

Australian Association for Exercise and
Sports Science

Annual Report
2006

Vision

All Australians recognising and benefiting from the services of exercise and sport science professionals

Mission

To provide a unified voice and national leadership by promoting the sharing of information, providing networking opportunities, and through national advocacy on key issues in exercise and sport science. By developing collaborative partnerships with universities, industry and government AAESS also aims to promote excellence in research, training and clinical practice to enhance the health and performance of Australians.

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Governance

National Board

Name	Position	Responsibility
Dr David Bishop	President	
Dr Jeff Coombes	Acting President	Education
Mr Damien Johnston	Vice President	Human Resources
Dr Jarrod Merrkin	Treasurer	Finance
Ms Ann Hanley	Secretary	Secretary
Ms Zorica Babic	Director	Operations
Dr Elizabeth Bradshaw	Director	Exercise Science
Mr Kevin Conlon	Director	Membership
Mr Glen Ivey	Director	Sports Science
Mr Chris Nunn	Director	Marketing
Mr Daryl Sadgrove	Director	Exercise Rehabilitation
Assoc Prof Steve Selig	Director	Risk Management

State Chapters

State	President
Queensland	Mr Nathan Reeves
New South Wales	Mr Chris Tzar
Australian Capital Territory	Ms Sandra Cook
Victoria	Ms Catherine
South Australia	Ms Kirsty Rawlings
Western Australia	Mr Mark Armstrong (Jan - Oct), Mr Matt Harris (Nov - Dec)

Committees

NUCAP Committee	Accreditation Advisory Committee
Dr Phil Hamdorf (chair)	Assoc Prof Steve Selig (chair)
Mr Bob Barnard	De Melanie Cameron
Dr Ian Gillam	Dr Jeff Coombes
Prof Tony Park	Mr Herb Groeller
Dr Barry Ridge	Dr Anthony Leicht
Assoc Prof Warwick Spinks	Dr Peter Le Rossignol
	Assoc Prof Leonie Otago
	Ms Deborah Pascoe
	Dr Jacqui Raymond
	Mrs Melanie Sharman
	Assoc Prof Warwick Spinks
	Dr Margaret Torode

National Office

Name	Position	Period
Ms Stephanie Morrall	Executive Officer	Jan - Sept
Mrs Narelle O'Loughlin	Administration Officer (PT)	Jan - Dec
Ms Sarah Williams	Membership Officer	Jan - Oct
Mrs Amanda Smyth	Projects Officer (PT)	Mar - Dec
Mrs Anita Hobson-Powell	Membership Officer	Oct - Dec

Reports

President's Report

Advocating the role of our Association and our members was a key focus for 2006. The key success for the Association was the inclusion of Exercise Physiologists as a recognised Allied Health provider in the management of chronic diseases patients under the Medicare Enhanced Care Plan. This was the first time the profession has been formally identified as an allied health profession. This inclusion has allowed great opportunities for Exercise Physiologists to build their practices and develop strong relationships with referring General Practitioners. We hope this is the first of many more Medicare items our profession can provide for the Australian community.

The second windfall for the association was being accepted as a member of the Allied Health Profession Australia. This association is the national peak body for major health professions and their representative bodies. It represents the interests of the allied health professions sector, particularly to the Federal Government; and to provide a vehicle for associations to work together.

In October, AAESS completed a 150 page submission to the Australian Health Insurance Agency and all health funds in regards to the recognition of Exercise Physiologists in Ancillary cover and the new "broader health cover" to begin in April 2007. We are looking forward to health funds coming on board and providing exercise physiology services in their health covers.

The first review of the Exercise Physiology accreditation since its inception in 1998 was placed firmly on the agenda of the association in 2006 with the formation of the Accreditation Advisory Committee. Comprising of representatives from a number of universities, the committee's terms of reference involved surveying the industry for the current knowledge, skills and competencies required by an Exercise Physiologist, and the development of a revised set of competencies for the accreditation.

The need for a conference specifically for the exercise and sport science community was reinforced in September when over 500 delegates attended the AAESS conference in Sydney. By all accounts delegates appreciated the diverse programme provided by the link with Sports Dietitians Australia (SDA) and the keynote speakers Abby King and Stu Phillips.

