities			
Grant-in-aid received/(general reserves repaid to DCMS)	(379,839)	147,600	147,600
Net financing	(379,839)	147,600	147,600
Net (decrease)/increase in cash and cash equivalents in the year	(15,100)	(101,096)	(101,096)
Cash and cash equivalents at the beginning of the year	25,835	126,931	126,931
Cash and cash equivalents at the end of the year	10,735	25,835	25,835

The notes on pages 30-46 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the period ended 2 December 2014

	Authority	Group
	General Reserve	General Reserve
	£'000	£'000
Balance at 1 April 2013	(160,764)	285,220
Comprehensive expenditure for year	212,944	(45,677)
Total recognised income and expense for 2013-14	212,944	(45,677)
Grant-in-aid received from DCMS	147,600	147,600
Balance at 31 March 2014	199,780	387,143
Comprehensive income for period	171,261	(16,102)
Total recognised income and expense for period	171,261	(16,102)
General reserve repaid to DCMS	(379,839)	(379,839)
Balance at 2 December 2014	(8,798)	(8,798)

Taxpayers' equity is represented solely by the general reserve.

The notes on pages 30-46 form part of these Accounts.

Notes to the Accounts

1. Accounting Policies

Statutory basis

The Accounts of the ODA have been prepared in accordance with the requirements of the Olympic Delivery Authority (Dissolution) Order 2014, which reflect the requirements set out in paragraph 32 of Schedule 1 to the London Olympic Games and Paralympic Games Act 2014. These Accounts are also prepared in accordance with the Direction given by the Secretary of State and set out in the Appendix, the effect of which Direction continues by virtue of article 5(2) of the 2014 Order. The Direction reflects government policy that the Accounts should conform to the accounting and disclosure requirements contained in Managing Public Money and in the HM Treasury guidance, 'Financial Reporting Manual' (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy selected is the one which has been judged to be the most appropriate to the particular circumstances of the ODA for the purpose of giving a true and fair view. These policies have been applied consistently in dealing with items considered material in relation to the Accounts.

Basis of preparation

The ODA was formed to be the single delivery body responsible for creating the venues, infrastructure and associated works for the London 2012 Games. The accounting policies have been chosen to best reflect the limited lifetime of the ODA which ceased operations in December 2014.

The Olympic Delivery Authority (Dissolution) Order provided for the dissolution of the Olympic Delivery Authority and the transfer of assets and liabilities to the Department for Culture, Media and Sport on 2 December 2014. As such, the financial statements have been prepared on a basis other than going concern. Assets are held at recoverable value and provision has been made for liabilities arising from dissolution.

Adoption of new accounting standards

The following accounting standards (as modified by the FReM) were issued or amended and effective for the first time in the period commencing on 1 April 2014:

IFRS 10 (Consolidated financial statements),
IFRS 11 (Joint arrangements),
IFRS 12 (Disclosure of interests in other entities),
IAS 27 (Separate financial statements),
IAS 28 (Investments in associates and joint ventures):

The ODA disposed of all of its subsidiaries during the period to 2 December 2014 and as such these standards have limited impact on the accounts.

Proposed changes to accounting standards

The impact of changes to accounting standards whose application is beyond 31 March 2015 is not considered as these are the final statutory accounts to be produced by the ODA.

Notes to the Accounts continued

Consolidated financial statements

The ODA disposed of its interest in all its subsidiaries during the period. Prior year comparatives for the group incorporate the balances and financial results of the ODA and all entities controlled by ODA using the equity method of consolidation. No authority statement of comprehensive net income was included in the accounts as laid in previous years, therefore the prior year comparatives are included at group level only.

Investments

The ODA disposed of its investments in its subsidiaries in the period. In the prior year comparatives, investments comprised holdings in subsidiary companies valued at cost.

Property, plant, equipment

The ODA held only minor, low value items of IT equipment that have been written down to estimated residual value, which at the time of dissolution was deemed to be nil.

