NPS MEDICINEWISE

CELEBRATING 20 YEARS 1998–2018

2018 ANNUAL REPORT

CELEBRATING OUR LEGACY

SHAPING THE FUTURE


CELEBRATING
20
YEARS
1998–2018

CONTENTS

ABOUT NPS MEDICINEWISE

OUR MISSION...

To enable people to make and act on the best decisions about medicines, medical tests, health technologies and other options for better heath and economic outcomes.

WHO WE ARE...

NPS MedicineWise was established in 1998 as the National Prescribing Service Ltd. For two decades we have progressed the quality use of medicines objectives of Australia's National Medicines Policy, working in partnership across the sector and with health professionals and consumers to improve the way decisions are made about medicines and other health technologies.

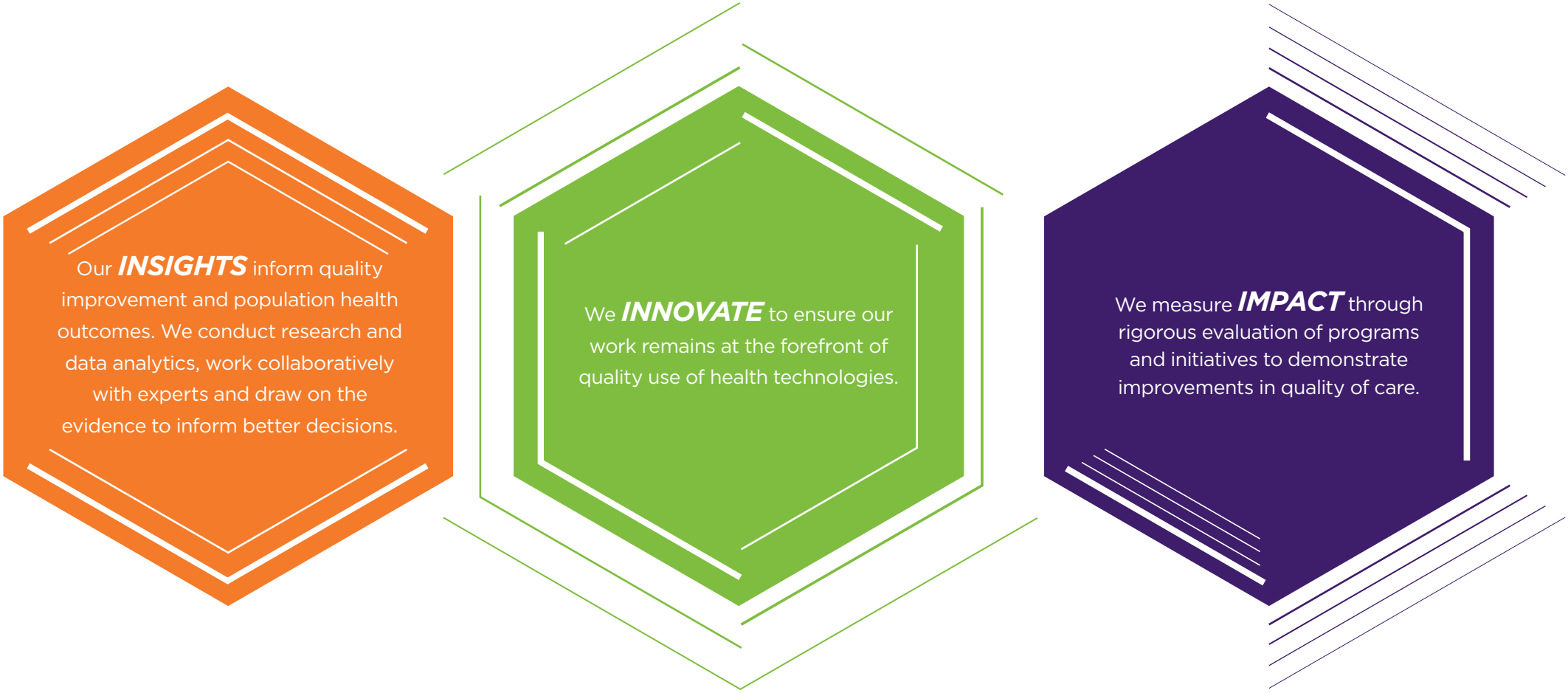
We are an **independent**, **not-for-profit** and **evidence-based** Australian organisation.

WHAT WE DO...

We design and deliver evidence-based interventions to positively influence practice and improve health care decision making, and offer a suite of products and solutions for clinical improvement, knowledge transfer and health insights. Our priority is to keep consumers at the centre of all we do and focus where we can make the most difference.

NPS MedicineWise works collaboratively and in partnership across the health sector to create and drive positive change for the health system, ensure value for payers, and achieve maximum impact for health professionals and consumers.

Our programs and services are funded by a range of government and non-government customers.


Our INSIGHTS inform quality improvement and population health outcomes. We conduct research and data analytics, work collaboratively with experts and draw on the evidence to inform better decisions.
We INNOVATE to ensure our work remains at the forefront of quality use of health technologies.
We measure IMPACT through rigorous evaluation of programs and initiatives to demonstrate improvements in quality of care.

OUR MEMBER ORGANISATIONS

Our member organisations are partners to achieving quality use of medicines and medical tests. Members represent the community, general practitioners, pharmacists, specialists, nurses, other health professionals, health service providers, the pharmaceutical industry and government.

- Asthma Australia
- Australian Association of Consultant Pharmacy (AACP)
- Australasian Medical Writers Association (AMWA)
- Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists (ASCEPT)
- Australian and New Zealand College of Anaesthetists (ANZCA)
- Australian College of Nursing (ACN)
- Australian College of Nurse Practitioners (ACNP)
- Australian College of Rural and Remote Medicine (ACRRM)
- Australian Dental Association (ADA)
- Australian Government Department of Health
- Australian Government Department of Veterans' Affairs
- Australian Healthcare & Hospitals Association (AHHA)
- Australian Medical Association (AMA)
- Australian Nursing and Midwifery Federation (ANMF)
- Australian Pensioners and Superannuants Federation
- Australian Primary Health Care Nurses Association (APNA)
- Australian Private Hospitals Association
- Australian Self-Medication Industry (ASMI)
- Carers Australia
- Chronic Illness Alliance
- Consumers' Health Forum of Australia (CHF)
- Council on the Ageing (COTA)
- Diabetes Australia
- Federation of Ethnic Communities' Councils of Australia (FECCA)
- Generic and Biosimilar Medicines Association
- Health Education Australia Limited (HEAL)
- Lung Foundation Australia
- Medical Software Industry Association (MSIA)
- Medicines Australia
- National Aboriginal Community Controlled Health Organisation (NACCHO)
- National Asthma Council of Australia
- National Heart Foundation of Australia
- NSW Therapeutic Advisory Group Inc. (NSW TAG)
- Optometrists Association Australia
- Palliative Care Australia
- Pharmaceutical Society of Australia (PSA)
- Pharmacy Guild of Australia
- Royal Australasian College of Physicians (RACP)
- Royal Australian College of General Practitioners (RACGP)
- Royal Australian and New Zealand College of Psychiatrists (RANZCP)
- Royal Australian and New Zealand College of Radiologists (RANZCR)
- Royal College of Pathologists of Australasia (RCPA)
- Rural Doctors Association of Australia (RDAA)
- Society of Hospital Pharmacists of Australia (SHPA)
- Therapeutic Guidelines Ltd

MESSAGE FROM THE CHAIR

Peter Turner

In this era of unprecedented advancements in health technologies, we are afforded more treatment options than ever before, bringing hope to people living with previously untreatable or debilitating conditions. At the same time access and affordability is an ongoing challenge for the Australian health sector to navigate whilst balancing community expectations and the realities of fiscal constraints. As the 'new and shiny' promises so much, the role of NPS MedicineWise in supporting evidence-based decision making and implementation of new health technologies into practice is more important than ever.

Achieving quality use of health technologies remains a cornerstone of safe and effective healthcare. However it is not a set and forget or tick box exercise. In this fast changing environment and with continued proliferation of new health technologies, health professionals need ongoing access to independent, evidence-based information and education to make the best decisions; consumers need to be supported and empowered to participate actively in their health care; and health systems must embrace and embed quality use frameworks.

2017–18 marks twenty years since the establishment of NPS MedicineWise as the National Prescribing Service with a clear mandate to drive quality use of medicines at a national level. From a small startup with a single member of staff, NPS MedicineWise has grown to be internationally recognised as a model for other countries to follow to improve the way medicines, medical tests and other health technologies are used in practice. In 2016 the Lancet Commission on Essential Medicines Policies recognised and commended NPS MedicineWise as the only example of an independent organisation working at a national level to implement multifaceted quality use of medicines interventions and assess impacts and outcomes using the strongest evaluation approaches.

This national capability is key to achieving real impact. NPS MedicineWise has been privileged to have the support of peak health and community organisations as members, partners and collaborators. We have built trust with health professionals and the community by always keeping the consumer at the centre of what we do, and the needs of our audiences at the fore. Our approach is, and has always been, to work where we believe we can make the most positive difference. We are also highly consultative and collaborative to avoid duplication of effort and ensure we achieve the best value for money. Health is a very crowded, complex and evolving space, and I'm very proud of our ability to recognise and adapt to changes in the environment. Initiatives like MedicineInsight and Choosing Wisely Australia® are recent innovations reflecting new directions in health care management and decision making, and these have progressed remarkably in a few short years.

One of the biggest challenges for any organisation receiving government funding is the fiscal environment and budgetary constraints. In the past few years we have seen these conditions tighten right across the sector, and many organisations have experienced significant funding reductions, including ours. However the recent announcement in the May Federal Budget of funding for the next four years was very welcome and reaffirms the value of our work to the Australian community.

> *"Our approach is, and has always been, to work where we believe we can make the most positive difference."*

The NPS MedicineWise Board recognised some time ago that funding diversification was a necessary reality for the organisation, and relying on a sole funding source is too high risk for any company.

In addition to pursuing other opportunities in our own right, three years ago we established VentureWise as a small, wholly-owned subsidiary to work with non-government clients. This approach enables the group to extend its reach and impact beyond our largely Commonwealth funded activities, and diversify funding sources in line with the Board's long term view this is necessary for organisational sustainability. This expansion supports achievement of our mission to enable people to make and act on the best decisions about medicines, medical tests and other health choices for better health and economic outcomes.

Our customer base includes governments, institutions, industry, health service

providers and other non-government and commercial clients. Some have questioned why we would have anything to do with the pharmaceutical sector. As one arm of the National Medicines Policy and partner to the National Strategy for Quality Use of Medicines the pharmaceutical sector has a clear responsibility to support quality use of medicines. By engaging with independent medical education providers like us it removes concerns about educational activities having a product bias or marketing bent. With a 20 year history of addressing quality use issues there is no question about our education — it is never product-specific or framed within a marketing context. All projects we agree to must adhere to strict independence requirements and be aligned with our mission. There have been several instances where we have walked away from negotiations if this is not understood or agreed. Maintaining our independence and trust with health professionals and the community is sacrosanct, and we are very transparent about who we are working with and why.

During 2017-18 we reached more health professionals through our education programs than ever before with close to 30,000 educational visits held in general practices across the country. Commonwealth-funded educational visiting programs during the year focused on dyslipidaemia, osteoarthritis, neuropathic pain and rheumatoid arthritis. Visiting projects funded by other customers included difficult-to-treat asthma, management of unmet long-term health needs of people living with HIV, and assessing and supporting patients with chronic hepatitis C. This breadth of programs has been incredibly rewarding for our people as they have worked in areas of clear need to improve health outcomes for Australians.

In July we farewelled the inaugural chief executive Dr Lynn Weekes after twenty years of service. Lynn's contribution to quality use of medicines and medical tests in this country has been immense, and on behalf of the board I would like to thank her for her remarkable dedication, leadership and commitment to this organisation and improving health outcomes for Australians.