AAESS has been very fortunate this year, as well as in the past, in having a terrific team of volunteers and staff that have worked together to ensure that the best possible services and benefits are in place and available for our members. We hope that next year will see even future developments and opportunities for the association and its members.

Dr David Bishop
President
(Jan-Nov 2006)

Treasurer's Report

The audit report indicated a \$52 979 profit for this financial year relative to last year from ordinary activities before income tax expense. The AAESS retained profits at the beginning of the year were \$81 779. Combined with our profit of the year our retained profits at the end of the financial year were \$134 758. The increase in profit for 2006 was largely due to a 46% increase in membership fees received over the year. The moderate surplus represents the philosophy of the AAESS to support members to achieve their educational and clinical goals. We use resources to provide a high level of educational support to member's particularly clinical education through our Continuing Professional Education programs and our Biannual Conference. Despite discussions with industry as a group and independently, annual corporate sponsorship of the AAESS did not eventuate in 2006 and is a major goal of the board in 2007.

We are planning to up grade our fee payment system with on-line payments organised with the National Australia Bank thus reducing time required to re-new membership. This is due to the acquisition of a new Database system currently being developed by Amlink Pty Ltd. This significant expenditure for the AAESS will provide a significant improvement in the ability of the office to service our members and is long overdue. Payments for the database will be made in installments over the coming year.

The AAESS funds are presently allocated into three different accounts through the National Australia Bank. Retained funds are placed in a Business Maximiser account earning 5.9% interest, a General account from which salaries and office etc are paid from and a separate account for NUCAP.

The AAESS welcomed a new Executive Officer, Ms Anita Hobson-Powell. Anita has already provided excellent support in my role as Treasurer with considerable help producing the 2007 annual Financial Budget. I'd like to thank Anita for all her assistance.

The AAESS will continue to run under a conservative budget for the next 12 months, to ensure financial stability for the future of the organisation. Once again I must reinforce that daily maintenance of our accounts, management of GST responsibilities and Company details are of upmost importance to the AAESS. I would like to thank the board for their continued support and assistance with these tasks and I look forward to supporting the organisation in 2007.

Dr Jarrod Meerkin
Treasurer

Exercise Rehabilitation Report

2006 and 2007 have been an exciting time in the area of Exercise Rehabilitation. A new Medicare item has been announced for group diabetes interventions, successful negotiations have been held with health funds across the country, recognition of EP's negotiated with Comcare, and successful negotiations with Department of Veteran Affairs to name but a few, have been achieved.

I am very proud to be part of an exciting National Board that continues to enthuse me with their energy and passion by volunteering to promote the profession. We continue to raise the profile of Exercise Physiologists, improve market channels and stamp the profession of Exercise Physiology into the future of healthcare. Nevertheless, we still have a lot to do.

The Exercise Rehabilitation field is quite broad and includes private practitioners, those in occupational health, cardiac rehabilitation, Workcover and traffic accident rehabilitation, sport rehabilitation and numerous facets of chronic disease management. These areas also tend to be highly regulated by industry and government and as such require a lot of 'behind the scenes' work to provide submissions, position papers, seek opportunities for negotiation and lobby key politicians and stakeholders.

I would like to take the opportunity to thank all of the members and volunteers that have played an active part in contributing to various initiatives in 2006 and 2007 and for advancing the field of Exercise Rehabilitation in Australia.

Medicare

Exercise Physiologists made the 4th highest number of Medicare EPC claims across all Allied Health professions in the last financial quarter of 2006, in less than 12 months since inclusion in the scheme. This clearly represents the relevance of EP services to the health sector and the growing recognition by GP's for their work. A great deal of behind the scenes work has also led to the announcement of a new Medicare item for group diabetes interventions, another milestone as it is the first time Medicare has ever funded a group item. I have also just initiated negotiations for an electronic billing facility to be made available to all members to reduce the administration and paperwork associated with Care Plans which will hopefully be another step towards making EP businesses more viable and reduce red tape.

Health Funds

AAESS completed a 150 page submission to the Australian Health Insurance Agency and all health funds in regards to the recognition of Exercise Physiologists in Ancillary cover and the new "broader health cover" to begin in April 2007. Several new funds have already indicated that they will be including EP services within their scope of rebates. Negotiations with funds continue and we hope to secure recognition from a major percentage of the health fund market by late in 2007. This will again add another major funding source to EP businesses.

