

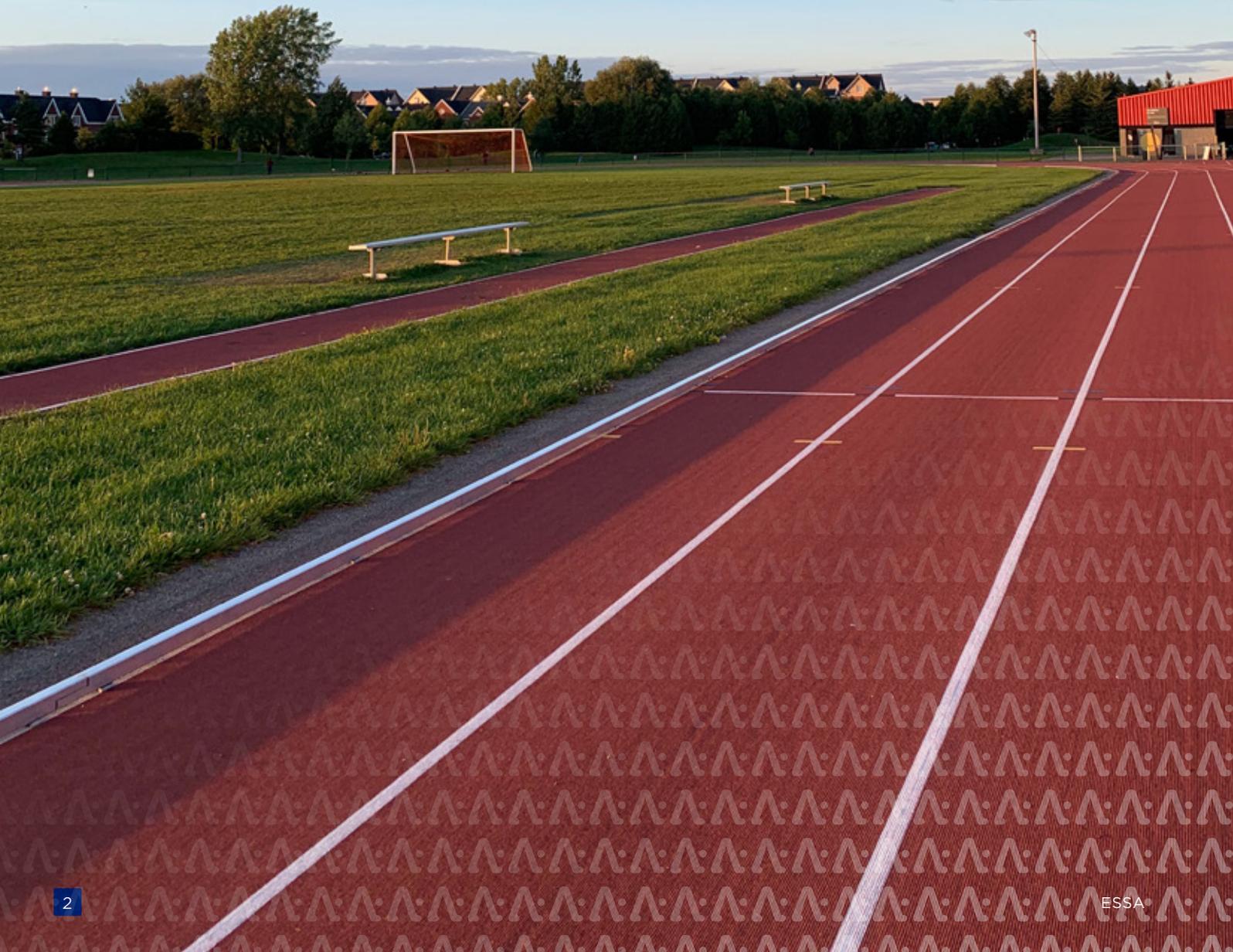


VISION

All Australians use exercise and sports science to improve their health and performance.

MISSION

Provide industry leadership through advocacy, research, education and regulation to support exercise and sports science professionals and the Australian community in becoming a more active nation.



CONTENTS

Vision and Mission	2
President's Report	4
CEO's Report	6
Governance	8
Membership Statistics	9
Member Services Unit	10
Standards Unit	12
Regulation Services Unit	13
Policy and Advocacy Unit	14
Marketing and Communications Unit	16
Financial Report	18

PRESIDENT'S REPORT

Despite the challenges both professionally and personally from the impact of COVID-19 for our members and for ESSA during 2020, it was evident through this time how strong the ESSA family is. The encouragement and support of our members towards each other was palpable throughout the year, along with the integrity, resilience, and leadership of our members during this time. However, we are aware that the full effects of COVID-19 will continue to be felt for a long time for us all, and that we may only feel the true impact of COVID-19 on ESSA and its members in 2021 and beyond.

In the face of these challenges, there was also significant work and positive achievements for ESSA. Through the challenges of navigating COVID-19, our governments in Australia acknowledged the importance of physical activity and exercise, not just to maintain physical health, but also to manage and maintain mental well-being and manage the stress of this challenging time. We hope that our professions will be recognised as being integral partners in the delivery of the Preventative Health Strategy and the Obesity Prevention Strategy that is currently being developed.

Our governments recognised and relied upon ESSA as a trusted advisor and partner in charting an appropriate response to the impact of COVID-19. ESSA also commissioned several research projects to help inform ESSA members and our governments regarding appropriate restrictions, such as mask-wearing while exercising, and to support the longer-term adoption of telehealth for service delivery by our accredited professionals.

We continued to support Australians with accessing the most appropriate exercise professional for them and saw a record engagement this year with another successful Exercise Right Week, plus the launch of Exercise Right at Home to support individuals with remaining active during COVID restrictions, and the extensive promotion of Exercise Right for Doctors Week (which included practice nurses too) during 2020.

Universities and potential graduates were also challenged by the impact of COVID-19 in their delivery of teaching, assessment, and practicum. ESSA appreciates everyone's commitment to finding a pragmatic way through this, as well as their flexibility and hard work, and we have appreciated a collaborative relationship with CHESMS. In response to these challenges, ESSA developed the option of a 'Provisional' accreditation to enable students to still graduate from their programs, and complete the practical

hours required to gain Full accreditation whilst employed. Universities were still able to undergo accreditation of their courses by ESSA pivoting quickly to provide site visits virtually. Our thanks to the Accreditation Council and Course Accreditation Committee and staff for their extensive and tireless work this year to support ESSA's accreditation activities.

In 2020 we also saw the release of the revised AES Professional Standards, with the implementation of these standards due to be delivered from 2022 in our ESSA accredited university programs, and the commencement of the AEP Professional Standards review. Thank you to everyone who has provided feedback regarding both sets of standards. We also saw the launch of the ESSA Telepractice Standards and Policy, which was turned around quickly to support our accredited professionals with delivery of their services using telepractice. Work has also commenced on the Practice Accreditation Standards. Many thanks to the Standards Council, Review Committees and ESSA staff for the delivery of this important work for our members.

ESSA acknowledges 2020 was a challenging year for those individuals and organisations working in the fitness industry. ESSA is undertaking an extensive project to understand what our role might be in the fitness industry, including how we might best support our accredited professionals working in this space. The Exercise Right for Active Ageing program continues to roll-out successfully.