Steve Morris joined us in September as the new CEO to continue leading our passionate, expert staff in pursuit of our mission. Steve was most recently Chief Pharmacist and Executive Director Pharmacy Services for South Australia Health, and in the UK he was deputy CEO of the National Prescribing Centre. He brings a wealth of experience and expertise in quality use of health technologies and we are delighted to have him on board.

In this special anniversary year I would like to extend my thanks to past and present directors, the management and staff of NPS MedicineWise and VentureWise, our member organisations and honorary members, our customers and Australia's health care professionals who work tirelessly to improve healthcare for all.

MESSAGE FROM THE CEO

Steve Morris

I feel very privileged to take over the leadership of an organisation that has been personally influential throughout my own career, both as a pharmacist and passionate advocate for quality use of health technologies and the implementation of evidence-based practice.

Since joining in September 2018 I have been able to meet with staff, customers and stakeholders and I've been astounded at the depth and breadth of expertise, and the commitment and dedication to achieving the mission of NPS MedicineWise. People are resilient, focused on meeting the needs of Australian consumers and health professionals, and always ensuring the highest quality standards for our products and services.

During the last year the organisation has again been able to demonstrate significant improvements in the way medicines and medical tests are prescribed and used to improve health outcomes for Australians.

The 20th Annual Evaluation Report—published in January 2018—highlighted $73.65 million in savings to the Pharmaceutical Benefit Scheme (PBS), $22.58 million in savings to the Medical Benefits Schedule (MBS), and cost benefit analysis of the 2014 Asthma Program showing $2.44 returned for every dollar invested. Importantly, we were able to demonstrate improvements in GP knowledge and confidence in the areas of chronic pain management, osteoporosis, blood pressure, managing depression and quality use of proton pump inhibitors. For 2017–18 we are reporting PBS savings of $71.06m and MBS savings of $14.44m.

Our resources for health professionals continue to be highly valued and popular. Australian Prescriber, RADAR and Medicinewise News subscription rates continue to grow, along with traffic to our website with around 12 million visits during the year. Our reach with health professional audiences continues to expand with over 16,000 unique GPs, 3,400 specialists and 9,000 pharmacists participating in our programs during the year.

The Medicinewise App has been enhanced further to provide more utility to users. This free and handy tool continues to support consumers to manage medicines and health information for themselves and people they care for. Implementation of a content management system during the year enabled us to upload content for consumers in line with our therapeutic programs, and active sessions on the app has grown by around 10% per month since February.

Choosing Wisely Australia has continued to go from strength to strength. We now have 80% of medical colleges and several societies and associations participating in the initiative and 178 recommendations about tests, treatments and procedures healthcare providers and consumers should question have been released. Twenty-two health services across the country have embraced Choosing Wisely, championing and embedding recommendations and principles within their own organisations. The first state-wide scale-up of the initiative among health services began in Victoria in May, with grants from the state government's Better Care Victoria Innovation Fund. At the 2018 Choosing Wisely Australia National Meeting held in May, NPS MedicineWise was recognised as a leading implementer of the initiative globally. A partnership with Consumers Health Forum (CHF) will deliver new co-designed resources to grow consumer awareness and engagement.

We have enhanced our data and health informatics capability as MedicineInsight evolves and matures. MedicineInsight is a unique and important national data resource, and we have worked on a number of projects during the year with researchers, institutions and government agencies to examine how this complex and granular data may support better patient care and health decision making. Interest from general practice to participate in MedicineInsight continues to grow. There is more awareness of the benefits of involvement, including access to tailored data reports and quality improvement, and measurable impacts on patient care. We take our role as data custodian very seriously and have implemented rigorous data governance frameworks along with confidentiality and security systems during the year to protect and manage use of data. Decisions about use of data are made by an independent Data Governance Committee and must align with the public good ethos of MedicineInsight and expectations of participating practices.

"This year we have reflected on two decades of success... now is the time to look forward."

NPS MedicineWise is highly cognisant of the need to engage consumers in digital health. During the year we worked on a research project with CHF to examine consumer attitudes to use of their health data. This was an important piece of

work entailing qualitative interviews, literature reviews, surveys and a round table discussion with key stakeholder organisations and consumer representatives. Key themes included the desire of consumers to have ownership of and control over their own health data, a willingness to share data when it is for public or individual good, and the importance of transparency on the part of data custodians and data users. These insights are informing our consumer engagement with our health data initiatives like MedicineInsight, and we strive to lead the way in best practice and also share these learnings with others.

Core priorities for NPS MedicineWise under my leadership include:

- ensuring we continue to develop and deliver programs and initiatives that are evidence-based, audience-centric and focused on achieving the best health outcomes for people
- demonstrating value to our customers
- being an agile, effective and efficient organisation, attracting and retaining the best talent to deliver on mission
- focusing on areas of real strength for the group: our ability to scale up and implement nationally; proficiency in navigating the complexity of the health system and bringing multiple stakeholders together to effect change; our expertise in knowledge translation and interpreting evidence to make this meaningful for different settings and contexts; our growing capability in health data analytics and quality improvement; our commitment to genuine collaboration and codesign; and placing consumers firmly at the centre of all we do.

This year we have reflected on two decades of success and celebrated all that has been achieved to date. Now is the time to look forward and focus our efforts on continuing to advocate for quality use of health technologies for all Australians. The future promises to be exciting and there are many opportunities to work in partnership with our members and stakeholder organisations across the health sector. For those of you I haven't yet met I look forward to doing this in the coming months.

CELEBRATING 20 YEARS OF IMPACT

2018 marks 20 years since the establishment of NPS MedicineWise as the National Prescribing Service Limited.

In this special anniversary year we celebrate two decades of leading quality use of medicines and better decision making about health technologies.

Since 1998 we have implemented over ***50 multifaceted educational programs*** *and delivered over* ***300,000 educational visits*** *to general practitioners.*

Our work is aimed at improving health outcomes for Australians and supporting better utilisation of health resources. Since 1998 we have reported ***PBS savings of over $1 billion****. Our work to improve utilisation of medical tests commenced in 2009 and since then we have reported* ***Medical Benefit Schedule (MBS) savings of around $100 million****.*

PARTING THOUGHTS FROM DR LYNN WEEKES

In July 2018, the inaugural CEO Dr Lynn Weekes AM left NPS MedicineWise after 20 years of leadership.

NPS MedicineWise is in many respects a child of the consumer health movement in Australia as it was this activism that led to a National Medicines Policy and eventual establishment of the organisation. Keeping consumers at the centre has been important for ensuring that we remain relevant, innovative and able to make a difference. The early days of organic growth may be behind us but clear consumer voices and systematically collected data on consumer priorities keep us grounded and accountable for how and where we work.

Over the past 20 years, NPS MedicineWise has become part of the health landscape. It was not always so—many doctors in the early days were concerned we might be watching over their shoulder. I think over that time we have shown that we are a helpful partner, providing services that are valued and support health professionals to provide the best care for their patients. The approach at NPS MedicineWise has always been to address quality use issues where we can make a difference, and in doing so contribute to better health outcomes and cost-effective health care. This dual mandate has been supported by using evidence-based interventions to deliver evidence-based information.

The role of NPS MedicineWise in this world of increasingly niche treatments, earlier market entry of medicines and ever increasing volumes of medical literature is surely not diminished. Health professionals will need support navigating not only clinical but scientific data (for example about biologics and biosimilars); understanding how genomics and all the other 'omics can inform therapy for their patient; and working with their patients to reach shared decisions in this new world. Health consumers and the broader community will be considering how we value and pay for increasingly expensive medicines; how we ensure we have good evidence and yet respect privacy concerns; and how we support consumers to be as involved in therapeutic dialogue and decisions as they wish. These are comfortable spaces for NPS MedicineWise to contribute both to the debate and the practicality of clinical care.

For government, NPS MedicineWise has demonstrated over $1 billion in direct savings for the PBS and MBS. An impressive achievement and yet it has been evaluations showing reductions in ischaemic strokes; fewer complications from diabetes such as amputation and blindness; and better stewardship of antibiotics in primary care that has been most rewarding.

The people at NPS MedicineWise are passionate about what they do and are uniquely skilled in how they deliver services. These people are an incredible national resource that allows Australia to have consistently high quality implementation programs at a national scale. When there is a national agenda for improvement or change in healthcare, NPS MedicineWise is the natural 'go-to' organisation. This is not a luxury but it is a treasure we should guard carefully.

At NPS MedicineWise we have always prided ourselves on making a difference and objectively measuring our impact to demonstrate the value we generate for health consumers, health professionals and the broader community. I have been very privileged to lead this wonderful organisation for the past 20 years and work with so many talented individuals all striving to improve health care for Australians. The next 20 years promise to be very fruitful.

A BRIEF HISTORY OF NPS MEDICINEWISE

In the 1980s and 1990s the World Health Organization (WHO) set a goal for governments around the world to establish national medicines policies. At this time in Australia there were concerns across government, the health sector and the broader community about the spiralling cost of medicines on the Pharmaceutical Benefits Scheme (PBS), the quality of drug use in Australia, inappropriate prescribing, and the high incidence of potentially preventable adverse medicines events (AMEs) and hospitalisations.

The Consumers Health Forum of Australia (CHF) was instrumental in progressing Australia's response. In 1991, CHF partnered with the Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists (ASCEPT) to jointly chair a meeting bringing together consumers and health professionals to examine the broad issue of the quality of drug use in Australia. Later that year, the Commonwealth government formed a working party to review rational use of medicines and drug policy objectives to improve health outcomes. In 1992, a quality use of medicines strategy for Australia was published.

That same year, the government also established two major advisory groups: the Australian Pharmaceutical Advisory Council (APAC), and the Pharmaceutical Health and Rational Use of Medicines (PHARM) committee. APAC brought together all the players to debate the national medicines policy.

PHARM funded projects showed promising outcomes but they were rarely sustainable. A review of the literature and research in the mid 1990s showed some interventions had potential to improve medicines use however there was no mechanism available to extrapolate successful programs to implementation nationally. This was the driver for establishing the National Prescribing Service Limited, known today as NPS MedicineWise.

20th Anniversary seminar: March 2018

NPS MedicineWise began as an independent public company in 1998 and remains a unique model for implementing government policy on this scale. While predominantly funded by the Australian government, we operate with an independent governance structure and have member organisations representing the peak bodies for consumers, health professionals, the pharmaceutical sector, government and health care providers. It is this model that has enabled us to work in synergistic, connected and collaborative ways across the health sector to improve health outcomes.

In 2002 the government released the National Strategy for Quality Use of Medicines. The strategy creates a community of partners responsible for developing and implementing initiatives to address quality use of medicines issues. While NPS MedicineWise was defined as part of the implementation structure, it is not solely responsible for addressing quality use of medicines problems in Australia. Consumers, health professionals, healthcare educators, the pharmaceutical industry, media, government, health facilities, funders and purchasers are all listed as partners under the national strategy with different responsibilities.

Quality use of medicines continues to be owned and highly supported by these stakeholders. The model of a national implementation body at arm's length from government remains as relevant today as it was 20 years ago, and our track record demonstrates the success of this approach to achieving national policy objectives, improved prescribing and health outcomes, consumers as partners in their healthcare, and PBS and MBS sustainability.

CELEBRATING 20 YEARS 1998–2018

HIGHLIGHTS FROM 2017–18

Improved efficiency and effectiveness of government health expenditure

$71.06M
in PBS savings

$14.44M
in MBS savings

Health professionals engaged in *best practice*

29,444
educational visits in primary care*

278,963
online learning registered users

* Includes DoH and non-DoH activities

Consumers supported and empowered to make *better health decisions*

11,956,001
website visits

7,409
calls to Medicines Line

80,000
MedicineWise app active sessions monthly

MedicineInsight: providing a *unique insight* into general practice

Australia's leading large-scale general practice dataset‡

Over **650** general practices

Over **3,000** GPs

Approximately **3.6M** regular patients

‡ Nationwide, covers all states and territories in Australia as of June 2018.