GST

Work is ongoing to remove GST from Exercise Physiology services. We have been lobbying Federal Government and negotiating with Treasury over the matter. We now have a submission prepared to be forward for the endorsement of the Council of Australian Governments (COAG). AAESS will keep you updated.

Department of Veterans Affairs

The Department of Veterans Affairs received a major submission from AAESS in late 2006 and negotiations are nearing finalisation. So far the feedback has been positive and I hope to announce DVA recognition as the next major milestone for EP's in the coming months.

Workers Compensation and Comcare

AAESS has continued to represent the interests of AAESS members across 7 different Workers Compensation schemes, traffic accident commissions and the Federal Comcare schemes. A submission to Comcare was successful in gaining recognition of Exercise Physiologists in the scheme. NSW Workcover for the first time also provided formal recognition of EPs in their scheme as a culmination of almost 2 years of behind the scenes work of AAESS members.

Fitness Industry

Fitness Australia announced the recognition of skills and competencies of tertiary qualified Exercise Scientists for the Certificate 3 and Certificate 4 qualifications. This will mean that no longer will Exercise Science graduates have to undergo the entire Certificate 3 or 4 courses to work in fitness centres. This is a positive step towards strengthening relationships with the fitness industry.

Representation

Throughout the course of this term on the Executive I have performed the following roles:

- Member of AAESS Conference Scientific Committee
- Member of Medicare Group Diabetes Steering Committee
- Member of National AAESS Executive
- Chair Exercise Rehabilitation Committee
- Chair Risk Management Committee
- AAESS representative on Illawarra Federal Grant Project

Submissions and Papers:

- Position Statement (AAESS/ADEA/DAA) on Medicare Group Diabetes Item
- AAESS Constitution and By Law review
- COAG agreement sought on the inclusion of Exercise Physiology services under section 38-10 of the A New Tax System (Goods and Services Tax) Act as a GST exempt

- health service
- Letter to Assistant Treasurer Hon. Minister Dutton re GST exemption
 - Scope of Exercise Physiology Practice Document
 - Submission to The Department of Veteran Affairs: The Recognition of Exercise Physiology Services for Veterans, by AAESS Accredited Exercise Physiologists
 - MOU Fitness Australia re recognition for Cert III and Cert IV competencies for Exercise Professionals
 - Submission to Health Funds: The Recognition of Exercise Physiology Services within Ancillary and Broader Health Cover
 - National Vice President Strategic Review August 06 – Exercise Rehabilitation
 - AAESS Submission to NSW Workcover re WRAP
 - Response to NSW Workcover re inclusion of Exercise Physiologists
 - MOU NSW Workcover re recognition of Exercise Physiologists
 - AAESS Newsletter reports
 - Several articles, media releases and radio interviews

Daryl Sadgrove
Director Exercise Rehabilitation
FAAESS AEP

ACT Chapter's Report

The membership within the Australian Capital Territory started a formalised Chapter at the end of 2005 to promote networking opportunities, increase awareness of the professions of Exercise Physiology and Sports Science in the region and to provide a framework to enhance continuing education opportunities. The ACT Chapter have also tried to provide a support network to the National Board to progress issues that arise at a National Level.

Without the formalisation of this State Chapter, members would not have been able to contribute in the ways they have this year. Some of the tasks the ACT Chapter have been able to complete over the past 12 months have included:

- Providing AAESS representation at National forums, such as Private Health Insurance Reform meetings and obesity summits
- Representation on National AAESS sub-committees such as the Exercise Rehabilitation Sub-Committee and the Sports Science Sub-Committee
- Invitations for members to present at SMA conferences and GP LAN meetings in the ACT region
- Organising a local media launch that resulted in radio interviews on the role of AAESS and Exercise Physiologists in the community
- Commencement of a regular continuing education session within our meeting structure
- Communicating with the National Board through representation in National Teleconferences.

The professions of Exercise Rehabilitation and Sports Science have developed considerably in the Canberra region in such a short space of time. The numbers of practicing EP's and Sports Scientists in the area is now well over 20 and the working environments that members are practicing in are very diverse. It has been the ideal time to create the beginning link for all members to provide excellent networking opportunities and to increase the awareness of the professions within AAESS in the Canberra region.