Sport was another casualty of COVID-19 with the postponement of the Olympics, disruption to elite competition seasons, and the cancellation of many community-level sports competitions. Many of our Accredited Sports Scientists and Accredited High Performance Managers were directly affected by job losses during 2020 and will continue to be affected by this in the longer term. ESSA worked hard to support our members with access to resources and ongoing professional development, and has started the implementation of ESSA's Sports Science Industry Development Plan 2020-2025 with the support of our Sports Science Advisory Group.

Unfortunately, the face-to-face conference in Perth in April 2020 needed to be postponed, with a virtual conference planned for May 2021 which will still deliver the latest research and its translation, and an opportunity to connect. Thanks to Sarah Hall and the Conference Chairs and Committee for their hard work in enabling delivery of this conference in 2021.

ESSA continued to build constructive bilateral relationships internationally, which saw ESSA drive the development of the International Confederation of Sport and Exercise Science Practice with our international counterparts, and work commenced to develop global professional standards. Thanks to Assoc. Prof. Kade Davison and Nathan Reeves for their work in this space.

And there is more good news. Member numbers continue to grow. We fell just short of our strategic goal of 10,000 total members for ESSA in 2020 with 9,809 total members, with 7,276 Full members, and almost 7,500 (7,485) accredited professionals - an increase from 6,516 in 2019. Accreditation numbers across all of our professions has increased (11% growth in AEP, 18% growth in AES, 12% growth in ASpS, and 14% growth in AHPM), suggesting that more and more consumers are experiencing the benefits of our accredited professionals' expertise.

ESSA finished 2020 in a positive financial position, recording a surplus of \$1,246,225, which was well above our anticipated position. This was mainly due to our conservative budget re-forecast following the impact of COVID-19, and budgeting for worse-case scenario and the successful negotiation of refunds for a large part of the pre-paid conference costs. We also saw reduced travel costs across the organisation, plus the support of JobKeeper subsidies to ensure the organisation could continue to operate throughout the impact of COVID-19 and we could retain all of our staff. This year has highlighted acutely the need to have a healthy contingency fund to ensure the sustainability of the organisation beyond the impact of unprecedented events. The Board and management remain committed to the development of a long-term financial and investment strategy for ESSA, and this will align with the ESSA Strategic Plan 2021-2024. Surpluses generated in 2020 and earlier years has ensured that ESSA is well-placed to invest these retained earnings to ensure increased value for members and sustainability of the organisation. As yet, the true impact of COVID-19 on ESSA is yet to be realised, and this will become evident following member and accredited professional renewals in early 2021. Due to its retained earnings, ESSA was well-placed to weather the impact of COVID-19 and continue to support its members and accredited professionals during this time, whilst ensuring the organisation remained viable.

A massive thanks to Anita and the ESSA team, both staff and volunteers, who worked tirelessly all year to ensure that our members were supported through the impact of COVID-19, and also to minimise the impact on our members and keep them up to date with the latest information. This was on top of a number of other significant activities and achievements in advocacy in aged care, workers compensation, research, physical activity, sport, and in private health. We certainly see the ESSA values of Passion, Leadership, Responsibility, Quality and Customer Service in action, time and time again.

Thanks also to my fellow ESSA Board members who have all demonstrated commitment, leadership, and passion for ESSA and our members, and were willing to go above and beyond last year to meet the challenge of COVID-19 and ensure the ongoing sustainability of ESSA and our professions and members. Thank you for your support.

We hope that you felt supported and 'heard' as members throughout this challenging year and felt the value of being part of your professional body.

As we enter 2021, ESSA will be continuing to strive against a new Strategic Plan (2021 -2024), aimed at increasing opportunities for all our professions, both here in Australia and internationally, as well as supporting and serving our members as ESSA grows to remain relevant and sustainable. ESSA will be working hard to grow opportunities particularly for our Accredited Exercise Scientists and increase the recognition that their skills and expertise can bring to industry and consumers; will continue to support our Accredited Sports Scientists with access to professional development and industry networks; and will continue to advocate for and support our Accredited Exercise Physiologists.

Part of this work includes continuing to grow a vibrant and engaged ESSA community and we thank you for being part of this community, and for your support as we face a slightly different world together in 2021.

Yours in health,

Kirsty Rawlings

Hons HMS AEP AES ESSAM GAICD

President

CEO'S REPORT

2020. Where do we begin?

I think we all know how it began, how it played out, and how we currently are. A year the likes of which we hope no one else will have to live through again, a year of highs and lows and many other emotions in between. This Annual Report will go into detail on how ESSA wanted to take a leadership and supportive role for our community in 2020.

We know that many of our members faced hard times with the imposed social distancing, lockdown measures and bubble arrangements. However, I am always trying to be an optimist, so I wanted to highlight the good stories that came out of 2020.

For years, we have lobbied for the need for telehealth services, not only for the rural and remote communities but also for the clients/athletes who could not travel into the clinic/business/ studio/ facilities. However, we were met with limited appetite due to limited evidence to support this. It was great to finally see Government, regulatory bodies and health funds support telehealth services, and we hope the evidence being collected will see the services continue and become a positive legacy of COVID.

It was truly inspirational to see our members adapt their business models to be online to support their clients, whether they were school-aged kids, older adults or elite sportspeople. I do not see our members going back to pre-COVID times, and as we progress over the next year, it will be interesting to watch where we land in how clients expect to access services and how we can provide services. Needless to say, the increased reliance on technology to deliver services has risen significantly over the last 12 months and is unlikely to change.

Wedged in between droughts, fires and COVID-19, we experienced so many good news stories that showcased how vital our work is and the inspiring and positive outcomes that exercise interventions can provide. I wanted to share a few stories with you to help us remember why we do, what we do.

Daniel McAuliffe from *Connect Health and Fitness* and client and his client, Lara

Lara received her first double lung transplant at 18. At 29, her lung capacity was lower than 40% for your average female, and she was on the waitlist for her second double lung transplant. It was quite a challenging and scary time for most during the COVID lockdowns, especially those, like Lara, in

a high-risk category. But this didn't stop Lara from continuing her exercise physiology sessions. Although Lara's lung capacity has not improved dramatically, her physical and mental strength has, which allows her to conquer the dreaded stairs, walk along the beach, and go camping with her husband and their puppy, Alfie.

Mark Spencer from *Hunter Rehabilitation and Health* and his client, Brenda

Brenda is 78 and had a stroke five years ago, leaving her with left side hemiplegia and arrived at the clinic mostly wheelchair bound. Her goal was to climb 10 steps into her daughter's house and 20 steps into her son's house. At the beginning of September 2020, after starting her exercise program in January 2020, Brenda climbed the 10 steps into her daughter's house and came back with the biggest smile on her face, eager to set new goals.

Nic Grose from *Active - On the move rehab* and her client, Molly

On her 13th birthday, Molly was diagnosed with an Osteosarcoma (bone cancer) in her leg, which the doctors ended up having to take from tibia to mid femur. Due to the insertion of an internal prosthetic limb, Molly had to learn to bend her leg again and surgeons expected she would only ever achieve 70 degrees of knee flexion. Amazingly, she now has over 110 degrees! She has used her story to raise over \$187,000 for the Ronald McDonald House and over \$25,000 for Westmead Children's Hospital. Molly now plans to raise funds for the 'Back on Track' program that assists kids going back to school after cancer diagnosis.

Of course, this is just three short examples of the many good news that eventuates from the work of our accredited exercise professionals, but it's clear to see the life changing impact our industry has.

From our Accredited Exercise Scientists who help keep our nation active and prevent chronic disease, to our Accredited High Performance Managers who raise the bar of sports science globally, your efforts never go unseen.