QUALITY MANAGEMENT AND CLINICAL GOVERNANCE FRAMEWORKS

Quality management

The NPS MedicineWise Quality Policy underpins our work and describes our quality objectives, principles supporting quality and other fundamental elements of our Quality Management System.

We are committed to:

- Operating in accordance with best-practice ethical frameworks
- Using the best available data and evidence to provide products and services that serve our mission and meet customer and audience needs and expectations
- Listening and responding to feedback from our customers, stakeholders and audiences to help us evaluate the effectiveness of, and continuously improve, our products and services
- Setting appropriate quality objectives for our products and services and continuously monitoring our performance against those objectives
- Ensuring our staff are trained and competent for the work they perform
- Complying with all applicable regulatory and governing body requirements as well as the requirements of ISO 9001:2015 Quality Management Systems.

Our quality objectives address the following:

- Access: to provide access to our programs, products and services by the intended audience
- Safety: to avoid harm to people from the availability and use of our programs, products and services
- Appropriateness: to be accurate, relevant and evidence-based
- Effectiveness: to achieve defined health impacts and outcomes
- Customer satisfaction: to meet customer requirements.

NPS MedicineWise was first certified in 2017 as compliant with ISO 9001. In July 2018 NPS MedicineWise passed a follow up audit to ascertain ongoing compliance with the requirements of the ISO9001 standard. The auditors commended our interviewees for consistently demonstrating professionalism, knowledge and passion for the work we do at NPS MedicineWise.

Clinical governance

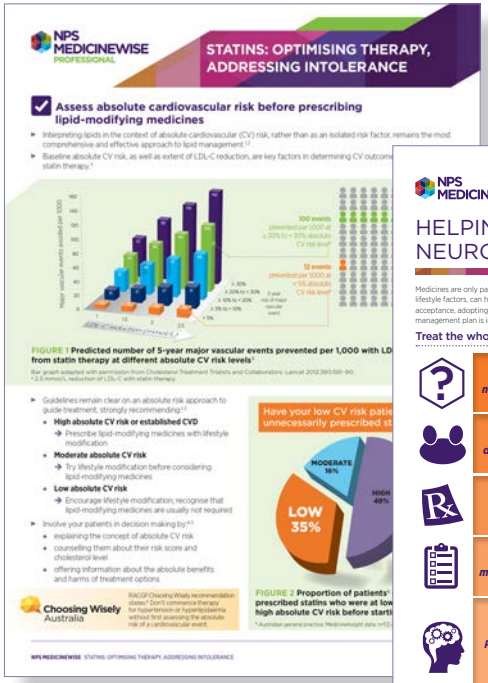
NPS MedicineWise programs, products and services are developed in accordance with our Clinical Governance Policy which describes the principles, practices and objectives for ensuring good clinical governance. Clinical governance frameworks and product development processes are in place to support the application of the policy.

KNOWLEDGE TRANSLATION

NPS MedicineWise has a long history of supporting health professionals and consumers with evidence-based, trusted information to guide best practice and decision making.

Our in-house medical writing and editorial team are a core content delivery team, responsible for the development of information resources to reach health professional and consumer audiences across multiple channels (i.e., online, print, video, digital, face-to-face training). These resources take many different formats, including:

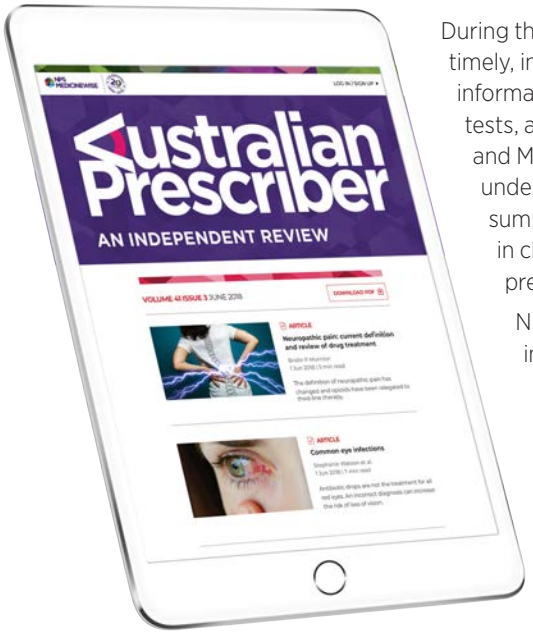
- Evidence-based summaries of new medicines and medical tests
- Clinical content for health professionals (e.g., academic detailing cards, information products, clinical topics articles, mediated patient action plans, online learning modules, publications)
- Clinical content for consumers (e.g., patient information leaflets, factsheets, consumer web content).



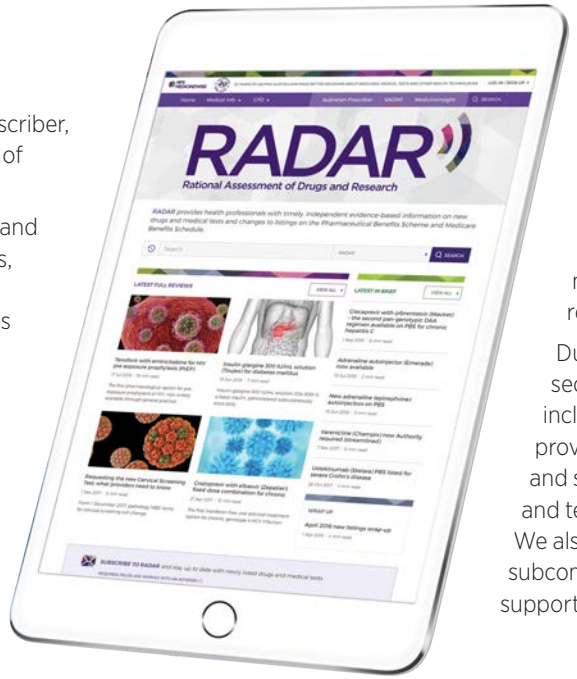
Publications

Our flagship publications, RADAR and Australian Prescriber, are published digitally and read by tens of thousands of health professionals across Australia.

Australian Prescriber was published six times in 2017-18 and publishes contemporary information about medicines, including independent new medicines monographs. During the year Australian Prescriber also launched its podcast channel, quickly becoming one of the most popular medical podcasts in Australia. Podcasts provide a deeper dive into some of the articles published by Australian Prescriber, with 27 released during the financial year. Health professionals can subscribe or access episodes at www.nps.org.au/australian-prescriber/podcast.



During the year RADAR continued to publish timely, independent evidence-based information about medicines and medical tests, and changes to listings on the PBS and MBS. RADAR helps health professionals understand where medicines and tests fit into clinical practice and summarise evidence in an easily digestible format. Content is developed in close collaboration with PBAC and in consultation with industry to prevent conflicting messages for health professionals.



NPS MedicineWise publishes content in a range of formats to support information needs, including video, podcasts, publications and digital. Our website provides both health professionals and consumers with contemporary, evidence-based information to support better decisions about medicines and medical tests, and we syndicate this content through member and partner organisation, media and other reputable online channels, for example healthdirect and Better Health Channel.

Research and technical writing

NPS MedicineWise conducts evidence evaluation, including systematic reviews, literature reviews, meta-analyses, economic evaluations and other technical writing using internationally recognised guidelines. These may include formal evidence assessment methodologies (e.g. GRADE, AMSTAR), qualitative review or health economic assessment.

During the year we undertook technical writing and secretariat support for a number of clinical committees, including assisting the MBS Review Taskforce through the provision of support services to two Diagnostic Imaging and seven Pathology Working Groups, including secretariat and technical writing, workshop facilitation and data analysis. We also provided secretariat support for MSAC and its related subcommittees of ESC and PASC, and some secretariat support for PLAC and its related subcommittees.

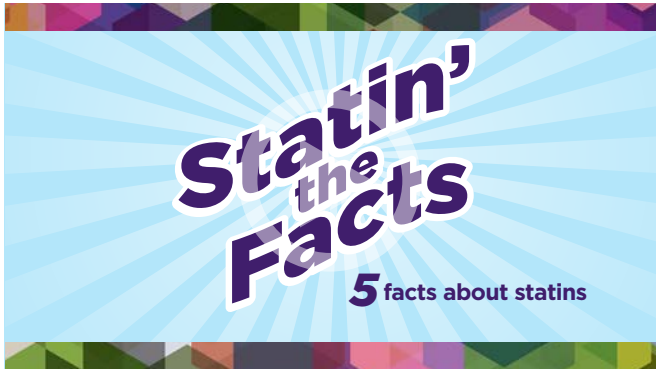
EMPOWERING CONSUMERS TO BE ACTIVE PARTNERS IN HEALTHCARE DECISION MAKING

Australia's National Medicines Policy places consumers firmly at the centre. This, in tandem with robust principles, has seen the policy maintain its relevance almost twenty years post-launch.

Over the past twenty years our initiatives for consumers have evolved significantly, but what has not changed is our commitment to designing programs and services centred on achieving better health outcomes for people.

During the year we supported consumers to be active partners in healthcare decision making in several ways, including:

- Developing tools and resources for consumers as part of therapeutic programs on cardiovascular risk, osteoarthritis, antibiotics, rheumatoid arthritis and neuropathic pain
- Supporting the community to understand the changes around access to codeine-containing products following the upscheduling of these to prescription only
- Providing digital, online and telephone support to people with questions about safe and effective medicines use
- Further enhancing the MedicineWise app to introduce new features to help people manage their medicines and those of people they care for. We communicated directly with users about their medicines and delivered tailored content relating to therapeutic topics, including asthma, rheumatoid arthritis and neuropathic pain
- Annual population level awareness campaigns, including Be Medicinewise Week and Antibiotic Awareness Week
- Promotion of Choosing Wisely '5 questions to ask' resources
- Working with our network of consumer organisations to support their communities with access to high quality information about medicines and medical tests.

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ACTIONPLAN

Managing pain without over-the-counter codeine

New rules for medicines with codeine give us all a chance to rethink pain and symptom management.

What changed?

From 1 February 2018, all codeine medicines became prescription only.

Over-the-counter medicines that contain codeine are no longer available from pharmacies in Australia.

Codeine is an opioid medicine. Health professional advice, management plans and follow-up are important for people taking an opioid medicine.

Which brands are affected?

- Panadeine, Panadeine Extra and Mersyndol
- Nurofen Plus and Panafen Plus
- Aspalgin, Disprin Forte and Codis
- Codral Original Cold & Flu and Demazin Day & Night Cold & Flu
- Generic medicines (eg, 'pharmacy branded') containing codeine.

How do I manage my pain now?

Work with your healthcare professional to understand why you have pain.

A correct diagnosis is important to make sure you get the best possible pain relief.

For mild or moderate short-term pain (eg, a headache or pain from an injury), there are effective over-the-counter pain relievers still available. There are also non-medicine treatments (eg, heat packs, rest).

Your doctor, nurse or pharmacist can provide advice that is specific to your needs.

For pain that is severe, regular or long-lasting, a doctor's examination can help find the cause. Codeine is not recommended, but other prescription medicines may help. Talk to your doctor.