Sandra Cook
ACT Chapter President

QLD Chapter's Report

January saw the inclusion of Exercise Physiology as an Allied Health service under HIC. This was a big step forward for the profession and our Association. This development has contributed to the push for Exercise Practitioners to become accredited with AAESS. Nationally our membership has exceeded 1000 for the first time. The future looks bright with forecasts of AAESS membership to reach 2000 in the next 1-2 years.

Continuing education has been a priority for the Association both nationally and at a state level this year. The national road show has proven to be a great success with high attendance and very positive feedback. Local continuous education events are planned over the next 6 months to maintain this momentum. It is likely that some of our state based education packages will be adopted nationally. The AAESS 2006 Conference – From Research to Practice was a rewarding opportunity for all those who attended. The combined conference with Sports Dieticians Australia and the presence of many high profile national and international speakers provided an opportunity for professional growth and networking.

The QLD Chapter of AAESS has for a number of years now had a recognition program in place to acknowledge the achievements of Human Movement and Exercise Science students. This year saw the list of tertiary institutions participating in this program nationally, increase. Such is the success of this program at creating a link with the future of our profession and the student recognition program.

The State Chapter Board, various local members and I have championed the cause of AAESS in a range of different fields during this year. Our activities have included attending the QLD Government Obesity Summit, developing proposals for and attending meetings with Q-Comp, student presentations at a number of Universities, development of the QLD AAESS Business Plan, meeting with fitness industry representatives and organisations, meeting with Divisions of General Practice, and many more.

I would like to acknowledge the efforts of the State Board members over the last year. They have discharged their duties with a high degree of professionalism and enthusiasm. Many of the achievements of our State Chapter in the last 12 months would not have occurred if it were not for their hard work. I would like to also recognise the leadership provided by the National Board and the support provided by the locally based board members.

2007 is shaping up to be yet another big year for AAESS and the Exercise Physiology/Science profession. The QLD chapter will be looking to continue to represent the interests of our local members as well as playing a greater part in activities on the national agenda. We will maintain our commitment to fostering the next generation of Exercise Physiologists and will work closely with local institutions on various initiatives to achieve this end. The QLD chapter will endeavour to further strengthen existing links and create new relationships with local government and non-government organisations.

Nathan Reeves
QLD Chapter President

SA Chapter's Report

The South Australian members started a formalised Chapter in March 2006 to assist with networking opportunities, promote awareness of Exercise Physiologists and Sports Scientists, and also assist with providing continuing education opportunities to our members. The chapter is slowly starting to gain momentum and we have been pleased that a number of individuals and community groups are starting to become aware of the services we can offer, and seek these out.

To date, there has been a lot of discussion surrounding the best approach to cater for our members, and we are looking forward to consolidating this with further activities this year. Our strategies, initially have been to promote AAESS membership and its associated benefits to tertiary students, particularly in their final year, to assist with increasing our membership.

Feedback from members is that they would appreciate having local marketing resources regarding AAESS and Exercise Physiologists for GPs, the general public and potential new members. We are currently working on a number of brochures that would be address these needs.

With respect to Continuing Professional Education we hope to hold a number of local sessions this year. We have already identified some suitable topics and speakers; however any further suggestions from members would be welcome.

We have been approached by the South Australian Divisions of General Practice (SADI) to be involved in the HealthConnect project currently being trialled, which is a care planning and communication system aimed at improving the health outcomes of patients with chronic conditions. We also hope to present at the South Australian Division of General Practice conference coming up in May to further promote EP services and Medicare care plans to Divisions, GP's and other health professionals.

Thanks to all the members that have been involved with getting the SA Chapter up and running over the last 12 months. Your help and energy has been much appreciated. Also, thanks to the National Board and committees for their tireless efforts in promoting AAESS and securing greater recognition for EP's.

To any new members that are interested in becoming involved, or if you have any other feedback/ suggestions, please email us at sapresident@aaess.com.au.

Kirsty Rawlings
SA Chapter President

WA Chapter's Report

The AAESS WA Chapter Board have been working overtime in 2007 to plan events and opportunities that provide registered EP's with continuing education and professional opportunities. Most notably, after many years of discussions with The Hospital Benefit Fund of Western Australia (HBF), the WA chapter of AAESS has managed to negotiate with this health insurance fund to include Exercise Physiology as a service eligible for health insurance rebates. For many individuals who have spent numerous hours in discussions with HBF, and all Exercise Physiologists, this represents a massive achievement.