I want to thank each and every one of our members who go to work every day to help people feel better or move faster.

Anita Hobson-Powell
Chief Executive Officer



GOVERNANCE

ESSA NATIONAL BOARD

- President - **Ms Kirsty Rawlings**
- Vice President - **Dr. Brendan Joss**
- Director - **Professor Steve Selig**
- Director - **Dr. Simon Rosenbaum**
- Director - **Dr. Emma Beckman**
- Director - **Professor Aaron Coutts**
- Director - **Mrs Philippa Ellis**
- Director - **Emeritus Professor Julie Cotter**
- Director - **Mr Steve Telburn**

ESSA STATE CHAPTERS

Queensland (QLD)

- Vince Kelly** - Co-Chair
- Shelley Keating** - Co-Chair

New South Wales (NSW)

- Stephanie Frade** - Co-Chair
- John Stevens** - Co-Chair

Victoria (VIC)

- Ashley Bigaran** - Co-Chair
- Jason Gardner** - Co-Chair

South Australia (SA)

- Jacinta Brinsley** - Chair

Western Australia (WA)

- David Beard** - Chair

Tasmania (TAS)

- Peter Bradley** - Chair

Australian Capital Territory (ACT)

- Riley Bartholomew** - Co-Chair
- Rebecca Cesnik** - Co-Chair

**Correct as of 30 March 2020*

MEMBERSHIP STATISTICS

MEMBERSHIP NUMBERS

STUDENTS
2,483

ASSOCIATES
16

FULL MEMBERS
7,276

FELLOWS
40

LIFE
3

ACADEMICS
31

ACCREDITATION NUMBERS

AEP **6,315**

ASpS **353**

AES **742**

AHPM **75**

**As of 31 December 2020*

MEMBER SERVICES UNIT

In 2020, ESSA worked tirelessly to provide members with free online support, professional development, resources and learning opportunities, with additional focus on maintaining services through a transition to telepractice.

FREE HUMAN RESOURCES ADVICE AND EDUCATION

In response to an increasing number of member enquiries, in 2020 ESSA partnered with Human Resources experts, Strawberry Seed Consulting to provide free advice (by appointment) and online education to ESSA members as part of their membership entitlements. This service is designed to help both employees and employers:

- » Advice and education to **employees** included navigating the complex area of employment contracts, industry pay and awards, and employee rights.
- » Advice and education provided to **employers** included advice on ensuring HR policies, systems and processes are compliant with current employment law, and are in alignment with business goals. Several webinars were delivered throughout 2020 and are available to ESSA members on the website.

MEMBER SUPPORT

In response to COVID-19 and other disasters e.g., bushfires, ESSA developed a free Business Recovery Program for members. The program included 'masterclass' style workshops, resulting in the development of action plans including specific strategies to attract more clients, keep clients, implementation of systems and processes, and how to plan for the future.

ESSA distributed a regular COVID-19 Communique to keep members up to date with state-by-state restrictions and assist members in navigating their way through this constantly changing environment.

An array of resources and online education were released in order to support members in adapting to the changing work environment as a result of COVID-19, including technical elements and soft skills required to transition to telepractice.

MEMBER BENEFITS

ESSA members had access to a range of member benefits, including:

- » Access to a **free podcast** for each full quarter of membership, and a free birthday podcast
- » Access to a range of **free learning activities** delivered by ESSA and eligible for CPD points, including AEP Case Conferences, AES C.A.S.E., Sports Science Meet-Ups, Business and Career Chats, and Q & A sessions
- » **Discounts with Guild Insurance**
- » Access to **job opportunities** on ESSA's Jobs Online page
- » Access to **member discounts** on a range of products and services
- » Free access to the **ESSA Business Network**, including a library of business and human resources (HR) resources and templates, and access to live and recorded business chats
- » Free access to ESSA's **Early Career Network**, to support new graduates and early career professionals in practice through over 90 relevant tools, guides, and career chats
- » Free access to the most relevant databases from **EBSCO journals**, the leading provider of research databases, e-journals, magazine subscriptions and e-books in various disciplines
- » Free access to **The Journal of Clinical Exercise Physiology**, the official journal of Clinical Exercise Physiology Association and Exercise & Sports Science Australia
- » Access to a **list of mentors** across a range of specialty areas, as well as a variety of mentorship resources
- » **Discounted registration** to ESSA professional development and other industry professional development
- » Ongoing **lobbying, advocacy and public awareness campaigns**
- » Fortnightly **eNews**, containing important information and updates
- » ESSA's monthly electronic **MOVE magazine**
- » ESSA's biannual **Activate magazine**

INDUSTRY AWARDS

Each year, ESSA awards and recognises its outstanding accredited members who demonstrate, through their practice, a thorough understanding of the discipline and a strong commitment to the profession and the exercise and sports science industry through their advocacy within the community.

In 2020, ESSA was pleased to recognise the following members through our Industry Awards:

- ★ 2020 Accredited Exercise Scientist of the Year
Dr Keane Wheeler
- ★ 2020 Accredited Exercise Physiologist of the Year
Jade Ellings
- ★ 2020 Accredited Sports Scientist of the Year
Dr Jamie Stanley
- ★ 2020 Practicum Supervisor of the Year
Danilo Mangiameli
- ★ 2020 Practice of the Year
Thriving Exercise Rehabilitation Inc.

FELLOWSHIPS

ESSA Fellowship recognises those who have achieved a high level of professional accomplishment, responsibility and service to ESSA.

In 2020, ESSA welcomed five new Fellows:

- ★ **Associate Professor Annette Raynor**
- ★ **Professor Nigel Stepto** (*awarded posthumously*)
- ★ **Dr John Booth**
- ★ **Associate Professor Lainie Cameron**
- ★ **Richard Turnbull**

PROFESSIONAL DEVELOPMENT

In response to the impact of COVID-19, ESSA delivered a record number of online professional development and learning activities, many of which were free to ESSA members. The introduction of virtual workshops replaced our face-to-face workshops in order to maintain continued delivery of professional development.

SPORTS SCIENCE TWITTER CONFERENCE

In November 2020, ESSA delivered our first Sports Science Twitter Conference (ESSTC20). This was a free opportunity for sports scientists to learn from and engage with four exceptional invited presenters in Darren Burgess, Inigo Mujika, Louise Burke and David Martin, as well as 18 abstract presenters from across Australia and the UK. ESSTC20 was such a success it is now planned as an annual event on ESSA's professional development calendar.

RESEARCH TO PRACTICE CONFERENCE

Unfortunately, ESSA's biennial conference, Research to Practice 2020, scheduled to be held in Perth in April 2020, was postponed until 6-8 May 2021 due to COVID-19 restrictions. The 2021 conference will be held in a virtual format and will include the latest research and its translation, as well as opportunities to connect.

HEALTHY EATING ACTIVITY AND LIFESTYLE PROGRAM

The Healthy Eating, Activity and Lifestyle (HEAL™) program prioritised resource development and priority planning in 2020. A highlight of the year was the completion of the Online Facilitator Training Course; a detailed project which resulted in a far simpler and more convenient learning platform for health professionals to access the training.

The HEAL™ project team also worked towards securing partnerships with private health insurers and expanding partnership opportunities with NGOs and PHNs. Expansion of the HEAL™ program to include a Mental Health version began with its release planned for the first half of 2021.

STANDARDS UNIT

2020 was a significant and challenging year for the industry and ESSA's Standards Council and Standards Unit worked to support professionals through the development and release of ESSA Telepractice Standards and Telepractice Policy Statement.