Intangible assets

Intangible assets are computer software and licences that are written down to estimated residual value, which at the time of dissolution was deemed to be nil.

Inventory

In prior years, all inventory balances held by the group were held within subsidiary undertakings, which were disposed of in the period. As a consequence as at 2 December 2014 the ODA held no inventory. In the prior year, expenditure on the East Village that was not matched to sales revenue from Triathlon Homes or QDD was taken to the Statement of Financial Position as inventory. Inventories were held at the lower of cost and net realisable value in accordance with the requirements of IAS 2, and the balance written down accordingly.

Programme costs

In the period, the ODA's investment spanned three broad categories of projects that make up the programme:

- East Village
- Other projects
- Programme and Project Management.

In all cases, costs are charged to the Statement of Comprehensive Net Income as incurred, including grants payable to Stratford Village Development Partnership.

Grants and funding received

The ODA received funding from a public sector funding package which in the period comprised Grant-in-Aid from DCMS, grant funding from the GLA and recognition of previously deferred grant from OLD. Cash flow grant received from OLD to finance the construction of the Village was repaid to OLDF in the period.

Grant-in-aid from DCMS was credited to the General Reserve. The DCMS grant finances capital and resource expenditure.

Funding from the GLA and OLD was allocated to the Statement of Comprehensive Net Income. OLD paid the balance of the grant due to ODA prior to its winding up on 1 April 2013, with the income recognised in subsequent periods as utilised.

Specific grant funding was allocated to the Statement of Comprehensive Net Income and is detailed in Note 5 (b).

Work undertaken on behalf of third parties

Where the ODA undertook revenue work on behalf of third parties, the contribution received was offset against the ODA's costs.

Other grants and other income

Revenue from the sale of residential property in the East Village to Triathlon Homes and QDD is recognised in accordance with IAS 18 (Revenue) and is measured at fair value in line with the agreed consideration payable by Triathlon and QDD.

Other grants were receivable in respect of specific costs and are recognised on an accruals basis. Other income is also recognised on an accruals basis.

Pension costs

Employees were automatically enrolled into the ODA's group stakeholder pension plan; no employees elected to opt out of the scheme in the period to dissolution.

Contributions are charged in the Statement of Comprehensive Net Income as they become payable in accordance with the rules of the scheme.

Provisions

A provision is recognised in the Statement of Financial Position when the ODA has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are established to cover possible settlement with contractors or other third parties of disputed amounts that have not been fully substantiated or agreed by the ODA but are sufficiently likely to be agreed for the ODA to create a provision.

Corporation Tax

The ODA was liable for corporation tax on its taxable income which arose on bank interest earned, but the liability was entirely offset by the ODA's interest expense. No deferred tax asset is recognised as the ODA's assets and liabilities were transferred to DCMS, which is not liable for corporation tax.

VAT

Irrecoverable VAT was charged to the appropriate expense or asset heading in the Accounts. Upon the disposal of its subsidiaries, the VAT group comprising the ODA and its subsidiary, Stratford Village Development (GP) Ltd was deregistered and the ODA registered for VAT in its own right; balances owing to and owed by HM Revenue and Customs are shown as a creditor or a debtor.

Financial instruments

Financial assets and financial liabilities were recognised in the Statement of Financial Position when the ODA became a party to the contractual provisions of the instrument. The ODA measures financial assets and liabilities on initial recognition at fair value and determines the classification of such assets and liabilities at initial recognition and on any subsequent reclassification event.

Bank deposits are included within cash and cash equivalents.

Trade receivables are measured at fair value being the original invoice amount less an allowance for uncollectable amounts.

Trade payables are measured at fair value.

Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the accounting policies which are described above, management has made the following estimates that have the most significant effect on the amounts recognised in the Financial Statements.

