Olympic Delivery Authority

Annual Report and Accounts 2009–10

On track

Olympic Delivery Authority
Annual Report and Accounts
2009–10

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Chairman's foreword

We have been tasked with creating something very special. It is a privilege to work on the project and we are very aware of the responsibility placed upon us to continue to strive for excellence.

The last 12 months have been a year of challenge and a year of change. The Olympic Park has continued its transformation from a run down brownfield site into the theatre for the world's greatest sporting events. The venues and the Olympic Village are now becoming established east London landmarks. I am also pleased to be able to report that with just over two years to go to the Opening Ceremony of the Olympic Games, the project remains on time and on budget.

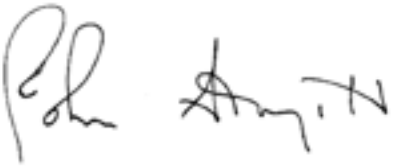
However, there is no room for complacency. We continue to hit our public milestones but we are now in the middle of the most intensive period of construction. Around 10,000 workers are on site – more than double where we were this time last year. There is activity on every part of the Park. The site logistics are ever more complex. Many risks still remain. I am however confident that we can meet the challenges ahead.

We have an outstanding team working on this project – from the team at the Olympic Delivery Authority (ODA), led by David Higgins, through to our Delivery Partner, CLM, and the many contractors working on the Park and up and down the country. We have world-class engineering, design and construction in this country. The Park and the thousands of workers that are on it, are showcasing the very best performance of UK plc – not just in terms of delivery, but also areas such as health and safety, equality, accessibility, training and sustainability.

Success to date has been about partnership. We are fortunate to have great partners working with us – the London Organising Committee of the Olympic and Paralympic Games (LOCOG), the Greater London Authority, Government at every level, the Olympic Park Legacy Company, the London Development Agency and a host of other organisations. It has truly been a team effort to get to this stage.

The last year has been a difficult one for the British economy. It has been encouraging to see how the London 2012 project has filled order books up and down the country and provided work to thousands of people. I have continued to travel across the UK visiting firms working on the project. It is great to see every part of the UK benefiting from the Games and helping to build the stage for the likes of Usain Bolt, Sir Chris Hoy and Ellie Simmonds in 2012.

So – a lot has been achieved in the last 12 months and there is a lot to be proud of. However, many challenges still lie ahead. We must remain focused every day on hitting targets so we can continue to deliver on time and to budget. We have been tasked with creating something very special. It is a privilege to work on the project and we are very aware of the responsibility placed upon us to continue to strive for excellence.



John Armitt
ODA Chairman

Chief Executive's report

I am confident that the project is setting a blueprint for sustainable construction in the future.

As we approach two years to go to the London 2012 Olympic Games on 27 July we remain on track against a challenging timetable. Over the past year the skyline of east London has changed dramatically as the venues on the Olympic Park take shape. The Olympic Stadium is now at its full height, the roof of the Velodrome is in place and the pools in the Aquatics Centre have been filled with water and tested.

Three-quarters of the plots in the Olympic Village – beds for athletes in 2012 and new homes for Londoners afterwards – are now structurally complete. Work has also started on the new education campus and healthcare facilities for the local community. Work is well underway to transform former industrial land into a new, green park for the capital. The first of 4,000 semi-mature trees was planted last November by Her Majesty The Queen and wetland planting has now started.

Good progress is being made on the new utilities and infrastructure with construction on track on more than two-thirds of the bridges and underpasses, power live across the site and other networks operational.

Outside of London we have completed work at Eton Dorney, the venue for Rowing and Canoe Sprint events in 2012, on time and to budget and work is also on track at Lee Valley White Water Centre for the Canoe Slalom events. It should complete later this year.

As we get closer to the Games, we continue to approach the project in the most sustainable way possible. Whether it is in the design of venues – the work to clean and clear the waterways, the acres of new parklands, cleaning soil and reusing demolition waste, the use of water and rail to transport construction materials or the new energy infrastructure being put in place – I am confident that the project is setting a blueprint for sustainable construction in the future.

In all the work we do on the Olympic Park and elsewhere we strive to involve the local community as much as possible. This will be their Park after the Games so we want them to feel part of the project. For example, local residents are now working as tour guides, helping show some 50,000 people around the Park in the last 12 months. Contractors are working in the local community too, often in the form of health and safety workshops in schools around the site.

We are helping connect up this part of London. Work continues to improve capacity and accessibility at Stratford Regional Station and Stratford International Station opened for domestic services last year. We are creating new walking and cycling routes around the Park and in the coming weeks plans will be published for further consultation for the Olympic Route Network (ORN), the temporary network of roads that every Games uses to ensure that athletes get to their events on time whilst causing minimum disruption to Londoners.

2010 will see construction work reach a peak. Working closely with our contractors, Delivery Partner and the thousands of workers on the site, it is very encouraging that we continue to have an excellent safety record on the Park. The health and safety of our workforce will always be our top priority and we will continue to focus our efforts on sustaining a strong safety culture at every level of the workforce. Nothing is more important to me.

We continue to hit our milestones and remain within budget as our quarterly economic updates have consistently shown. The foundations for success are in place and though we are not complacent and there will be challenges ahead we are in good shape to meet them.

David Higgins
ODA Chief Executive

Financial Review 2009–10

Budget

The budget for the Games, announced in March 2007 by the Minister for the Olympics, is £9,325 million. This includes activities outside the ODA's remit. The maximum funding available to the ODA is £8,099 million, including £1,972 million of contingency.

Fig. 1 Budgeted public sector funding package

		£m	£m
ODA	ODA base costs including VAT	6,127	
	Programme contingency	968	
	ODA Baseline Budget		**7,095**
	Funders' contingency		1,004
	Total available to ODA		**8,099**
Non-ODA	Elite and community sports, additional support for Paralympic Games, Look of London	388	
	Security	838	
	Total non-ODA		**1,226**
	Total public sector funding package		**9,325**

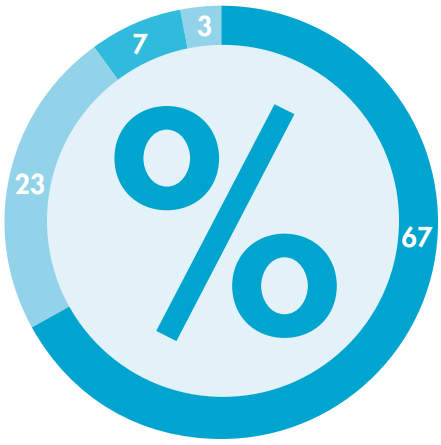
Sources of funding

Of the £9,325 million funding package £5,975 million is funded by central Government, comprising contributions from the Department for Culture, Media and Sport (DCMS), Communities and Local Government (CLG) and the Department for Transport (DfT).

Fig. 2 Sources of funding

	March 2007 £m	March 2010 £m
Central Government	5,975	6,275
National Lottery	2,175	2,175
Greater London Authority	925	625
London Development Agency	250	250
Total public sector funding package	**9,325**	**9,325**

In 2007, the GLA agreed to increase their contribution to the public sector funding package by £300 million from £625 million to £925 million. The £300 million was to be contributed from LDA funds. In March 2010, the Government agreed to meet the £300 million from central Government funds as part of its strategy for facilitating the legacy development of the Olympic Park.



March 2010
Sources of funding
67% Central Government
23% Lottery
7% GLA
3% LDA

The ODA original Baseline Budget

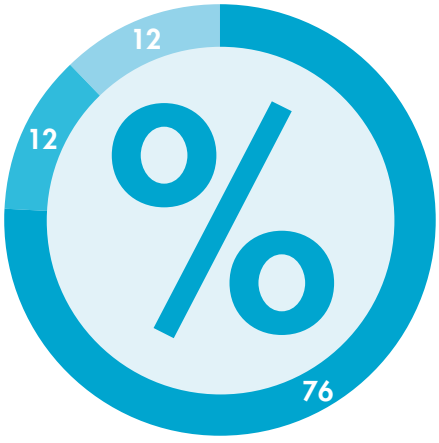
The original Baseline Budget for the ODA, approved by the Olympic Board[1] and Funders and published in January 2008, is £7,095 million. This budget comprised £6,127 million for the delivery of the individual projects and programmes that make up the ODA programme and £968 million of programme contingency.

The ODA programme comprises more than 50 individual projects or programmes. Budgets at a project level have been set based on cost estimates for the delivery of the construction project and include a project contingency for risks that exist as if the projects were independent of the programme, such as design and contracting uncertainties. Business cases for each project must be approved by the Secretary of State for Culture, Olympics, Media and Sport before costs can be committed and clear financial accountability for the delivery of projects to time and budget is cascaded through the Chief Executive to the executives responsible for individual projects. The use of project contingency is managed via an overall change management process and is subject to the approval of the ODA Director of Finance and Corporate Services.

Within the ODA original Baseline Budget the programme contingency of £968 million is to cover risks that cannot be managed by individual projects and arise from the management of a complex integrated programme of projects to an immovable deadline. The level of contingency was calculated using a quantified risk model at 80 per cent confidence that the overall programme can be delivered to time and budget. The release of this contingency is subject to approval by the Secretary of State for Culture, Olympics, Media and Sport.

The approval of the original Baseline Budget created a clear position against which the ODA can monitor and control the cost of its programme of delivery of the venues and infrastructure for the Games. The ODA exercises financial control through clear accountability at a project level and the tight control of change and contingency usage.

The table below sets out how the ODA original Baseline Budget was built up in March 2007.



Total ODA Baseline Budget
76% ODA base budget
12% Programme contingency
12% Funders' contingency

Fig. 3 Total ODA original Baseline Budget

	Base cost £m	Tax £m	Total £m
Site preparation and infrastructure	1,690	289	1,979
Venues	996	175	1,171
Transport	839	58	897
Other Park-wide projects	738	130	868
International Broadcast Centre/ Main Press Centre	220	–	220
Olympic Village	271	1	272
Programme delivery	580	67	647
Taxation and interest	–	73	73
Total project budgets	**5,334**	**793**	**6,127**
Programme contingency	–	–	968
ODA Baseline Budget			**7,095**
Funders' contingency			1,004
Total funding available to ODA			**8,099**

[1] The Olympic Board is the Board established by the Minister for the Olympic and Paralympic Games to provide oversight, strategic coordination and monitoring of the entire 2012 Games project, and is made up of the Minister for the Olympic and Paralympic Games, the Mayor of London, the British Olympic Association Chairman and the London 2012 Organising Committee Chair.

Funders' Contingency

The maximum funding available to the ODA is £8,099 million, the balance of £1,004 million over the £7,095 million baseline budget is held within Government, under the control of the Ministerial Funders Group[2], to cover unforeseen risk to the overall delivery of the Games.

Public investment in the International Broadcast Centre/Main Press Centre and the Olympic Village

The assumption in the ODA original Baseline Budget was that the development of the International Broadcast Centre/Main Press Centre (IBC/MPC) and the Olympic Village would be funded substantially by private investment. The turbulence in the financial markets, the credit crunch and the downturn in the property market since 2007 meant this was no longer feasible.

In January 2009, the Ministerial Funders Group decided that the IBC/MPC would be fully funded from within the £8,099 million maximum funding available to the ODA and Ministers therefore approved the release of £135 million of contingency to enable construction on site to start in April 2009. The buildings left in legacy will have the flexibility to be adapted to a wide range of uses, to maximise potential employment opportunities post-Games.

In May 2009, the Ministerial Funders Group reviewed a private sector debt and equity proposal for the Olympic Village and concluded that it did not constitute value for money for the taxpayer in the long term, and agreed to invest additional public money in the Olympic Village, bringing the total public sector investment in the project to £650 million. The additional investment has been made on the expectation that sales of completed homes will repay at least £324 million to contingency.

The estimated cost of developing the Olympic Village, fitting out the apartments for athletes' use and then retrofitting for private sales, is c£1 billion. Development work up to the Games will be funded by public sector investment and receipts from a pre-sale agreement to Triathlon Homes, an approved provider of social housing, for the affordable housing element of the Olympic Village.

Construction work started on the Olympic Village in June 2008; with the exception of the public realm and final streetscape works, all major infrastructure to support the Olympic Village development is complete and three of the 11 residential blocks are now structurally complete.

A new polyclinic, largely funded by Newham Primary Care Trust, and an academy, largely funded by the Department for Children, Schools and Families, will be built in the Olympic Village as part of the ODA's planning obligations.

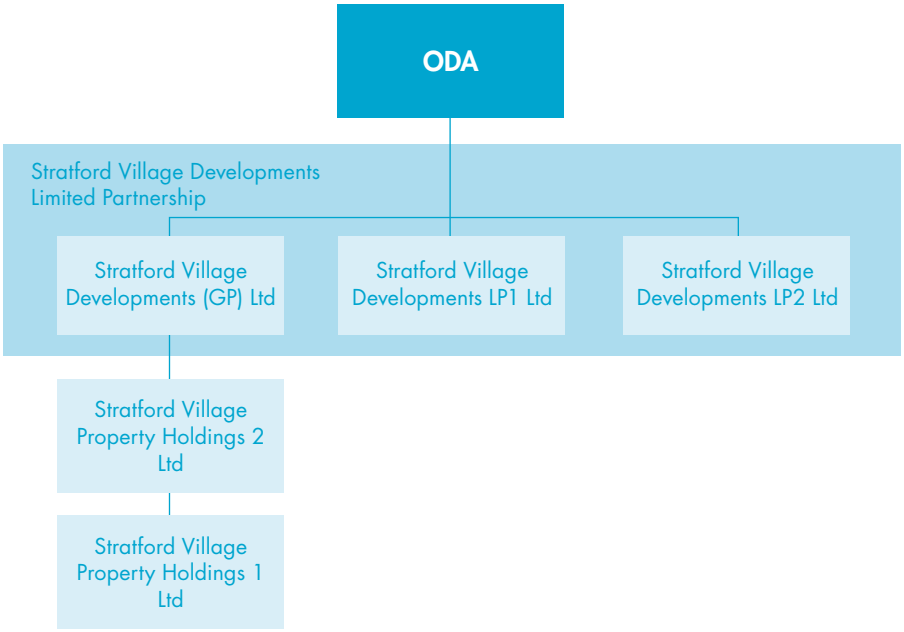
[2] During the financial year, the Ministerial Funders Group, chaired by the Chancellor of the Exchequer, included the Minister for the Olympic and Paralympic Games, the Secretaries of State for Transport and for Communities and Local Government and the Chief Secretary to the Treasury. The lottery funded element of contingency requires the approval of the Olympic Lottery Distributor Board.

Corporate structure

In 2008–09, the ODA formed a wholly-owned subsidiary company to provide a vehicle for the delivery of the Olympic Village. Stratford Village Developments (GP) Limited (SVDL) is the active subsidiary and the general partner in the Stratford Village Development Limited Partnership. Stratford Village Development LP1 Limited and Stratford Village Development LP2 Limited are the limited partners and as at 31 March 2010, have not made any accounting transactions. The corporate structure provides flexibility for potential future private sector investment if and when the scenario arises and can be demonstrated to provide value for money for the taxpayer.

The ODA accounts as presented consolidate SVDL which is the developer of those parts of zones 3–6 of the Stratford City development required for the London 2012 Olympic Village. The development includes eleven residential plots that will house 16,800 athletes and officials during the Games and once refitted after the Games, provide 2,818 homes for Londoners; LOCOG's centre of operations for the Village during Games will become an academy post Games; a polyclinic which will provide medical facilities during Games and in legacy; and the associated infrastructure, landscaping and section 106 obligations for the development.

SVDL has also established two wholly owned subsidiaries which hold legal title to the development land.



Progress to date[3]

To 31 March 2010, £3,552 million has been expended on preparing the Olympic Park for construction and designing and building venues for the Olympic Park and around the country. The capital programme is now 55 per cent complete and all venues are forecast to complete on or ahead of schedule.

Work done to date is below that anticipated by £822 million reflecting cost savings against the budget to date, unutilised contingency and deferred spend as a result of schedule changes, offset by spend on the Olympic Village and the IBC/MPC now financed by the public sector.

[3] Prior to the establishment of the ODA by the 2006 Act, a number of Games and regeneration activities had to be undertaken. These were carried out by a separate division of the London Development Authority known as the Interim Olympic Delivery Authority (iODA). In February 2007, the assets and liabilities of the iODA were transferred to the ODA at nil cost and revalued in the ODA's accounts, and contracts being undertaken by the iODA were novated to the ODA. In reporting progress against budget, the activities and costs of the iODA are included in those of the ODA.

Progress to date against ODA Baseline Budget

35% Site preparation infrastructure
15% Venues
7% Transport
10% Other Park-wide projects
3% International Broadcast Centre/Main Press Centre
17% Olympic Village
13% Programme delivery, taxation and interest

Fig. 4 Progress to date against ODA Baseline Budget

	Budget to March 2010 £m	Actual to March 2010 £m
Site preparation and infrastructure	1,475	1,213
Venues	630	542
Transport	337	248
Other Park-wide projects	570	351
International Broadcast Centre/ Main Press Centre	145	110
Olympic Village	396	616
Programme delivery, taxation and interest	417	472
Contingency	404	
Total project spend to March 2010	**4,374**	**3,552**

Of the total public sector funding package available to the ODA, £3,287 million of funds have been drawn down to 31 March 2010, of which £1,379 million was drawn down in this financial year. The difference between funds drawn down of £3,287 million and spend to date of £3,552 million[4] is primarily due to accrued costs.

A number of projects have completed in the year

Primary Substation

In October 2009, the completion of the Primary Substation marked the operation of the ODA's first Olympic Park building and the first of the utilities structures to complete. The Substation is now supplying power to the Olympic Stadium and Stratford City development and will expand supply to other venues throughout 2010.

Primary Foul Sewer and Pumping Station

The Primary Foul Sewer and Pumping Station became operational in January 2010. Thames Water are operating and maintaining the system until the system can be fully adopted following the provision of permanent power and resolution of land issues on the pumping station site later in 2010. The new system will collect, convey and remove waste water from the main venues during the Games and venues and residential developments in legacy.

DLR infrastructure investment for transport operations

Two DLR infrastructure projects have now been completed; in December 2009 the Blackwall and East India station platform extensions were completed, enabling three-car operation between central London and Woolwich Arsenal and in January 2010 the Royal Mint Street Junction remodelling was completed allowing for higher Games service levels to be operated.

Delivery Partner

The ODA's Delivery Partner, a consortium of CH2M Hill, Laing O'Rourke and Mace (CLM), is managed through call downs against a framework contract. During the year, a second major tranche of resource was agreed under the current task order covering the services CLM will provide to the ODA up to July 2011 when the majority of the construction work on venues will be complete.

[4] Net of third party income and other grant income outside of the public sector funding package.

CLM is reimbursed for direct costs and only receive incentive payments based on the achievement of milestones and cost performance indicators agreed with the ODA. In total the ODA has charged £398 million to the accounts to date in respect of CLM services on the project from September 2006, when CLM was appointed, £141 million of this relates to 2009–10.

Savings

The ODA, working with its Delivery Partner, has achieved significant cumulative savings of £602 million, over £200 million in the last year, against the original Baseline Budget which included a target for savings of £50 million. The savings derive primarily from reductions in scope and value engineering changes, procurement savings, inflation and VAT savings, and have been applied to cost pressures as they have arisen. In particular, they have been used to help fund the Olympic Village and ensuring that the programme overall can be delivered within budget.