Where can I go for more information?

www.tga.gov.au/codeine-info-hub

www.nps.org/otc-codeine

For medicines information: **Medicines Line** (Monday – Friday, 9am – 5pm AEST) **1300 MEDICINE (1300 633 424)**

My pain management action plan

Medicines

Type of pain/diagnosis	What to take	How much/how often	Other instructions

Non-medicine treatments

Type of pain/diagnosis	Treatment	How often	Other instructions

NPS MEDICINEWISE

Reconciliation Action Plan

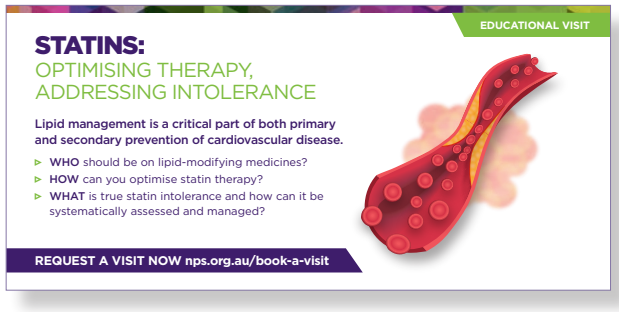
NPS MedicineWise first implemented its Reconciliation Action Plan (RAP) as an 'innovate' RAP in 2015. Our vision for reconciliation is to advance and improve health outcomes for Aboriginal Peoples and Torres Strait Islanders to achieve equitable health outcomes for all Australians. Our staff are very engaged in our reconciliation journey and we have recently launched our second RAP that was developed during 2017-18. Through our RAP we aim for a more integrated and systematic approach to ensuring a continuing focus across our organisation, developing relationships based on mutual trust and respect, and leading to meaningful opportunities and better health outcomes for Australia's First Peoples.

RECONCILIATION ACTION PLAN

INNOVATE

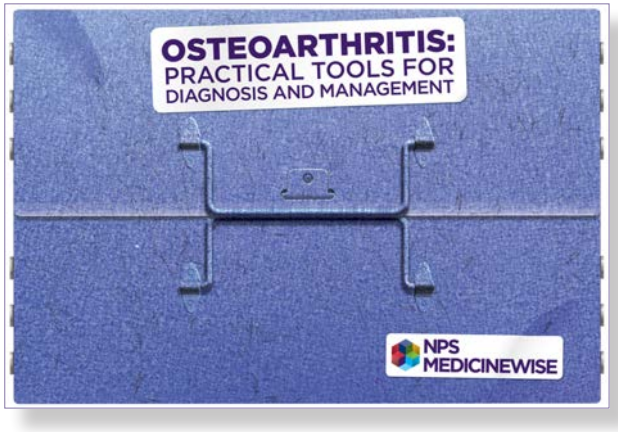
IMPROVING USE OF HEALTH TECHNOLOGIES FOR BETTER HEALTH OUTCOMES

NPS MedicineWise launched three new national educational visiting programs during the year supported by funding from the Commonwealth Department of Health, including:



Statins: optimising therapy, addressing intolerance

Launching in June 2017, the goal of this program was to reduce the risk of cardiovascular events occurring in the Australian population who are managed in primary care. The focus was primary and secondary prevention in people who are assessed as at high absolute cardiovascular risk, and for whom lipid modifying therapy is recommended.



Osteoarthritis: practical tools for diagnosis and management

Launching in October 2017, the goal of this program was to improve quality of care for people with osteoarthritis through improved management in primary care and reduction of inappropriate and unnecessary diagnostic testing.

Neuropathic pain

Launching in February 2018, this program was designed to improve the quality of life for people with neuropathic pain, and support GPs to take a structured approach to diagnosis. GPs were encouraged to use a step-wise guidelines-based approach to selecting medicines, and take a holistic approach to pain management ensuring a focus on function and improving quality of life, rather than just pharmacological treatments for pain symptoms.

These multifaceted programs reached thousands of GPs, pharmacists and consumers, providing a range of educational initiatives, decision aids and tools. Evaluation and outcomes will be published at a later date.

Rheumatoid arthritis: getting the facts straight about methotrexate

During the year we also ran an educational program for rheumatologists, GPs and pharmacists to help improve the quality of life for people with rheumatoid arthritis through early investigation, diagnosis and appropriate treatment.

To develop the program we conducted multidisciplinary codesign in collaboration with the Australian Rheumatology Association (ARA), GPs, pharmacists and consumers. This provided a model for developing a multifaceted quality use of medicines program incorporating and addressing multiple perspectives.

Other programs launched in previous financial years continued into 2017-18, including COPD medicines and inhalers: stepping through the options, and activities relating to antibiotic resistance. Programs that commenced development during the year included:

- Shoulder imaging (non-visiting diagnostics program)
- Starting, stepping down and stopping medicines (launched July 2018)
- Low back pain (launching October 2018)
- Anxiety (launching February 2019)

EXPANDING OUR REACH AND IMPACT

NPS MedicineWise designed, developed and implemented a number of innovative programs on behalf of other customers during 2017-18. All programs are developed independently of the funder and are designed to improve outcomes for people. New programs included:

Improving management of Hepatitis C in primary care

The first phase of this program entailed a MedicineInsight cross-sectional observational study into management of chronic hepatitis C in primary care. Insights from this, along with interviews with stakeholders, key opinion leaders and specialists, and Australian guidelines informed the development of an education program designed to empower GPs to become more involved in chronic hepatitis C management in line with the objectives of the Fourth National Hepatitis C Strategy. Small group meetings were conducted in 104 general practices with a focus on the steps to assess and prepare a patient for potential treatment, including diagnosis, evaluation for liver disease and options for management. MedicineInsight data supported discussions about whole-practice management of chronic hepatitis C. After completing the program, the majority of GPs were confident in recalling patients with chronic hepatitis C, confirming diagnosis, deciding which patients could be managed in primary care and deciding when specialist consultation or referral was required. This project was managed by NPS MedicineWise subsidiary VentureWise Pty Ltd and funded by Gilead Sciences Pty Ltd.

Management of long-term unmet health needs of people living with HIV

This project was also managed by NPS MedicineWise subsidiary VentureWise and funded by Gilead Sciences Pty Ltd. The evolution of human immunodeficiency virus (HIV) into a chronic disease presents new challenges for the management of a range of HIV-associated non-acquired immune deficiency syndrome (AIDS) comorbidities. We convened a multidisciplinary symposium with specialists, GPs and peak body representatives who identified cardiovascular and renal risk factors as priority HIV-associated comorbidities. The management of these priority comorbidities in people living with HIV (PLWHIV) were further investigated by developing a national report, based on analysing de-identified clinical data from MedicineInsight. Data from the MedicineInsight report was used as the basis of a reflective quality improvement activity delivered to 15 general practices in 3 states (New South Wales, Victoria, and South Australia). The aim was to address identified gaps in the management of cardiovascular and renal risk factors in PLWHIV based on current guidelines.

Difficult to treat asthma

This program was aimed at increasing GP knowledge about difficult to treat asthma and its subtypes, improve identification of patients with poorly controlled asthma and severe asthma, and progressing to specialist referral for patients with severe, high risk or difficult to treat asthma. A clinical insights paper will be published in 2018-19 and the project was managed by VentureWise and jointly funded by AstraZeneca and Novartis.

Strengthening the capacity of the cancer system through primary care

We were engaged by the Cancer Institute NSW to develop a methodology and design for programs to engage general practitioners in cancer screening and cancer referrals. This involved a literature and evidence review, workshops, program design, development of materials and an evaluation plan, and engagement with key stakeholders. During the year we completed phase 1 of this project.

Codeine upscheduling

We helped ensure Australian health professionals were aware of and understood the changes to codeine scheduling and availability, and undertook public awareness raising and education to help consumers understand and navigate this change safely and effectively. We also provided tailored information, education, tools and resources to support the delivery of appropriate and evidence-based care for patients and consumers who may actively seek codeine or other opiate medicines to manage their pain. This involved extensive collaboration with the Australian Medical Association, RACGP and RACP to develop a broad suite of products, tools and resources, and with other stakeholders across the health and community sectors to ensure consistency in messaging. Social media evaluation found that consumer sentiment improved and health professional confidence increased significantly over the duration of the campaign.

Hunter Alliance diabetes integration project: supporting a new model of care in diabetes management

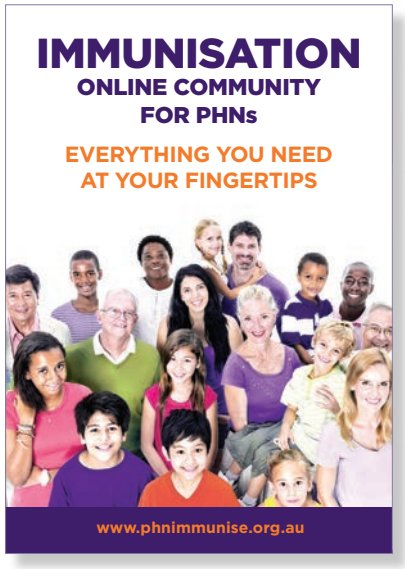
NPS MedicineWise was a partner to an alliance running a diabetes integration project to develop and implement a new model of integrated care encouraging GPs in the Hunter New England Local Health District (HNELHD) to become more involved in the management of type 2 diabetes with in-practice support from diabetes specialists. We were commissioned to provide general practice data reports from MedicineInsight and support for practices to help specialists and GPs:

- Identify, stratify, recall and actively manage patients with type 2 diabetes
- Benchmark clinical activity with regional and national patient cohorts
- Reflect on best-evidence management
- Monitor agreed quality improvement goals
- Measure impact and outcomes of the new model of integrated care.

Interim evaluation results for the pilot implementation of this new model of integrated care for type 2 diabetes demonstrated improvements in patient self-management and reduced risk of hospital admission. MedicineInsight continues to be utilised to support the implementation and evaluation of this model across the Hunter Region.

PHN Immunisation Support Program (PHNISP)

PHNISP is a collaborative project between the National Centre for Immunisation Research and Surveillance (NCIRS) and NPS MedicineWise, funded by the Commonwealth Department of Health. The initiative provides a national, coordinated approach to help PHNs develop and enhance immunisation programs to meet the needs of local communities. PHNs across Australia have access to an online hub and community of practice where they can access and share best practice information and resources.



Supporting the rollout of real time prescription monitoring (RTPM) in Victoria

NPS MedicineWise is part of the consortium led by Western Victoria PHN designing and delivering training to prescribers and pharmacists on how to use RTPM. We developed three online learning modules and a facilitator resource kit to enable face-to-face training in support of the introduction of the SafeScript program across Victoria.

HEALTH DATA INSIGHTS AND QUALITY IMPROVEMENT

MedicineInsight: informing quality improvement in primary care

NPS MedicineWise's MedicineInsight program is Australia's leading large-scale general practice dataset established to support quality improvement in general practice, post-market surveillance of medicines and primary care research. It is an increasingly important cornerstone of our mission to enable better health and economic outcomes for people and the community.

MedicineInsight extracts longitudinal, de-identified, whole-of-practice data from the clinical information systems (CIS) of participating general practices to connect patient conditions with treatments and outcomes. The data reflects activities within general practices, including the conditions and risk factors that patients have, the medicines prescribed, vaccines delivered and the results of pathology tests. More than 650 practices — comprising over 3,000 GPs — participate in the MedicineInsight program, which is largely funded by the Australian Government Department of Health. MedicineInsight collects de-identified data of approximately 3.6 million regular patients attending participating general practices.

Good quality primary care data is an incredibly useful resource at a general practice, regional and national level for understanding gaps in practice and opportunities to improve patient outcomes. Throughout 2017-18 we continued to use MedicineInsight to provide high quality and actionable real world data, studies and evidence to inform the best decisions in the practice, policy and business of health care in Australia. We delivered tailored practice reports based on MedicineInsight data to GPs participating in the program, providing them with deep insights into their patient care over time and enabling them to review their own patterns of prescribing, compare with best practice guidelines and make quality improvement decisions based on real-time, high quality and clinical evidence. We also developed quarterly post market surveillance reports for the Department of Health on areas of interest relating to utilisation of tests and medicines.