- Accruals: the value of accruals depends on professional estimates of the value of work done. There is an element of subjectivity in this process.
- Provisions: provisions are made for costs which may be incurred at a future date and therefore by their nature cannot be estimated with certainty.

2. Expenditure

The analysis below sets out the business segments used by the ODA and reported to its Board to manage its business, as required by IFRS 8 Operating Segments. Net assets by segment are not reported.

	Period to 2 December 2014	2013-14
	Charged to Statement of Comprehensive Net Expenditure	Charged to Statement of Comprehensive Net Expenditure
	£'000	£'000
Programmes		
Other Projects	2,919	8,985
East Village	44,502	23,452
Total Programme	47,421	32,437
Programme Management	6,836	10,163
Total Programme & Programme Management	54,257	42,600
Write down of NCA	-	355
Write down of Inventory	-	101,341
East Village cost of sales	-	372,239
Total Expenditure	54,257	516,535

Total expenditure

Total expenditure comprises the retrofit of the East Village, associated property, legal, sales and marketing costs and costs relating to planning obligations.

Included in the above are programme management costs in respect of the ODA's staff, buildings, and information technology.

Total expenditure includes:

	Period to 2 December 2014	2013-14
	£'000	£'000
Group auditors' remuneration – audit work only	60	85
Subsidiary auditors' remuneration – audit work only	-	85
Operating lease costs	285	456

Net income for the period totalled £171,261,000 (2013-14: net expenditure of £45,677,000)

3. Staff numbers and related costs

	Period to 2 December 2014					2013-14
	ODA Board Members £'000	Permanent staff £'000	Agency and temporary staff £'000	Seconded staff £'000	Total £'000	Total £'000
Staff costs						
Salaries	98	1,291	-	-	1,389	2,903
Performance related pay	-	319	-	-	319	395
Social security costs	8	270	-	-	278	455
Other pension costs	-	122	-	-	122	687
Temporary staff costs	-	-	492	544	1,036	1,969
Gross staff costs	106	2,002	492	544	3,144	6,409
Costs recovered for staff seconded to other organisations	-	-	-	-	-	(1,289)
Net staff costs	106	2,002	492	544	3,144	5,120

Performance related payments for the period were paid to employees on their termination date.

A detailed analysis of ODA Board members' and Directors' remuneration is contained in the Remuneration Report on page 15.

3.2 Staff numbers

The average monthly number of full time equivalent staff during the period, excluding ODA Board members, was made up as follows:

	Period to 2 December 2014				2013-14
	Permanent staff	Agency and Temporary staff	Seconded staff	Total	Total
Programme employees	4	-	4	8	20
Programme management employees	19	6	1	26	46
Gross Total employees	23	6	5	34	66
Employees seconded to other organisations	-	-	-	-	5
Net total employees	23	6	5	34	61

3.3 Pensions

Employees were automatically enrolled into the ODA group stakeholder pension plan which is a defined contribution scheme, although they could elect to opt out of the scheme. The assets of the scheme are held separately from those of the ODA in an independently administered fund that is managed by Fidelity Ltd. Employer contributions were 6 per cent of pensionable pay. The ODA also matched employee contributions up to a further 6 per cent of pensionable pay.

The ODA was advised on the set-up of the scheme by Aon Ltd who also advise on the performance of Fidelity Ltd, the scheme's administrator.

The ODA and its successor body has no ongoing responsibility beyond the requirement to pay the employer contributions as they fall due and is neither responsible nor liable for the investment performance of the scheme. Fund selection and the adequacy of pension provision is the responsibility of the individual employee.

Total employer contributions for the period to 2 December 2014 to the pension scheme were £122,000 (2013-14: £687,000). Further information on pension contributions can be found in the Remuneration Report on page 15.