Other key projects included:

- » Approval of revised Accredited Exercise Scientist Professional Standards.
- » Update to the Accredited Exercise Scientist Scope of Practice.
- » Update to the Code of Professional Conduct & Ethical Practice.
- » Update to the English Language Policy.
- » Commenced review of Accredited Exercise Physiologist Professional Standards.

- » Overseeing and supporting compliance of ESSA professionals with ESSA and industry requirements.
- » Roll out of the updated Standards and Compliance online professional development.

2021 is shaping up to be a major year with a new governance structure and processes being rolled out via a new Standards Council and the finalisation of updated set of Accredited Exercise Physiologist Professional Standards and AEP Scope of Practice. We also anticipate the release of the Australian Safety and Quality Healthcare Commission's National Safety and Quality Primary Health Care Standards (i.e., practice accreditation standards) and are working to ensure ESSA can support allied health businesses in this space.



REGULATION SERVICES UNIT

Accreditation in the exercise and sports science field was no exception to the challenges of 2020. With the emergence of COVID-19 and the subsequent restrictions, it was quickly apparent that there would be a significant impact on students' ability to access practicum placements. After a series of emergency meetings and rapid consultation, the Accreditation Council developed a Provisional accreditation policy and scheme to support affected students.

The Provisional accreditation scheme allowed final-year students enrolled in exercise science, exercise physiology and sports science courses who met specific criteria to graduate, apply for Provisional (practitioner) accreditation, and complete their remaining practicum requirements in a workplace setting before moving to Full accreditation. A temporary increase to the cap on simulated learning hours was also introduced. The scheme has now been extended to December 2021 in recognition of the flow-on effects of restrictions and the impact of further waves.

The COVID-19 lockdown and restrictions similarly impacted the process of accreditation of university exercise and sports science courses, as face-to-face site visits by an ESSA review team have historically been the core component of the process. Like many other sectors, Zoom came to the rescue, with the Course Accreditation Committee rapidly pivoting to a hybrid system of virtual site visits in conjunction with a shorter, facility inspection-only visit undertaken when practical by a locally-based ESSA reviewer or staff member. As a result, all scheduled course reaccreditations were able to be undertaken with minimal delays.

With the release of the 2020 Accredited Exercise Scientist Professional Standards in June, the Accreditation Council and the Regulation Services Unit are undertaking ongoing planning for the implementation of the Standards, which take effect in January 2022. In the latter half of 2020, preparation also commenced for implementation of the upcoming revised Accredited Exercise Physiologist Professional Standards, due to be released in June 2021.

Other key accreditation projects included:

- » An operational review of course accreditation processes, with a focus on streamlining processes and reducing process timelines. Recommendations from the review are expected to be implemented in 2021 and 2022, including research and scoping of the development of online systems to support the application and review process.
- » Commencement of the development of a course accreditation scheme for tertiary sports science courses.
- » Continuous improvement of processes for training and calibration of ESSA course accreditation reviews.
- » Completing implementation of revised sports science professional standards and a revamped pathway to exercise physiology accreditation for internationally qualified applicants.
- » A long-term strategic review of the ESSA accreditation framework to ensure the framework remains aligned with ESSA's strategic vision and future-ready, in light of anticipated changes resulting from the review of the Australian Qualifications Framework, reviews of the National Regulation and Accreditation Scheme, and an increased government focus on short-term training and micro-credentialling.

At an operational level, 2020 saw the successful introduction of electronic submission for accreditation application forms and supporting documents, reducing the carbon footprint of paper-based applications and improving processing timeframes. The next stage of this project is to move to a fully interactive online application submission and processing by the end of 2021.

2021 is anticipated to be a year of further significant change, with the upcoming changes to standards, the implementation of a new governance structure for the Accreditation and Standards Councils, ongoing strategic review work, and exciting developments of technology solutions in the accreditation and regulation space.

POLICY AND ADVOCACY UNIT

ESSA delivered multiple positive developments for members in 2020, with the Policy and Advocacy Unit (PAU) driving progress for members across both Federal and State policy arenas, despite the pandemic.

SUPPORTING MEMBERS TO ADAPT TO POLICY CHANGE

Supporting member professions to pivot and adapt was crucial. PAU helped members navigate the barrage of public health policy changes and information regarding the pandemic and the subsequent lockdowns, and what it meant for members. The strength of ESSA's government, allied health, and health sector networks were reinforced, and relations with State Health Departments and Chief Allied Health Officers have deepened as a result.

PROGRESSING PROFESSIONAL RECOGNITION & WORKFORCE OPPORTUNITIES

PAU developed a State and Territory Policy & Advocacy Framework to augment ESSA's Federal Government relations and continues to work with State Chapters and members to extend local advocacy efforts and outcomes. ESSA's Exercise Physiology Advisory Group (EPAG), Exercise Science Advisory Group (ESAG), and Sports Science Advisory Group

(SSAG) continued to provide grass-root insights in key policy arenas including mental health, National Disability Insurance Scheme (NDIS), and aged care which ensured strong representation for ESSA professionals in policy reform. This includes the professional recognition of AEPs as a vital part of Australia's allied health workforce, with enhancements across several compensable schemes including Medicare Benefit Schedule (MBS) and Private Health Insurance (PHI). In addition, the rollout of ESSA's Sports Science Industry Development Plan in tandem with the continued roll-out of the AES Strategy is increasing professional recognition of Accredited Sports Scientists (ASpS) and Accredited Exercise Scientists (AES), respectively.

A significant strength of ESSA's policy progress this year has resulted from research and published peer-reviewed papers. Advocating for evidence-based policy change is crucial to the professional profile and reputation of ESSA professionals. PAU has worked closely with ESSA's Publications Committee to support the publication of peer-reviewed research, and with the Research Committee to commission research in the efficacy of AEP telehealth interventions, as well as participate in Allied Health Professions Australia's (AHPA) research on evaluating digital readiness and adaptation.



ARENA	OUTCOME	STATUS
Accredited Exercise Scientist advocacy	Expand industry-specific employment opportunities for AES	 In progress
Accredited Sports Scientist advocacy	Recognition of ASpS as a profession with national sporting organisations & sporting codes	 Achieved
COVID-19 emergency response	Recognition of exercise physiology as an essential allied health service in pandemics	 Achieved
Exercise Right for Active Ageing Program	Secure extension of grant funding for additional year to complete roll-out of 12-week exercise program for older Australians	 Achieved
Goods & Services Tax on AEP services	Secure state/territory support to abolish GST on AEP services to enable national abolition	 In progress
MBS item codes for AEP services	Secure MBS item codes for AEP telehealth services	 Achieved
	Secure MBS item codes for AEP services in Residential Aged Care Facilities	
National Disability Insurance Scheme employment opportunities	Secure NDIS fee parity for AEP services in alignment with other allied health professions	 Achieved (Pilot until June 2022)
	Promote AES employment opportunities within the NDIS support workers	
Private Health Insurance rebates	Secure AEP private health rebates with >75% Private Health Insurance providers	 In progress
	Secure rebate codes for AEP telehealth services	
Workers' Compensation schemes	Secure fee parity across state/territory scheme fee schedules with other physical therapies	 Partially achieved (Fee parity in Qld & WA schemes)

MARKETING AND COMMUNICATIONS UNIT

As with most of the world, the work of the Marketing and Communications Unit was turned on its head for the majority of 2020. The team had to shift focus and priorities as events unfolded in Australia.