Current ODA lifetime budget

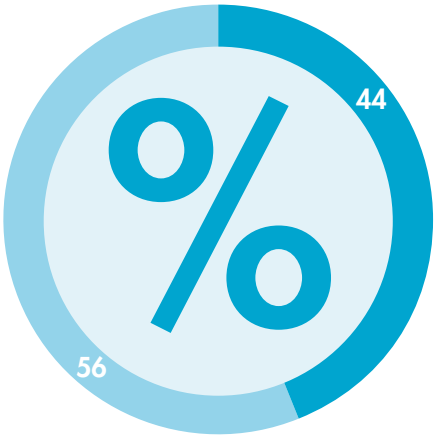
The current ODA lifetime budget stands at £7,250 million after recouping sales receipts of £601 million from the sale of homes and land at the Olympic Village.

As part of the first steps to reducing the national deficit, the Government are targeting £6 billion of savings across the public sector in the 2010–11 financial year. No departments are exempt. To this end, the Secretary of State has written to the ODA requesting budget savings of £27 million against the ODA's 2010–11 budget allocation of £1,714 million this year.

This will reduce the ODA's lifetime budget from £7,250 million to £7,223 million.

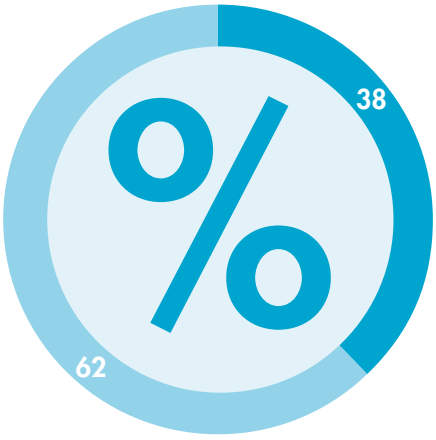
Contingency

Within the total funds available to the ODA of £8,099 million, there remains unallocated programme and funders contingency available to the ODA of £1,228 million.



Amount of total funding available to the ODA spent to date

44% Spent
56% Remaining



Amount of total contingency[5] available to the ODA released to date

38% Released
62% Remaining

[5] In total, 38 per cent of contingency has been released against 44 per cent of the budget spent to date.

Park operations

Plans for the operation of the Olympic Park and its venues during the period between the end of construction and handover to legacy owners, post-transformation, have developed over the year. The ODA has worked with the London Organising Committee of the Olympic Games and Paralympic Games Ltd (LOCOG), who will manage the Park in the run up to the Games for Test Events and during the Games, to define the contractual arrangements and management requirements for this period. The work to date has indicated significant additional scope which is likely to fall to the ODA and, if approved, will result in an increase in lifetime budget allocated to the ODA from the current lifetime budget of £7,250 million. Initial estimates are that this additional scope may cost between £110–160 million and this will be funded from within the £8,099 million maximum funding available to the ODA.

In parallel with this work, the ODA set up a number of joint working arrangements with the Olympic Park Legacy Company (OPLC)[6], to whom the ODA will transfer ownership of the venues post-transformation.

Anticipated final cost

The anticipated final cost (AFC) of the ODA's programme takes into account cost pressures and opportunities, plus estimates of contingency requirements. The ODA's AFC is updated and published in a quarterly economic report by the Department for Media, Culture and Sport. The AFC at the end of March 2010 is £7,267 million, £17 million above the currently allocated lifetime budget of £7,250 million, and well within the maximum available funding available to the ODA of £8,099 million. The additional scope relating to Park operations will increase both the ODA's allocated lifetime budget and the AFC to c£7,400 million.

It is the ODA's intention to drive the programme to completion, on time and well within budget. As the risk profile of the programme reduces, the ODA will seek to confirm future resource requirements and returned savings against the maximum funding available to funders.

[6] The legacy body is a company limited by guarantee, owned by the Department for Communities and Local Government and the Mayor of London. It was formed in May 2009 to manage the long-term planning, development and maintenance of the Olympic Park and its facilities post Games.

ODA Board

John Armitt CBE FREng FICE was appointed Chairman of the Olympic Delivery Authority on 1 September 2007. John was previously Chief Executive of Network Rail from October 2002 and Chief Executive of Railtrack plc from December 2001. He has extensive experience in the building, civil engineering and industrial construction markets.

From 1986 to 1993 he was Chairman of the Laing International and Civil Engineering Divisions, a company he joined as a graduate in 1966. From 1993 to 1997 he was Chief Executive of Union Railways, the company responsible for development of the high speed Channel Tunnel Rail Link.

In 1997 he was appointed as Chief Executive of Costain, a position he held until 2001.

John is also Chairman of the Engineering and Physical Sciences Research Council, is a Non-Executive Director of the Berkeley Group and an Advisory Board member of PWC. He was awarded the CBE in 1996 for his contribution to the rail industry. He is a Fellow of the Royal Academy of Engineering and the Institution of Civil Engineers.

Sir Roy McNulty CBE is Deputy Chairman of the Olympic Delivery Authority and has been Chair of Advantage West Midlands since 2009. He is also Chairman of Ilex URC, the regeneration company for Derry-Londonderry, and is Chairman of the Rail Value for Money Study sponsored by the Department of Transport and the Office Rail Regulation.

Previously, he was Chairman of the Civil Aviation Authority (CAA) (2001–09), Chairman of National Air Traffic Services (NATS) (1999–01) and, prior to that, Chief Executive and Chairman of Shorts Brothers plc, the Belfast-based aerospace company.

Sir Roy has also been President of the Society of British Aerospace Companies (1993–94) and Chairman of the Department of Trade and Industry Aviation Committee (1995–98).

Lorraine Baldry is Chairman of Inventa Partners Ltd. and of Tri-Air Developments Ltd. She is also a Governor at The University of the Arts London and a Director of DTZ holdings plc.

Lorraine was Chairman of the London Thames Gateway Development Corporation and before that Chief Executive of Chesterton International plc. Prior to that, she was a Senior Advisor at Morgan Stanley Investment Banking Division.

She has over 30 years' experience in a wide range of industries including Financial Services, IT and Property and has held senior executive positions in some of the UK's leading companies in these sectors.

Tony Ball is Chairman of the Supervisory Board of Kabel Deutschland AG, Europe's largest cable operator.

He is a non-executive director of BT Group plc and ONO SA (Spain).

He was Chief Executive of British Sky Broadcasting plc (1999–03) and is a former non-executive director of BAA plc, ProSiebenSat.1 and Marks & Spencer plc.

He spent a number of years in the United States as Chief Executive Officer of Fox/Liberty Networks and held senior positions in both media and broadcasting companies in the UK and Europe before this.

Barry Camfield worked for the Transport and General Workers Union (T&G) from 1975 until September 2007. He was T&G Assistant General Secretary from 2000 to 2007, and was previously T&G Regional Secretary for London, South East England and East Anglia.

He was a member of the TUC General Council and the TUC Executive Committee until 2007. Previously, he was Vice President of SERTUC, the Southern and Eastern Region of the TUC, (including London) and was a member of the SERTUC Executive Committee.

Barry was also a previous member of the South East England Development Agency (SEEDA) where he was heavily engaged in regional social dialogue issues. He also served on the Kent and Medway Local Learning and Skills Council.

Currently, Barry is a member of the TUC 'Unions 2012' group of TU officials and is Chair of the 'Community and Trade Union Learning Centre', located next to the Olympic Park.

Neale Coleman is an advisor on the London 2012 Games to the Mayor of London, Boris Johnson.

He previously chaired the Olympic Masterplan Reference Group which led the work programme during the bid to deliver the Olympic Masterplan and outline planning consent for the Olympic Park.

Neale has been co-chairing the Olympic Delivery Group, which had responsibility for leading physical preparations for the Games prior to creation of the Authority.

Stephen Duckworth is the Contract Director for Serco Welfare to Work in the West Midlands.

Previously Stephen was Chief Executive of Disability Matters Ltd, a consultancy which helps organisations profit from the potential of disabled people.

He qualified as a doctor and gained a PhD in disability equality following a rugby accident which has resulted in him using an electric wheelchair.

Stephen is a Board Member of the National Quality Board that aims to improve service quality within the NHS and a member of the Disability Equality Delivery Board advising seven government departments on how to improve the life chances of disabled people. He has formally been a member of the Council of the University of Southampton.

Stephen has advised Ministers on the Welfare Reform, the Polish Government on introducing antidiscrimination legislation and more than 400 public and private sector organisations on how to improve services for disabled customers whilst increasing the representation of disabled people in their workforce.

He was awarded an OBE in 1994 in recognition of his service to disabled people.

David Fison is Chief Executive of Geoffry Osborne Ltd, a family-owned construction business. He has over 35 years experience working in the construction sector. He was Chief Executive Officer of Skanska UK plc, the UK arm of one of the world's leading construction services groups, from 2002 until July 2008.

He spent a total of 10 years at Skanska, managing multi-discipline businesses involving very large construction projects and support service operations. David previously held senior management positions at Skanska and construction firm Balfour Beatty.

Christopher Garnett is a Director of Anglian Water Services Ltd and Aggregate Industries Ltd.

He was Chairman of GNER from 2004 to 2006, prior to which he was Chief Executive of GNER and Vice President of Sea Containers Limited from 1996 to 2004.

He joined the transport industry in 1986 when he was recruited by Sea Containers to run the Continental European routes of Sealink British ferries, and in 1990 he joined Eurotunnel as Commercial Director for the launch of the Channel Tunnel 'Le Shuttle' freight and car services.

Christopher was Chairman of the Association of Train Operating Companies from December 2001 to August 2003.

He is also a member of the National Railway Museum Advisory Board, and a member of the Transport for London Board.

Kumar Muthalagappan OBE is founder of a group of themed hotels including Colwick Hall Hotel, the ancestral home of Lord Byron.

He was appointed to the board of Advantage West Midlands for a three-year term commencing December 2009.

He joined Alexandra Palace as a non-executive director in January 2010 to help make this historic asset of our country into a sustainable and premier venue.

Kumar is a member of the Council of the University of Warwick and Acting Chairman of the City of Birmingham Symphony Orchestra (the CBSO).

Kumar is a chartered accountant and practised in the areas of audit, tax and corporate finance with KPMG from 1983 to 1996.

He was a board member of Visit Britain between 2002 and 2010 and Chairman of its Audit Committee. He was also on the board of the Heart of England Tourist Board and Belgrade Theatre (2000–04).

He was awarded an OBE in the 2009 New Year's honours list for services to tourism and hospitality.

Baroness Morgan of Huyton, a former London teacher and councillor, joined the House of Lords in June 2001.

She was Minister of State at the Cabinet Office until November 2001, when she took up the post of Director of Government Relations at 10 Downing Street, which she held until June 2005.

She is a Non-Executive Director of Carphone Warehouse PLC and of Southern Cross Healthcare PLC. She is Advisor to the Board of the children's charity ARK and a trustee of the Mayor's Fund. She also chairs Future Leaders charity.

Sir Nicholas Serota has been Director of Tate since 1988. He was previously Director of the Whitechapel Art Gallery (1976–88) and of the Museum of Modern Art, Oxford (1973–76).

He has been a member of the Visual Arts Advisory Committee of the British Council (1976–98, Chairman 1992–98), a Trustee of the Architecture Foundation (1991–99) and Commissioner on the Commission for Architecture and the Built Environment (1999–06).

David Taylor CBE is one of the country's leading exponents of urban regeneration and he has worked extensively in the public, private and voluntary sectors.

He is Chairman of BL Canada Quays Ltd, a joint venture with British Land Plc currently developing 900 new homes and mixed-use space in Southwark.

David is former CEO of English Partnerships and special adviser to Lord Prescott. Prior to that, he had responsibility for Development at AMEC Plc.

David chairs Rockpools People and Performance Ltd, First London Power Ltd and is Deputy Chairman of Preston North End F.C.

Taking shape

Summary of activity

Who we are and what we do

The Olympic Delivery Authority's (ODA's) mission is to 'deliver venues, facilities, infrastructure and transport for the London 2012 Olympic and Paralympic Games on time, within budget and to leave a lasting legacy'. Together, the ODA and the London Organising Committee of the Olympic Games and Paralympic Games (LOCOG) make up 'London 2012'. The London 2012 vision is to use the power of the Games to inspire change. This is the vision that will define the venues that are built, the Games that are staged and the legacy of the Games.

The ODA has responsibility for:

- construction of all permanent venues and other facilities in the Olympic Park;
- other facilities at Broxbourne (Canoe Slalom), Eton Dorney (Canoe Sprint/Rowing), Woolwich Royal Artillery Barracks (Shooting/ Paralympic Archery) and Weymouth and Portland (Sailing); and
- planning and delivery of both transport infrastructure and spectator services to support the Games.

The ODA has outlined the strategic phases to the project:

- Planning and set up – to April 2007
- Demolish, Dig, Design – to August 2008
- Big Build
  - to July 2009 Foundations
  - to July 2010 Structures
  - to July 2011 Completion
- Test Events – 2011 to 2012
- Games – Summer 2012
- Transformation and Legacy

The ODA is publishing delivery milestones for each phase. These are underpinned by our priority themes:

- health and safety;
- design and accessibility;
- equality and inclusion;
- sustainability;
- employment and skills; and
- legacy.

The ODA works closely with its Delivery Partner, the consortium CLM, to meet its key milestones on time and within budget. The CLM consortium comprises CH2M Hill, Laing O'Rourke and Mace, who have worked on previous Olympic and Paralympic Games. It brings a world-class track record to the project across sport, transport, the environment, technology and the public realm, covering programme and project management, construction and regeneration.

Progress

Where we were

The Olympic Park is changing rapidly and is very different to its condition four years ago when the ODA first set up on site.

Invasive Japanese Knotweed had taken root in an area equivalent to 10 football fields, stunting the growth of natural species.

The Park was a fragmented and disconnected site. Electricity pylons criss-crossed throughout, hindering the scope for large-scale development.

The 2.5sq km site suffered from decades of neglect and lack of investment. It was highly contaminated by various pollutants, including heavy metals, tar, arsenic, oil, petrol and lead. Fly-tipping and landfill had caused further contamination on other parts of the Park.

Our challenge has been to convert essentially an industrial wasteland into the stage for the Olympic and Paralympic Games.

This is in line with the vision set out in Singapore – to combine the world's greatest sporting works with Europe's largest regeneration project.

Where we are now

The work to clean and prepare the site for construction, known as the 'demolish, dig, design' phase, was completed on time by the Beijing 2008 Games.

At ground level, almost all of the contaminated soil has been cleaned and reused on site, as part of the UK's biggest land clean up. Five soil washing machines have been a key fixture on the Park, sifting and churning through some 1.4 million tonnes of soil to revitalise the site from its very core.

Two 6km-long tunnels now carry the high voltage cables underground, 30m below the surface. The tunnels were the ODA's first major construction project to be completed and meant the 52 electricity pylons that had dominated the Park and surrounding area could be dismantled, clearing the landscape for construction.

Above ground, more than 220 of the site's previous building structures were demolished, creating a platform for new venues.

Sustainability has been a focus from the start. During the demolition phase, the ODA recycled around 97 per cent (by weight) of demolition material. The sustainable commitment has continued into the design phase. Energy efficient venues, specially designed for smooth transition to legacy, are now being built and setting new standards for lightweight design.

Venue designs and the plans for landscaping of the Olympic Park all have a strong focus on innovation and creativity. Accessibility, inclusion and the involvement of the community have all been important to us as the process has moved forward.

There has been extensive consultation with residents, businesses, sports and community groups and many others over the last four years.

The ‘big build’ started in 2008 with piling work on the Olympic Stadium. Over the last 18 months, the venues have started to emerge and the Park take shape.

Two years on, the ‘structures’ phase of the ‘big build’ has led to major transformation and the workforce has tripled to more than 9,000.

The Olympic Park can now be navigated by the actual venues themselves, rather than plans or maps. External structures for most major venues are now complete. Most have reached their full height

In the south of the Park, the Olympic Stadium and Aquatics Centre have taken on their final height and shape. To the north, the Velodrome, Basketball Arena and huge International Broadcast Centre/ Main Press Centre buildings dominate the landscape.

In between, bridges are forming new connections and the parklands and green spaces are starting to mature.

New transport links across east London and to the Park are complete or nearing completion, while passengers are already benefiting from improvements to the main 'gateway' station at Stratford.

The Primary Substation that forms a key piece of the Park's new infrastructure was up and running in October 2009, the first building on the Park to be operational, as work to create a whole new utility infrastructure moves forward.

Outside London, enhancements to some venues have already been delivered and others continue to meet key milestones.

Milestones

In April 2007, the Olympic Delivery Authority (ODA) set out 10 major milestones to achieve by the Beijing 2008 Games. Each year it sets out a further 10 milestones to achieve by 27 July – the date the Olympic Games Opening Ceremony will be held in 2012. It has so far reached each milestone set.

Achieved
Milestones to 27 July 2009

01

Almost all of the Olympic Park will have been cleared and cleaned. The overhead pylons will have been removed and the erection of the new perimeter security fence will be underway.

02

Seven bridges will be structurally complete, 10 further bridges and underpasses will be under construction and the building of the permanent roads will have started. The refurbishment of the waterways in the Olympic Park will be complete.

03

The new Primary Substation at Kings Yard will be substantially complete, with the new equipment also in place to transmit permanent power to the Olympic Park from the wider national network.

04

The foundations of the Olympic Stadium will be complete. Work on the upper seating structure and roof will be underway.

05

The foundations of the Aquatics Centre will have been competed with work on the building's structure well underway.

06

Work will have started on the foundations of the Velodrome and International Broadcast Centre/Main Press Centre.

07

Contracts will have been let, designs agreed and work will be about to start on the Handball Arena. The design of the Basketball Arena will have been agreed, and the process of appointing construction contractors will be underway.

08

Building work will be underway on the majority of the Olympic Village plots.

09

Significant progress will have been made on the transport projects that are increasing capacity to support the Games. Of the 25 underway, 13 will be nearing completion.

10

Outside of London the ODA works at Weymouth and Portland will have been completed and ready for use. Construction work will have also started on the Lee Valley White Water Centre.

Achieved

On track

The ODA is now working towards, and on track to meet, the following 10 milestones.

On track for delivery
Milestones to 27 July 2010

01

The structure of the Olympic Stadium, including the roof, will be complete. The first seats will be fitted and work on the field of play about to start.

02

The Aquatics Centre's permanent structure and roof will be complete and all three swimming pools will be dug out.

03

The Velodrome structure and roof will be complete, with work about to start on installing the timber track.

04

The structure of the International Broadcast Centre and multi-storey car park will be finished, with roof and wall cladding well underway. The Main Press Centre's structure will be nearing completion.

05

The Handball Arena and Basketball Arena structures will be in place with internal works underway. Building work will have begun on the new Eton Manor sporting facilities.

06

The majority of the Olympic Village homes will be structurally finished and internal works will have started. All major infrastructure needed to support the development will be complete.

07

All works will be complete at the Eton Dorney Rowing and Canoe Sprint venue. The new lake and competition courses at Lee Valley White Water Centre will be finished, with the facilities building almost complete. A planning application will have been submitted for the Shooting facilities at the Royal Artillery Barracks.