3.4 Exit payments

Exit payments cost band	Number of compulsory redundancies	Number of other departures	Total number of exit payments by cost band	Total number of exit payments 2013-14
£100,000 - £90,001	2	-	-	-
£90,000 - £80,001	-	-	-	-
£80,000 - £70,001	-	-	-	-
£70,000 - £60,001	1	-	-	-
£60,000 - £50,001	2	-	-	-
£50,000 - £40,001	4	-	-	1
£40,000 - £30,001	3	-	-	3
£30,000 - £20,001	6	-	-	5
£20,000 - £10,001	6	-	-	8
<£10,000	-	-	-	1
Total	24	-	-	18

The total cost of exit payments in the period to 2 December 2014 was £869,000 (2013-14: £385,000)

4. Property Sales

Income arises from the sale of minor landholdings in the vicinity of Stratford Regional Station that were disposed of under pre-existing property agreements. In the prior year this comprised income from the disposal of the East Village to Triathlon Homes LLP and QDD.

5. Grants income

5a. Grants income – general

This table shows the sources and application of the general grant funding received during the period from 1 April 2014 to dissolution.

	DCMS Grant-in- aid £'000	Sport England £'000	GLA £'000	OLD/ OLDF £'000	Period to 2 December 2014 Total £'000	2013-14 Total £'000
Statement of Comprehensive Net Income - income	-	(25)	75	75,628	75,678	86,075
General Reserve – income	48,000	-	-	-	48,000	147,600
Statement of Comprehensive Net Income – repayment	-	-	-	(69,200)	(69,200)	-
General Reserve - repayment	(427,839)	-	-	-	(427,839)	-
Total	(379,839)	(25)	75	6,428	(373,361)	233,675

The ODA received grant funding to support overall programme delivery.

OLD income represents the recognition of income that was deferred at 31 March 2014 and repayment of cash flow grant to the OLDF.

5b. Grants income - specific

The ODA received no specific grant funding income in the period (2013-14: £4,300,000)

5c. Repayment of grant by subsidiary

As described in the Strategic Report, upon completion of the sale of SVDP by the ODA to QDD, QDD put funds into SVDP to enable it to repay grant funding that had been provided by the ODA to fund the development of the East Village. The amount disclosed is net of costs incurred by SVDP in the period from 1 April 2014 to the completion of the sale, and net of repayment of grant recognised in 2013-14.

6. Other income

Other income totalled £11,000 (2013-14: £9,981,000).

7. Interest paid and received

	Period to 2 December	
	2014 £'000	2013-14 £'000
Bank and other interest received	22	74
Other amounts paid	(653)	(1,812)
Net interest (paid)/received	(631)	(1,738)

The repayable security amount paid by QDD on the exchange of contracts for the sale of SVDP Ltd accrued an adjustment amount at an annual rate of 3.25%. The amounts accrued and paid for the period to completion of the sale in August 2014 and in 2013-14 are disclosed above as 'other amounts paid'.

8. Taxation

The tax due on interest received is offset by tax relief on interest paid (Note 7) and therefore no tax is due.

9. Inventory

	Group £000	Authority £000
Balance at 31 March 2014	222,722	-
Write down of Inventory	33,173	-
	255,895	-
Disposals	(255,895)	-
Balance at 2 December 2014	-	-

All inventory balances were held in the ODA's subsidiaries, which were disposed of during the period. All remaining inventory balances were derecognised at this point, and remaining income relating to the respective disposals to Triathlon and QDD recognised.

10. Financial Instruments

	Group		Authority	
	Loans & receivables £'000	Liabilities at amortised cost £'000	Loans & receivables £'000	Liabilities at amortised cost £'000
As at 31 March 2014				
Assets				
Cash and cash equivalents	25,835	-	25,835	-
Trade receivables	321,953	-	4,165	-
Total	347,788	-	30,000	-
Liabilities				
Trade payables	-	(80,973)	-	(76,316)
Non-current financial liabilities	-	(60,543)	-	(60,543)
Total	-	(141,516)	-	(136,859)
As at 2 December 2014				
Assets				
Cash and cash equivalents	-	-	10,735	-
Non-current accrued income	-	-	5,176	-
Trade receivables	-	-	1,482	-
Total	-	-	17,393	-
Liabilities				
Trade payables	-	-	-	25,441
Total	-	-	-	25,441

As the cash requirements of the ODA were met through Grant-in-aid from the DCMS and grants from funding organisations, financial instruments played a more limited role in managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the ODA's expected purchase and usage requirements and the ODA was therefore exposed to little credit, liquidity or market risk.