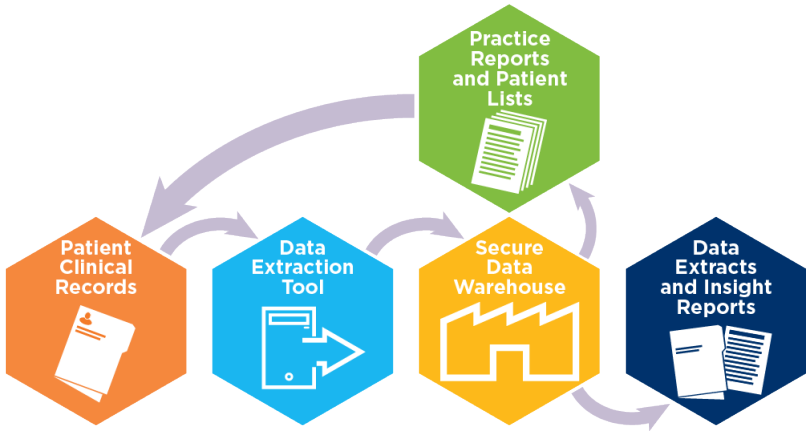
MedicineInsight practices had access to quality improvement activities aligned with programs on dyslipidaemia and neuropathic pain, with over 900 practice visits taking place during the year.

MedicineInsight data was also used to support research projects that align with the public good ethos and mission of NPS MedicineWise. The projects MedicineInsight data has been used for this financial year include:

- Working with the University of New South Wales to estimate the impact of infectious diseases in general practice settings and evaluate prevention strategies to implement and improve programs such as vaccination initiatives in Australia.
- Collaborating with the University of Adelaide to explore how MedicineInsight data could be used to undertake influenza surveillance, in particular vaccine effectiveness in Australia general practices. The benefits of using MedicineInsight data for influenza surveillance include more reliable indicators, and more efficient development of influenza vaccination plans that ultimately will contribute to the improvement of public health.
- Funding from Gilead Sciences Australia and New Zealand enabled us to commence an independent hepatitis C educational and quality improvement program to support general practitioners in the diagnosis and management of patients with chronic hepatitis C infection. This activity was underpinned by the analysis of MedicineInsight data, and education delivered to approximately 100 general practices across Australia supported GPs in the diagnosis and management of patients with chronic hepatitis C infection, focusing on the appropriate use of medical tests and medicines.
- Following a multidisciplinary symposium with specialists, GPs and peak body representatives, cardiovascular and renal risk factors were identified as priority HIV-associated comorbidities. The management of these priority comorbidities in people living with HIV (PLWHIV) were investigated by developing a national report, based on the analysis of de-identified MedicineInsight data. The report included analysis of de-identified clinical data from 4,492 PLWHIV which represents nearly 18% of the PLWHIV population in Australia.

Since establishing MedicineInsight in 2011, we have operated within robust ethical frameworks. The ownership of the clinical data remains with the general practice that provided the data. This includes only using the MedicineInsight data for public good, and adhering to relevant ethical principles and state, territory and Commonwealth legislation. MedicineInsight is approved by the RAGCP National Research and Evaluation Ethics Committee (NREEC) for our standard program of work using MedicineInsight data. All requests to use data are assessed by an independent Data Governance Committee comprising GPs, researchers, data security and privacy experts, external academics and legal advisors. MedicineInsight data are not able to be accessed for marketing or promotion of commercial products. We are committed as a best practice data custodian.

As participation in MedicineInsight increases and the dataset evolves, we believe it will be an increasingly valuable resource for general practice into the future. MedicineInsight increasingly underpins therapeutic programs run by NPS MedicineWise, and there is significant interest about how it can support quality improvement more broadly and enhance patient care.



Data governance

Our data governance framework underpins all MedicineInsight activities to ensure:

- Ownership of data remains with originating general practices
- Data are collected, stored and shared according to legal and ethical requirements, and in line with the principle of public good
- Data conform to a minimum standard of quality prior to use
- Rigorous information security protocols protect the data.

Independent and External Data Governance Committee

- Provides advice and approval on use of MedicineInsight data
- Members include general practitioners, researchers, experts on data security, external academics, privacy, legal and consumer advisers.

Program ethics approval

- MedicineInsight program has been granted ethics approval from the RACGP National Research and Evaluation Ethics Committee (NREEC)
- The program is in line with other international datasets with generic ethics approvals.

CHOOSING WISELY AUSTRALIA®: AN IMPORTANT NATIONAL CONVERSATION

Choosing Wisely Australia

An initiative of NPS MedicineWise

Improving conversations between health professionals and consumers about available and appropriate health management options is the cornerstone of the international Choosing Wisely movement, now operating in 22 countries.

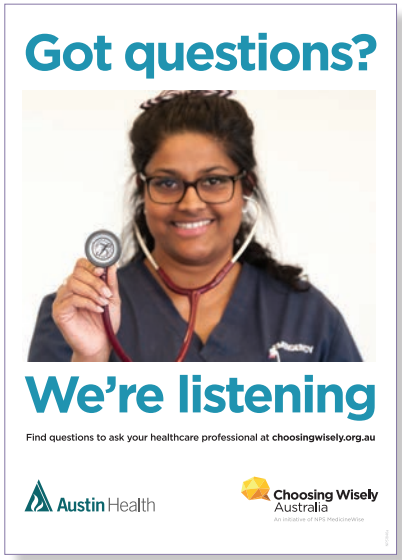
NPS MedicineWise is very proud to be the convenor of Choosing Wisely Australia. The initiative brings together Australia's health professional bodies, health services, clinicians and other healthcare providers, researchers, consumer advocates, consumers and the media in a national dialogue to shift the culture around low-value and unnecessary healthcare in this country.

Choosing Wisely Australia reaches clinicians through the important work undertaken by Australia's medical colleges, societies and associations to formally identify low-value healthcare practices using the latest evidence-based research.

Choosing Wisely is governed by the following principles:

- health profession-led to build and sustain the trust of both clinicians and consumers
- clear emphasis on improving quality of care and on harm prevention
- patient-focused communication between clinicians and consumers is a central tenet
- evidence-based and reviewed on an ongoing basis
- multidisciplinary — encouraging physicians, nurses, pharmacists and other healthcare professionals to participate
- transparency — processes used to create the recommendations, as well as supporting evidence, are published.

Since launching in 2015, recommendations about tests, treatments and procedures from 33 medical colleges, societies and associations have been published by Choosing Wisely. This year, three lists comprising 15 recommendations were developed by the Faculty of Pain Medicine of the Australian and New Zealand College of Anaesthetists, the Australian Rheumatology Association and the Australasian Faculty of Rehabilitation Medicine.



Integration into NPS MedicineWise educational programs

For the past two years, NPS MedicineWise has been incorporating Choosing Wisely Australia recommendations into its GP and consumer educational programs.

In February 2018, NPS MedicineWise launched its neuropathic pain program following a change to the way neuropathic pain is defined. This is the second NPS MedicineWise educational program for GPs and consumers to incorporate a Choosing Wisely Australia recommendation.

Neuropathic pain

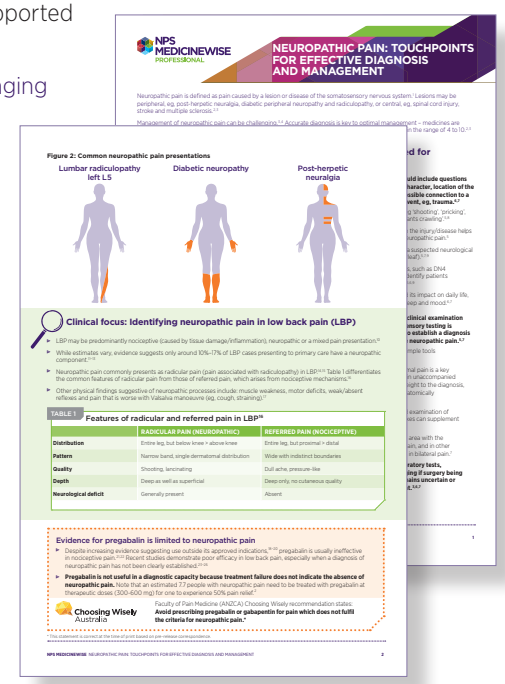
Aim: To improve quality of life for patients with neuropathic pain through accurate diagnosis and appropriate prescribing.

Statistics: Nerve pain, or neuropathic pain, is a type of chronic pain that affects about one in 20 Australians.

Choosing Wisely recommendation: *Avoid prescribing pregabalin and gabapentin for pain which does not fulfil the criteria for neuropathic pain.* Faculty of Pain Medicine (FPM) of the Australian and New Zealand College of Anaesthetists

This FPM recommendation is supported by the program's key messages:

- treatment remains challenging
- accurate diagnosis is key to optimal management of this challenging condition
- a targeted history and physical examination are required for diagnosing neuropathic pain.



2018 Choosing Wisely National Meeting

NPS MedicineWise hosted more than 200 delegates at the 2018 Choosing Wisely Australia National Meeting held in Canberra on 30 May.

Delegates included representatives from Choosing Wisely member and supporter organisations, health departments and the health profession, as well as consumers, researchers and students. More than half of the participants were attending a Choosing Wisely event for the first time.

The National Meeting showcased implementation achievements and future challenges, across the themes of innovation, collaboration and consumer engagement.

Keynote speaker Daniel Wolfson — Executive Vice President and Chief Operating Officer of the American Board of Internal Medicine (ABIM) Foundation — was instrumental in establishing Choosing Wisely in the US and recognised Australia as one of the leading implementers of the initiative globally.

Highlights from the National Meeting included:

- a panel discussion on innovation including examples about the implementation of a new Choosing Wisely Scaling Collaboration funded by Better Care Victoria to engage Victorian health services as Choosing Wisely champions; and how the Royal Brisbane and Women's Hospital has embedded Choosing Wisely into its performance framework to support a culture change in healthcare delivery
- a panel discussion examining lessons learned in implementing Choosing Wisely in hospitals, and opportunities for growth
- informative conversations about how we can support better discussions between health professionals and consumers.
- results of a national education program in primary care delivered to GPs across Australia
- more than 70 posters.

Other key topics by speakers and panellists included:

- opportunities to change culture through education and training
- the complexities behind health professional fear of litigation as a driver of unnecessary healthcare
- improving communication from hospital discharge to GPs.

A summary of the 2018 National Meeting is available at **www.choosingwisely.org.au**

> *"Choosing Wisely focuses primarily on the relationship between the provider and consumer, and empowers both to make better decisions. This contrasts with a more 'management-driven' approach to influencing medical practice. In this way Choosing Wisely strengthens the intrinsic motivation and ability of doctors to provide the best care to their patients."*
>
> Daniel Wolfson, ABIM Foundation

NATIONAL MEDICINES SYMPOSIUM 2018

The National Medicines Symposium (NMS) is the pre-eminent symposium on quality use of medicines, diagnostics and health data in Australia. Held every two years, the conference is designed to present the latest and most thought-provoking content in the medicines and health environment, delivered by international and nationally acclaimed experts.

The tenth NMS was held at the National Convention Centre, Canberra from 30 May to 1 June 2018. The theme was 'Population to Personal Health Care: The Future is Now'. Talks explored ground-breaking diagnostic and prognostic tools, the governance of personal health data and its use in policy development, digital platforms such as avatars and social media messaging and Australia's antimicrobial resistance crisis, unpacking innovations in clinical practice, drug discovery and point of care testing for bacterial versus viral infections.

Over 300 delegates attended and 94% of respondents to the post-event evaluation were either very satisfied (53%) or satisfied (40%) with their overall symposium experience.

For the second time we were privileged to involve two consumer rapporteurs to document consumer perspectives, provide reflections and contribute throughout discussions, and develop a post-event report with outcomes and recommendations. Against a backdrop of exponential developments in technology, the criticality of retaining the 'human element' in the journey of health care evolution, the importance of systematic collection of patient experience, and developing clinical and cultural competency through genuine codesign were just some of the perspectives to come out of this stimulating symposium. A huge thanks to Debra Kay, Melissa Cadzow and Debra Letica for their invaluable insights and expertise and ensuring the view of consumers were front and centre throughout discussions.