EXERCISE RIGHT AND PUBLIC PROMOTION

Exercise Right became a vital education platform for the general public who turned quickly to expert information on how to stay fit and healthy at home. A key focus was creating Exercise Right at Home which featured resources on home exercises and relied on instructional videos developed by ESSA-accredited exercise professionals. The information produced was quickly utilised by many State Governments across their own health social media, this included exercise resources for hotel quarantine guests. Exercise Right at Home also provided a range of information on telehealth for the everyday consumer.

Exercise Right Week 2020 also took a different approach this year with many of our events moved online. With exercise sessions, informational webinars and online health assessments on offer, we experienced huge growth in visitor numbers to the website seeking support.

2020 VISITOR NUMBERS

775,868

(2019 comparison 414,288)

Additional promotion by Exercise Right included the publication of ESSA's fourth and fifth eBooks, **Exercise for Kids** and **Exercise for Older Adults**. These free to download resources are developed with the help of ESSA professionals and discuss the benefits of exercise for a wide range of relevant conditions and lifestyles. Both eBooks received over 10,000 downloads each.

MEMBER COMMUNICATIONS

Member communications was a key focus in 2020; with the advent of COVID-19 and the daily changes, communication was vital. In conjunction with the Member Development and Policy and Advocacy teams, much effort was provided into producing content that not only informed but also up-skilled our members.

The daily COVID-19 Communique was a huge task for all involved, however, was a task we felt necessary to keep all ESSA members adequately informed. Solid evidence of the success of this information can be seen in user numbers. Between 1 March to 30 April 2020, the ESSA website experienced user numbers of over 110,000, this is compared to the year before when numbers sat at just over 35,000.

Aside from the COVID-19 changes and associated work, the Marketing and Communications team continued to support ESSA members through regular updates via ESSA eNews, MOVE and Activate magazines, and a range of additional promotional channels.

SPECIAL PURPOSE **FINANCIAL** **REPORT** FOR THE YEAR ENDED **31 DECEMBER 2020**

Exercise and Sports Science Australia Limited

ABN: 14 053 849 460

FINANCIAL REPORT **CONTENTS**

Finance Report 2020	18
Directors' Report	19
Statement of Profit or Loss and Other Comprehensive Income	27
Statement of Financial Position	28
Statement of Changes in Equity	30
Statement of Cash Flows	31
Notes to the Financial Statements	32
Directors' Declaration	46
Independent Auditor's Report to the Members	47

FINANCE REPORT 2020

The role of ESSA's Audit, Finance and Risk Committee is to assist the Board to fulfil its duties in relation to audit, finance, compliance, and risk responsibilities. As Chair of the Committee, it is my pleasure to present ESSA's financial report for the year ended 31 December 2020.

The COVID-19 pandemic presented financial as well as operational challenges for ESSA in 2020. Due to its retained earnings from prior years, ESSA was well-placed to weather the impact of COVID-19 and continue to support its members and accredited professionals during this time, whilst ensuring the Organisation remained viable.

The Board recast the annual budget as soon as social distancing requirements were put in place, and we were operating under several assumptions, particularly with a significant number of members and accredited professionals on instalment plans and our expectations that some might experience significant financial hardship. We worked on the assumption that our professional development stream would face a significant hit and for a considerable period; not knowing how much money we might need to write-off for the 2020 conference in Perth for venue, flights and accommodation costs already paid for.

JobKeeper and other government support initiatives were put in place early, and this gave the Board and CEO confidence that we could continue to operate without having to make major cost reductions. Government support initiatives related to COVID-19 totalled \$758,306, and the employment security JobKeeper afforded our staff was appreciated. This government support, along with reductions in expenditure attained through recasting the budget, and successful negotiations of refunds for a large part of the prepaid conference costs, enabled ESSA to finish the 2020 year with a surplus of \$1,246,225.

Core revenue streams comprised accreditation fees of \$2,208,249 and membership fees of \$1,877,434. Course accreditations were able to continue in a modified format during the pandemic, generating course accreditation income of \$329,348. Professional Development revenue totalled \$187,244 in 2020 compared to \$395,681 for 2019; while conference revenues were \$0 (2020) compared to \$187,123 (2019), much lower than would have been the case if the Research to Practice Conference had been able to be delivered in Perth.

Cash flow remained positive in 2020 and cash balances held by ESSA grew to \$6,424,617 at year end. This is an increase of \$772,325 compared to 2019. It includes \$1,254,605 in ERAA grant funds held over to 2021 due to difficulties in delivering the project during 2020 in the COVID-19 environment. Cash holdings also include \$1,122,148 in 2021 membership, accreditation and other fees paid prior to the end of 2020. However, the full impact of COVID-19 on ESSA will only become evident following full-year professional accreditation and membership renewals in the first quarter of 2021.

As a result of generating an operating surplus, total equity increased to \$3,602,332 at year end. Retained surpluses from 2020 and prior years strengthen our ability to continue to weather the impact of COVID-19 and invest in strategic initiatives that provide increased support and value for members. The ESSA Board is currently in the process of developing of a long-term Financial and Investment Strategy for ESSA that aligns with the ESSA Strategic Plan 2021-2024.

Yours sincerely,

Emeritus Professor Julie Cotter

CHAIR, AUDIT, FINANCE AND RISK COMMITTEE

DIRECTORS' REPORT

Your Directors present their report on the company for the year ended 31 December 2020.

Directors

The following persons were Directors of the company during the whole of the financial year and up to the date of this report unless otherwise stated:

- Dr Kade Davison (completed his term as President and Chair on 3 April 2020)
- Ms Kirsty Rawlings (appointed President and Chair from 4 April 2020)
- Dr Brendan Joss (appointed Vice-President from 4 April 2020)
- Professor Steve Selig
- Professor Aaron Coutts
- Dr Simon Rosenbaum
- Dr Emma Beckmann (elected 3 April 2020)
- Mrs Philippa Ellis
- Emeritus Professor Julie Cotter
- Mr Steve Telburn

Principal Activities

The year of 2020 was the final year of the Strategic Plan: 2017-2020 for ESSA. The strategic plan provides a clear direction to the Board and management of the organisation to bolster the previous work of the organisation.

The company's long-term goals from the Strategic Plan are:

- ESSA will comprise more than 10,000 members and 6000 accredited professionals;
- Clinical Exercise Interventions by Accredited Exercise Professionals will be included as part of standard care for all people with chronic and complex medical conditions or injuries;
- Accredited Exercise Scientist will be the preferred minimum qualification for exercise prescription and delivery for healthy people and those at increased risk;
- All professional sports people and those at representative level will engage the appropriate services of Accredited Sports Scientists or Accredited High Performance Managers;
- Australians will understand and value the benefits of exercise prescribed by an appropriately accredited exercise practitioner.

Along with these goals, the Board wish to continue to:

- Grow the Organisation;
- Promote its industries and its professions and influence key decision makers and stakeholders in the areas of exercise and sports science, health and fitness;
- Establish a strong platform for professional network opportunities and industry linkages for its members;
- Become the organisation of choice for high quality continuing education and professional development in the fields of exercise and sports science;
- Support its members to maintain high professional standards of practice and ensure quality delivery of services to the community.

The 2017-2020 Strategic Plan was designed to:

- Provide guidance to the National Board, National Office, Councils and Committees to plan and focus their work towards achieving the key strategic objectives of the Organisation;
- Inform the progress developing the operational plan, budgeting and allocation of resources of the organisation to meet the key strategic objectives;
- Provide a framework to develop the key performance indicators of the Organisation;
- Inform and communicate with the membership and stakeholders about the direction and intent of the Organisation.