The non-current financial liability at 31 March 2014 comprised the security amount paid by QDD to the ODA at the time of exchange of contracts for the sale of SVDP in 2011-12, plus interest accrued on the amount and due to QDD. This security amount, along with the accrued interest, was repaid to QDD upon completion of the sale of SVDP.

11. Trade and other receivables

11 (i) Non-current accrued income

Non-current accrued income represents retentions payable by Triathlon Homes LLP (a body external to government) and due at the expiry of a two year defects liability period. Retentions due within one year are included within current assets. Upon dissolution all the ODA's receivables became DCMS's receivables.

11 (ii) Trade receivables analysis

	2 December 2014 £'000	Authority 31 March 2014 £'000	Group 31 March 2014 £'000
Prepayments and accrued income	951	2,800	320,525
VAT receivable	14	309	313
Other trade receivables	517	1,328	1,390
Corporation tax	-	37	37
Balance with subsidiaries	-	309,684	-
Trade receivables	1,482	314,158	322,265

11 (iii) Intra-Government balances

	2 December 2014 £'000	Due within one year Authority 31 March 2014 £'000	Group 31 March 2014 £'000
Balances with other central government bodies	14	2,246	2,294
Balances with local authorities	-	461	461
Intra-government balances	14	2,707	2,755
Balances with bodies external to government	1,468	1,767	319,512
Balance with subsidiaries	-	309,684	-
Trade receivables	1,482	314,158	322,267

12. Cash and cash equivalents

	2 December 2014	31 March 2014
	£000	£000
Balance at 1 April	25,835	126,931
Net change in cash and cash equivalent balances	(15,100)	(101,096)
Balance at period close	10,735	25,835
The following balances at period close were held at		
Government Banking Service	10,735	20,298
Commercial banks and cash in hand	-	5,537
Balance at period close	10,735	25,835

Immediately prior to dissolution, the ODA's commercial bank accounts were closed and remaining balances transferred to the Government Banking Services (GBS). Balances held with GBS as at dissolution passed to DCMS.

13. Trade and other payables

(i) Amounts falling due within one year

	Authority		Group
	2 December 2014	31 March 2014	31 March 2014
	£'000	£'000	£'000
Trade payables	-	688	4,297
Accruals	25,441	3,354	37,199
Deferred income	-	75,628	76,676
Trade and other payables	25,441	79,670	118,172

13 (ii) Intra-Government balances

	2 December 2014 £'000	Authority 31 March 2014 £'000	Group 31 March 2014 £'000
Balances with other central government bodies	581	75,663	75,659
Balances with local authorities	37	418	418
Intra-government balances	618	76,081	76,077
Balances with bodies external to government	24,823	3,589	42,095
Trade and other payables	25,441	79,670	118,172

Upon dissolution all amounts payable by ODA became payable by DCMS.

14. Provision for liabilities and charges

The ODA recognised provisions for liabilities and charges as follows:

	Third party contractual claims £'000	Dilapidations £'000	Redundancy £'000	Total £'000
Balance at 1 April 2013	3,815	313	38	4,166
Provided in the year	4,064	-	-	4,064
Utilised in year	(2,228)	(54)	-	(2,282)
Provisions not required written back	(687)	(259)	(38)	(984)
Balance at 1 April 2014	4,964	-	-	4,964
Provided in the year	750	-	-	750
Utilised in year	(4,964)	-	-	(4,964)
Provisions not required written back	-	-	-	-
Balance at 2 December 2014	750	-	-	750

The provision for third party and contractual claims relates to items subject to agreement that have not been fully substantiated or agreed by the ODA but are sufficiently likely to be agreed for the ODA to create a provision. The liability transferred to DCMS upon dissolution.