As part of an initiative to generate opportunities for accredited Exercise Physiologists in Western Australia, WA AAESS, working in collaboration with Diabetes Australia, Western Australia (DAWA) will develop a service provider register. This register will provide DAWA with a direct link to accredited Exercise Physiologists trained in providing exercise for the prevention and management of type II diabetes.

Discussions are still ongoing with Work Cover WA and AAESS WA to consolidate the role of Exercise Physiologists' services within the Work Cover system. It is anticipated that negotiations will be completed in the near future, resulting in Exercise Physiology services being included in Work Cover gazette schedules.

As for the remainder of the year the AAESS WA Chapter Board is planning to generate a working network with all of the divisions of General Practice within the Perth metropolitan area. This purpose of the network is to provide further information and education for General Practitioners within the divisions, generating improved pathways by which they can utilise Exercise Physiology services.

Matthew Harris
WA Chapter President

AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
FINANCIAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER, 2006

INDEPENDENT AUDITORS' REPORT
DIRECTORS' DECLARATION
STATEMENT OF FINANCIAL POSITION
STATEMENT OF FINANCIAL PERFORMANCE
STATEMENT OF CASHFLOWS
NOTES TO THE FINANCIAL STATEMENTS
DETAILED PROFIT AND LOSS ACCOUNT
DIRECTORS' REPORT

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31ST DECEMBER 2006**

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for the Australian Association for Exercise and Sports Science Limited (the company), for the year ended 31st December 2006.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I have conducted an independent audit in order to express an opinion on the financial report to members of the company. My audit was planned and performed in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I have performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

I have formed my audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures and the reasonableness of significant accounting estimates made by the directors.

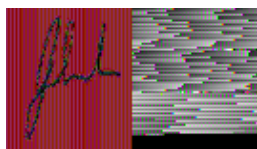
While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, my audit was not designed to provide absolute assurance on internal controls.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31ST DECEMBER, 2006.**

In accordance with a resolution of the directors of the Australian Association for Exercise and Sports Science Limited:-

1. (a) The accompanying financial statements and notes are drawn up so as to give a true and fair view of the financial position, performance and cashflows of the company for the financial year; and

(b) The financial statements and notes:
 - i) have been made out in accordance with Division 1 of Part 2M.3 of the Corporations Act; and
 - ii) give a true and fair view of the matters dealt with by that Division.
2. At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The financial statements and notes have been made out in accordance with applicable Accounting Standards.



Dr Jeff Coombes (Director)



Mr Damien Johnston (Director)

Dated at Red Hill this 30 day of April 2007

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2005.**

	Notes	2005 \$	2006 \$
CURRENT ASSETS			
Cash Assets		90,102	189,754
Receivables	(4)	3,412	6,888
Other Assets	(5)	<u>2,475</u>	<u>100</u>
TOTAL CURRENT ASSETS		<u>95,989</u>	<u>196,742</u>
 NON-CURRENT ASSETS			
Property, Plant & Equipment		4,602	18,559
TOTAL ASSETS		<u>100,591</u>	<u>215,301</u>
 CURRENT LIABILITIES			
Payables	(6)	18,812	80,543
TOTAL CURRENT LIABILITIES		<u>18,812</u>	<u>80,543</u>
TOTAL LIABILITIES		<u>18,812</u>	<u>80,543</u>
NET ASSETS		<u>81,779</u>	<u>134,758</u>
 MEMBERS' EQUITY			
RETAINED PROFITS		<u>81,779</u>	<u>134,758</u>
TOTAL MEMBERS' EQUITY		<u>81,779</u>	<u>134,758</u>

These financial statements should be read in conjunction
with the accompanying notes.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED**
A.B.N. 14 053 849 460
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2006

	Notes	2005 \$	2006 \$
Revenue from ordinary activities	2	346,835	548,722
Expenses from ordinary activities	3	<u>298,089</u>	<u>495,743</u>
Profit/(Loss) from ordinary activities before income tax expense		48,747	52,979
Income tax expense		<u>-</u>	<u>-</u>
Profit/(Loss) from ordinary activities after income tax expense (net profit/(loss))		<u><u>48,747</u></u>	<u><u>52,979</u></u>