08

More than half of the new bridges and underpasses will be complete and parts of the Olympic Park Loop Road in operation. Planting will have begun across the Park.

09

The Energy Centre, Primary Substation, main sewer and deep sewer pumping station will all be operational.

10

All major transport improvements will be in progress or complete, and the next level of detailed planning for transport operations during the Games will have been completed.

Olympic Stadium

Now at its full height of 53m after the installation of 14 lighting towers, the Olympic Stadium is dominating the skyline of the Olympic Park.

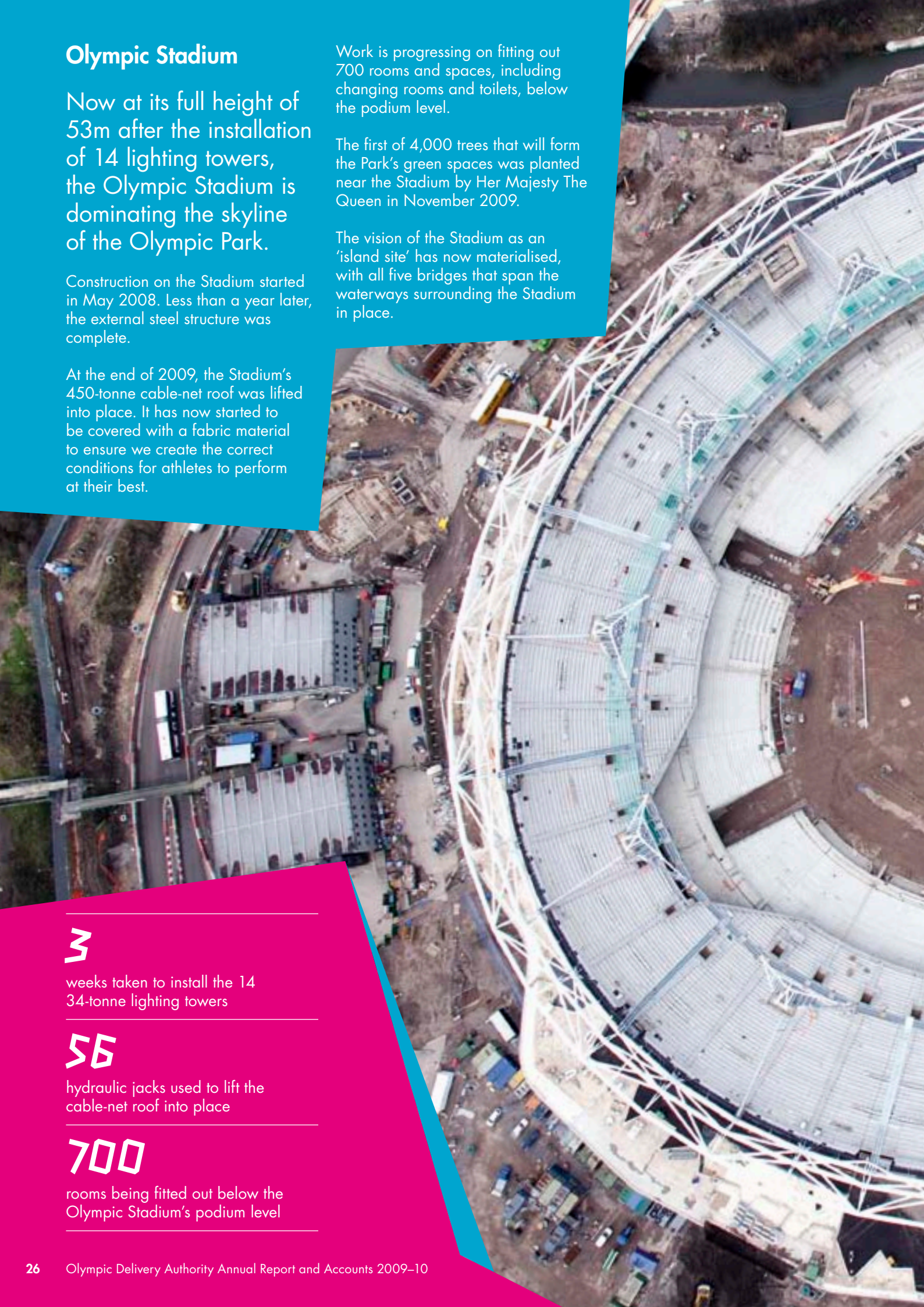
Construction on the Stadium started in May 2008. Less than a year later, the external steel structure was complete.

At the end of 2009, the Stadium's 450-tonne cable-net roof was lifted into place. It has now started to be covered with a fabric material to ensure we create the correct conditions for athletes to perform at their best.

Work is progressing on fitting out 700 rooms and spaces, including changing rooms and toilets, below the podium level.

The first of 4,000 trees that will form the Park's green spaces was planted near the Stadium by Her Majesty The Queen in November 2009.

The vision of the Stadium as an 'island site' has now materialised, with all five bridges that span the waterways surrounding the Stadium in place.



3

weeks taken to install the 14 34-tonne lighting towers

56

hydraulic jacks used to lift the cable-net roof into place

700

rooms being fitted out below the Olympic Stadium's podium level

Aquatics Centre

3

permanent supports for the 3,000-tonne Aquatics Centre roof

180,000

tiles used to line the three Aquatics Centre pools

With its wave-shaped roof structure now complete, the Aquatics Centre is taking shape as a signature piece of architecture on the Olympic Park.

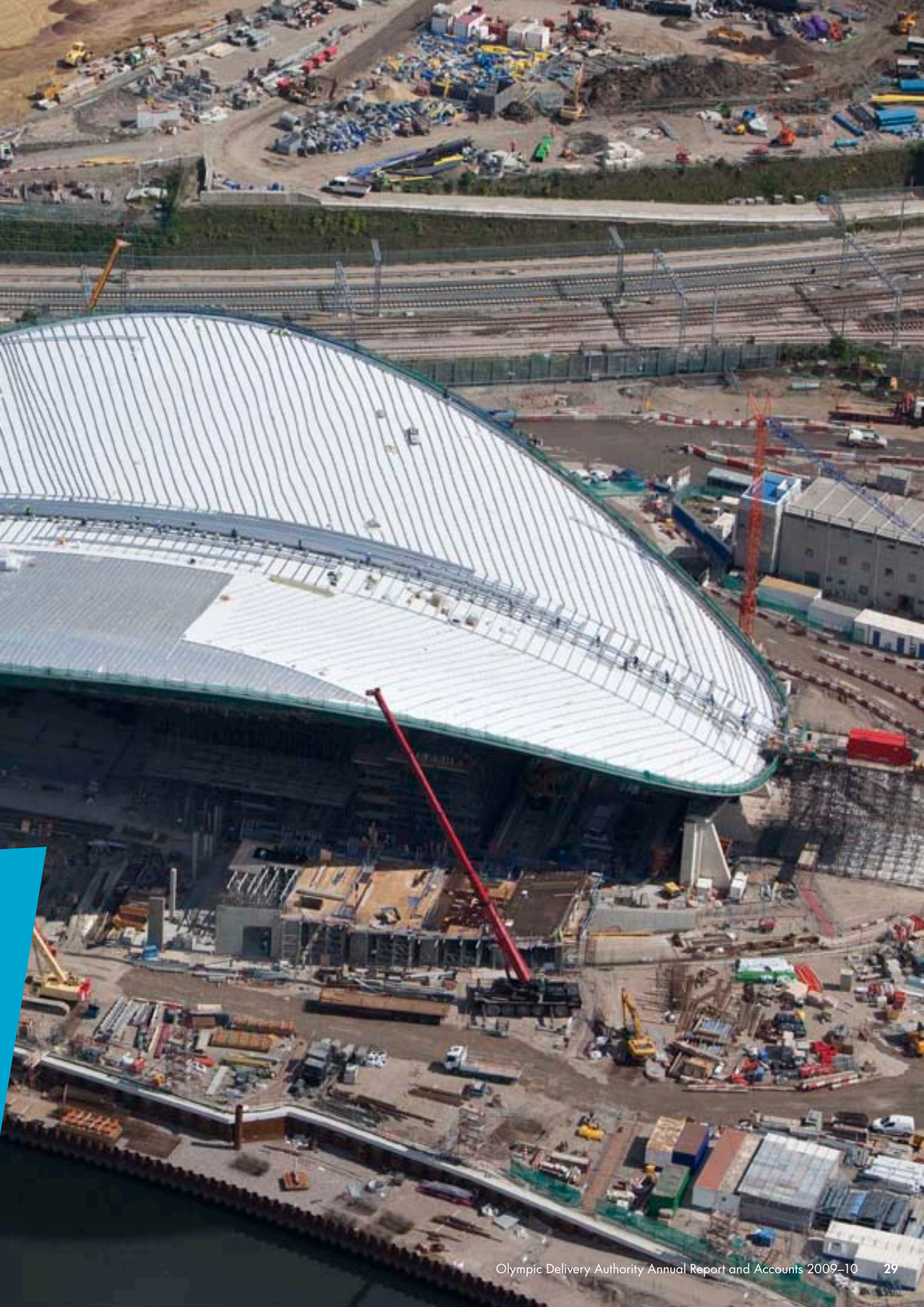
The 3,000-tonne sweeping roof structure was one of the Park's most complex engineering and construction projects. It was completed and lifted into place in November 2009, 18 months after the venue's first foundations were laid.

The roof now rests on just two concrete northern supports and a wall at its southern end, following the removal of the temporary trestle supports.

In April 2010, the Aquatic Centre's three pools – one diving and two 50 metre – were filled and tested with 10 million litres of water. Testing is required before the pools are sealed and lined with 180,000 tiles.

Work is now continuing on the aluminium roof covering, half of which is recycled, and the timber cladding of the 12,000 m sq ceiling.

Designers have been appointed to create the designs for the temporary 5,000-seat Water Polo Arena and warm-up pool next to the Aquatics Centre. Construction is due to start in spring 2011 and finish in time for Test Events in spring 2012.



Velodrome

Just over one year on from the start of construction, the Velodrome is an eye-catching fixture in the north of the Park with its distinct double-curved roof now in place.

The lightweight cable-net roof is joined to the Velodrome's steel structure, which rises in height by 12m from the lowest point to the highest part of the structure.

Work is now underway to cover the roof and install the outer timber cladding of the venue. Due to be watertight by summer 2010, work will then begin on installing the timber cycling track, designed to be the world's fastest, in the autumn.

Construction started on the Velodrome in March 2009. It is on track to hit its completion date of early 2011 and will be the first Olympic Park sports venue delivered.

2,500

sections of steelwork used to competed the double-curved roof

100 tonnes

of steel network cable used for the roof compared with 1,000 tonnes of steel in a traditional roof

Olympic Village

The homes for the athletes, officials and east Londoners who will live there post-Games are progressing rapidly.

Three of the 11 residential blocks structures – each made up of six to eight buildings – have been completed since construction began in summer 2008.

The first, which includes 300 new homes and seven buildings, was finished on the '1,000 days to go' mark in October 2009.

In February 2010, the ODA secured planning permission to build a new polyclinic on the Village. It will be used by athletes during the Olympic and Paralympic Games and go on to provide healthcare and community facilities to residents afterwards.

The structure of the Chobham Academy is starting to become visible. It will be an education campus based on the Village site with spaces for 1,800 students.

11
residential blocks each containing six to eight buildings

1,380
affordable new homes for Londoners

2,800
total number of new homes for Londoners within the Olympic Village

International Broadcast Centre/Main Press Centre

Construction on the huge International Broadcast Centre/Main Press Centre (IBC/MPC) started a month early in April 2009 and the venue continues to hit key milestones.

The 4,500-tonne steel frame of the IBC – big enough to fit five jumbo jets – was completed in 10 weeks by September 2009.

Less than six months later the IBC's external cladding, comprising some 15,000sq m of wall and 26,000sq m of roof covering, was finished. A further 55,000sq m of concrete flooring has been laid.

Meanwhile, the MPC reached its full height in February 2010 following the installation of the four lift cores. Work is now complete on the four-storey frame with 30,000 tonnes of concrete having been used. The media transport mall is also making rapid progress and is nearing completion in spring 2010.

Other venues in the Olympic Park

Handball Arena
The concrete walls that will support the upper tiers of seating of the 7,000-seat Handball Arena are going into place.

The 1,000-tonne steel frame is on track to be complete by summer 2010. By then, cladding on the venue's roof and external structure will be underway, with the distinctive copper layer added later that year.

Construction on the Handball Arena got off to a good start in July 2009, two months early. The foundations, 200 concrete columns drilled 25m into the ground, were completed in December 2009.

3,000sq m
copper cladding, mostly recycled, used for the Handball Arena

88
ceiling light pipes to feed natural light into the venue

Basketball Arena

The Basketball Arena's 20 steel arches have been lifted into place and the exterior wrap is now underway. Each arch is 35m high and spans 96m, giving an immediate indication of the height and size of the temporary venue.

The frame of the 12,000-seat venue is being wrapped in 20,000 sq m of fabric, which will form the canvas for an external architectural lighting display during the Games.

Temporary seating and accommodation around the venue will start to be installed in summer 2010.

20

steel arches comprising the Basketball Arena's structure

20,000sq m

fabric used to wrap around the Basketball Arena

Eton Manor
The Eton Manor site in the north of the Park began ground works in spring 2010 following the ODA's appointment of contractors earlier in the year.

During the Olympic Games, Eton Manor will have temporary training pools for participants in Aquatics events. It will have three 50m pools for swimmers, and smaller pools for synchronised swimmers and Water Polo players. One of the 50m pools will be used for training during the Paralympic Games.

Eton Manor will then host Wheelchair Tennis during the Paralympic Games, and remain a training facility for Paralympic Aquatics competitors. There will be nine competition courts and four warm-up courts. The total of 10,500 seats for spectators will include a 5,000-capacity main show court.

The ODA secured planning permission for Eton Manor – the final permanent Olympic Park venue to be awarded planning permission – in October 2009.

Venues outside the Olympic Park

Broxbourne
The Lee Valley White Water Centre at Broxbourne is on track to be ready in autumn 2010, following the completion of the starting pool.

Construction on the venue started in July 2009. The foundations for the start pool were complete less than six months later, after more than 500 concrete piles were driven into the ground.

Enough soil to fill three Olympic-sized swimming pools has been excavated to create the venue's finishing lake.

A further 150,000 cubic metres of material has been used to form the canoe course embankments and the landscaped features of the venue.

Work on the facilities building and concreting for the 300m canoe course is underway.

Eton Dorney
The first of the ODA's work to enhance the Rowing and Canoe Sprint facilities at Eton Dorney began in October 2009 and finished the following spring.

The new 50m bridge that provides more access to the finish line area and improved areas for athlete warm-up has been lifted into place and the entrance to the return lane has been widened.

Royal Artillery Barracks
In February 2010, the ODA secured planning permission for temporary work to the Royal Artillery Barracks and the northern part of Woolwich Common.

There are four temporary indoor ranges used for the pistol and rifle competitions in both Olympic and Paralympic Games – three for qualification (10m, 25m and 50m) and then a Finals range (combines all three). The trap and skeet competition is then staged on three outdoor ranges for the Olympic Games only. The trap and skeet ranges are then replaced by Paralympic Archery during the Paralympic Games.

The temporary facilities will start to be installed in early 2011. They will be removed and the site will be returned to its former use and condition.

Infrastructure and utilities

1.9km
length of new sewer network

500
tonnes of steel used for the Energy Centre's steel frame

In October 2009, the completion of the Primary Substation marked the commencement of operation of the ODA's first Olympic Park building.

The Substation is now supplying electricity to the Olympic Stadium and Stratford City development, and will start supplying more venues throughout 2010. Construction work began on the substation in December 2007.

Located next to the Substation, the Energy Centre will provide low-carbon power to the Park.

Since the start of construction on the Energy Centre in August 2008, 3,500 sq m of concrete 'planks' were lifted into place to form the floors and roof of the Energy Centre. Three 60-tonne hot water boilers and five cooling towers – each the size of a small house – have been installed. It will go operational in the coming months.

In the south of the Park, the new permanent Pumping Station began operations in January 2010. Together with a new 1.9km primary foul sewer network, it will collect, convey and remove waste water from the main venues and buildings in the Park during the Games, and from the venues and residential developments afterwards.

Connecting the Park

30+

new bridges and underpasses being built within the Park

250m

length of main pedestrian footbridge into the Olympic Park

270,000

people expected to use the main land bridge into the Olympic Park each day

Work to create the building blocks for an open and accessible site is coming together with permanent roads and bridges across the Park now in place.

Twenty-one bridges and underpasses are now structurally complete of the total 35 structures to be put into place, transforming a fragmented site into a well-connected space.

Essential new links, including the main north-south route through the Park and new bridges into the Olympic Stadium and Aquatics Centre, have been built.

In March 2010, the first structural steel elements of the Central Park footbridge, which spans the River Lea at a focal point between the Olympic Stadium and Aquatics Centre, were lifted into place.

By August 2009, the structure of the 250m-long and 45m-wide land bridge, which some 270,000 people will use each day of the Games, was in place. It forms the main pedestrian entrance to the Games from the Stratford City development, spanning the Aquatics Centre and forming the roof of the training pool.

Work is well underway to construct the Olympic Park Loop Road – a new 12km road that circles the site. The road will connect the Olympic Village to each venue in the Park, giving competitors and officials easy and quick access. After the Games it will provide access around the Olympic Park and other developments for pedestrians and vehicles.

Parklands and public realm

102
hectares of open space will feature in the Olympic Park

4,000+
semi-mature trees to be planted within the Park

300,000
wetlands plants used within the Park

As the venues and other buildings rise up out of the ground, the creation of the green spaces and parklands that will surround these structures and give new life to the Park has started.

In November 2009, Her Majesty The Queen visited the Park and planted the first of more than 4,000 semi-mature trees. They will help shape the structure of over 100 hectares of parklands, 45 of which will be ecological habitat that will provide a colourful setting and festival atmosphere for the Games and a green space for people and wildlife in legacy.

Work on the new parklands started in January 2010. The parklands will comprise 300,000 wetlands plants, hundreds and thousands of shrubs, bulbs and herbaceous plants, the 'Great British' and London 2012 Gardens. In legacy, the visitors will also be welcomed by tree-lined roads.

In November 2009, designs for the parklands received the Premier Peter Youngman award for outstanding contribution to landscape from the Landscape Institute. In February 2010, the ODA's designs for the parklands and public realm received the 'Award for Equality and Diversity' from the Royal Town Planning Institute (RTPI).

The designs were recognised for various accessible features including wider pathways with smooth surfaces, seating and resting places at regular intervals, clear signs, setting a new UK benchmark for wheelchair spaces and amenity seating, and gentle gradients to give all users greater freedom of movement.

Transport on track

New routes, interchange options and facilities have been steadily opening up to passengers over the past two years, highlighting the early benefits of transport work for the London 2012 Games.

In March 2010, the new mezzanine entrance ticket hall and the structure for the new Central Line platform at Stratford Regional Station were completed on time and within budget. London Underground has now started the fit out for this new infrastructure, which is due to be operational by the turn of the year.