15. Commitments under leases

As at the point of dissolution the ODA had no outstanding commitments under any leases (31 March 2014: £114,000). The ODA paid the remaining instalment of rent due on its premises in October 2014.

16. Contingent liabilities disclosed under IAS 37

The ODA had, under the various sale or lease agreements with QDD, Triathlon Homes LLP and East Village Management Ltd (EVML), a liability for the rectification of defects in the buildings constructed by SVDP, provided that the legacy owner/operator has first exhausted all alternative contractual rights and remedies. The liability expires 12 years after the date of practical completion under the relevant contracts. An estimate of the financial impact of the contingent liability is not practicable. This liability passed to DCMS under the dissolution order.

17. Contingent liabilities not required to be disclosed under IAS 37 but included for parliamentary reporting and accountability purposes

In order to facilitate the redevelopment of the Olympic Park, the ODA relocated the railway siding at Thornton's Field to Orient Way. Eurostar, as the lessee of Orient Way can repossess the site any time between 1 July 2023 and the end of its lease on 30 June 2086. Should this occur, the ODA agreed to meet 33 per cent of the cost of relocating the siding between 1 July 2023 and 30 June 2038 and 22 per cent of the cost between 1 July 2038 and 30 June 2086. This liability cannot be quantified reliably as it falls so far into the future and there is no certainty repossession will happen

The ODA provided an indemnity to the Lee Valley Regional Park Authority (LVRPA) against any costs incurred by LVRPA in connection with pollution or contamination arising from the ODA's construction of the Lee Valley White Water Canoe Centre; this indemnity expires in February 2021; the likelihood of any such contamination is remote.

The ODA had an obligation to rectify any damage in the UKPN tunnel constructed by the ODA through its PLUG project that arises due to a deficiency in design and / or construction within 6 years of completion, but only where UKPN is unable to recover from Warrantor or other third party and it is not an insured risk. This obligation expires in May 2019. The likelihood of damage arising now is remote, and even if identified, contractor warranties are in place to mitigate this risk.

The ODA procured the design, construction and maintenance of the Lee Valley Hockey and Tennis Centre at Eton Manor. The Lawn Tennis Association agreed to provide funding of £500,000 to the ODA as a contribution towards the capital cost of building the facility. LVRPA, the Tennis Foundation and the Lawn Tennis Association have entered into a separate agreement for the operation of the facility by LVRPA. That agreement includes a claw back provision to allow the funders to recover funding in the event that LVRPA were to terminate the agreement, which LVRPA is only permitted to do after a period of 5 years from public opening of the facility. The claw back liability of LVRPA will reduce over time from year 5 to year 10, and it will be extinguished after year 10 in 2024. The ODA agreed to reimburse LVRPA 30% of any claw back liability that may become payable by LVRPA in the unlikely event that LVRPA were to terminate the operation of the facility between year 5 and year 10.

Upon dissolution of the ODA the contingent liabilities disclosed above passed to DCMS.

18. Related party transactions

The ODA was an arm's length body sponsored by DCMS.

The ODA had a close working relationship with the Greater London Authority (GLA).

The ODA had a close working relationship with the London Legacy Development Corporation (LLDC), a mayoral development corporation and functional body of the GLA. The LLDC is the owner of the majority of the Olympic Park and venues developed by the ODA. Neale Coleman is Deputy Chairman of LLDC and an advisor to the Mayor of London.

There are no other related parties in relation to the ODA Board of which management were aware.