During 2020, ESSA focussed on the following key activities:

- Respond to the impact of COVID-19 on the Organisation and support its membership and accredited professionals to respond to the impact of COVID-19;
- Support University accredited courses to respond to the impact of COVID-19 on curriculum delivery, student placement, course accreditation requirements and graduation of final year students;
- Developed Provisional Accreditation to enable graduating students to complete their required placement hours for Accreditation within two years of graduating from an ESSA accredited course;
- Ongoing liaison, advocacy and provision of advice to key stakeholders, such as the Australian Government, and State and Territory Governments, to assist in determining an appropriate response to COVID-19;
- Developed the ESSA Telepractice Standards and Policy Statement to support AEP, AES and Sports Science members to respond and ensure quality standards and best possible health outcomes for telehealth business practices;
- Lobbying for the recognition of ESSA accredited professionals providing services via Telehealth in response to COVID-19, and commissioning research to support the ongoing delivery of services via Telehealth by ESSA accredited professionals;
- Lobbying activities using ESSA's strategic policies;
- Ongoing liaison and advocating with health funds, regulatory agencies (e.g. Medicare, Department of Veterans' Affairs, WorkCover, NDIA), sport, physical activity and health organisations and coalitions;
- Delivery of finalised Accredited Exercise Scientist Standards;

- Review of ESSA's Accreditation and Standards Governance and implementation of new Standards and Accreditation Councils to commence on 1 January 2021;
- Implementation of Sports Science Industry Plan 2020-2025, including advocating for an Industry Award for Accredited Sport Scientists;
- Delivery of ESSA Leader's Academy to identify and support emerging leaders for ESSA, the ESSA Business Network to support members with their business journey and ESSA Early Career Network to support new ESSA members and accredited professionals in establishing their career;
- Delivery of Sport Australia's Move It Aus – Better Ageing grant program, Exercise Right for Active Ageing;
- Implementation of ESSA's inaugural ESSA Research Strategy, including the development of a research platform and publication of two position statements;
- Development of Exercise Right at Home to promote the telehealth services of our professionals and support Australians with remaining active during the impact of COVID-19;
- Delivery of a successful Exercise Right week promoting the importance of the right practitioner at the right time, and promotion of Exercise Right to General Practitioners and Practice Nurses (700,000 website users in 2020);
- Exercise Right website numbers have surpassed all records to date and is on track to reach 700,000 users in a single year;
- IT upgrades to improve member and stakeholder experience and operational efficiencies;
- Continued delivery under the ESSA Reconciliation Action Plan;
- Continued promotion of ESSA internationally, including leading the formation of the International Confederation of Sport and Exercise Science Practice with ESSA as a founding member.

The Board and management remain committed to the development of a long-term Financial and Investment Strategy for ESSA, and this will align with the ESSA Strategic Plan 2021-2024. Surpluses generated in 2020 and earlier years has ensured that ESSA is well-placed to invest these retained earnings to ensure increased value for members and sustainability of the Organisation. As yet, the true impact of COVID-19 on ESSA is yet to be realised, and this will become evident following member and accredited professional renewals in early 2021. Due to its retained earnings, ESSA was well-placed to weather the impact of COVID-19 and continue to support its members and accredited professionals during this time, whilst ensuring the Organisation remained viable.

The Financial and Investment Strategy is intended to ensure that ESSA's financial position continues to provide the strength to underpin investment in strategic initiatives that benefit members and promotes efficient and effective administration of the business.

Key Performance Measures

The organisation measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

	2020		2019	
	Actual	Target	Actual	Target
Membership				
<i>* There are a number of members who are accredited across more than one accreditation category.</i>				
Full membership	7276	7298	6516	6244
Accredited Exercise Physiologist	6315	6391	5706	5662
Accredited Exercise Scientist	742	692	629	528
Accredited Sports Scientists	353	316	301	211
Accredited High-Performance Managers	75	58	55	40
Complimentary student members	2483	2576	2454	3147
Total membership (incl students)	9809	9939	9006	9502
Operational and financial				
Proportion of funding provided by:				
- membership	\$1,877,434	\$1,730,185	\$1,487,221	\$1,585,194
- accreditation	\$2,208,249	\$2,008,066	\$1,832,336	\$1,838,740
- professional development	\$187,244	\$248,179	\$395,681	\$327,209
- conference/business forum	\$0	\$0	\$187,123	\$187,727
- course accreditation	\$329,348	\$200,000	\$443,359	\$534,889
Proportion of funding spent on:				
- operational	\$4,689,148	\$4,601,061	\$4,334,658	\$4,376,216
- conference/business forum	\$78,125	\$0	\$178,413	\$181,822
- course accreditation	\$300,552	\$317,041	\$333,056	\$337,368

Information on Directors

Dr Kade Davison	Dip. Bldg Tech (Contract Admin/Quant Survey), B AppSci (HMS), B Hlth Sci (Hons) PhD, AEP, GAICD	Lecturer – University of South Australia	President (January to April 2020) Director Chair of Governance and Nominations Committee (January to April 2020) Co-Chair of Standards & Accreditation Governance review Committee Member of International Alliance Steering Committee
Ms Kirsty Rawlings	BAppSc (ExSpSc), Hons HMS, B Ed Studies, AEP GAICD	Lecturer – University of South Australia	President (April to December 2020) Chair of the Governance and Nominations Committee (April to December 2020)
Dr Brendan Joss	B.Sc. (Hons), PhD, AEP	Managing Director – HFRC Pty Ltd. Adjunct Assoc. Prof – University of Western Australia.	Vice President
Dr Emma Beckmann	B App Sci HMS (Ex Sci) (Hons), PhD, AEP, ASpS	Senior Lecturer The University of Queensland	Director

Dr Simon Rosenbaum	BSc (Health & Ex Sc), Hons, PhD, AEP	Associate Professor – University of New South Wales Honorary Fellow – Black Dog Institute	Director Member of the Audit, Finance and Risk Committee
Professor Steve Selig	BSc (Hons), DIP (PE), PhD, AES, AEP, ESSA Fellow	Professor, Clinical Exercise Science – Deakin University - retired	Director Member of the Audit, Finance and Risk Committee
Professor Aaron Coutts	BAppSc(HMS), PhD, ASpS	Professor – University of Technology Sydney Sports Science Consultant – Carlton Football Club	Director
Mrs Philippa Ellis	B.Sc., B.Comm, GAICD, AGIA	Non-executive Director – Catherine Hamlin Fistula Foundation Governance Adviser – Commonwealth Bank Secretarial – FIRST Advisers	Director Member of Governance and Nomination Committee
Emeritus Professor Julie Cotter	B.Comm (Hons), PhD, GAICD, FCPA, CA	Independent Member, Audit and Risk Management Committee, Department of Education Queensland	Director Chair of Audit, Finance and Risk Committee

		<p>Board member, Darling Downs Hospital and Health Board</p> <p>Chair, Australian Institute of Company Directors Toowoomba Regional Committee</p> <p>Honorary Professor, University of Southern Queensland</p>	
Mr Steve Telburn	MBA, BSc, GAICD	<p>Appointee of Innovation and Science Australia Board</p> <p>Director, Secret Sauce Pty Ltd</p> <p>Director, Sundale Ltd</p>	<p>Director</p> <p>Member of the Audit, Finance and Risk Committee</p>

Meetings of Directors

During the financial year, 9 meetings of Directors were held. Attendances by each Director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Dr Kade Davison	3	3
Ms Kirsty Rawlings	9	8
Dr Brendan Joss	9	9
Dr Emma Beckmann	6	6
Dr Simon Rosenbaum	9	9
Professor Aaron Coutts	9	9
Mrs Philippa Ellis	9	8
Professor Steve Selig	9	9
Emeritus Professor Julie Cotter	9	9
Mr Steve Telburn	9	9

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$98,090 (2019: \$90,060).