9

new lifts being installed at Stratford Regional Station

80km

length of walking and cycling paths that are being improved

1,600 tonnes

weight of Town Centre Link bridge pushed over 11 live rail lines at Stratford Regional Station

Also in March, two more new lifts and a new staircase were brought into passenger operation in the southern ticket hall. They will allow passengers to by-pass the subways when changing between the westbound Central Line and Jubilee and Docklands Light Railway (DLR) services when the additional Central Line platform 3A is opened.

Four of the nine new lifts and staircases are now complete, with all remaining lifts and staircases due to be operational by autumn 2010.

Other work already completed at the station includes track and signalling works, and platform widening and de-cluttering to create more space for passengers.

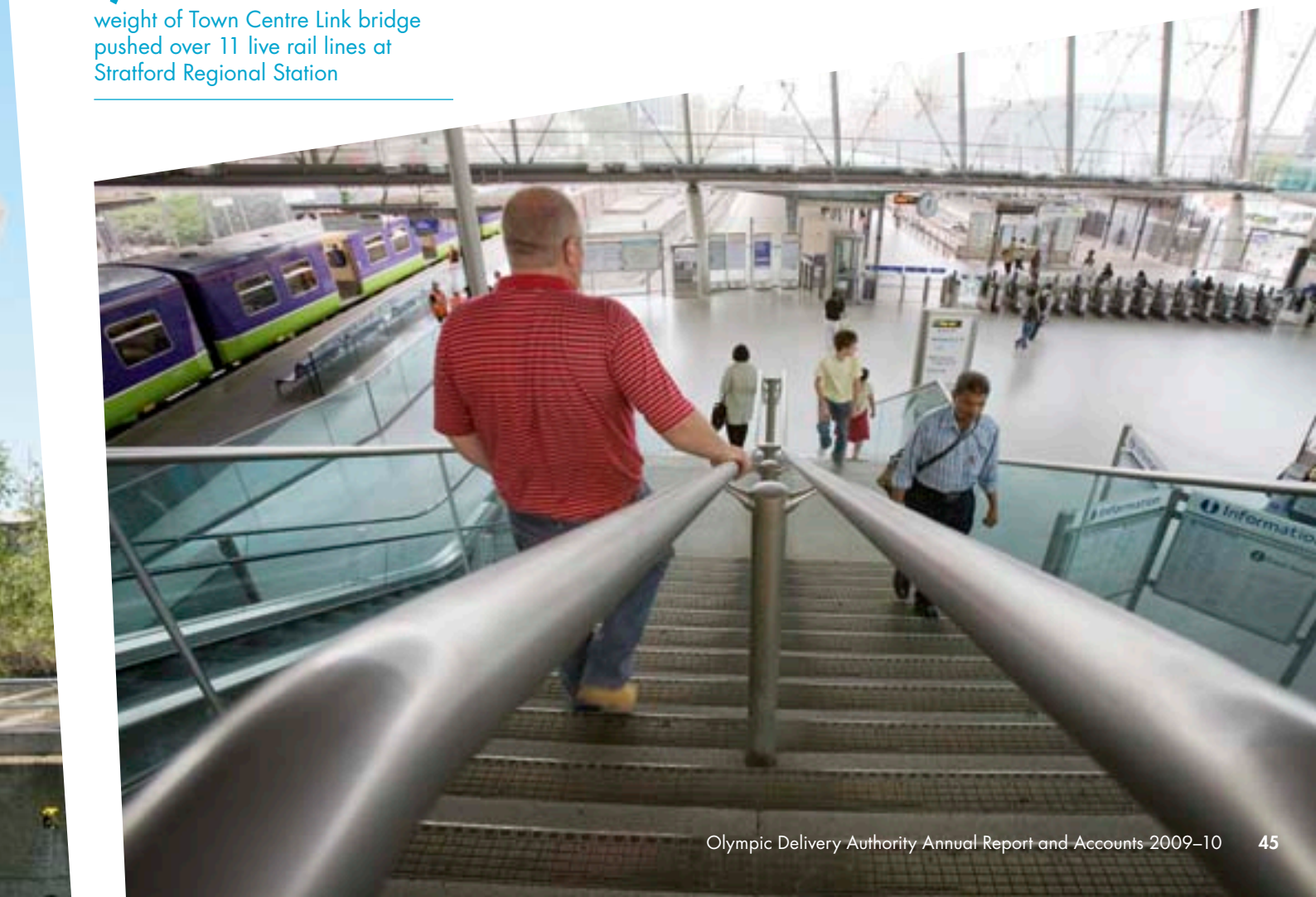
Projects that the ODA is contributing to are also bringing early benefits to passengers. The first of the 22 new DLR railcars that the ODA is co-funding were delivered to Stratford in October 2009. The new DLR extension to Stratford International Station is due to open later this year.

Planning permission for temporary works to West Ham Station was granted in November 2009 and construction is due to start in summer.

Work on the first of the improvements to walking and cycling paths linking to Games venues, amounting to some 120 schemes throughout 80km, is well underway.

In July 2009, the 1,600-tonne and 128m-long Town Centre Link bridge was pushed over 11 live rail lines into place, providing a vital Games-time connection from Stratford Regional Station to the new shopping development and the Park.

Work on the new freight loop and new mainline platform took a big step forward in April 2010. The Angel Lane bridge was demolished, and a new bridge installed so work could begin on the freight loop and overhead line equipment and track. The new and improved bridge already has pedestrian access and is due to be open to road traffic in August.



Key themes

Community
Over the past year, the ODA has expanded its visits programme to give even more local people and other groups across London and the UK a close-up look at the Olympic Park's transformation.

Park tours are now run four times a day, seven days a week. More than 44,500 people went on a tour between April 2009 and March 2010.

To further boost the community's involvement in the project and to provide the resources required to host the tours, the ODA has trained local people to become Park tour guides.

Eleven local people have graduated from the course and received their Level 2 Qualification from the Institute of Tourist Guiding and are undertaking casual employment with the ODA. A further 13 Blue Badge guides have been trained to help support the demand for tours.

Children from local schools continued to be part of the project. The newest recruits to the Construction Crew programme got out on the Olympic Park and learned more about the ODA's work, while hundreds of children took part in drama-based programmes aimed at keeping safe near construction sites.

Des Blake – Olympic Park Tour Guide
Des is one of the people from the five Host Boroughs to be trained and start work as an Olympic Park Tour Guide.

'Although the course was very challenging in many different ways it showed me that, with the appropriate support and the willingness from the tutor, I can achieve my goals,' Des said.

'The pleasure I get from seeing the smiles and the excitement on the people's faces and also the thanks they give me as they leave the tour bus is incredible!'

Des added: 'Local people are always stopping me in the street to chat about the 2012 Games.'

Inspire

199

apprentices placed with contractors on the Park and Village

2,865

training places have been delivered through the National Skills Academy for construction

Employment, Skills, Equality and Diversity

Ensuring a diverse workforce and making the most of opportunities to improve skills and qualifications in construction, particularly within east London, continues to be an important focus for the ODA.

In March 2010, contractors were recognised for their efforts to maximise opportunities for everyone to help to build the stage for the Games at the ODA's Contractor Diversity Awards.

The ceremony was held during London 2012 Diversity Week and recognised individual and team efforts to create job opportunities for local people, including disabled people and those from Black, Asian and minority ethnic backgrounds.

The Women into Construction project has helped more than 100 women into a range of jobs on the Olympic Park, provided 300 women with careers advice and guidance and entered a further 80 women into pre-employment training in practical construction skills.

Apprentices and training remain a priority. The ODA is committed to deliver 2,250 trainees, apprenticeships and work placements across the Olympic Park and Olympic Village, of these 350 will be apprenticeship opportunities. There have to date been 199 apprentices placed with contractors on the Park and Village; and currently 6,442 individuals working on the Olympic Park and 3,228 on the Olympic Village.

A safe and secure site

The health and safety of workers and providing a secure workplace continue to underpin every element of work on the Olympic Park. The ODA has engaged and worked with contractors to ensure safety remains paramount.

Contractors are fully signed up to the high expectations set, with many implementing their own safety initiatives and reward and recognition programmes.

The ODA has achieved one million hours worked without a reportable incident 13 times since construction began on the Park. This is an excellent standard for a project of this size and complexity, but there is no room for complacency.

However, the 9,000-plus workforce is close to its peak and will continue to operate at an intense level for another year yet. There is a unanimous recognition at all levels that keeping workers safe needs to continue to be the very top priority.

Site-wide health, safety and environment campaigns are run across the Park every month. These are aligned with the particular construction challenges, or health or safety matters that the on-site medical centre, Park Health, is focusing on.

In July 2009, the ODA held its first Health, Safety and Environment Awards. The awards recognise exceptional commitment by contractors and individuals across the project to health, safety and environment matters. It will hold the second Awards in July 2010.

Huw Preece winning the 'Worker of the Year' award 2009

Be safe

Business

Over the last three years, the ODA has engaged with business of all sizes to explore ways they can get involved with the London 2012 Games.

The project has provided jobs and contracts to individuals and firms up and down the country at a difficult economic time.

For example, the International Broadcast Centre/Main Press Centre (IBC/MPC) are being delivered by a team of companies from across the UK. Around 15,000sq m of wall and 26,000sq m of roof covering for the IBC were installed by a north-east based firm using cladding manufactured in Wales. The concrete foundations of the IBC/MPC were built by a company from Host Borough Greenwich, with the steel for the huge IBC frame fabricated in North Yorkshire and produced in Scunthorpe and Teesside.

1,300
companies that have supplied the ODA

10,000
companies the ODA has engaged with so far

£5bn
value of contracts awarded by the ODA by end of March 2010

Sustainability

Sustainability is at the heart of the project and runs through all our activity from venue design through to long-term energy use.

One of the key approaches is addressing the challenge of climate change through minimising the carbon emissions associated with the development, and optimising the opportunities of water use through a reduced amount of potable water being used and substituting for greywater. In total, the Olympic Park (venues and public realm) will use at least 40 per cent less water than equivalent buildings and spaces due to initiatives such as low flush toilets and rainwater harvesting.

To reduce the embodied carbon of venues on the Olympic Park, the on-site concrete batching plant supplies low-carbon concrete to all contractors working on the project. This is achieved by substituting raw materials needed to make the concrete mix with secondary or recycled materials such as by-products from coal power stations and steel manufacture, and recycled glass. All venues are achieving their energy targets and the Energy Centre is expected to exceed its 20 per cent target to supply low carbon and efficient energy.

Another measure taken to reduce the carbon footprint includes reusing materials wherever possible. No materials leave the site if they can be reused or recycled in another way, thereby reducing waste and the amount sent to landfill. For example, the re-design of a key walking and cycling route, The Greenway, has incorporated materials including bricks, paving stones, cobbles, man-hole covers, timber sleepers and tiles that were salvaged from the demolition stage, and un-used gas pipes recycled for the Olympic Stadium's roof truss. More than 50 per cent of materials, by weight, is currently delivered by rail and waste is being taken away by barges on the recently dredged waterways and through the new lock and water control structure at Three Mills. The riverbanks have also been developed through landscaping and regrading to assist with flood prevention.

3km

of rivers and canals in the Olympic Park have been cleaned to provide suitable waterways for transportation and homes for wildlife

100%

recycled aggregate for Handball Arena piling

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Statutory background

The Olympic Delivery Authority (ODA) is a corporate body established by Section 3 of the London Olympic Games and Paralympic Games Act 2006 (the Act) on 30 March 2006. The ODA commenced business on 1 April 2006.

The ODA is an executive non-departmental public body, sponsored by the Department for Culture, Media and Sport (DCMS).

During 2009–10 ministerial responsibility was held by the Rt Hon Tessa Jowell MP, the Minister for the Olympic and Paralympic Games. On 13 May 2010 following the general election the Rt Hon Jeremy Hunt MP was appointed Secretary of State for Culture, Olympics, Media and Sport. On 20 May 2010 Hugh Robertson MP was appointed Minister for Sport and the Olympics.

Principal activities

Under Section 4(1) of the Act the ODA may take any action that it thinks necessary or expedient for the purpose of:

- preparing for the London 2012 Olympics;
- 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; or
- ensuring that adequate arrangements are made for the provision, management and control of facilities for transport in connection with the London 2012 Olympics.

In addition the ODA became a local planning authority on 7 September 2006 within the boundary defined in the Planning Functions Order 2006 made under the Local Government Planning and Land Act 1980. The Mayor of London has the power to direct the ODA to refuse an application for planning permission in a specified case.

The ODA controls two limited partnerships and a number of limited companies established to facilitate the development of the Olympic Village. During the year the ODA formed Stratford Village Management Company Ltd to provide estate management services for the Olympic Village in legacy. Details of the partnerships and companies are given in Note 23.

Presentation of the Accounts

The Accounts for the year to 31 March 2010 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 103. The Accounts are prepared in accordance with the Financial Reporting Manual issued by HM Treasury which incorporates International Financial Reporting Standards with effect from the financial year ended 31 March 2010.

Details of the principal Accounting Policies, including the basis of consolidation, are provided in Note 1 to the Accounts.

Land and property ownerships

The Olympic Park at Stratford covers an area of 2.5 square kilometres where the majority of the freehold ownership rests with the London Development Agency (LDA). The ODA does not have any land ownership interests on the Olympic Park. For land owned by the LDA, the ODA has licence arrangements to enter the site to carry out groundworks and other site infrastructure. The ODA also has access rights to other third party land holdings under this agreement which ends in December 2014. Similarly, for land owned by the Lee Valley Regional Park Authority, the ODA has licence arrangements to enable it to undertake work on the VeloPark in the Olympic Park and Lee Valley White Water Centre.

The ODA has a development agreement with Eton College and Dorney Lake Trust Company which contains a licence to enter and carry out works at Eton Dorney.

The ODA holds the freehold of land to the east of the Olympic Park. Legal title to the land is held by Stratford Village Property Holdings 1 Ltd and Stratford Village Property Holdings 2 Ltd on behalf of Stratford Village Development (GP) Ltd. Beneficial title to the land is held by the Stratford Village Development Partnership. The ODA has no other land ownerships.

The ODA holds a number of leases on premises at 11 Burford Road, Stratford where its planning decisions team is located. The majority of the leases expire on 31 December 2012 and can be terminated at three months notice. One lease expires on 28 September 2014 and cannot be terminated.

The ODA holds an assignment of leasehold premises at Omega Works, Roach Road, Bow, for use as a viewing platform. The lease expires on 1 November 2012 and can be terminated on 1 November 2011.

The ODA is a sub tenant of the London Organising Committee for the Olympic Games (LOCOG) and Barclays Bank plc in respect of its offices at 1 Churchill Place, Canary Wharf.

The ODA holds the lease on land adjacent to the M11 motorway in Chigwell, Essex which is used for a logistics centre. The lease expires on 31 July 2014 and can be terminated any time after 31 December 2012.

The ODA has a development agreement with the Ministry of Defence which contains a licence to enter and carry out works at the Royal Artillery Barracks in Woolwich.

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 and Mace. CLM provides the ODA with world class project and programme management expertise with experience of previous Olympic and Paralympic Games. The appointment of CLM has enabled the ODA to quickly resource to meet its challenging operational and delivery targets.

Under the terms of the call off service contract between ODA and CLM, Task Orders setting out the scope of and resources required for the work to be executed by CLM are agreed periodically. A mobilisation task order was put in place in September 2006, followed by Master Task Order 1 which was completed in July 2008. Work is currently being performed under Master Task Order 2. The first tranche of Master Task Order 2 was completed in December 2009 and a second tranche covering CLM resources up to July 2011 agreed. In order for the ODA to achieve or better certain financial and time based targets, payments are only paid to CLM for the achievement of key performance indicators as specified in the agreed task orders. Amounts paid to CLM (invoiced and accrued) are disclosed on Note 20, Related Party Transactions.

Olympic Park Transport and Environmental Management Schemes

In 2007–08, as part of the planning permissions for the Olympic Park, the ODA made a contribution of £20,000,000 (under s106 of the Town and Country Planning Act 1990) towards the cost of mitigating the adverse transportation effects within the neighbouring residential and business communities. The unspent part of the contribution is held in a bank account controlled by the ODA but to which it has no access except for the purposes specified in the planning permission. The balance on the account is excluded from the 'cash in bank and at hand' figure in the ODA's balance sheet. At 31 March 2010 the unspent balance, including accrued interest was £20,490,000 (2008–09:£20,809,000). ODA understands that OPTEMS has plans to spend this money on transport mitigation measures as the Games approach but in the event that there is an unspent balance in 2012 it will be divided between the members of OPTEMS including the ODA.

Review of activities

A full description of the ODA's activities is given on pages 20 to 23.

Board membership

The ODA's Board comprises 13 members, appointed until 30 September 2012 by the Secretary of State for Culture, Olympics, Media and Sport. The members of the ODA's Board are listed on pages 13 to 17.

The members of the Board are required to follow the principles established by the Nolan Committee in the conduct of public bodies. The ODA maintains a Register of Interests to identify any potential conflicts of interests that is open to the public. This is available on the ODA website and by application to the Board Secretariat.

Accounting Officer's Report continued

Committees of the Board

Planning Committee

The Planning Committee is a sub-Committee of the Board set up to exercise the ODA's development control and planning authority powers set out in the ODA Planning Functions Order. It meets at least six times a year. The Committee performs an independent role from the functions of the rest of the ODA and is separately advised by the Planning Decisions Team of officers and advisors. The responsibility of the Planning Committee includes determining planning applications within the ODA's planning authority area. The Planning Decisions Team deals, inter alia, with planning enforcement matters and co-ordination with local authorities regarding development control issues in respect of the Olympic and Paralympic Games.

The Planning Committee is appointed by the Board and the appointment of external members is confirmed by the Secretary of State for Culture, Olympics, Media and Sport. The Committee members are:

Lorraine Baldry	Chair
David Taylor	Deputy Chair
Cllr Rofique Ahmed	LB Tower Hamlets
Cllr Conor McAuley	LB Newham
Cllr Geoff Taylor	LB Hackney
Cllr Terry Wheeler	LB Waltham Forest
Mike Appleton	
Celia Carrington	
William Hodgson	
Janice Morphet	
Dru Vesty	

Planning Committee members (other than Board members) are appointed until September 2010.

Audit Committee

The Audit Committee is a sub committee of the Board that meets at least four times a year. The Committee has three prime functions: it oversees 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; it ensures that financial statements comply with statutory and administrative requirements and ensures the ODA meets the highest standards of propriety and accountability for the use of public funds. The Committee members are:

Sir Roy McNulty	Chair
Barry Camfield	
Neale Coleman	
David Fison	
Christopher Garnett	
Kumar Muthalagappan	

Finance Committee

The Finance Committee is a sub committee of the Board that meets at least four times a year. The Committee has three prime functions: to review and 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; and assist the Audit Committee and Board in ensuring that the ODA meets the highest standards of financial management and accountability for the use of public funds. The Committee members are:

John Armitt	Chair
Sir Roy McNulty	
Barry Camfield	
Neale Coleman	
David Fison	
Christopher Garnett	
Kumar Muthalagappan	

Remuneration Committee

The Remuneration Committee is a sub committee of the Board that meets at least four times a year to review and determine the remuneration arrangements of the ODA staff including pensions and performance related pay. The Committee determines the remuneration of the Chief Executive. The Committee members are:

Sir Roy McNulty	Chair
John Armitt	
Tony Ball	
Christopher Garnett	
Kumar Muthalagappan	

Communications Committee

The Communications Committee is a sub committee of the Board that meets at least once a year to provide advice, support and guidance to the Board and Communications Director in relation to the ODA's communications strategy, including media, stakeholder and community relations, marketing, branding and publications. The Committee members are:

Baroness Morgan of Huyton	Chair
Tony Ball	
Neale Coleman	

Safety, Health and Environment Committee

The Safety, Health and Environment Committee is a sub committee of the Board that meets at least four times a year. The Committee has two prime functions: to review the ODA Safety, Health and Environment Standards and incorporated policies to ensure that they remain in the forefront of best industry practise; and to review the implementation of those policies to ensure that they are in line with corporate governance and industry best practice, including legal compliance. The Committee members are:

Stephen Duckworth	Chair
Barry Camfield	
David Fison	
Frank Musgrave	Co-opted external member

Executive Management Board

The Chief Executive, David Higgins, was appointed by the Secretary of State. He has also been designated as Accounting Officer and is responsible to the Board for the general exercise of the Board's functions. The Executive Management Board assists David Higgins in the discharge of his responsibilities.