Executive Management Board and Senior Managers

Gerry Murphy and Mike Cornelius were directors of Stratford Village Development (GP) Ltd until 6 August 2014, and Gerry Murphy and Jim Woolhouse (a member of the ODA's Senior Management Team) were directors of EVML and eleven subsidiaries of Stratford Village Development (GP) Ltd until 6 August 2014.

Transactions with related parties

IAS 24: Related Party Disclosures requires the ODA to provide information on its transactions with related parties and further guidance has also been given by HM Treasury. As well as grants received which are disclosed in Note 5 and the property transactions described in the Accounting Officer's Report, the following charges were made to and from the ODA by related parties.

Related Party	Payments £'000	Receipts £'000	Owed by ODA £'000	Owed to ODA £'000
London Legacy Development Corporation	36	-	-	-
Stratford Village Development Partnership (to 6 Aug)	-	218,849	-	-
Subsidiaries of Stratford Village Development (GP) Ltd	650	-	-	-

19. Losses and Special Payments

As required by the Accounts Direction, the ODA must summarise all losses and special payments made during the financial year.

During the period the ODA made losses of nil (2013-14: nil).

20. Events after the Reporting Period

There were no reportable events after the reporting period.

21. Approval for issue

The Financial Statements were approved by the Accounting Officer for issue on the date that the Comptroller and Auditor General signed the audit opinion.

Appendix

Accounts Direction given by the Secretary of State for Culture, Olympics, Media & Sport with the consent of HM Treasury in accordance with paragraph 18(2)(e) of Schedule 1 to the London Olympic Games and Paralympic Games Act 2006

1. This direction applies to the Olympic Delivery Authority (the 'ODA').
2. The ODA shall prepare accounts for the financial year ended 31 March 2012 (and subsequent financial years) in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which is in force for the financial year for which the accounts are being prepared.
3. The accounts shall be prepared so as to:
 - a. give a true and fair view of the state of affairs at 31 March 2012 and subsequent financial years, and of the net expenditure, changes in taxpayers' equity and cash flows for the financial year then ended;
 - b. provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them;
 - c. account for income from grants received for revenue purposes to the statement of net income, providing adequate disclosure in notes to the accounts of the grants income policy adopted; and
 - d. provide any other specific disclosures required by the Secretary of State.
4. This direction shall be reproduced as an appendix to the annual accounts.
5. Schedule 1 to this direction gives details the additional disclosure requirements of the Secretary of State for Culture, Olympics, Media and Sport.

Signed by Authority of the Secretary of State for Culture, Olympics, Media and Sport on 14 June 2012

Schedule 1

Additional disclosure requirements of the Secretary of State for Culture, Olympics, Media and Sport

1. The Governance Statement shall follow Treasury guidance on format and content. In addition to Treasury requirements, the opening paragraph shall include explicit reference to systems to ensure compliance with the provisions of the ODA's Management Statement and Financial Memorandum. A suggested wording would include the following:

'As Accounting Officer, I have responsibility for maintaining a sound system of internal control that:

- supports the achievement of the ODA's objectives whilst;
 - safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money; and
 - ensuring compliance with the requirements of the ODA's Management Statement and Financial Memorandum.
2. The Governance Statement should also include coverage of the processes applied in reviewing the effectiveness of the system of internal control to ensure compliance with the requirements of the ODA's Management Statement, Financial Memorandum.
 3. The Notes to the accounts shall provide an analysis of funding by funder and make clear the accounting treatment of funds.
 4. The Notes to the accounts shall disclose expenditure incurred on the Delivery Partner.
 5. Other notes to the accounts shall provide an analysis of the ODA's administration costs showing, for example the following information
 - a. the average number of persons employed calculated on the basis of full-time equivalents;
 - b. employee costs during the year showing separately:
 - i. wages and salaries,
 - ii. early retirement costs,
 - iii. social security costs;
 - iv. contributions to pension schemes;
 - v. agency or temporary staff costs;
 - c. an analysis of remuneration and expenses of ODA Board members.

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