Retained Profits

Retained profits at the Beginning of the year		33,032	81,779
Net Profit/(Loss)		<u>48,747</u>	<u>52,979</u>
Retained profits at the End of the financial year		<u><u>81,779</u></u>	<u><u>134,758</u></u>

These financial statements should be read in conjunction
with the accompanying notes.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORT SCIENCE LIMITED
A.B.N. 14 053 849 460
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2006**

	Notes	2005 \$ Inflows (Outflows)	2006 \$ Inflows (Outflows)
STATEMENT OF CASH FLOWS			
Cash flows from Operating Activities			
Receipts from customers/members		260,462	538,032
Interest		6,064	6,413
Payments to suppliers		<u>(316,242)</u>	<u>(430,836)</u>
Net cash (used in) / provided by Operating Activities	10(ii)	<u>(49,716)</u>	<u>113,609</u>
Net (decrease) / increase in cash held		(49,716)	113,609
Payment for Property, Plant & Equipment		-	(13,957)
		<u>49,716</u>	<u>99,652</u>
Cash at the beginning of the financial period		<u>139,818</u>	<u>90,102</u>
Cash at the end of the financial period	10(i)	<u>90,102</u>	<u>189,754</u>

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED**
A.B.N. 14 053 849 460
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements, which form part of the general purpose financial report, have been prepared in accordance with applicable Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and disclosure requirements of the Corporations Act. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The financial statements have also been prepared on a going concern basis which contemplates the continuity of normal business activities, the realisation of assets and the settlement of liabilities in the ordinary course of business. The accounting policies have been consistently applied, unless otherwise stated.

a) Taxation

The Company has been granted exemption from income tax under section 50-5 of the Income Tax Assessment Act.

b) Segment Information

The company is predominantly engaged in sports science activities conducted in Australia and within the Education Industry.

c) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Contributions of non-current assets are measured at the fair value of the consideration received or receivable.

d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the costs of acquisition of the assets or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to, the ATO are classified as operating cash flows.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED**
A.B.N. 14 053 849 460
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2006

	2005	2006
	\$	\$
2. REVENUE - by nature		
Operating activities		
Merchandise Sales		1,240
Membership Fees	122,405	179,336
Accreditation Fees	125,364	70,760
Non-operating activities		
Conference Income	31,888	220,882
Advertising	4,070	3,162
Donations	-	1,838
Interest Income	6,064	6,413
NUCAP Income	11,364	-
Professional Education Courses	37,850	37,500
Journal Subscriptions	-	18,221
Insurance Income – SRS	-	6,148
Sundry	7,830	3,222
	<u>346,835</u>	<u>548,722</u>
3. PROFIT FROM ORDINARY ACTIVITIES		
i. Expenses from ordinary activities by nature:		
Audit/Accounting	4,125	3,875
Consulting	2,850	-
Staffing – All inclusive	115,670	137,174
Postage/Stationery/Office Costs	31,734	70,529
Professional Education Courses	19,761	5,879
Computer Expenses	-	61,404
Conference Costs	30,845	115,536
Subscriptions	-	32,281
Teleconference Expenses	-	8,626
Travel and Accommodation	-	28,737
Other	69,300	24,772
Web Page	7,043	6,930
	<u>298,087</u>	<u>495,743</u>
ii. Directors remuneration		
Income Paid or Due and Payable	<u>1,523</u>	<u>996</u>
This amount represents the premium paid for Directors Indemnity Insurance.		
The number of Company Directors (14) included in these figures are shown below in their relevant bands		
Income of \$1 to \$10,000	<u>-</u>	<u>-</u>

iii. Auditors remuneration

Amounts received, or due and
receivable, by the auditors for:

Auditing the accounts of the company	2,750	3,875
- Other Services	<u>-</u>	<u>-</u>
	<u>2,750</u>	<u>3,875</u>

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED**

A.B.N. 14 053 849 460

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2006**

	2005	2006
	\$	\$
4. RECEIVABLES		
Trade Receivable	3,412	6,888
5. OTHER ASSETS		
Deposits	2,475	100
6. PAYABLES		
Accounts Payable and Accrued Expenses	18,812	80,543
7. OTHER LIABILITIES		