The members of the Executive Management Board during the year were:

David Higgins	Chief Executive
Dennis Hone	Director of Finance and Corporate Services
Ralph Luck	Director of Property
Alison Nimmo	Director of Design and Regeneration
Howard Shiplee	Director of Construction
Godric Smith	Director of Communications
Hugh Sumner	Director of Transport
Simon Wright	Director of Infrastructure and Utilities

Sustainability

The ODA's approach to sustainability is described on page 51.

Creditor payment policy and practice

The ODA has signed up to the Better Payment Practice Code, and is committed to adhering to the Late Payment of Commercial Debts (Interest) Act 1998, by paying all invoices not in dispute within agreed contractual terms or within 30 days of the presentation of a valid invoice. Prime contractors employed under NEC3 contracts are paid within 18 days. An analysis of payment performance during the 2009–10 financial year showed that 83 per cent (2008–09: 75 per cent) of undisputed invoices were paid in accordance with the code.

Accounting Officer's Report continued

Employment of disabled persons
The ODA gives 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 are made. Should any employee become disabled while working for the ODA, arrangements for retraining and support will be made wherever possible with a view to enabling continued employment.

Health and safety
The ODA has ensured that health and safety continues to be treated as a core issue in the specification, procurement and delivery of design and construction work during a year in which construction activities greatly increased. The processes to ensure healthy and safe designs and site construction works were maintained, reviewed and developed. The projects are closely monitored by an expanded assurance team, to confirm compliance with the extensive ODA Safety, Health and Environment Standard. The main members of the supply chain have made explicit commitments to maintain and improve performance, seeking to emulate world-class projects, and cooperate with each other and the ODA to achieve this.

Although the accident rate remains below industry averages, there is no complacency. The programme recently marked the 13th period of a million hours worked without a reportable accident but we remain above the aspirational benchmark of limiting reportable injury accidents to below one in every million hours worked. The ODA is also committed to looking after the well-being of its own staff and the construction workforce, through regular monitoring of the working environment, occupational health schemes for staff and on site initiatives such as healthy eating campaigns. The health and safety programme is overseen by the Safety, Health and Environment (SHE) Committee of the ODA Board.

Employee relations
The ODA values diversity and strives to provide equality of opportunity in employment. ODA job vacancies are advertised and all job applicants are given full and fair consideration and are judged on the merit of their skills, experience and qualifications in relation to the specific requirements of posts within the ODA.

Employees of the ODA are provided with opportunities to participate actively in the affairs, policy development and performance of the organisation. Employees are invited to attend regular briefings on the work of the ODA and London 2012. There is an active Staff Forum which is an elected body set up for information and consultation purposes, and which contributes to human resources policy development. Feedback from the staff opinion survey shows very high levels of employee engagement.

Pensions
Employees can elect to join the ODA's group stakeholder pension plan which is described in Note 7 to the Accounts.

Open Government and Freedom of Information
The ODA is committed to fostering a culture of openness, transparency and accountability. It is also committed to comply with its obligations under the Freedom of Information Act.

Losses and special payments
Losses and special payments are shown in Note 21 to the Accounts.

Gifts and hospitality
All the ODA's staff are required to register all gifts and offers of hospitality on a weekly basis, regardless of their size. This information is recorded on the gifts and hospitality register, maintained by the legal department. The register is published quarterly on the ODA's website.

Protected personal data
The ODA had no protected personal data incidents during 2009–10 or prior years and has made no reports to the Information Commissioner's office.

Sickness
The average number of days per employee lost through sickness was 3.1 (2008–09: 2.7).

Financial performance

The Group Income and Expenditure Account shows a deficit for the year of £568,047,000 (2008–09:£654,465,000 (restated)). The deficit arises due to the accounting treatment of Grant in Aid. Grant in Aid is taken directly to reserves and as a consequence expenditure funded by Grant in Aid is not matched by income in the Income and Expenditure Account and a deficit arises. Also, as Grant in Aid is recognised on a cash basis it does not cover accruals which increase the deficit on the General Reserve.

The ODA has an ongoing financial reliance on the Department for Culture, Media and Sport (DCMS), the Olympic Lottery Distributor (OLD) and the Greater London Authority (GLA) to fund its operations. DCMS receives some of its funding from the Department for Transport (DfT) and the Department for Communities and Local Government (DCLG). The ODA has made enquiries of DCMS and its other funding bodies and it is confident that resources will be secured to enable the ODA to meet its financial and operational objectives until least June 2011. In addition the overall funding of the work necessary to deliver the venues and infrastructure for the Olympic and Paralympic Games is underwritten by Government as part of the host city contract with the International Olympic Committee. Details of grant income receivable in the year are given in Note 4.

Expenditure during the year, which is shown in Note 6, relates to the preparation and construction of the Olympic Park and off-park venues. External structures for the major venues are largely complete and the layout of the Olympic Park is becoming clear.

The combined investment of public money to-date is set out in the table below:

	ODA 2006–09 £'000 Restated	ODA 2009–10 £'000	Total £'000
Site preparation and infrastructure	807,274	411,820	1,219,094
Venues	247,060	301,091	548,151
Transport	129,325	119,326	248,651
Other Park-wide projects	202,798	147,810	350,608
IBC/MPC	29,966	80,040	110,006
Olympic Village	217,244	292,740	509,984
Other Stratford Infrastructure	125,758	113,653	239,411
Total programme	**1,759,425**	**1,466,480**	**3,225,905**
Programme management	359,481	131,436	490,917
Total	**2,118,906**	**1,597,916**	**3,716,822**

The analysis has been restated compared with 2008–09 and earlier years by reporting the IBC/MPC, Olympic Village and Other Stratford Infrastructure separately. Expenditure on the site preparation and warm-up track area has been reclassified from Venues to Site Preparation and Infrastructure.

The ODA expenditure in the period 2006–09 includes expenditure incurred by the interim Olympic Delivery Authority in the period 6 July 2005 to 31 March 2006. ODA expenditure in 2009–10 excludes depreciation of £12,329,000 (2008–09:£4,519,000), capital charge of £14,084,000 (2008–09:£3,464,000) and transfer of assets of £nil (2008–09:£8,537,000) and is net of reimbursement of £32,948,000 (2008–09:£108,409,000) from the London Development Agency for remediation and other costs incurred by the ODA on its behalf.

At the year end the Group Statement of Financial Position shows net assets of £1,069,777,000 (2008–09: £449,437,000 (restated)).

Non-current assets

Total non-current assets amounted to £1,205,188,000 (2008–09:£511,194,000 (restated)). Assets under construction amounted to £1,178,912,000 (2008–09:£487,816,000 (restated)). Computer equipment amounted to £1,821,000 (2008–09:£2,385,000). Fixtures and fittings amounted to £570,000 (2008–09:£3,380,000). Plant and machinery amounted to £21,365,000 (2008–09:£13,739,000 (restated)). Intangible assets amounted to £2,520,000 (2008–09: £3,874,000).

Accounting Officer's Report continued

Cash balances
Cash balances are held on interest earning deposit at the ODA's bankers, Lloyds TSB. The ODA does not have the authority to invest in other financial instruments.

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 12. The ODA holds only 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 he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the ODA's auditors are aware of that information.

Events after the reporting period
Following the general election in May 2010 the incoming government committed itself to a programme of reducing the level of government expenditure. As part of this programme the ODA has been asked to find savings of £27,000,000 in 2010–11. The ODA believes that these savings can be found through efficient management of resources without any adverse impact on the Olympic and Paralympic Games.

In May 2010 the ODA, through its subsidiary Stratford Village Development (GP) Ltd entered into an arrangement whereby it purchased six plots of land adjacent to the plots being developed for the Olympic Village from London and Continental Railways. As part of this arrangement the ODA surrendered its rights to overage on the Stage 2 development of Zones 2–7 of Stratford City and London and Continental Railways surrendered its rights to overage on Stage 1 of the same development.

In June 2010 the ODA concluded that its proposals to site a wind turbine on the northern part of the Olympic Park were no longer feasible due to a number of factors that have changed the industry environment in which the project was being delivered. The financial consequences of this decision are described in Note 21: Losses and Special Payments.

Accounting Officer's Statements

Remuneration Report

Constitution of the Remuneration Committee

The constitution of the Remuneration Committee is set out on page 57.

The Committee has four main functions:

- to determine the remuneration of the Chief Executive, including salary and performance related pay;
- to consider recommendations and proposals from the Chief Executive regarding salary, performance-related pay and any other matters regarding remuneration for the Directors and direct reports to the Chief Executive;
- to advise the Board and the Chief Executive as requested on general matters regarding remuneration of employees; and
- to consider any matters relating to the ODA's pension arrangements which may require the attention of the Board.

Remuneration Policy

The Remuneration Committee has regard, within the constraints of Public Sector Pay Policy, to the need to recruit high calibre employees to ensure that the Olympic Programme can be delivered on schedule. The levels of remuneration of employees are subject to agreement with DCMS.

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

Board members receive an annual fee for serving on the Board. Committee members are paid a daily rate according to the time that they have spent on Committee duties.

Service contracts

The Secretary of State for Culture, Olympics, Media and Sport appoints Board members and sets the level of their emoluments. Their appointments require three months' notice of termination.

Planning Committee Members are appointed by the ODA with the approval of the Secretary of State for Culture, Olympics, Media and Sport for periods up to two years. Their appointments require three months notice of termination.

The Chief Executive, Director of Finance and Corporate Services and Director of Transport appointments were subject to the approval of the Secretary of State. The other Executive Management Board members have been appointed by the Board. The terms and conditions of employment of all Executive Management Board members are approved by the Department for Culture, Media and Sport (DCMS).

The Chief Executive is employed on a permanent contract and is required to give six months notice of termination of employment whilst the ODA is required to give 12 months notice to the Chief Executive.

Other Executive Management Board members have permanent contracts of employment with notice periods between three and six months.

Remuneration Report continued

Remuneration (audited information)

Board members

		2009–10 £'000	2008–09 £'000
John Armitt	Chairman	250	250
Sir Roy McNulty		44	52
Lorraine Baldry		32	17
Tony Ball		–	–
Sir Howard Bernstein	(to 10 July 2008)	–	2
Barry Camfield		15	13
Neale Coleman		10	9
Stephen Duckworth		16	22
David Fison	(from 1 January 2009)	17	–
Christopher Garnett		16	15
Sir Peter Mason	(to 1 October 2008)	–	5
Baroness Morgan of Huyton		10	9
Kumar Muthalagappan		15	13
Sir Nicholas Serota		10	10
David Taylor		19	19

Board members receive no benefits in kind or pension entitlements. Board members received reimbursement of travel and subsistence expenses amounting to £17,000 (2008–09:£30,000) in the financial year.

Planning Committee members

The Chair and Deputy Chair of the Planning Committee, Lorraine Baldry and David Taylor respectively, are members of the Board and their remuneration is set out in the preceding table.

The remuneration of the other Planning Committee members is shown below:

	2009–10 £'000	2008–09 £'000
Cllr Rofique Ahmed	5	11
Cllr Conor McAuley	8	12
Cllr Geoff Taylor	7	11
Cllr Terry Wheeler	7	11
Mike Appleton	8	10
Celia Carrington	11	9
William Hodgson	7	9
Janice Morphet	8	12
Dru Vesty	7	13

Planning Committee members receive no benefits in kind or pension entitlements. Planning Committee members received reimbursement of travel and subsistence expenses amounting to £8,000 (2008–09:£9,000) in the financial year.

External committee members

Frank Musgrave received fees of £3,000 (2009–10:£1,500) and expenses of £1,700 (2009–10:£1,200) for his work on the Safety, Health and Environment Committee.

Senior management

		Salary £'000	Performance related pay £'000	Taxable benefits £'000	Employer's pension contributions £'000	Total 2009–10 £'000	Total 2008–09 £'000
David Higgins	Chief Executive	390	–	–	48	438	537
Dennis Hone	Director of Finance and Corporate Services	268	57	–	47	372	356
Ralph Luck	Director of Property	206	46	5	44	301	288
Alison Nimmo	Director of Design and Regeneration	228	46	–	29	303	289
Howard Shiplee	Director of Construction	287	57	–	33	377	362
Godric Smith	Director of Communications	195	39	–	23	257	247
Hugh Sumner	Director of Transport	228	46	–	27	301	288
Simon Wright	Director of Infrastructure and Utilities	228	46	–	27	301	288

In 2008–09 the Chief Executive deferred half of the performance related payment determined for his performance in the year until no later than December 2012, and subject to the satisfactory delivery of the programme to time and budget.

The Remuneration Committee has proposed a performance related payment for the Chief Executive for the year 2009–10. The amount is subject to approval by DCMS. Approval had not been given at the date the accounts were signed.

In 2009–10 senior management deferred an amount equal to 10 per cent of the maximum bonus payable until a date, not later than 31 December 2012, to be determined by the Remuneration Committee. The amount shown as performance related pay is the gross amount including the amount deferred.

ODA senior management and staff are entitled to receive only statutory redundancy payments when their contracts of employment are terminated and there are no retention or end of project payments for ODA employees.

Payments to third parties

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

Pensions

Employees can elect to join the ODA's group stakeholder pension plan which is administered by Fidelity Ltd. Details of the scheme are given in Note 7.3. Except as noted below, all Directors are members of the scheme.

Howard Shiplee has a personal pension to which contributions are made by the ODA on the same basis as other employees.

Dennis Hone and Ralph Luck are members of the Homes and Communities Agency (HCA) Pension Scheme which is a multi-employer defined benefit scheme.

	Real increase in accrued pension £'000	Accrued pension at 31 March 2010 £'000	CETV at 31 March 2009 £'000	CETV at 31 March 2010 £'000	Real increase in CETV £'000
Dennis Hone	4	67	1,249	1,391	132
Ralph Luck	7	71	1,519	1,758	230

Remuneration Report continued

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. It is the assessed payment that would be made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement if the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. It does not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

The Real Increase in the Value of the CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, employee contributions (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

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 income and expenditure, recognised gains and losses 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, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis.

The Accounting Officer for the Department for Culture, Media and Sport has designated the Chief Executive as Accounting Officer. 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 Accounting Officer's Memorandum issued by HM Treasury and published in Managing Public Money.

Accounting Officer's Statements

Statement of Internal Control

Scope of responsibility

As Accounting Officer for the Olympic Delivery Authority ('ODA'), I have responsibility for maintaining a sound system of internal control that:

- supports the achievement of the ODA's policies, aims and objectives;
- safeguards the public funds and ODA assets for which I am personally responsible, in accordance with the responsibilities assigned to me in 'Managing Public Money'; and
- ensures compliance with the 'Management Statement' and the 'Financial Memorandum', including specific accountability arrangements with the Department for Culture, Media and Sport, the Greater London Authority, the London Development Agency and the Olympic Lottery Distributor.

This Statement is given in respect of the Olympic Delivery Authority and its subsidiaries, which are listed in note 23 to the accounts. The ODA Main Board and Audit Committee exercise oversight of the actions of these wholly owned subsidiaries.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to absolutely eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process 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 them efficiently, effectively and economically.

The year to 31 March 2010 was the ODA's fourth year of operation, which saw the continuation of the 'big build' construction phase of work, with solid progress on the major venues within the Olympic Park. As project activity has built up momentum, the system of internal control binds the ongoing management, control and reporting across the programme. As part of a cycle of continuous improvement, the ODA has kept its processes and procedures under regular review during the year, making refinements and enhancements as appropriate. Going forwards, examples of further refinement will relate to the ODA transition to a park operations role including transport and security.

The system of internal control has been in place in the ODA for the full year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

Capacity to handle risk

The ODA has a risk policy that clearly identifies how risk is managed through three lines of defence. The three lines of defence comprise:

- First Line: line management is 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 Programme Assurance Office (PAO) is responsible for the effective oversight and challenge of risk management, reporting on effectiveness to the Executive Management Board (EMB) and the ODA Board.
- Third Line: the Risk and Audit Department is 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.

The three lines of defence are supported by key operating committees, including:

- Commercial Board
- Change Control Board
- Operations Board

In addition to the above, a revised Village governance structure was introduced during the year. This provides improved assurance, reflecting the importance ODA places on this project.

The risk and control framework

The Risk Policy is owned by the ODA Board, and overseen on a day to day basis by Risk and Audit. It outlines the objectives, governance and high level roles and responsibilities for risk management. Beneath this, the Risk Management Framework sets out the high-level processes and references the detailed procedures followed within the ODA and its delivery partner, and outlines the risk escalation strategy and categorisation, and risk recording and reporting processes.

The ODA's strategy is to marshal its resources such that risk is reduced to a level that is tolerable. All risks are assessed for both the potential impact and probability of occurrence against a set of parameters (cost, time, reputation, sustainability etc). The resulting severity score helps the ODA as a whole, the EMB, and other senior management understand the quantum of the risk exposure being incurred and directs the actions to be taken.

However, fully mitigating the impact of certain risks may be uneconomical (for example, risks arising from 'acts of God' such as flood risk), therefore line management is responsible for establishing and testing contingency plans for such risks. The 'Business Continuity/Crisis Management Policy and Planning Standards', an overall business continuity strategy, was approved by EMB at its April 2008 meeting. This continues to evolve to reflect changes in the scope of the ODA work, to encompass all projects and aspects of ODA operations.

The ODA risk register is maintained from both a strategic perspective looking down into the business, and from a project/operational level looking upwards. It records the risks the ODA faces, and shows clearly the owner of the risk, the current risk score, the actions being taken to mitigate the risk, and the target risk position. The ODA has identified the following key risk themes as at 31 March 2010:

- the challenge of delivering a major programme to a fixed budget and time deadline, including construction and hand over of the Olympic Village;
- undefined or changing stakeholders requirements impacting on the venues and the Olympic Village;
- insolvency of Tier 2 or other critical contractors;
- the delivery of interdependent projects within the overall programme plan;
- the transition towards assuming responsibility for operational risk, particularly transport operational responsibilities which include the Olympic Route Network and Travel Demand Management;
- the potential for industrial action, a major health and safety, environmental or security incident;
- the security threat level increases with both cost and schedule implications;
- lack of definition of scope and responsibilities for park operations following completion of the Olympic Park; and
- significant damage to, or the loss of a major asset.

A key component of the Risk Framework is the Programme Risk Review, which is chaired by the Chief Risk Officer, and has 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 and the Government Olympic Executive.