Highlights from NMS 2018 included:

- A dedicated concurrent stream on antimicrobial resistance co-hosted by NPS MedicineWise and Therapeutic Guidelines.
- A stimulating keynote presentation from Professor Jeremy Nicholson, Imperial College London examining variation in human biology and creating translational technologies in a dynamic and changing world.
- A powerful personal story from Susan Morris of Lynch Syndrome Australia highlighting the lived experience of personalised medicine and important insights for health professionals and health service providers.
- Podcasts of all sessions are available online at **www.nps.org.au/nms**

BOARD OF DIRECTORS

Peter Turner

BSc, MBA, GAICD

Board committee memberships:
Board Governance and Nomination Committee

Peter is former Executive Director and Chief Operating Officer of CSL Limited and Founding President of CSL Behring. He was previously chair and board member of the PPTA (Plasma Protein Therapeutics Association), and chair of Ashley Services Group Limited). Peter is a non-executive director of Virtus Health Limited and Bionomics Limited, and is a graduate member of the Australian Institute of Company Directors.

NPS MedicineWise director since December 2012. Chair of NPS MedicineWise Board since January 2015.

Lynn Weekes AM

BPharm, MSc, PhD, Fellow SHPA, GAICD

Lynn was Chief Executive of NPS MedicineWise from 1998 to July 2018 and represented the company on many national committees and advisory groups. She is a non-executive director of the National Return of Unwanted Medicines (NATRUM) and a registered pharmacist. Lynn was appointed as a Member of the Order of Australia in 2013 for significant service to Australian community health through the promotion of quality use of medicines.

NPS MedicineWise director from May 2015 to July 2018.

Debra Kay PSM

BEd GradDip

Board committee memberships:
Chair, Audit and Risk Committee

Debra is a Research Fellow, South Australian Health and Medical Research Institute (SAHMRI), member of the Health Performance Council of South Australia (SA) and Chair of Health Consumers Alliance of SA and participates as a consumer representative on a range of government committees. Debra is former CEO of Asthma Australia and Regional Program Manager at The Smith Family.

NPS MedicineWise director from July 2013 to September 2018.

Andrew Knight

MBBS, MMedSci, FRACGP, FAICD

Board committee memberships:
Chair, Board Governance and Nomination Committee

Andrew is a general practitioner and staff specialist in general practice at the Fairfield GP Unit. He is also a conjoint senior lecturer in general practice at the University of New South Wales and University of Western Sydney, and honorary senior lecturer at the University of Sydney. Other appointments include Clinical Adviser for the Australian Primary Care Collaborative program and Chair of the Nepean Blue Mountains Primary Health Network.

NPS MedicineWise director since August 2010.

James Langridge

BBus, GradDipTertiaryEd, MEdAdmin, DBA, FAICD

Board committee memberships:
Audit and Risk Committee

James is formerly Vice Principal (International) University of Wollongong and Foundation CEO/Managing Director of the ITC Group of Companies (UOW's commercial arm). He has significant board experience in off-shore jurisdictions, especially the Middle East and North America. James is currently Chair of VentureWise Pty Ltd.

NPS MedicineWise director since December 2009.

Winston Liauw

MBBS(Syd), MMedSci(UNSW), FRACP, GAICD, MPol&Policy (Deakin)

Board committee memberships:
Audit and Risk Committee

Winston is a practising medical oncologist and clinical pharmacologist. He is Director of the Cancer Services Stream South Eastern Sydney Local Health District and Oncology Program, Chair at the NSW Health Education and Training Institute (HETI) Course and convener Basic Sciences of Oncology. Winston is a member of Royal Australasian College of Physicians Policy and Advocacy Committee, and member of leadership groups of the Translational Cancer Research Network and UNSW Sphere Cancer Academic Group.

NPS MedicineWise director since June 2010.

Jennifer Morris

BSc BA GDipSciComm

Board committee memberships:
Board Governance and Nomination Committee

Jennifer is a former member of the Board of Management for the Disability Discrimination Legal Service, and is currently a researcher within the University of Melbourne Law and Public Health Unit. She is a member of the Victorian Clinical Council, and Safer Care Victoria Academy. Jennifer holds advisory committee positions with the Australasian College for Emergency Medicine, Health Complaints Commissioner (Victoria), Better Care Victoria and Victorian Disability Advisory Council.

NPS MedicineWise director since May 2017.

Deborah Rigby

BPharm, GradDipClinPharm, AdvDipNutrPharm, AdvPracPharm, AACPA, FASCP, FACP, FPS, FSHP, FAICD

Board committee memberships:
Audit and Risk Committee

Deborah is an Advanced Practice Pharmacist and member of the Medication Safety Oversight Committee, Australian Commission for Quality and Safety in Health Care. She is an Adjunct Associate Professor at the School of Pharmacy, University of Queensland and Visiting Fellow at Queensland University of Technology.

NPS MedicineWise director since August 2008.

Roger Sexton

MBBS, DRCOG(UK), FRACGP, FACRRM, FAICD, MBA, Member AMA, RACGP, ACRRM, RDASA, AICD

Board committee memberships:
Audit and Risk Committee

Roger has been a rural procedural general practitioner for over 35 years and currently works as a rural locum and in urban clinical practice as an executive health consultant and Medical Director of Doctors' Health SA and NT. He is a past member of the PBAC and the last Presiding Member of the Medical Board of SA. Roger is a board member of medical indemnity insurer MIGA, chairs its Clinical Risk Management Committee, and is a director of Doctors Health Services Pty Ltd.

NPS MedicineWise director since March 2013.

Kay Price

RN, Dip T (Nurse Ed), MN, PhD, FACN, GAICD

Board committee memberships:
Past chair, Board Governance and Nomination Committee

Kay is Associate Professor and Research Leader in the School of Nursing and Midwifery, University of South Australia. She is a member of the National Research Council, Asthma Australia and Chief Investigator on the North West Adelaide Health (Cohort) Study.

NPS MedicineWise director from October 2008 to October 2017.

Rosemary Bryant AO

FACN (DLF)

Board committee memberships:
Board Governance and Nomination Committee

Rosemary is a former Executive Director of the Royal College of Nursing, Australia and the first Commonwealth Chief Nurse and Midwifery Officer.

A distinguished Life Fellow of the Australian College of Nursing, Rosemary holds honorary life membership of the Australian Nursing and Midwifery Federation (SA Branch), is Emerita Director of Nursing at Royal Adelaide Hospital and was President of the International Council of Nurses from 2009 to 2013. She chairs the Steering Committee of the Rosemary Bryant AO Research Centre and is Chair of the Rosemary Bryant Foundation.

NPS MedicineWise director since October 2017.

BOARD GOVERNANCE AND NOMINATION COMMITTEE REPORT

The Board Governance and Nomination Committee (BGNC) has a critical role in assisting the board to discharge its responsibilities and duties to NPS MedicineWise members, other stakeholders and at law by ensuring:

- NPS MedicineWise has a values and skills based board of an effective size and commitment.
- The NPS MedicineWise Board has policies and procedures that guarantee effective governance of the board and organisation.

Significant activities undertaken over the past 12 months included:

- Undertaking regular succession planning discussions on behalf of the board, to ensure the board has a complement of skills to lead the organisation into the future in a way that is consistent with current best practice. This resulted in the development of a Board Skills Matrix; inclusion of a Board Diversity Statement within the Board Charter; and a review of core criteria for Non-Executive Director appointments.
- Undertaking a review of the board's Risk Appetite Statement for recommendation to the board.
- Identifying those policies applicable to the NPS MedicineWise group and assessing the procedures for the selection and appointment of directors to ensure they reflect best practice.
- Supporting board evaluation and assessment.
- Considering nominations received for honorary membership and recommending a shortlist for consideration by the board.
- Supporting the board chair with the selection and appointment of a new chief executive.

During 2017–18 the board made one director appointment. The role of the BGNC is to regularly review the recruitment and appointment processes for new directors; assessing applicants against the criteria: and for applicants meeting the criteria, interviewing them on behalf of the board. Recommendations for an appointment to the board are then made by the BGNC for board consideration. Once appointed, the BGNC has an important role in ensuring that new directors receive an appropriate induction to prepare them for their role on the NPS MedicineWise Board.

I would like to thank my fellow BGNC members for their essential and meaningful contribution to the work of the committee in my inaugural year as chair.

Dr Andrew Knight
Chair — Board Governance and Nomination Committee

AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee is a standing committee charged with the responsibility of assisting the NPS MedicineWise Board to fulfil its fiduciary responsibilities in relation to corporate accounting, reporting practices and risk management.

The Audit and Risk Committee continues to make sound progress on a number of fronts, including financial management reporting, policy development, risk management and financial controls.

The composition of the committee changed at the beginning of this financial year with Debra Kay and Winston Liauw joining and Andrew Knight and Roger Sexton leaving the committee. Debra Kay took on the role of chair from Debbie Rigby.

Highlights for 2017–18 are:

- Recommending and approving financial governance and risk management strategies and policies
- Conducting financial and risk management training programs for directors
- Receiving an unqualified audit report for the 2017–18 financial year.

I would like to thank my fellow Audit and Risk Committee members and all directors for their continued efforts in ensuring NPS MedicineWise remains well placed to implement its vision and goals. To the Executive Team, our Finance Team, the Risk Management Team and managers across the organisation, together with our external auditor Deloitte, I extend my gratitude for your continued professional support.

Deborah Rigby
Chair, Audit and Risk Committee

FINANCIAL REPORT

DIRECTORS' REPORT

The Directors present their report together with the annual financial report of National Prescribing Service Limited and its subsidiary ("the Group") for the financial year ended 30 June 2018.

Directors
The Directors in office at any time during or since the end of the year are:

Non-Executive Directors
Peter Turner (Chair)
Debra Kay
Andrew Knight
James Langridge
Winston Liauw
Deborah Rigby
Roger Sexton
Jennifer Morris
Rosemary Bryant AO (appointed as a director on 25 October 2017)
Kay Price (retired as a director on 25 October 2017)

Executive Director
Lynn Weekes AM (retired as a director on 4 July 2018)