8. RELATED PARTY INFORMATION

Directors

The following directors each held office as a director of the company during the year ended 31st December, 2006:

David Bishop
Ann Hanley
Christopher Nunn
Zorica Babic
Jeff Coombes
Steve Selig

Daryl Sadgrove
Jarrod Meerkin
Kevin Conlon
Elizabeth Bradshaw
Glen Ivey
Damien Johnston

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORT SCIENCE LIMITED**
A.B.N. 14 053 849 460
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2006

9. MEMBERS' GUARANTEE

The company is limited by Guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$1.00 each toward meeting any outstanding obligations of the company. As at 31st December 2006 the Company had 906 members (2005 - 606 members).

10. NOTES TO THE STATEMENT OF CASH FLOWS

i. Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank.

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:-

	2005	2006
	\$	\$
Cash at Bank	<u>90,102</u>	<u>189,754</u>
	<u>90,102</u>	<u>189,754</u>

ii. Reconciliation of Net Cash provided by Operating Activities to net Profit after income tax

Net profit after income tax	48,747	52,979
(Increase)/decrease in debtors/prepayments	(2,475)	2,375
(Increase)/decrease in Receivables	(3,412)	(3,476)
(Decrease)/Increase in payables	(8,427)	61,731
(Decrease)/Increase in fees in advance	(79,547)	-
Purchase of Plant	(4,602)	(13,957)
Net cash provided by Operating Activities	<u>(49,716)</u>	<u>(99,652)</u>

iii. Financing Facilities

At balance date there are no financing facilities available to the Company.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORT SCIENCE LIMITED
A.B.N. 14 053 849 460
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2006**

11. FINANCIAL INSTRUMENTS

(a) Terms, Conditions and Accounting Policies

The Company's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at balance date are as follows:

Financial Assets

Receivables - Trade

Trade Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.

Financial Liabilities

Accounts Payable and Accruals (Note 6)

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the company. Trade liabilities are normally settled on 30 day terms, unless otherwise advised by the trade creditor.

(b) Interest Rate Risk

The company's exposure to interest rate risks is minimal.

(c) Credit Risk Exposure

The company's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position.

(d) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

(e) Other Unrecognised Financial Assets

Members Guarantee: The company has a contingent asset available of \$906 arising from members guarantee in the event of winding up (refer Note 8).

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
DIRECTORS' REPORT**

The Directors have pleasure in presenting their report together with the financial report of the company for the year ended 31st December 2006 and the Auditors' Report thereon.

The names of the directors of the company in office at the date of this report are:-

Elizabeth Bradshaw	Daryl Sadgrove
Ann Hanley	Jarrold Meerkin
Christopher Nunn	Mark Armstrong
Zorica Babic	Kevin Conlon
Jeff Coombes	Damien Johnston
Steve Selig	Glen Ivey

Directors' Attendances

Eleven meetings of the Board of Directors were held during the year to 31st December 2006. Directors' attendances at meetings during directorship were as follows:-

	Present	Apologies
David Bishop	8	Resigned November 2006
Daryl Sadgrove	11	3
Ann Hanley	8	3
Jarrold Meerkin	9	2
Christopher Nunn	7	4
Zorica Babic	11	
Kevin Conlon	10	1
Jeff Coombes	7	4
Damien Johnston	11	
Steve Selig	10	1
Glen Ivey	9	2
Elizabeth Bradshaw	6 of 8	Appointed 11/03/2006

Principal Activities

The principal activities of the company in the course of the financial year were the promotion, research and advancement of education in the areas of exercise and sports science and related fields and the setting of standards in the community of best practice in those areas.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
DIRECTORS' REPORT CONT'D**

Operating Result

The net profit earned by the company for the year ended 31st December, 2006 was \$52,979 (2005 -profit \$48,747 – eighteen months to 31st December, 2005).

Review of Operations

The company earned revenue of \$548,722 for the year, primarily income from memberships and Accreditation Fees. The company's operations during the period resulted in a net profit of \$52,979. Expenses were primarily conference, Professional education, committee travel expenses, printing and staffing costs.

Significant Changes

Other than matters reported in this Directors' Report there was no significant change in the state of affairs of the company during the financial period.