In addition to the Risk Management Framework, the ODA has established an annual internal assurance process that requires directors to report to the Accounting Officer on whether they have complied with the ODA's risk and internal control procedures, and identifies the work undertaken to keep risk and internal control under review, up to date, and appropriate. This process embraces CLM through the assurance given by the ODA controlling Director.

Comprehensive risk registers are maintained for all projects and at programme level and form an important part of the ODA's decision making and review processes. The ODA Board reviews a monthly schedule of the top 10 risks. Additionally, the Audit Committee regularly reviews the key risks and management's planned mitigation actions. On behalf of the ODA Board, Risk and Audit periodically review the Risk Management Framework to ensure its ongoing appropriateness.

Statement of Internal Control continued

Information Security

My responsibility for the statement of internal control includes the management of risks associated with information security. ODA has maintained information management policies and processes throughout the year and has formally adopted government standards as outlined by the Cabinet Office's Security Policy Framework. Systems and processes to support this policy are embedded into operations across the organisation and programme. ODA continues to work with its delivery partners, key contractors and key government experts to cascade these policies down through the supply chain. An annual audit of information Security is carried out by Risk and Audit to provide assurance as to compliance with the stated standards. I am able to report that no information security incidents have occurred that required reporting to the Information Commissioner during this year.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control.
My review of the effectiveness of the system of internal control has additionally been informed by the work of:

- the executive managers within the ODA who have responsibility for the development and maintenance of the internal control framework;
- Risk and Audit;
- other internal assurance processes, including the work of the Programme Assurance Office;
- reviews undertaken externally by bodies such as the Office of Government Commerce and the Commission for a Sustainable London;
- the Board and Audit Committee;
- the PAC and NAO value for money report, 'Preparation for the London 2012 Olympic and Paralympic Games'; and
- comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee, and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

The Risk and Audit Department provides an independent, objective and systematic evaluation of risk management, control and governance within the ODA. Risk and Audit examines the adequacy, efficiency and effectiveness of systems, people and processes to identify potential risks and areas for improvement. This includes reviewing the effectiveness of the systems of internal control to confirm compliance with the 'Management Statement' and the 'Financial Memorandum'.

Risk and Audit provides findings and recommendations for each audit/review, including benchmarking controls and performance against leading practices, with the aim of improving processes and practices within the ODA. All action items arising from audits/reviews have an agreed management response and implementation date. The implementation is monitored by Risk and Audit, and reported on an exception basis to the Audit Committee. In addition, the Head of Risk and Audit provides me with an annual report on the delivery and outcome from the approved annual work programme for the 2009–10 financial year.

Significant internal control issues

The Head of Risk and Audit highlighted the following areas for attention in 2010–11, when the ODA should:

- ensure the ongoing effective management and delivery of change;
- work with stakeholders (including LOCOG and OPLC) to ensure appropriate alignment in the delivery of key Olympic commitments, while minimising the impact of scope change on the ODA programme;
- remain vigilant to ever-present security and fraud risks;
- ensure it is prepared and appropriately skilled for transition to an operational role in respect of Park and transport operations and security, together with an appropriate reporting framework of key performance measures;
- ensure the effective implementation of new governance procedures in relation to the Village and the ongoing management of Village schedule risk following the recent re-baselining;
- ensure that the execution of the revised Development Management Agreement in relation to the Village project is expedited and steps taken to ensure staff are conversant with this, (the Development Management Agreement was signed on 19 May 2010);
- regularly review the strategy and marketing plan in relation to the future sale of the Olympic Village;
- ensure the continuation of the speed and effectiveness of the decision making process;
- ensure due rigour continues to be applied in the commercial close out of major contracts;
- continue to apply discipline to programme and project management; and
- develop an exit strategy within which it maintains the capability to fulfil all responsibilities.

Overall, the Head of Risk and Audit concluded, 'the system of internal control within the Olympic Delivery Authority is good and meeting the day to day challenges being faced by the ODA. However, the ongoing levels of spend and the transition into new areas of operation, reinforce the need for ongoing diligence and ensuring appropriate controls are developed and embedded. It is therefore important during this period that attention is paid to ensure the system of internal control continues to operate effectively'.

As result of the above, I am satisfied that an appropriate and sound system of internal control is in place to manage, monitor and report on the ODA programme. As part of an ongoing process of continuous review and development, further refinements and improvements to the system of internal control will be implemented during 2010–11 in relation to the items detailed above.

David Higgins
Chief Executive and Accounting Officer
Olympic Delivery Authority
24 June 2010

Audit Report and Opinion

THE CERTIFICATE AND REPORT 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 year ended 31 March 2010 under the London Olympic Games and Paralympic Games Act 2006. These comprise the Group Income and Expenditure Account, the Group and Authority Statement of Financial Position, the Group and Authority Statement of Cash Flows, the Group and Authority Statement of 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 Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 the financial statements in accordance with applicable law and 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 and the Group'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 am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions 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 affairs of the Olympic Delivery Authority and Group as at 31 March 2010 and of the Group's deficit, and the Olympic Delivery Authority and Group's cash flows, and changes in Taxpayers' Equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the London Olympic Games and Paralympic Games Act 2006 and the Secretary of State's directions issued thereunder.

Opinion on other matters

In my opinion:

– the part of the Remuneration Report to be audited has been properly prepared in accordance with the Secretary of State's directions issued under the London Olympic Games and Paralympic Games Act 2006; and
– the information given in the Accounting Officer's Report for the financial year 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
– the financial statements are not in agreement with the accounting records; or
– I have not received all of the information and explanations I require for my audit; or
– the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas CE Morse
Comptroller and Auditor General
National Audit Office
157–197 Buckingham Palace Road
London
SWIW 9SP

15 July 2010

Accounts

Group Income and Expenditure Account for the year ended 31 March 2010

	Note	2009–10 £'000	2008–09 £'000 Restated
Income			
Property Sales	3	78,897	–
Funders Grant receivable	4	221,730	70,157
Other income	5	3,982	2,324
		304,609	**72,481**
Expenditure			
Programme Expenditure	6	(737,254)	(551,585)
Programme Management	6	(135,583)	(177,195)
Capital Charge	6	(14,084)	(3,464)
		(886,921)	**(732,244)**
Operating deficit		**(582,312)**	**(659,763)**
Interest receivable	8	277	2,893
Reversal of Capital Charge		14,084	3,464
Deficit on ordinary activities before taxation		**(567,951)**	**(653,406)**
Taxation	9	(96)	(1,059)
Deficit for the year		**(568,047)**	**(654,465)**

Grant in Aid received towards programme expenditure and management is not recognised in the Income and Expenditure Account but taken directly to reserves in accordance with requirements specified by HM Treasury and therefore a deficit arises.

The notes on pages 80 to 102 form part of these Accounts.
All amounts relate to continuing activities.

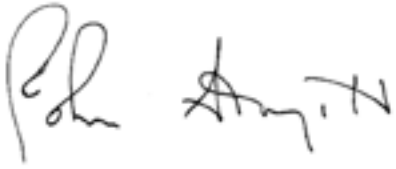
Statement of Financial Position at 31 March 2010

	Note	Group 2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated	Authority 2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Non-current assets							
Property, plant and equipment	10	1,202,668	507,320	105,516	1,074,658	443,629	105,516
Intangible assets	11	2,520	3,874	2,662	2,520	3,874	2,662
Investments	24	–	–	–	–	–	–
Total non-current assets		**1,205,188**	**511,194**	**108,178**	**1,077,178**	**447,503**	**108,178**
Current assets							
Loan receivable		–	–	4,250	–	–	4,250
Inventory		172,274	126,695	–	–	–	–
Trade and other receivables	13	13,389	20,542	12,119	11,189	20,542	12,119
Cash and cash equivalents		56,194	23,830	18,541	56,194	23,830	18,541
Total current assets		**241,857**	**171,067**	**34,910**	**67,383**	**44,372**	**34,910**
Total assets		**1,447,045**	**682,261**	**143,088**	**1,144,561**	**491,875**	**143,088**
Current liabilities							
Trade and other payables	14	(336,354)	(220,216)	(150,073)	(288,210)	(220,216)	(150,073)
Non-current assets less net current liabilities		1,110,691	462,045	(6,985)	856,351	271,659	(6,985)
Non-current liabilities							
Provisions for liabilities and charges	14	(40,914)	(12,608)	–	(40,914)	(12,608)	–
Assets less liabilities		**1,069,777**	**449,437**	**(6,985)**	**815,437**	**259,051**	**(6,985)**
Reserves							
General Reserve		585,280	229,353	(74,082)	330,940	38,967	(74,082)
OLD Capital Reserve		207,119	61,978	20,191	207,119	61,978	20,191
GLA Capital Reserve		164,706	105,606	46,906	164,706	105,606	46,906
LDA Capital Reserve		100,000	50,000	–	100,000	50,000	–
Other Capital Reserves	15	12,672	2,500	–	12,672	2,500	–
Net assets		**1,069,777**	**449,437**	**(6,985)**	**815,437**	**259,051**	**(6,985)**

The notes on pages 80 to 102 form part of these Accounts.
All amounts relate to continuing activities.

Approved by the Board on 24 June 2010

David Higgins
Chief Executive and Accounting Officer



John Armitt
Chairman

Group Statement of Cash Flows for the year ended 31 March 2010

	2009–10 £'000	2009–10 £'000	2008–09 £'000 Restated
Cash flows from operating activities			
Operating deficit before tax		(567,951)	(653,406)
Depreciation		12,329	4,519
Asset transfer		–	8,537
Grant released		(12,329)	(13,056)
Increase in inventory		(45,579)	(126,695)
Decrease/(Increase) in trade and other receivables		7,153	(8,423)
Increase in trade payables	144,444		82,901
Less movements in payables not passing through the Income and Expenditure account	34,717	179,161	(85,356)
Loss/(profit) on disposal of non-current assets		193	(40)
Net cash outflow from operating activities		**(427,023)**	**(791,019)**
Taxation			
Corporation tax		(96)	(1,059)
Increase/(Decrease) in taxation creditor		–	(150)
		(96)	**(1,209)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(742,523)	(327,688)
Purchase of intangible assets		(445)	(3,048)
Proceeds of disposal of property, plant and equipment		1,735	60
Repayments from other bodies		–	4,250
Net cash outflow from investing activities		**(741,233)**	**(326,426)**

Group Statement of Cash Flows continued

	2009–10 £'000	2009–10 £'000	2008–09 £'000 Restated
Cash flows from financing activities			
Grant in aid received		923,974	957,900
OLD capital grant		157,470	54,843
GLA capital grant		59,100	58,700
LDA capital grant		50,000	50,000
TfL capital grant		–	2,500
DCSF capital grant		6,422	–
EEDA capital grant		3,600	–
LVRPA capital grant		150	–
Net financing		**1,200,716**	**1,123,943**
Net increase in cash and cash equivalents in the period		32,364	5,289
Cash and cash equivalents at the beginning of the period		23,830	18,541
Cash and cash equivalents at the end of the period		**56,194**	**23,830**

The notes on pages 80 to 102 form part of these Accounts.
All amounts relate to continuing activities.

Authority Statement of Cash Flows for the year ended 31 March 2010

	2009–10 £'000	2009–10 £'000 Restated	2008–09 £'000 Restated
Cash flows from operating activities			
Operating deficit before tax		(631,905)	(843,792)
Depreciation		12,329	4,519
Asset transfer		–	8,537
Grant released		(12,329)	(13,056)
Increase in inventory		–	–
Decrease/(Increase) in trade and other receivables		9,353	(8,423)
Increase in trade payables	96,300		82,901
Less movements in payables not passing through the Income and Expenditure account	(82,161)	14,139	(3,919)
Profit on disposal of non-current assets		193	(40)
Net cash outflow from operating activities		**(608,220)**	**(773,273)**
Taxation			
Corporation tax		(96)	(1,059)
Increase/(Decrease) in taxation creditor		–	(150)
		(96)	**(1,209)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(561,326)	(345,434)
Purchase of intangible assets		(445)	(3,048)
Proceeds of disposal of property, plant and equipment		1,735	60
Repayments from other bodies		–	4,250
Net cash outflow from investing activities		**(560,036)**	**(334,172)**
Cash flows from financing activities			
Grant in aid received		923,974	957,900
OLD capital grant		157,470	54,843
GLA capital grant		59,100	58,700
LDA capital grant		50,000	50,000

Authority Statement of Cash Flows continued

	2009–10 £'000	2009–10 £'000 Restated	2008–09 £'000 Restated
TfL capital grant		–	2,500
DCSF capital grant		6,422	–
EEDA capital grant		3,600	–
LVRPA capital grant		150	–
Net financing		**1,200,716**	**1,123,943**
Net increase in cash and cash equivalents in the period		32,364	5,289
Cash and cash equivalents at the beginning of the period		23,830	18,541
Cash and cash equivalents at the end of the period		**56,194**	**23,830**

The notes on pages 80 to 102 form part of these Accounts.
All amounts relate to continuing activities.

Group Statement of Changes in Taxpayers' Equity for the year ended 31 March 2010

	OLD Capital Reserve £'000	GLA Capital Reserve £'000	LDA Capital Reserve £'000	Other Capital Reserves £'000	General Reserve £'000	Total Reserves £'000
Balance at 1 April 2008	**20,191**	**46,906**	**–**	**–**	**(58,560)**	**8,537**
Prior period adjustment for 2007–08	–	–	–	–	(15,522)	(15,522)
Restated balance at 1 April 2008	**20,191**	**46,906**	**–**	**–**	**(74,082)**	**(6,985)**
Grants taken to reserves	54,843	58,700	50,000	–	–	163,543
TfL grant taken to reserves	–	–	–	2,500	–	2,500
Reserves released in year	(13,056)	–	–	–	–	(13,056)
Retained Deficit	–	–	–	–	(654,465)	(654,465)
Total recognised income and expense for 2008–09	41,787	58,700	50,000	2,500	(654,465)	(501,478)
Grant from DCMS	–	–	–	–	957,900	957,900
Balance at 31 March 2009	**61,978**	**105,606**	**50,000**	**2,500**	**229,353**	**449,437**
Grants taken to reserves	157,470	59,100	50,000	–	–	266,570
DCSF grants taken to reserves	–	–	–	6,422	–	6,422
EEDA grants taken to reserves	–	–	–	3,600	–	3,600
LVRPA grants taken to reserves	–	–	–	150	–	150
Reserves released in year	(12,329)	–	–	–	–	(12,329)
Retained Deficit	–	–	–	–	(568,047)	(568,047)
Total recognised income and expense for 2009–10	145,141	59,100	50,000	10,172	(568,047)	(303,634)
Grant from DCMS	–	–	–	–	923,974	923,974
Balance at 31 March 2010	**207,119**	**164,706**	**100,000**	**12,672**	**585,280**	**1,069,777**

The notes on pages 80 to 102 form part of these Accounts.
All amounts relate to continuing activities.

Authority Statement of Changes in Taxpayers' Equity for the year ended 31 March 2010

	OLD Capital Reserve £'000	GLA Capital Reserve £'000	LDA Capital Reserve £'000	Other Capital Reserves £'000	General Reserve £'000	Total Reserves £'000
Balance at 1 April 2008	**20,191**	**46,906**	**–**	**–**	**(58,560)**	**8,537**
Prior period adjustment for 2007–08	–	–	–	–	(15,522)	(15,522)
Restated balance at 1 April 2008	**20,191**	**46,906**	**–**	**–**	**(74,082)**	**(6,985)**
Grants taken to reserves	54,843	58,700	50,000	–	–	163,543
TfL grant taken to reserves	–	–	–	2,500	–	2,500
Reserves released in year	(13,056)	–	–	–	–	(13,056)
Retained Deficit	–	–	–	–	(844,851)	(844,851)
Total recognised income and expense for 2008–09	41,787	58,700	50,000	2,500	(844,851)	(691,864)
Grant from DCMS	–	–	–	–	957,900	957,900
Balance at 31 March 2009	**61,978**	**105,606**	**50,000**	**2,500**	**38,967**	**259,051**
Grants taken to reserves	157,470	59,100	50,000	–	–	266,570
DCSF grants taken to reserves	–	–	–	6,422	–	6,422
EEDA grants taken to reserves	–	–	–	3,600	–	3,600
LVRPA grants taken to reserves	–	–	–	150	–	150
Reserves released in year	(12,329)	–	–	–	–	(12,329)
Retained Deficit	–	–	–	–	(632,001)	(632,001)
Total recognised income and expense for 2009–10	145,141	59,100	50,000	10,172	(632,001)	(367,588)
Grant from DCMS	–	–	–	–	923,974	923,974
Balance at 31 March 2010	**207,119**	**164,706**	**100,000**	**12,672**	**330,940**	**815,437**

The notes on pages 80 to 102 form part of these Accounts.
All amounts relate to continuing activities.

Notes to the Accounts

1 Accounting Policies

Statutory basis

The Accounts of the Olympic Delivery Authority (ODA) have been prepared in accordance the London Olympic Games and Paralympic Games Act 2006 (paragraph 2(1) of Schedule 1), and the Direction given by the Secretary of State (paragraph 18(2)(e) of Schedule 1), with approval by HM Treasury. 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. These accounts represent first time adoption of IFRS, the impact of which is detailed in Note 2.

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.

The Accounts are prepared on a going concern basis, as described in the 'Financial Performance' section of the Accounting Officer's Report.

Group Accounts

The group financial statements incorporate the financial results of the Olympic Delivery Authority (ODA) and all entities controlled by ODA using the equity method of consolidation. Where appropriate a distinction is made between the group financial results ('Group') and those of the Olympic Delivery Authority as an individual entity ('Authority').

Investments

Investments comprise holdings in subsidiary companies valued at cost.

Property, plant, equipment and depreciation

Property, plant and equipment are held at value to the business at the balance sheet date. Given the limited period of the ODA's operations, it is not intended to obtain regular professional valuations of assets until the assets are deemed to have been brought into use.

On initial recognition assets are measured at cost including any costs such as installation directly attributable to bringing them into working condition and then revalued. The cost of the initial fitting out of the ODA's offices has been capitalised, together with all subsequent asset additions with a purchase price of over £1,000.

Where a legal requirement exists to convert an asset for legacy use following the end of the Games, the cost of legacy conversion is recognised as a separable asset, in proportion to the extent that the cost of the temporary element of construction has been incurred.

On completion assets are held by the ODA or transferred to another body. The profit or loss on disposal is determined by the difference between the disposal proceeds and the capitalised value. Where appropriate, the asset may be transferred to another public body for nil consideration, subject to Department for Culture, Media and Sport (DCMS) approval.

Assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful life. Asset lives are normally in the following ranges:

Land	Not depreciated
Freehold and leasehold venues and buildings	The useful life, up to a maximum of 50 years
Bridges, roads and other structures	The useful life, up to a maximum of 50 years
Portable buildings	The useful life, up to a maximum of 3 years
Specific construction equipment	The length of the construction contract
Computer and office equipment	The useful life, up to a maximum of 6 years

Intangible Assets
Intangible assets are held at value at the balance sheet date. Intangible assets are computer software and licences which are written off over the expected life of the asset.

Programme Costs
The ODA undertakes a mix of projects, some of which are carried out with the intention of delivering the London 2012 Games and others for providing infrastructure that creates benefits to the wider lower Lea Valley and its regeneration.