This report is made in accordance with a resolution of the Directors.



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Director

Brisbane, 09/04/2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2020

	Notes	2020	2019
		\$	\$
Revenue	2	6,315,005	5,068,995
Employment benefits and on costs		(2,839,769)	(2,504,656)
Depreciation and amortisation expense		(14,829)	(37,771)
Depreciation – Right of Use Lease		(224,990)	(240,534)
Course Accreditation expenses	4	(300,552)	(333,056)
ERAA Grant expenditure		(443,890)	(194,086)
Administration expenses	3	(1,244,750)	(1,536,024)
Profit/(loss) before income tax		1,246,225	222,868
Income tax expense	1(k)	-	-
Profit/(loss) for the year		1,246,225	222,868
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Profit/(loss) attributable to members of the entity		1,246,225	222,868

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Notes	2020	2019
		\$	\$
CURRENT ASSETS			
Cash	5	6,424,617	5,652,292
Trade and other receivables	6	153,318	200,548
Inventories	7	3,381	1,219
Total Current Assets		6,581,316	5,854,059
NON-CURRENT ASSETS			
Plant and equipment	8	26,667	37,468
Other assets	9	3,358	2,950
Lease deposit	10	77,220	77,220
Right of use – Lease Asset	11	1,224,379	260,579
Total Non-Current Assets		1,331,624	378,217
TOTAL ASSETS		7,912,940	6,232,276
CURRENT LIABILITIES			
Trade and other payables	12	347,900	320,962
Provisions	13	297,488	189,418
Deferred revenue	14	2,376,753	3,002,196
Right of Use – Lease Liability	16	235,039	230,280
Total Current Liabilities		3,257,180	3,742,856

	Notes	2020	2019
		\$	\$
NON-CURRENT LIABILITIES			
Provisions	15	64,163	90,863
Right of Use – Lease Liability	16	989,265	42,450
Total Non-Current Liabilities		1,053,428	133,313
TOTAL LIABILITIES		4,310,608	3,876,169
NET ASSETS		3,602,332	2,356,107
EQUITY			
Retained earnings	17	3,602,332	2,356,107
TOTAL EQUITY		3,602,332	2,356,107

The above Statement of Financial Position should be read in conjunction
with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	Notes	2020	2019
		\$	\$
Total equity at the beginning of the year		2,356,107	2,133,239
Total comprehensive income/(loss) attributable to the entity		1,244,225	222,868
Total equity at the end of the year	17	<u>3,602,332</u>	<u>2,356,107</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

	Notes	2020	2019
		\$	\$
		Inflows/ (Outflows)	Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,208,487	6,078,556
Receipt – grant income (balance received June 2020)		183,800	1,654,200
Receipts from Government initiatives	20(b)	758,306	-
Payments to suppliers and employees		(5,184,077)	(5,067,125)
		<hr/>	<hr/>
		966,516	2,665,631
Interest received		64,263	106,405
Interest expense – lease liability		(21,484)	(20,045)
Net cash generated from operating activities	20(a)	<hr/>	<hr/>
		1,009,295	2,751,991
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(7,042)	(44,924)
Payments to Trademarks		-	-
Net cash (used in)/generated from investing activities		<hr/>	<hr/>
		(7,042)	(44,924)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for lease liability		(229,928)	(228,383)
Net cash (used in)/generated from financing activities		<hr/>	<hr/>
		(229,928)	(228,383)
Net increase in cash held		772,325	2,478,684
Cash at the beginning of the financial year		5,652,292	3,173,608
Cash at the end of the financial year	20(c)	<hr/>	<hr/>
		6,424,617	5,652,292

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general-purpose financial reports. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Exercise and Sports Science Australia Limited is an Australian Public Company limited by Guarantee, incorporated and domiciled in Australia.

The financial statements have been prepared in accordance with the recognition and measurement requirements in the Australian Accounting Standards, and the disclosure requirements of the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 09/04/2021 by the directors of the company.

Accounting policies

(a) Revenue

Revenue is recognised in accordance with AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2020).

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

Membership revenue and Accreditation fees are recognised over time that is over the life of its annual period ending in December every year.

Course accreditation income is recognised over time, in line with cost incurred on the project.

Business conference and Forum income are recognised only when its performance obligation are met being the conclusion of the events. As the 2020 Conference was postponed to 2021, income received has been deferred. Similarly, all other type of revenue with a similar nature, such as Professional education courses and advertising income are recognised when such service has been delivered.

The Exercise Right for Active Aging (ERAA) grant has been recognised under AASB 15. The ERAA grant has enforceable and sufficiently specific performance obligations, with the grant revenue being recognised based on costs incurred for the relevant period.

Interest revenue is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Deferred Revenue

Revenue received in advance is deferred and recognised as a current liability. Deferred revenue is recognised as revenue in the Statement of Profit or Loss and Other Comprehensive Income when the service or event to which the revenue relates has occurred.

(c) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit losses. Receivable amounts are usually settled within 30 days.

The carrying value of trade receivables is considered a reasonable approximation of fair value. All receivables have been reviewed for indicators of impairment. The 'expected credit loss' (ECL) model per AASB 9 has also been considered. Based on the management's assessment of historical provision rates, no provision for doubtful debts was considered necessary.

(d) Inventories

Goods are carried at the lower of cost and current replacement cost.

(e) Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office Equipment	10-50%
Computer Equipment	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(f) Leases

Leases are accounted for in accordance with AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

Lease recognition is of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets). Depreciation of the right-of-use asset is in line with AASB 116: *Property, Plant and Equipment*.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date discounted using the Company's incremental borrowing rate. Then, it is subsequently measured at amortised cost using the effective interest method.

(g) Impairment

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

(h) Employee Entitlements*Superannuation*

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of twelve months or less and bank overdrafts.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income tax

The Company is a not for profit organisation which is exempt from the payment of company income tax under Division 50 of the Income Tax Assessment Act 1997.

(l) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The

balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(n) New accounting standards for application in future periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

On 1 August 2019, the Australian Accounting Standards Board (AASB) issued *ED 295 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*. The proposal includes replacing the current Reduced Disclosure Requirements (RDR) framework for Tier 2 entities preparing general purpose financial statements (GPFS) with a Simplified Disclosure framework.

ESSA currently is a non-reporting entity and produces special purpose financial statements (SPFS). The ability to prepare SPFS remains for Not-for-Profit private sector entities under the proposals in ED 295. Therefore this standard is not applicable for the Company.

(o) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

There are no estimates or judgements used by management that have a material impact on these financial statements.