Matters Subsequent to the end of the Financial Period

Other than matters reported in this Directors' Report, no matters or circumstances have arisen since the end of the financial period, which significantly affected or may significantly affect:

- a) the operations of the company;
- b) the results of those operations; or
- c) the state of affairs of the company;
- d) in the financial years subsequent to 31st December, 2006.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the financial year.

Likely Developments

In the opinion of the directors it would prejudice the interests of the company to provide additional information, except as reported in this Directors' Report, relating to likely developments in the operations of the company and the expected results of those operations in the financial years subsequent to the financial period ended 31st December, 2006.

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
DIRECTORS' REPORT CONT'D**

Information on Directors

In accordance with Section 300(10), particulars of the qualifications, experience and special responsibilities of the Company's Directors are as follows:-

Director	Qualifications	Special Responsibilities
Jeff Coombes	BAppSC, Med, PHD Director 2 years	President
Damien Johnston	MSc BSc, PhD MSc (Hons) Grad Dip (BiomedSci) Director 2 year	Vice President
Ann Hanley	BA, M HealthSci Director 1 Year	Secretary
Jarrold Meerkin	BAppSc, MSc (Hons) PhD, AEP Director 2 Years	Treasurer
Chris Nunn	BSc (HMS- Hons) AEP/AMS Director 7 years	Director
Zorica Babic	BSc (HM) Grad Dip ExRehab AEP/AMS Director 3 Years	Director
Kevin Conlon	BAppScHMSHons AEP/AMS Director 3 Years	Director

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED
A.B.N. 14 053 849 460
DIRECTORS' REPORT CONT'D**

Information on Directors (Cont'd)

Director	Qualifications	Special Responsibilities
Daryl Sadgrove	BSc (ExSci) M. (ExRehab) Director 4 years	Director
Steve Selig	BSc (Hons),DIP (PE),PHD AEP/ACR Director 2 Years	Director
Glen Ivey	BSc (HMS) Director 2 Years	Director
Elizabeth Bradshaw	BAppScHNS (Hons) BEd(PE),PHD,ASS Director 1 year	Director

Indemnifying Officer or Auditor

- The company has not in respect of any person who is or has been an officer or auditor of the company indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.
- During or since the financial year, the company has paid premiums in respect of a contract insuring against a liability incurred as an officer for the costs of expenses to defend legal proceedings. The amount of the premium was \$996.

Dated at Red Hill this 30 day of April 2007

Signed in accordance)
with a resolution)
of the directors.)



JEFF COOMBES (Director)



DAMIEN JOHNSTON (Director)

**AUSTRALIAN ASSOCIATION FOR EXERCISE
AND SPORTS SCIENCE LIMITED**
A.B.N. 14 053 849 460
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2006

	2005	2006
	\$	\$
INCOME		
Advertising	4,070	3,162
Donations	-	1,838
Membership/Accreditation	247,769	250,096
Merchandise	-	1,240
Conferences	31,888	220,882
Interest received	6,064	6,413
NUCAP Income	11,364	-
SRS Insurance Income	2,250	6,148
Professional Education Courses	37,850	37,500
Journal Subscriptions	4,282	18,221
Sundry Income	1,299	3,222
TOTAL INCOME	<u>346,836</u>	<u>548,722</u>
EXPENSES		
Accountancy	1,532	5,260
Audit	4,125	3,875
Advertising	6,765	11,253
Bank Charges	3,057	8,085
Committee - Travel Expenses	25,255	28,738
Computer Software	-	60,541
Consulting Fees	2,850	-
Conferences	30,845	115,536
Directors' Insurance	1,523	996
ICCSPE Subscription	-	262
Insurance	1,945	536
Postage	8,973	8,585
Legals	1,220	3,831
Merchandise Expenses	-	4,368
NUCAP Expenses	3,044	26,088
Printing & Stationery	22,760	23,984
Professional Education Courses	19,760	5,879
Professional Association Subscriptions	-	32,019
Rent	4,676	19,069
Salary	108,226	99,598
Secretarial	19,625	-
Sundry Expenses	6,157	5,331
Superannuation	7,445	10,991
Telephone	2,205	5,360
Teleconference Costs	9,058	8,627
Web Page	7,043	6,931
TOTAL EXPENSES	<u>298,089</u>	<u>495,743</u>
NET PROFIT/(LOSS)	<u>48,747</u>	<u>52,979</u>