Particulars of Directors

Name of Director and Qualifications	*Board committee memberships*	*Experience*
Rosemary Bryant AO FACN (DLF)	Board Governance and Nomination Committee	Former Executive Director of the Royal College of Nursing, Australia and the first Commonwealth Chief Nurse and Midwifery Officer. A distinguished Life Fellow of the Australian College of Nursing, holds honorary life membership of the Australian Nursing and Midwifery Federation (SA Branch), is Emerita Director of Nursing at Royal Adelaide Hospital and was President of the International Council of Nurses from 2009 to 2013. Chairs the Steering Committee of the Rosemary Bryant AO Research Centre and is chair of the Rosemary Bryant Foundation. NPS MedicineWise director since 25 October 2017.
Debra Kay PSM PSM, BEd GradDip	Chair, Board Audit and Risk Committee	Research Fellow, South Australian Health and Medical Research Institute (SAHMRI). Member, Health Performance Council of South Australia (SA) and Chair, Health Consumers Alliance of SA. Consumer representative on a range of government committees. Former CEO of Asthma Australia and Regional Program Manager at The Smith Family. NPS MedicineWise director since 12 July 2013.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	*Board committee memberships*	*Experience*
Andrew Knight MBBS, MMedSci, FRACGP, FAICD	Chair, Board Governance and Nomination Committee	General Practitioner and staff specialist in general practice at the Fairfield GP Unit. Conjoint Senior Lecturer in general practice at the University of New South Wales and University of Western Sydney. Honorary Senior Lecturer University of Sydney. Clinical Adviser for the Australian Primary Care Collaborative program. Chair of the Nepean Blue Mountains Primary Health Network. NPS MedicineWise director since 3 August 2010.
James Langridge BBus, GradDipTertiaryEd, MEdAdmin, DBA, FAICD	Board Audit and Risk Committee	Formerly Vice Principal (International) University of Wollongong and Foundation CEO/Managing Director of the ITC Group of Companies (UOW's commercial arm). Significant Board experience in off-shore jurisdictions especially the Middle East and North America. Chair, VentureWise Pty Ltd. NPS MedicineWise director since 3 December 2009.
Winston Liauw MBBS(Syd), MMedSci(UNSW), FRACP, GAICD, MPol&Policy(Deakin)	Board Audit and Risk Committee	Practising Medical Oncologist and a Clinical Pharmacologist. Director of the Cancer Services Stream South Eastern Sydney Local Health District and Oncology Program. Chair at the NSW Health Education and Training Institute (HETI) Course and convener Basic Sciences of Oncology. Member of Royal Australasian College of Physicians Policy and Advocacy Committee. Member of leadership groups of the Translational Cancer Research Network and UNSW Sphere Cancer Academic Group. NPS MedicineWise director since 18 June 2010.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	*Board committee memberships*	*Experience*
Jennifer Morris BSc BA GDipSciComm	Board Governance and Nomination Committee	Former member of the Board of Management for the Disability Discrimination Legal Service. Researcher within the University of Melbourne Law and Public Health Unit. Member of the Victorian Clinical Council, and Safer Care Victoria Academy. Holds advisory committee positions with the Australasian College for Emergency Medicine, Health Complaints Commissioner (Victoria), Better Care Victoria and Victorian Disability Advisory Council. NPS MedicineWise director since 19 May 2017.
Kay Price RN, Dip T (Nurse Ed), MN, PhD, FACN, GAICD	Chair, Board Governance and Nomination Committee	Associate Professor and Research Leader in the School of Nursing and Midwifery, University of South Australia. Member of the National Research Council, Asthma Australia. Chief Investigator on the North West Adelaide Health (Cohort) Study. NPS MedicineWise director from 25 October 2008 to 25 October 2017.
Deborah Rigby BPharm, GradDipClinPharm, AdvDipNutrPharm, AdvPracPharm, AACPA, FASCP, FACP, FPS, FSHP, FAICD	Board Audit and Risk Committee	Advanced Practice Pharmacist. Member of Medication Safety Oversight Committee, Australian Commission for Quality and Safety in Health Care. Adjunct Associate Professor at the School of Pharmacy, University of Queensland. Visiting Fellow at Queensland University of Technology. NPS MedicineWise director since 25 August 2008.
Roger Sexton MBBS, DRCOG(UK), FRACGP, FACRRM, FAICD, MBA (Adel), Member AMA, RACGP, ACRRM, RDASA, AICD	Board Governance and Nomination Committee	Rural procedural General Practitioner for over 35 years and currently works as a rural locum and in urban clinical practice as an executive health consultant and Medical Director of Doctors' Health SA and NT. Past member of the PBAC, last Presiding Member of the Medical Board of SA. Board member of medical indemnity insurer MIGA, Chair of its Clinical Risk Management Committee, Director Doctors Health Services Pty Ltd. NPS MedicineWise director since 8 March 2013.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	*Board committee memberships*	*Experience*
Peter Turner (Chair) BSc, MBA, GAICD	Board Governance and Nomination Committee	Former Executive Director and Chief Operating Officer of CSL Limited and Founding President of CSL Behring. Past Chairman and Board member of the PPTA (Plasma Protein Therapeutics Association). Non-executive director of Virtus Health Limited and Bionomics Limited. Previous Chair of Ashley Services Group Limited. Graduate member of the Australian Institute of Company Directors. NPS MedicineWise director since 9 December 2012. Chair, NPS MedicineWise Board since 1 January 2015.
Lynn Weekes AM BPharm, MSc, PhD, Fellow SHPA, GAICD		Chief Executive of NPS MedicineWise since 1998 and represents the company on national committees and advisory groups. Non-Executive Director National Return of Unwanted Medicines. Registered pharmacist. Appointed as a Member of the Order of Australia in 2013 for significant service to Australian community health through the promotion of quality use of medicines. NPS MedicineWise director from 25 May 2015 to 4 July 2018.

Company Secretary

Kerry-Ann Aitken was reappointed as Company Secretary effective from 1 July 2018.

DIRECTORS' REPORT (Continued)

Meetings of Directors

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

	Meetings of Directors		*Board Audit and Risk Committee meetings*		*Board Governance and Nomination Committee meetings*	
Name of Director	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended
Rosemary Bryant	4	4			2	2
Debra Kay	5	5	5	5		
Andrew Knight	5	5			5	5
James Langridge	5	4	5	5		
Winston Liauw	5	5	5	5		
Jennifer Morris	5	5			5	5
Kay Price	1	1			2	2
Deborah Rigby	5	5	5	5		
Roger Sexton	5	5			5	5
Peter Turner	5	5			5	5
Lynn Weekes	5	5				

Principal Activities

NPS MedicineWise enables Australians to make and act on the best decisions about medicines, medical tests and other health choices, creating better health and economic outcomes for individuals and the nation.

Our work supports achievement of the Quality Use of Medicines objectives of Australia's National Medicines Policy. We work nationally, implement locally, and are mission-driven.

The company's long-term goals are that:

- Quality use of medicines and medical tests is widely understood and implemented.
- Quality use of medicines and medical tests is embedded in health systems.
- Australia has cost-effective health improvements as a result of NPS MedicineWise activities.
- We are a centre of excellence, recognised as the most trusted organisation for improving quality use of medicines.
- We are a successful and responsive organisation.

DIRECTORS' REPORT (Continued)

Operating Results

The net surplus for the year ended 30 June 2018 was $631,512 (2017: $479,728).

Performance measures

	2018		2017	
	Target	**Actual**	**Target**	**Actual**
Reported PBS Savings ($M)[1]	70.00	71.06	70.00	73.65
Reported MBS Savings ($M)[2]	13.00	14.44	13.00	22.58
Number unique GP participants	14,000	16,023	14,000	15,998
Number consumer interactions	1,500,000	2,650,453	1,200,000	1,924,000

[1] The PBS savings reported for a particular year are based on the evaluation report completed during the year, based on prior year data.
[2] The MBS savings reported in 2018 covers savings for the period of January 2017 to December 2017.

Review of Operations

NPS MedicineWise continued to work towards its mission to build a medicinewise Australia during the 2017-18 financial year. Services included health professional knowledge transfer and clinical improvement programs, consumer education and awareness campaigns, quality improvement initiatives, health professional and consumer publications and online content, consumer telephone services, and tools and resources to support health literacy across different health and community settings.

Our focus continues to be on optimising safe and effective use of medicines and medical tests through delivery of integrated, evidence-based and rigorously evaluated programs. During the year we ran multidisciplinary educational visiting programs for statins, osteoarthritis, rheumatoid arthritis, COPD and neuropathic pain; supported the rescheduling of codeine; and continued our work on combating antibiotic resistance by raising awareness about inappropriate prescribing and use of antibiotics. Our customer base grew and we developed new interventions, targeting a number of areas, including hepatitis C, management of long-term unmet health needs of people living with HIV, difficult to treat asthma and type 2 diabetes and cardiovascular disease.

MedicineInsight continued to mature during the year. The data governance framework was enhanced and new applications for the data in line with mission were approved by the independent Data Governance Committee, increasing the utility of this unique data set and providing greater insights into Australian primary care.

After 20 years of exceptional leadership, Dr. Lynn Weekes AM stepped down as Chief Executive Officer of NPS MedicineWise in early July 2018. Mr. Stephen Morris was appointed as the new Chief Executive Officer and will take up the position from September 2018.

Significant Changes in State of Affairs

In June 2018, the Commonwealth Government proposed a grant opportunity for continued funding of our Quality Use of Medicines Programme for a further four years.

Matters Subsequent to Reporting Period

NPS MedicineWise received a variation of funding to cover grant activities from 1 July 2018 to 30 November 2018. The final funding amounts and content of the four-year grant guidelines is in the process of being approved by the Commonwealth Government. . Apart from the above, no matters or circumstances have arisen since the end of the financial year which have a significant effect on the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' REPORT (Continued)

Dividends

Under the terms of NPS MedicineWise's constitution it is not entitled to pay dividends.
No dividends were proposed, declared or paid by VentureWise during or since the financial year.

Members' guarantee

NPS MedicineWise is a company limited by guarantee without share capital. In the event of the company being wound up, each member undertakes to contribute an amount not exceeding $50 to cover costs, charges and expenses of winding up. As at 30 June 2018, there were 45 members of the company (2017: 47).

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Indemnification and Insurance of Directors, Officers and Auditors

Indemnification
Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability to any person who is or has been a director, officer or auditor of the Company.

Insurance Premiums
During the financial year the Company has paid premiums in respect of directors' and officers' liability insurance contracts for the year ended 30 June 2018.

Such insurance contracts insure against certain liability (subject to specified exclusions) to persons who are or have been directors or executive officers of the Company.

Directors have not included details of the nature of the liabilities covered or the amount of the premiums paid as such disclosure is prohibited under the terms of the insurance contract.

Court Proceedings

No person has applied for leave of the Court to bring proceedings on behalf of the Company or intervened 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 year.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 8 of the annual report.

Signed in accordance with a resolution of the Board of Directors.

Peter Turner
Chair of National Prescribing Service Limited

Debra Kay
Director & Chair of the Audit and Risk Committee

Dated at Sydney: 20/9/2018

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
National Prescribing Service Limited
Level 7
418A Elizabeth Street
SURRY HILLS NSW 2010

20 Spetember 2018

Dear Board Members

National Prescribing Service Limited

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012 (Cth), I am pleased to provide the following declaration of independence to the directors of National Prescribing Service Limited.

As lead audit partner for the audit of the financial statements of National Prescribing Service Limited and its subsidiary for the financial year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) 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) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gaile Timperley

Gaile Timperley
Partner
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	Group 2018 $	Group 2017 $
Revenue	4	45,041,627	47,847,239
Operational Expenses	5	(8,625,147)	(12,122,936)
Gross Surplus		36,416,480	35,724,303
Other Income	4	206,289	24,753
Finance Income	4	246,962	337,070
Employee Related Costs	5	(32,150,274)	(30,842,040)
Overheads – Fixed Costs	5	(2,519,186)	(2,547,631)
Overheads – Variable Costs	5	(1,568,759)	(2,216,727)
Net Surplus before Income Tax		631,512	479,728
Income Tax Expense		-	-
Surplus For the Year		631,512	479,728
Items that will not be reclassified subsequently to profit or (loss)		-	-
Items that may be reclassified subsequently to profit or (loss)		-	-
Total comprehensive Surplus for the year		631,512	479,728

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	Group 2018 $	Group 2017 $
ASSETS			
Cash and Cash Equivalents	7	10,622,895	10,057,602
Trade and Other Receivables	8	1,339,196	1,007,750
Other Assets	9	573,199	784,204
Total Current Assets		12,535,290	11,849,556
Other Assets	9	43,071	200
Property, Plant and Equipment	10	572,645	736,480
Total Non-Current Assets		615,716	736,680
Total Assets		13,151,006	12,586,236
LIABILITIES			
Trade and Other Payables	11	5,231,352	5,729,478
Provisions	12	2,903,673	2,590,531
Total Current Liabilities		8,135,025	8,320,009
Provisions	12	1,209,245	1,091,003
Total Non-Current Liabilities		1,209,245	1,091,003
Total Liabilities		9,344,270	9,411,012
NET ASSETS		3,806,736	3,175,224
EQUITY			
Retained Earnings	13	3,806,736	3,175,224
TOTAL EQUITY		3,806,736	3,175,224

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings $	Total Equity $
Balance at 1 July 2016	2,695,496	2,695,496
Total Comprehensive Income for the Year		
Surplus for the Year	479,728	479,728
Balance at 30 June 2017	3,175,224	3,175,224
Total Comprehensive Income for the Year		
Surplus for the Year	631,512	631,512
Balance at 30 June 2018	3,806,736	3,806,736

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	Group 2018 $	Group 2017 $
Cash flows from Operating Activities			
Receipt of Department of Health funding		43,300,401	44,656,699
Receipts from customers		6,034,353	2,984,850
Interest received		246,962	337,070
Payments to suppliers & employees		(48,631,211)	(50,218,690)
Net Cash Used in Operating Activities	15	950,505	(2,240,071)
Cash flows from Investing Activities			
Payments for property, plant and equipment		(385,212)	(366,529)
Net Cash Used in Investing Activities		(385,212)	(366,529)
Net Increase/(Decrease) in Cash Held		565,293	(2,606,600)
Cash and Cash Equivalents at the Beginning of the Year	7	10,057,602	12,664,202
Cash and Cash Equivalents at the End of the Year		10,622,895	10,057,602

The Consolidated Statement of Cash Flows is to be read in conjunction with the notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1 Corporate Information

These financial statements and notes represent those of National Prescribing Service Limited (NPS MedicineWise) for the year ended 30 June 2018 are presented as consolidated financial statements and represent those of the Company and controlled entity ("the Group").