(p) Comparative amounts

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

for the year ended 31 December 2020

	2020	2019
	\$	\$
2. REVENUE		
Accreditation fees	2,208,249	1,832,336
Membership dues	1,877,434	1,487,221
Professional education courses	187,244	395,681
Advertising income	74,512	98,919
Interest income	50,084	89,109
Insurance income	118,682	108,326
Conference income	-	-
Business forum income	-	187,123
Course Accreditation income	329,348	443,359
Sponsorship income	26,244	1,545
ERAA Grant income (incl interest)	487,051	194,087
Other income	197,851	231,289
Government support initiatives (COVID)	758,306	-
	<u>6,315,005</u>	<u>5,068,995</u>

3. ADMINISTRATION EXPENSES

Conference expenses	-	-
Business forum	-	178,413
Professional fees	220,056	131,928
Board remuneration	47,194	58,489
Travel and accommodation	49,336	193,811
IT expenses	129,036	77,922
Rent & outgoings	44,070	8,709

for the year ended 31 December 2020

Administration Expenses Cont'd	2020	2019
	\$	\$
Advertising and promotion	90,288	124,740
Subscriptions	156,113	94,651
Venue hire	12,958	120,461
Presenter fee	23,231	79,727
Printing and postage	10,069	59,437
Membership packs	52,668	25,487
Equipment rental	14,770	40,635
Grants and awards	10,007	16,333
Other	384,954	325,281
	<u>1,244,750</u>	<u>1,536,024</u>

4. COURSE ACCREDITATION EXPENSES

Salary expenses	191,815	185,909
Other expenses	108,737	147,147
	<u>300,552</u>	<u>333,056</u>

5. CURRENT ASSETS - Cash

Cash at bank	6,424,482	5,652,157
Cash on hand	135	135
	<u>6,424,617</u>	<u>5,652,292</u>

for the year ended 31 December 2020

6. CURRENT ASSETS – Trade and other receivables	2020	2019
	\$	\$
Trade receivables	19,782	14,315
Other receivables	24,193	50,391
Prepayments	109,343	135,842
	<u>153,318</u>	<u>200,548</u>
7. CURRENT ASSETS – Inventories		
Stock on hand	3,381	1,219
	<u>3,381</u>	<u>1,219</u>
8. NON-CURRENT ASSETS - Plant and equipment		
Office equipment – at cost	66,525	103,109
Accumulated depreciation	(45,575)	(74,706)
	<u>20,950</u>	<u>28,403</u>
IT System	10,047	19,725
Accumulated depreciation	(4,330)	(10,660)
	<u>5,717</u>	<u>9,065</u>
Total plant and equipment	<u>26,667</u>	<u>37,468</u>

for the year ended 31 December 2020

9. NON-CURRENT ASSETS	2020	2019
	\$	\$
Trademark	2,950	2,950
Loan – ICOAESP Ltd	408	
	<u>3,358</u>	<u>2,950</u>
10. NON-CURRENT ASSETS – Lease deposit		
Lease deposit	77,220	77,220
	<u>77,220</u>	<u>77,220</u>
11. RIGHT OF USE – Lease Asset		
Lease on 9 Hercules Street (5 years from 1 December 2020)	1,246,699	501,113
Less: Accumulated depreciation	(22,320)	(240,534)
	<u>1,224,379</u>	<u>260,579</u>
12. CURRENT LIABILITIES – Trade and other payables		
Trade creditors	67,641	15,637
ATO liabilities	166,410	179,176
Accrued liabilities	112,550	124,844
Other payables	1,299	1,305
	<u>347,900</u>	<u>320,962</u>

for the year ended 31 December 2020

13.	CURRENT LIABILITIES - Provisions	2020	2019
		\$	\$
	Provision for annual leave	179,738	131,125
	Provision for long service leave (>10 years)	117,750	58,293
		<u>297,488</u>	<u>189,418</u>
14.	CURRENT LIABILITIES – Deferred Revenue		
	Membership, accreditation and other fees in advance	1,122,148	1,507,724
	ERAA Project Grant	1,254,605	1,499,472
		<u>2,376,753</u>	<u>3,002,196</u>
15.	NON-CURRENT LIABILITIES - Provisions		
	Provision for long service leave (<10 years)	64,163	90,863
		<u>64,163</u>	<u>90,863</u>
16.	RIGHT OF USE – Lease Liability		
	Current portion - Lease on 9 Hercules Street Hamilton	235,039	230,280
	Non-current portion – Lease on 9 Hercules Street Hamilton	989,265	42,450
		<u>1,224,304</u>	<u>272,730</u>
17.	RETAINED PROFITS		
	Retained profits at the beginning of the financial year	2,356,107	2,133,239
	Net profit/(loss)	1,246,225	222,868
	Retained profits at the end of the financial year	<u>3,602,332</u>	<u>2,356,107</u>

for the year ended 31 December 2020

18. MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31 December 2020 the member contribution was \$98,090 (2019: \$90,060).

	2020	2019
	\$	\$
19. REMUNERATION OF AUDITORS		
Amounts received, or due and receivable by the auditors of the company for auditing the accounts of the company	12,500	9,600
Other services	-	1,100
	<u>12,500</u>	<u>10,700</u>

for the year ended 31 December 2020**20. NOTES TO THE STATEMENT OF CASH FLOWS**

- (a) Reconciliation of profit/(loss) from ordinary activities after income tax to net cash inflow from operating activities

	2020	2019
	\$	\$
Net profit/(loss)	1,246,225	222,868
Depreciation	254,292	278,305
Loss on disposal of non-current assets	2,047	-
Gain on cancellation of rental lease	(20,794)	-
Change in operating assets and liabilities:		
(Increase)/decrease in Trade and other debtors	47,230	145,621
(Increase)/decrease in inventories	(2,162)	5,676
Increase/(decrease) in revenue received in advance	(625,443)	2,188,083
Increase/(decrease) in Other Assets	(408)	-
Increase/(decrease) in trade creditors	26,938	(144,213)
Increase/(decrease) in other provisions	81,370	55,651
Net cash inflow from operating activities	<u>1,009,295</u>	<u>2,751,991</u>

- (b) Cash receipts from Government COVID-19 support initiatives.

Federal Govt JobKeeper	614,100	-
Federal Govt Cash flow boost	100,000	-
State Govt Payroll Tax refund	44,206	-
Net cash inflow from COVID-19 initiatives	758,306	

- (c) Reconciliation of cash

Cash at bank and on hand	6,424,617	5,652,292
Cash per Statement of Cash Flows	<u>6,424,617</u>	<u>5,652,292</u>

for the year ended 31 December 2020

21. EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

22. COMPANY DETAILS

The registered office of the company is:

9 Hercules Street

HAMILTON QLD 4007

The principal place of business is:

9 Hercules Street

HAMILTON QLD 4007

DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 23, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

- i. comply with the Australian Accounting Standards (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- ii. give a true and fair view of the financial position of the company as at 31 December 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



.....

Director

Brisbane, 09/04/2021

INDEPENDENT AUDITOR'S REPORT



Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Exercise and Sports Science Australia Limited (the "Company"), which comprises the statement of financial position as at 31 December 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

In our opinion the financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulations 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Australian Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration, which has been given to the members of the Company, would be in the same terms if given to the members as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Non-for-Profit Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EXERCISE AND SPORTS SCIENCE AUSTRALIA LIMITED(Continued)**



Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Non-for-Profits Commission Act 2012* and the needs of the members. The directors' responsibility also includes for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EXERCISE AND SPORTS SCIENCE AUSTRALIA LIMITED(Continued)**



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bentleys

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Ashley Carle

Ashley Carle
Partner
Brisbane
20 April 2021



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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60.40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012**

TO THE DIRECTORS OF EXERCISE & SPORT SCIENCE AUSTRALIA

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads "Bentleys".

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

A handwritten signature in blue ink that reads "Ashley Carle".

Ashley Carle
Partner
Brisbane
9 April 2021



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SPECIAL PURPOSE
FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2020