The ODA is currently investing in eight broad categories of projects which make up the programme:
- **Site Preparation and Infrastructure** (Powerlines Underground, Utilities, Enabling, Works, Structures, Bridges and Highways, Landscape and Public Realm)
- **Venues** (Olympic Stadium, other Olympic Park and non-Olympic Park venues)
- **Transport** (Thornton Field relocation, Stratford Regional Station improvements, DLR improvements, Games time transport service and Olympic Route Network)
- **Other Park-wide projects** (Logistics, Master planning, Section 106 obligations (Planning Gain), Insurance, Security)
- **International Broadcast Centre/Main Press Centre**
- **Olympic Village**
- **Other Stratford infrastructure**
- **Programme Management**

The accounting policies for these categories of projects are as follows:

Site preparation and infrastructure
The cost of site preparation and infrastructure is charged to the Income and Expenditure Account as incurred unless the ODA retains an economic interest in the asset in which case it will be capitalised.

Venues
Expenditure on all venues is capitalised to the extent that it meets the requirement of IAS 16 Property, Plant and Equipment. All venues will be revalued after the Games have been completed to reflect their ongoing legacy value. Any costs associated with converting the venues to their legacy status after the Games have been completed will be provided for when the ODA has an obligation to incur the expenditure, as described in the Note 14c.

Transport
Grants provided to transport delivery organisations are charged to the Income and Expenditure Account as the assets created with ODA funding are not owned by the ODA. Costs associated with the provision of transport services during the Games will be charged to the Income and Expenditure Account.

Other Park-wide projects
Expenditure on logistics, master planning, Section 106, insurance, Park-wide operations and security is charged to the Income and Expenditure Account as incurred except where the expenditure creates an asset as defined in IAS 16.

International Broadcast Centre/Main Press Centre
Expenditure on the IBC/MPC is capitalised.

Olympic Village – Group
Payments for land rights at the Olympic Village were expensed as incurred. Expenditure on the vertical build element of the Olympic Village is charged to the Income and Expenditure account for units that have been sold to Triathlon and to Inventory for those units which have not yet been sold. Expenditure on infrastructure and community facilities is capitalised.

Olympic Village – Authority
Payment of grant to Stratford Village Development (GP) Ltd is charged to the Income and Expenditure account.

Other Stratford infrastructure
Payments towards the cost of Zone 1 infrastructure is charged to the Income and Expenditure account.

Programme Management Costs
The treatment of programme management costs follows the treatment of the associated projects. Programme management costs associated with capitalised projects are capitalised.

Grants and funding receivable
The ODA receives a public sector funding package comprising grants from the Department for Culture, Media and Sport (DCMS), the Greater London Authority (GLA), the London Development Agency (LDA) and the Olympic Lottery Distributor (OLD).

Grant in Aid from DCMS is credited to the General Reserve. The ODA is not allowed to accrue for any balance of Grant in Aid undrawn at the year end. DCMS grant finances capital expenditure.

The Olympic Lottery funding is allocated between the OLD Capital Reserve, to the extent it matches capital expenditure, and the Income and Expenditure Account, to the extent it matches revenue expenditure.

The Greater London Authority funding is allocated between the GLA Capital Reserve, to the extent it matches capital expenditure, and the Income and Expenditure Account, to the extent it matches revenue expenditure. The use of GLA grant is restricted to projects in London.

The London Development Agency funding is allocated between the LDA Capital Reserve, to the extent it matches capital expenditure, and the Income and Expenditure Account, to the extent it matches revenue expenditure. The use of LDA grant is restricted to projects in London.

The ODA receives specific funding from Transport for London (TfL). TfL funding is allocated to the TfL Capital Reserve. TfL grant is given to support the construction of the VeloPark.

The ODA receives specific grant funding from the Department for Children, Schools and Families (DCSF). DCSF funding is allocated to the DCSF Capital Reserve. DCSF funding is given to support the construction of the Academy at the Olympic Village.

The ODA receives specific grant funding from the East of England Development Agency (EEDA). EEDA funding is allocated to the EEDA Capital Reserve. EEDA funding is given to support the construction of the Lee Valley White Water Centre.

The ODA receives specific grant funding from the Lee Valley Regional Park Authority (LVRPA). LVRPA funding is allocated to the LVRPA Capital Reserve. LVRPA funding is given to support the construction of the Lee Valley White Water Centre.

Work undertaken on behalf of third parties
Where the ODA undertakes work on behalf of third parties, the contribution received is offset against the ODA's costs.

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

Pension costs
Employees can elect to join the ODA's group stakeholder pension plan.

Contributions are charged in the Income and Expenditure Account as they become payable in accordance with the rules of the scheme.

Provisions
The ODA provides for the cost of legacy conversion of the temporary elements of venues in proportion to the extent that the cost of constructing the temporary elements has been incurred and for the cost of making good dilapidations on leasehold properties where required to so under the terms of the lease.

Corporation Tax
The ODA is liable for Corporation Tax. Corporation Tax is provided for on an accruals basis. Where the ODA is liable for other taxes, these are provided for on an accruals basis.

Stratford Village Development (GP) Ltd is liable for Corporation Tax, which is accounted for on an accruals basis. As the company had no taxable profits, no corporation tax was payable and therefore no provision has been made. Losses are carried forward to be offset against any future profits arising from the same trade.

VAT
Irrecoverable VAT is charged to the appropriate expense or asset heading in the accounts. The ODA and its subsidiaries are registered as a VAT group; balances owing to and owed by HM Revenue and Customs are shown as a creditor or a debtor.

Capital charge
A charge, reflecting the cost of capital utilised by the ODA, is included in the Income and Expenditure Account. The charge is calculated at the rate set by HM Treasury (currently 3.5 per cent) on the average carrying amount of all assets less liabilities, except for assets funded by GLA, OLD, LDA, TfL, DCSF, EEDA and LVRPA grants where the charge is nil. HM Treasury has confirmed that non-departmental public bodies will not be required to calculate a cost of capital charge from 2010–11 onwards.

Financial instruments
The ODA has implemented IAS 32 Financial Instruments: Presentation, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosure.

Financial assets and financial liabilities are recognised in the Group and Authority balance sheet when the Group or Authority becomes a party to the contractual provisions of the instrument. The Group and Authority measure financial assets and liabilities on initial recognition at fair value and determine 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 (excluding prepayments) are measured at fair value i.e. original invoice amount less an allowance for uncollectable amounts.

Trade payables (excluding deferred income) are initially measured at fair value.

As the cash requirements of the ODA are met through grant-in-aid from the Department for Culture, Media and Sport, and grants from the Olympic Lottery Distributor, the Greater London Authority, the London Development Agency, Transport for London, the Department for Children, Schools and Families, the East of England Regional Development Agency and the Lee Valley Regional Park Authority, financial instruments play 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 is therefore exposed to little credit, liquidity or market risk.

Inventories
Inventory comprises work in progress on residential units under construction which are being held for sale.

The board members consider all inventories to be current in nature although the nature of the ODA is such that only a proportion of the inventories will be realised within 12 months. It is not possible to determine with accuracy when specific inventory will be realised as this is subject to a number of indeterminables such as the nature of the sales and marketing strategy adopted for unsold units.

Prior period adjustment
As described in the paragraph above on property, plant, equipment and depreciation, expenditure on permanent and temporary venues is capitalised. The nature of the work involved in the site preparation and warm-up track has been reviewed and assessed to be more in the nature of infrastructure and site preparation than a venue. Accordingly it has been reclassified from assets under construction to expenditure and treated as a prior period adjustment in accordance with the requirements of IAS 8. £15,522,000 was expensed in relation to 2007–08, £24,253,000 was expensed in relation to 2008–09. The comparable amount charged to the Income and Expenditure Account in 2009–10 was £20,848,000.

In implementing IAS 16 some expenditure on logistics and security was assessed to create temporary assets that should be capitalised. A review of the expenditure to date identified some expenditure that would have been capitalised in 2008–09 if it had been identified at the time. This has been treated as a prior period adjustment in accordance with the requirements of IAS 8. £12,654,000 was capitalised in relation to 2008–09. The comparable amount capitalised in 2009–10 was £17,732,000.

Following the decision to sell units in the Olympic Village to Triathlon Homes, the ODA reclassified the vertical build element of the Olympic Village as inventory. £126,695,000 was reclassified from assets under construction to inventory in relation to 2008–09. The comparable amount transferred to inventory in 2009–10 was £45,579,000.

£5,909,000 was recategorised between receivables and payables in 2008–09. The comparable amount for 2007–08 was £839,000. The Statement of Cash Flows and Notes 13 and 14 have been revised accordingly.

Critical accounting judgements and key sources of estimation uncertainty
In the process of applying the Groups 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 made for decommissioning costs. These will be incurred at a future date and therefore by their nature cannot be estimated with certainty.

2 First-time adoption of IFRS
The following IFRS's were available for early adoption but have not been applied by the ODA in these financial statements:
- IFRS 9 Financial Instruments (effective 1 January 2013)
- Amendment to IRFS 1 First Time Adoption of International Financial Reporting Standards (effective 1 July 2009)
- Amendment to IAS 24 Related Party Disclosures (effective 1 January 2011)
- Amendments to IFRS 8 Operating Segments (effective 1 January 2010)
- Amendments to IAS 7 Statement of Cash Flows (effective 1 January 2010)
- Amendments to IAS 17 Leases (effective 1 January 2010)

The ODA believes that the adoption of these Standards and Interpretations will not have a material impact on its group financial statements.

There are no changes between the Taxpayers' Equity at 31 March 2009 under UK GAAP and the Taxpayers' Equity at 1 April 2009 under IFRS arising from the first-time adoption of International Financial Reporting Standards.

The implementation of IFRS has required disclosure of 2007–08 information in some primary statements and supporting notes.

3 Property Sales – Group

	2009–10 £'000	2008–09 £'000
Sales to Triathlon Homes	76,697	–
Land swap	2,200	–
	78,897	–

The ODA has, through its subsidiary Stratford Village Development (GP) Ltd, pre-sold 1,379 units in the Olympic Village to Triathlon Homes, a registered social landlord.

Revenue is recognised in accordance with IAS 18 Revenue and is measured at fair value. Revenue is recognised in proportion to the percentage completion of the relevant construction works. The percentage completion of construction works is measured as a proportion of the value of work done to the anticipated total value of work required to fulfil the terms of the sales contract with Triathlon Homes. The Olympic programme's 'anticipated final cost' review and control process, along with the fixed income nature of the Triathlon contract, mean that total revenue and total relevant costs can be foreseen with reasonable certainty.

Revenue received in advance of the related works or construction is deferred.

The ODA entered into a land swap arrangement with London and Continental Railways (LCR). The net financial impact of this arrangement is that LCR owes the ODA £2,200,000. This debt was deducted from the purchase price when the ODA purchased other plots of land from LCR as described in Note 22. The land swap is disclosed in the accounts of Stratford Village Development (GP) Ltd.

4 Grants receivable

4a Grants receivable – general

This table shows the sources and application of the general grant funding receivable during 2009–10.

	DCMS Grant in Aid £'000	GLA £'000	OLD £'000	LDA £'000	2009–10 Total £'000	2008–09 Total £'000
Grants receivable	**923,974**	**59,100**	**379,200**	**50,000**	**1,412,274**	**1,191,600**
Income & Expenditure Account	–	–	221,730	–	221,730	70,157
General Reserve	923,974	–	–	–	923,974	957,900
Capital Reserve	–	59,100	157,470	50,000	266,570	163,543
Total	**923,974**	**59,100**	**379,200**	**50,000**	**1,412,274**	**1,191,600**

The ODA receives grant funding to support overall programme delivery.

The grants from GLA and LDA support the ODA's delivery of Games projects in Greater London only. Of the DCMS Grant in Aid received, £494,227,000 (2008–09:£430,238,000) was used to finance capital projects. The balance of the DCMS grant was used primarily to finance infrastructure projects which were charged to the Income and Expenditure Account.

4b Grants receivable – specific

This table shows the sources and application of specific grant funding receivable during 2009–10.

	Note	TfL £'000	DCSF £'000	EEDA £'000	LVRPA £'000	2009–10 Total £'000	2008–09 Total £'000
Grants receivable		**–**	**6,422**	**3,600**	**150**	**10,172**	**2,500**
Capital Reserve		–	6,422	3,600	150	10,172	2,500
Total		**–**	**6,422**	**3,600**	**150**	**10,172**	**2,500**

The DCSF grant is to support the construction of the Academy at the Olympic Village. The EEDA and LVRPA grants are to support the construction of the Lee Valley White Water Centre.

5 Other income

	2009–10 £'000	2008–09 £'000
Other grants	3,581	1,377
Planning fee income	401	947
	3,982	**2,324**

Planning fee income does not include £234,770 of planning fees in respect of the ODA's own planning applications (2008–09:£399,000).

6 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.

inventory	Total Expenditure Released £'000	Transferred to Non-current Assets and Inventory £'000	Grant Account £'000	2009–10 Charged to Income & Expenditure £'000	2008–09 Charged to Income & Expenditure £'000 Restated
Programmes					
Site Preparation and Infrastructure	411,820	(217,264)	–	194,556	247,269
Venues	301,091	(301,093)	–	(2)	1,104
Transport	119,326	(392)	–	118,934	80,335
Other Park-wide Projects	147,810	(18,676)	–	129,134	95,702
IBC/MPC	80,040	(80,040)	–	–	–
Olympic Village	292,740	(107,845)	–	184,895	–
Other Stratford Infrastructure	113,653	(3,916)	–	109,737	127,175
Total Programme	**1,466,480**	**(729,226)**	**–**	**737,254**	**551,585**
Programme Management	143,765	4,147	(12,329)	135,583	177,195
Capital Charge	14,084	–	–	14,084	3,464
Total Expenditure	**1,624,329**	**(725,079)**	**(12,329)**	**886,921**	**732,244**

Total expenditure
Total expenditure comprises building new venues and facilities including their legacy conversion, transport projects and programme management, including staff, accommodation, the contract with the delivery partner and on site logistics, infrastructure improvements to the Olympic Park, such as utilities and work on roads, bridges and tunnels. The majority of the Olympic Park is owned by the LDA. Total expenditure is shown net of a contribution of £32,948,000 (2008–09:£108,409,000) from the LDA towards remediation and other works.

The ODA incurs administration costs in respect of its staff, buildings, information technology and outsourced support functions including its Delivery Partner. Expenditure that is directly related to the delivery of projects is capitalised, where applicable, and all other costs are expensed to the Income and Expenditure Account.

The costs of the advance sales of units to Triathlon Homes are recognised in accordance with the principles set out in IAS 11 Construction Contracts. Costs are recognised by reference to the stage of completion, as set out in Note 3.

Total Expenditure includes:

	2009–10 £'000	2008–09 £'000
Auditors' remuneration – audit work	238	212
Auditors' remuneration – non audit work	12	8
Operating lease costs	3,958	1,622
Depreciation	12,329	4,519
Loss on disposal or transfer of non-current assets	193	8,497

7 Employee numbers and remuneration

7.1 Remuneration

	Board Members and Committee Members £'000	Permanent staff £'000	Agency and temporary staff £'000	Seconded staff £'000	2009–10 Total £'000	2008–09 Total £'000
Staff costs						
Salaries	525	15,252	–	–	15,777	14,140
Performance related pay	–	3,138	–	–	3,138	2,141
Social security costs	55	1,667	–	–	1,722	1,827
Other pension costs	–	1,579	–	–	1,579	1,403
Agency and temporary staff costs	–	–	7,446	3,555	11,001	10,693
	580	**21,636**	**7,446**	**3,555**	**33,217**	**30,204**

Performance related payments for the 2009–10 financial year were paid to employees in May 2010.

A detailed analysis of Board Members and Planning Committee Members remuneration is contained in the Remuneration Report on page 62.

7.2 Staff numbers

The average monthly number of full time equivalent staff during the year, excluding Board Members and Planning Committee Members, was made up as follows:

	Permanent staff	Agency and temporary staff	Seconded staff	2009–10 Total	2008–09 Total
Programme employees	126	66	21	213	197
Programme management employees	102	22	8	132	140
	228	**88**	**29**	**345**	**337**

7.3 Pensions

Employees can elect to join the ODA's group stakeholder pension plan which is a defined contribution scheme. The assets of the scheme are held separately from those of the ODA in an independently administered fund which is managed by Fidelity Ltd. Employer contributions are 6 per cent of pensionable pay. The ODA also matches 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 has no on-going 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.

In addition, in accordance with the terms of their contracts of employment, the ODA has:

- One director in a personal Self-Invested Personal Pension. Contributions are charged in the Income and Expenditure Account as they become payable in accordance with the rules of the scheme.
- Two directors in the HCA Pension Scheme which is a multi-employer defined benefit scheme as described in paragraph 29 of IAS 19 Retirement Benefits. Employer contributions are affected by a surplus or deficit on the scheme but the ODA is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis. The contributions are treated as if the scheme was a defined contribution scheme. The scheme is undergoing a regular revaluation, the results of which are not yet available.

Contributions are charged to the Income and Expenditure Account as they become payable. Employer's contributions for these three EMB members are disclosed in the Remuneration Report.

Total employer contributions for the year to 31 March 2010 for all pension funds were £1,579,000 (2008–09: £1,403,000).

At the balance sheet date, there were unpaid pension liabilities of £nil (2008–09:£nil).

8 Interest receivable

Bank interest of £277,000 (2008–09:£2,893,000) was receivable for the year. The average interest rate during the year was 0.29 per cent (2008–09: 3.8 per cent).

9 Taxation

UK Corporation Tax of £96,000 (2008–09:£1,059,000) was paid on bank interest receivable.

10. Property, Plant and Equipment

10.1 Property, Plant and Equipment – Group 2009–10

	Assets under construction £'000	Computer equipment £'000	Fixtures & fittings £'000	Plant and machinery £'000	Total £'000
Cost or valuation					
At 1 April 2008	114,028	3,811	5,296	146	123,281
Prior period adjustment for 2007–08	(15,522)	–	–	–	(15,522)
At 1 April 2008 restated	98,506	3,811	5,296	146	107,759
2008–09					
Additions restated	397,847	1,228	132	13,838	413,045
Disposals	(8,537)	(32)	–	–	(8,569)
At 31 March 2009	**487,816**	**5,007**	**5,428**	**13,984**	**512,235**
2009–10					
Additions	691,096	1,061	189	15,074	707,420
Disposals	–	(88)	(4,329)	(146)	(4,563)
At 31 March 2010	**1,178,912**	**5,980**	**1,288**	**28,912**	**1,215,092**
Depreciation					
At 1 April 2008	–	1,182	981	80	2,243
2008–09					
Charge	–	1,466	1,067	165	2,698
Disposals	–	(26)	–	–	(26)
At 31 March 2009	**–**	**2,622**	**2,048**	**245**	**4,915**
2009–10					
Charge	–	1,585	1,054	7,448	10,087
Disposals	–	(48)	(2,384)	(146)	(2,578)
At 31 March 2010	**–**	**4,159**	**718**	**7,547**	**12,424**
Net book value					
At 31 March 2010	**1,178,912**	**1,821**	**570**	**21,365**	**1,202,668**
At 31 March 2009	**487,816**	**2,385**	**3,380**	**13,739**	**507,320**
At 1 April 2008	**98,506**	**2,629**	**4,315**	**66**	**105,516**

The ODA owns the freehold of land at Stratford at nil value. Legal title to the land is held by Stratford Village Property Holdings 1 Ltd and Stratford Village Property Holdings 2 Ltd on trust for the Stratford Village Development Partnership.

10.2 Property, Plant and Equipment – Authority 2009–10

	Assets under construction £'000	Computer equipment £'000	Fixtures & fittings £'000	Plant and machinery £'000	Total £'000
Cost or valuation					
At 1 April 2008	114,028	3,811	5,296	146	123,281
Prior period adjustment for 2007–08	(15,522)	–	–	–	(15,522)
At 1 April 2008 restated	98,506	3,811	5,296	146	107,759
2008–09					
Additions restated	334,156	1,228	132	13,838	349,354
Disposals	(8,537)	(32)	–	–	(8,569)
At 31 March 2009	**424,125**	**5,007**	**5,428**	**13,984**	**448,544**
2009–10					
Additions	626,777	1,061	189	15,074	643,101
Disposals	–	(88)	(4,329)	(146)	(4,563)
At 31 March 2010	**1,050,902**	**5,980**	**1,288**	**28,912**	**1,087,082**
Depreciation					
At 1 April 2008	–	1,182	981	80	2,243
2008–09					
Charge	–	1,466	1,067	165	2,698
Disposals	–	(26)	–	–	(26)
At 31 March 2009	**–**	**2,622**	**2,048**	**245**	**4,915**
2009–10					
Charge	–	1,585	1,054	7,448	10,087
Disposals	–	(48)	(2,384)	(146)	(2,578)
At 31 March 2010	**–**	**4,159**	**718**	**7,547**	**12,424**
Net book value					
At 31 March 2010	**1,050,902**	**1,821**	**570**	**21,365**	**1,074,658**
At 31 March 2009	**424,125**	**2,385**	**3,380**	**13,739**	**443,629**
At 1 April 2008	**98,506**	**2,629**	**4,315**	**66**	**105,516**

11 Intangible assets – Group and Authority 2009–10

	Software Licences £'000
Cost or valuation	
At 1 April 2008	3,517
2008–09	
Additions	3,048
Disposals	(28)
At 31 March 2009	6,537
2009–10	
Additions	1,075
Disposals	(633)
At 31 March 2010	6,979
Amortisation	
At 1 April 2008	855
2008–09	
Charge	1,823
Disposals	(15)
At 31 March 2009	2,663
2009–10	
Charge	2,242
Disposals	(446)
At 31 March 2010	4,459
Net book value	
At 31 March 2010	**2,520**
At 31 March 2009	**3,874**
At 1 April 2008	**2,662**

12 Financial Instruments

Classification of financial instruments – Group	Loans & Receivables £'000	Liabilities at amortised cost £'000	Total £'000
As at 31 March 2010			
Assets			
Cash and cash equivalents	56,194	–	56,194
Trade receivables	11,686	–	11,686
Total	**67,880**	**–**	**67,880**
Liabilities			
Trade payables	–	(287,688)	(287,688)
As at 31 March 2009			
Assets			
Cash and cash equivalents	23,830	–	23,830
Trade receivables (restated)	20,542	–	20,542
Total	**44,372**	**–**	**44,372**
Liabilities			
Trade payables (restated)	–	(220,216)	(220,216)
As at 31 March 2008			
Assets			
Loans	4,250	–	4,250
Cash and cash equivalents	18,541	–	18,541
Trade receivables (restated)	12,119	–	12,119
Total	**34,910**	**–**	**34,910**
Liabilities			
Trade payables (restated)	–	(150,073)	(150,073)

Classification of financial instruments – Authority	Loans & Receivables £'000	Liabilities at amortised cost £'000	Total £'000
As at 31 March 2010			
Assets			
Cash and cash equivalents	56,194	–	56,194
Trade receivables	9,486	–	9,486
Total	**65,680**	**–**	**65,680**
Liabilities			
Trade payables	–	(287,210)	(287,210)
As at 31 March 2009			
Assets			
Cash and cash equivalents	23,830	–	23,830
Trade receivables (restated)	20,542	–	20,542
Total	**44,372**	**–**	**44,372**
Liabilities			
Trade payables (restated)	–	(214,307)	(214,307)
As at 31 March 2008			
Assets			
Loans	4,250	–	4,250
Cash and cash equivalents	18,541	–	18,541
Trade receivables (restated)	12,119	–	12,119
Total	**34,910**	**–**	**34,910**
Liabilities			
Trade payables (restated)	–	(150,073)	(150,073)

13a Trade and other receivables – Group

13a (i) Trade receivables analysis

	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Prepayments and accrued income	8,876	38	7,981
VAT receivable	3,724	5,909	839
Other trade receivables	789	14,595	3,299
	13,389	**20,542**	**12,119**

There are no amounts receivable in more than one year (2008–09:£nil).

13a (ii) Intra-Government balances

	Due within one year		
	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Balances with other central government bodies	4,210	6,419	1,267
Balances with local authorities	150	13,870	2,840
Intra-government balances	**4,360**	**20,289**	**4,107**
Balances with bodies external to government	9,029	253	8,012
	13,389	**20,542**	**12,119**

13b Trade and other receivables – Authority

13b (i) Trade receivables analysis

	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Prepayments and accrued income	6,676	38	7,981
VAT receivable	3,724	5,909	839
Other trade receivables	789	14,595	3,299
	11,189	**20,542**	**12,119**

There are no amounts receivable in more than one year (2008–09:£nil).

13b (ii) Intra-Government balances

	Due within one year		
	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Balances with other central government bodies	4,210	6,419	1,267
Balances with local authorities	150	13,870	2,840
Intra-government balances	**4,360**	**20,289**	**4,107**
Balances with bodies external to government	6,829	253	8,012
	11,189	**20,542**	**12,119**

14a Trade and other payables – Group

14a (i) Trade and other payables analysis

	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Trade payables	28,502	30,425	28,321
Corporation tax	–	357	507
Other taxes and social security costs	525	515	445
Other payables	3,627	2,250	136
Accruals	255,034	186,669	120,664
Deferred income	48,666	–	–
	336,354	**220,216**	**150,073**

There are no amounts payable in more than one year (2008–09:£nil)

14a (ii) Intra-Government balances

	Due within one year		
	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Balances with other central government bodies	3,383	6,498	2,770
Balances with local authorities	21,034	93	109
Intra-government balances	**24,417**	**6,591**	**2,879**
Balances with bodies external to government	311,937	213,625	147,194
	336,354	**220,216**	**150,073**

14b Trade and other payables – Authority

14b (i) Trade and other payables analysis

	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Trade payables	28,502	30,425	28,321
Corporation tax	–	357	507
Other taxes and social security costs	525	515	445
Other payables	3,627	2,250	136
Accruals	255,034	186,669	120,664
Deferred income	522	–	–
	288,210	**220,216**	**150,073**

There were no amounts payable in more than one year (2008–09:£nil).

14b (ii) Intra-Government balances

	Due within one year		
	2009–10 £'000	2008–09 £'000 Restated	2007–08 £'000 Restated
Balances with other central government bodies	3,383	6,498	2,770
Balances with local authorities	21,034	93	109
Intra-government balances	**24,417**	**6,591**	**2,879**
Balances with bodies external to government	263,793	213,625	147,194
	288,210	**220,216**	**150,073**

14c Provision for liabilities and charges – Group and Authority

	Decommissioning £'000	Dilapidations £'000	Total £'000
Balance at 1 April 2008	**–**	**–**	**–**
Charge for year	12,608	–	12,608
Balance at 1 April 2009	**12,608**	**–**	**12,608**
Charge for year	26,150	2,156	28,306
Balance at 31 March 2010	**38,758**	**2,156**	**40,914**

The provision is for the cost of the legacy conversion of the temporary elements of venues and dilapidations on leasehold properties as described in Note 1.

15 Other Capital Reserves – Group and Authority

Other capital reserves consist of the following amounts:

	2009–10 £'000
Transport for London	2,500
Department for Children, Schools and Families	6,422
East of England Development Agency	3,600
Lee Valley Regional Park Authority	150
	12,672

16 Commitments

Capital commitments	2009–10 £'000	2008–09 £'000	2007–08 £'000
Contracted capital commitments at 31 March 2010 for which no provision has been made.			
Property, plant and equipment	1,318,075	958,949	710,658

Other commitments

The ODA has entered into an insurance contract for the duration of the construction phase and is committed to pay premiums totalling £17,000,000 at various dates between 2010 and 2012.

17 Commitments under leases – Group and Authority

Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2009–10 £'000	2008–09 £'000	2007–08 £'000
Land and buildings			
Not later than 1 year	2,929	3,428	1,396
Later than 1 year but not later than 5 years	3,572	7,480	5,264
Later than 5 years	–	94	223
	6,501	11,002	6,883
Other			
Not later than 1 year	101	64	60
Later than 1 year but not later than 5 years	59	82	128
Later than 5 years	–	–	–
	160	146	188
	6,661	**11,148**	**7,071**

18 Contingent liabilities disclosed under IAS 37

The ODA had contingent liabilities of £5,750,000 at 31 March 2010 (2008–09:£nil).

The ODA has entered into an agreement with EDFe for the construction and operation of an 11KV electricity network in the Olympic Park, Olympic Village and Stratford City. Under the terms of the agreement EDFe will recover its investment through the sale of the network. In the event that a sale is not concluded or the sales proceeds are below a target price the ODA will be obliged to recompense EDFe up to a maximum capped sum of £5,750,000.

19 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. The ODA has 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.

In 2008 the ODA entered into an agreement with Westfield Holdings Limited and its wholly-owned subsidiary Stratford City Developments Limited (SCDL). Under the terms of this agreement, if one year after the opening of the retail centre, the value of designated non-retail lands within Zone 1 of Stratford City falls below a certain threshold, the ODA will be obliged to make up any shortfall, or, if agreement on the quantum of the shortfall cannot be agreed, SCDL has recourse to a 'put' option obliging the ODA to purchase the land at the threshold price. The ODA also has a 'call' option enabling it to purchase the land at the threshold price. This agreement was entered into at a time when the financial outlook was highly uncertain and asset prices were unstable. Given the subsequent stabilisation and improvement in the property market since this time, the ODA considers the likelihood of a liability crystallising as remote.

The ODA has guaranteed the liabilities of its subsidiary Stratford Village Development (GP) Ltd.

20 Related party transactions

The ODA is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). The Olympic Lottery Distributor is also sponsored by DCMS and is considered to be a related party.

The ODA has a close working relationship with the London Organising Committee for the Olympic Games (LOCOG).

The ODA has a close working relationship with the LDA who own the freehold of the Olympic Park. The ODA has novated contracts from the LDA and carries out work on its behalf.

The ODA has a close working relationship with the Olympic Park Legacy Company (OPLC), a company limited by guarantee and sponsored by the Department for Communities and Local Government. The OPLC will be the owner, post 2012, of the Olympic Park and the venues being developed by the ODA.

The ODA has a close working relationship with the Lee Valley Regional Park Authority which will be the owner and operator of the Lee Valley White Water Centre and the VeloPark.

All public sector entities are considered to be related parties as they are ultimately under the common control of HM Government.

The ODA is aware of the following related parties in relation to its Main Board and Planning Committee:

Main Board

John Armitt is a Fellow of the Institution of Civil Engineers and a member of the Athenaeum Club.

Sir Roy McNulty was the Chairman of the Civil Aviation Authority (CAA) until 31 July 2009. During the year, the CAA recharged the ODA £nil (2008–09:£9,988) in relation to his expenses.

Lorraine Baldry is a governor of the University of the Arts, London and a director of DTZ Holdings plc.

Tony Ball is a non-executive director of BT Group plc.

Neale Coleman is an employee of the Greater London Authority.

Christopher Garnett is a board member of Transport for London.

Stephen Duckworth is a director of Serco Welfare to Work and a Trustee and board member of Employers' Forum on Disability.

Planning Committee

Four members of the Planning Committee are members of four London Boroughs.

Member	Borough
Cllr Conor McAuley	London Borough of Newham
Cllr Rofique Ahmed	London Borough of Tower Hamlets
Cllr Geoff Taylor	London Borough of Hackney
Cllr Terry Wheeler	London Borough of Waltham Forest

Janice Morphet acts as a consultant to Colin Buchanan Planning Consultants and Capita Symonds.

Dru Vesty is a board member of the Homes and Communities Agency.

Cllr Rofique Ahmed is a Board Member of the Arts Council for England.

William Hodgson is a Trustee of the Shoreditch Town Hall Trust.

Executive Management Board and Senior Managers

David Higgins is a non-executive Director of Network Rail and a member of the Athenaeum Club.

Lawrence Waterman, the Head of Health and Safety, is the non-executive Director of and a shareholder in Sypol Ltd.

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 4 and Note 5 the following charges were made to and from the ODA by related parties.

Related Party	Payments £'000	Receipts £'000
Arts Council for England	25	–
Athenaeum Club	1	–
BT plc	171	–
Capita Symonds	1,467	–
Civil Aviation Authority	2	–
Colin Buchanan Planning Consultants	347	–
DTZ Debenham Tie Leung	82	–
Employers' Forum on Disability	3	–
Greater London Authority	–	97
Homes and Communities Agency	26	–
Institute of Civil Engineers	38	–
LOCOG	4,200	2,119
London Borough of Hackney	882	112
London Borough of Newham	3,189	–
London Borough of Tower Hamlets	145	–
London Borough of Waltham Forest	104	–
London Development Agency	25,359	67,943
Network Rail	29,840	–
Olympic Park Legacy Company	–	16
Serco Ltd	67	–
Shoreditch Town Hall Trust	6	–
Stratford Village Development (GP) Ltd	63,960	–
Sypol Ltd	16	–
Transport for London	75,966	–
University of the Arts	4	–

The ODA has a licence from the London Development Agency (LDA) that enables the ODA to occupy and develop the land in the Olympic Park subject to specific limitations. The licence fee is disclosed as a lease payment in Note 17.

CLM was incorporated to act in concert with the ODA to achieve the ODA's objective of delivering the Games venues and infrastructure. The ODA does not have direct control over CLM but does have significant influence over the operating activities of CLM.

The ODA paid a total of £140,957,000 (2008–09:£151,647,000) to its Delivery Partner. This expenditure was allocated as follows:

	2009–10 £'000	2008–09 £'000
Programme expenditure	54,539	35,049
Programme management	38,508	36,876
IT costs	252	19,542
Performance payments	47,658	60,180
	140,957	**151,647**
Of which, capitalised to assets under construction	32,976	17,559

Performance payments are payable to CLM for the achievement of pre-agreed key performance indicators for the delivery of the programme milestones and cost targets. The performance payment for 2009–10 includes an estimate of the performance payment payable on 31 December 2010 insofar as it relates to the period to 31 March 2010.

21 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 course of the financial year the ODA made special payments of £nil (2008–09:£16,000). Details are shown below.

The decision to hold rowing events at Eton Dorney required the construction of a new bridge. Future maintenance of the bridge will fall upon Eton College and the Dorney Lake Trust. The ODA has agreed to make a payment to Eton College and the Dorney Lake Trust to be used for the future maintenance of the bridge. The amount agreed exceeds the amount calculated using English Partnerships Best Practice Note 2 by £224,000. HM Treasury has approved the payment. The amount will be paid in 2010–11 on completion of the construction works and disclosed in the 2010–11 Financial Statements.

Following the decision not to proceed with the wind turbine on the Olympic Park costs of £842,000 relating to procurement and design and consultancy are abortive.

22 Events after the reporting period

Following the general election in May 2010 the incoming government committed itself to a programme of reducing the level of government expenditure. As part of this programme the ODA has been asked to find saving of £27,000,000 in 2010–11. The ODA believes that these savings can be found through efficient management of resources without any adverse impact on the Olympic and Paralympic Games.

In May 2010 the ODA, through its subsidiary Stratford Village Development (GP) Ltd entered into an arrangement whereby it purchased land from London and Continental Railways. As part of this arrangement the ODA surrendered its rights to overage on the Stage 2 development of Zones 2–7 of Stratford City and London and Continental Railways surrendered its rights to overage on Stage 1 of the same development.

In June 2010 the ODA concluded that its proposals to site a wind turbine on the northern part of the Olympic Park were no longer feasible due to a number of factors that have changed the industry environment in which the project was being delivered. The financial consequences of this decision are described in Note 21: Losses and Special Payments.

23 Corporate structure

The ODA formed the Stratford Village Development Limited Partnership to facilitate the development of the Olympic Village. Additionally it formed the ODA Legacy Partnership to facilitate the potential post-Games legacy development of the Olympic Park.

The members of the Stratford Village Development Limited Partnership are:

Name	Parent company	Class of share, Issued share capital, % controlled by ODA
Stratford Village Development (GP) Ltd	ODA	Ordinary, £1, 100%
Stratford Village Property Holdings 1 Ltd	Stratford Village Development (GP) Ltd	Ordinary, £1, 100%
Stratford Village Property Holdings 2 Ltd	Stratford Village Development (GP) Ltd	Ordinary, £1, 100%
Stratford Village Development LP 1 Ltd	ODA	Ordinary, £1, 100%
Stratford Village Development LP 2 Ltd	ODA	Ordinary, £1, 100%

The members of the ODA Legacy Partnership are:

Name	Parent company	Class of share, Issued share capital, % controlled by ODA
ODA No 1 (GP) Ltd	ODA	Ordinary, £1, 100%
ODA No 2 Ltd	ODA No 1 (GP) Ltd	Ordinary, £1, 100%
ODA No 3 Ltd	ODA No 1 (GP) Ltd	Ordinary, £1, 100%
ODA No 4 Ltd	ODA	Ordinary, £1, 100%
ODA No 5 Ltd	ODA	Ordinary, £1, 100%

The ODA is a member of Stratford Village Management Company Ltd, a company limited by guarantee which was established to provide estate management services to the Olympic Village in legacy. The company did not trade in 2009–10.

None of the subsidiaries had a financial result for the year or reserves at 31 March 2009 except Stratford Village Development (GP) Ltd which had turnover of £76,697,000 (2008–09:£nil), loss for the year of £nil (2008–09:£nil) and total assets and long term liabilities of £128,016,000 (2008–09:£63,691,000) having accounted for its activities in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

24 Investments

The ODA holds a £1 ordinary share directly or indirectly, in each of the companies listed in Note 23, except Stratford Village Management Company Ltd which is limited by guarantee.

25 Approval for issue

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

Appendix 1

Accounts Direction given by the Secretary of State for Culture, Olympics, Media and 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 2010 (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 2010 and subsequent financial years, and of the income and expenditure, total recognised gains and losses 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 income and expenditure account, providing adequate disclosure in notes to the accounts of the grants income policy adopted. This overrides the requirement in the FReM paragraph 6.2.58(b) to account for grants as grant in aid; 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 6 July 2010.

Schedule 1

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

1. The Statement of Internal Control 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 Statement of Internal Control 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.

A summarised version of this publication is available on request in other languages and formats. To obtain a copy please quote reference number ODA 2010/070.

Email: enquiries@london2012.com Phone: 0808 100 2012

Olympic Delivery Authority

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dcms department for culture, media and sport

MAYOR OF LONDON

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