The address of the registered office is Level 7, 418A Elizabeth Street, Surry Hills, NSW 2010.

National Prescribing Service Limited (NPS MedicineWise) enables Australians to make the best decisions about medicines and other medical choices, creating better health and economic outcomes for individuals and the nation.

The financial statements were authorised for issue by the directors on 20 September 2018.

2 Statement of Significant Accounting Policies

a) Basis of Preparation

These financial statements have been prepared on the basis of historical cost and, except for certain assets which are at valuation, does not take into account changing money values or current valuation of non-current assets.

The accounting policies have been consistently applied and except where there is a change in accounting policy, are consistent with those of the previous period.

All amounts are presented in Australian dollars.

The Company is a not-for-profit entity.

b) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comply with Accounting Standards, which include Australian Accounting Standards. A statement of compliance with IFRS cannot be made due to the application of not for profit sector specific requirements contained in the A-IFRS.

c) Going Concern

The existing Commonwealth Government funding agreement will expire on 30 June 2018. The Commonwealth Government proposed that that grant will be extended for another four years at a reduced level of funding. Furthermore, the Commonwealth Government has provided roll-over funding for the five-month period from 1 July 2018 to November 2018.

While in negotiation with the Commonwealth Government over the detail of the new funding agreement, Management have flexed the Company's operating model and reduced costs to ensure the Company will be able to continue operating within the reduced funding level and scope.

Management have concluded that going concern is an appropriate assumption for the year end 30 June 2018, therefore; the financial statements have been prepared on a going concern basis which contemplates the continuity of normal business and the realisation of assets and settlement of liabilities in the ordinary course of business.

d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2 Statement of Significant Accounting Policies (continued)

(d) Basis of consolidation (continued)

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the accrued benefits will flow to the Company. The following specific recognition criteria also apply before revenue is recognised:

Government Contract

Government contract income is initially recognised as a liability and revenue is recognised where control passes, which normally occurs as services are performed or conditions fulfilled.

Interest revenue is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

Other Revenue

Other revenue is recognised as services are rendered or conditions fulfilled.

Sale of Non-Current Assets

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal and is included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

2 Statement of Significant Accounting Policies (continued)

f) Advertising Expense

Advertising costs are expensed as work performed by the advertising agent is completed.

g) Income Tax

The Company has obtained an income tax ruling and is tax exempt pursuant to Section 50-B of the Income Tax Assessment Act 1997. The Company's wholly owned subsidiary, VentureWise is subject to Income Tax.

h) Cash and Cash Equivalents

Cash and short term deposits are carried at face value of the amounts deposited or drawn. The carrying amounts of cash and short term deposits approximate net fair value. Interest revenue is accrued at the market or contracted rates. Credit risk is minimised as all cash is held with approved financial institutions in accordance with the Group's investment policy.

i) Trade and Other Receivables

Debtors are generally settled within 30 days and are carried at amounts due. The collectability of debts is assessed at year end and specific provision is made for any doubtful accounts. The carrying amount of debtors approximates fair value.

j) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment in value.

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives commencing from the time assets are held ready for use. Leasehold improvements are depreciated over the estimated useful lives of the improvements. Assets costing less than $1,000 are depreciated fully in the year of purchase.

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

Class of Fixed Assets	Depreciation Rate
Leasehold Improvements	Up to 12.50%
Office Equipment	25%
Furniture & Fixture	Up to 20%
Computer Equipment	33%
Computer Software	40%

The estimated useful lives, residual values and depreciation method are reviewed at the year end, with the effect of any changes in estimate accounted for on a prospective basis.

k) Impairment of Financial Assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that the asset may be impaired. A financial asset is considered impaired if the evidence indicates one or more events have had a negative effect on the estimated future cash inflows of that asset.

Individually significant financial assets are tested for impairment separately. The remaining financial assets are assessed on a group basis based on credit risk.

An impairment loss on a held-to-maturity investment is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss on an available-for-sale financial asset is calculated by reference to its fair value.

Impairment losses are recognised in the profit or loss.

2 Statement of Significant Accounting Policies (continued)

l) Impairment of Non-Financial Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

m) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. Trade accounts payable are normally settled within 30 days. The carrying amounts of accounts payable represents net fair value.

n) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period they are incurred.

o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an out flow of economic benefits will result and that out flow can be reliably measured.

p) Employee Entitlements

Provision is made for entitlements accruing to employees in relation to wages, salaries, annual leave, long service leave and other benefits where the company has a present obligation to pay resulting from employees' services provided up to reporting date.

- *Wages, salaries, and annual leave*

  Liabilities for employee benefits for wages, salaries and annual leave is expected to be settled within 12 months of year-end. The provision has been calculated at current wage and salary rates including related on-costs. Sick leave is expensed as incurred.

- *Long Service Leave*

  The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date. The portion of the long service leave liability not expected to be settled within 12 months is discounted using the rates applicable to national government securities at reporting date, which most closely match the terms of maturity of the related liability.

- *Superannuation*
  Superannuation contributions by the Group on a defined basis to an employee superannuation fund are charged as expenses when incurred. The Group has no legal obligation to provide benefits to employees on retirement.

2 Statement of Significant Accounting Policies (continued)

q) Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Non-derivative financial instruments (other than those held for trading purposes) are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as follows:

- *Held-to-maturity investment*
  At amortised cost less impairment losses.
- *Available-for-sale financial assets*
  At fair value and changes other than impairment losses and foreign exchange gains and losses are recognised in a separate component of equity.
- *Financial assets (held for trading purposes)*
  At fair value though profit or loss.
- *Other*
  At amortised cost using the effective interest method, less any impairment losses.

Derivative financial instruments

No derivative financial instruments are used by the Group to hedge its interest rate exposures.

r) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

s) Adoption of new and revised Accounting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations have no change to the Group's accounting policies.

2 Statement of Significant Accounting Policies (continued)

t) New Accounting Standards and Interpretations for Application in Future Periods

At the date of authorisation of the financial statements, the Standards and Interpretations relevant to the Group listed below were in issue but not yet effective.

Standard interpretation

	Effective for annual reporting periods beginning on or after	Applicability for year ended
AASB 9 *Financial Instruments*, and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 *Revenue from Contracts with Customers*, AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*, AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*, and AASB 2017-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*	1 January 2019	30 June 2020
AASB 16 *Leases*	1 January 2019	30 June 2020
AASB 1058 – Income of Not-for-Profit Entities	1 January 2019	30 June 2020

Management are still assessing the impact of above new standards to the Group.

2 Statement of Significant Accounting Policies (continued)

u) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3 Financial Risk Management

Overview
The Group has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Board's objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout the financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The Group manages and monitors its credit risk, liquidity risk and market risk though the use of an investment mandate established by the Board of Directors, which provides limits and targets on investment activities. Regular reports are provided to the Chief Executive Officer and Audit and Risk Committee of the Group on investment activities and liquidity position including where threshold triggers have been activated and remedial actions have been undertaken.

Credit Risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's sundry receivables.

The Group's exposure to Trade and Other Receivables credit risk is influenced mainly by the individual characteristics of each party.

The Group has no provision to cover potential losses that may arise from impairment of the Trade and Other Receivable balances.

The Group limits its exposure to investment credit risk by only investing in liquid securities with major financial institutions. Given their high credit ratings management does not expect any counterparty to fail to meet its obligations.

3 Financial Risk Management (continued)

Liquidity Risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that operational liquidity is maintained, at all times at levels equivalent to normal operating expenditure for three months, so it can meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market Risk
The investment policy aims to minimise exposure to market risk such as fluctuations in interest rates, which will affect the value of the financial instruments. Investments are held until maturity and maintained in the accounts on a historical cost basis.

	Group 2018 $	Group 2017 $
4 Revenue		
Operating Activities		
Expended Department of Health funds	38,882,116	44,843,836
Other revenue	6,159,511	3,003,403
	45,041,627	47,847,239
Other Income		
Expense recovery	40,938	24,753
Seminar registration fees	165,351	-
	206,289	24,753
Finance Income		
Interest on bank deposits	246,962	337,070
Total Finance Income	246,962	337,070

	Group 2018 $	Group 2017 $

5 Surplus for the Year

The surplus before income tax expense has been determined after crediting/charging the following items of income and expense.

Operational Expenses		
Travel	945,956	801,826
Computers	764,178	658,159
Consumables	9,600	26,543
Communications	126,202	132,495
Data Processing, Printing and Distribution – Note 1	1,073,929	965,878
Support services - Note 1	1,043,796	698,434
Public affairs management (including major campaigns)	541,314	838,211
Contracts (including partners in program delivery)	705,729	730,256
Grants	47,795	49,851
Fees (consultant fees and others) – Note 2	3,366,648	7,221,283
Total Operational Expenses	8,625,147	12,122,936
Employee Related Costs		
Wages	28,432,469	27,219,032
On costs	3,717,805	3,623,008
	32,150,274	30,842,040

Note 1: Biennial National Medicine Symposium campaign held in 2018.

Note 2: Decreases in Fees (consultant fees) primarily relate to completion of projects last financial year, including: MedicineWise App Integration with My Health Record, development of MedicineInsight portal and development of a secondary data extraction tool.

		Group 2018 $	Group 2017 $
5	**Surplus for the Year (continued)**		
	Overheads – Fixed Costs		
	Premises	1,697,149	1,680,179
	Administration	133,297	142,442
	Insurances	139,693	143,129
	Depreciation	549,047	581,881
		2,519,186	2,547,631
	Overheads – Variable Costs		
	Travel	238,441	268,505
	Computers	689,341	744,818
	Consumables	55,271	66,976
	Communications	25,366	145,048
	Distribution	14,325	8,878
	Printing & design	1,812	105,050
	Support services	86,554	79,984
	Public relations & media	-	1,327
	Entertainment	92,156	73,326
	Financial charges	15,305	20,257
	Fees (consultant fees and others)	347,620	700,765
	Fringe benefits tax	2,568	1,793
		1,568,759	2,216,727
	Rental Expenses on Operating Leases	1,448,909	1,411,743
	Depreciation		
	Furniture & fittings	13,043	30,804
	Office equipment	12,118	5,710
	Leasehold improvements	15,760	12,240
	Computer equipment	331,799	341,870
	Computer software	176,327	191,257
	Total Depreciation Expense	549,047	581,881

		Group 2018 $	Group 2017 $
6	**Auditor's Remuneration**		
	Auditing and review of the financial report	56,100	56,100
7	**Cash and Cash Equivalents Current**		
	Cheque account	844,063	1,382,479
	Business investment account	2,578,832	671,591
	Term deposits	7,200,000	8,003,532
		10,622,895	10,057,602

The effective interest rate on short-term bank deposits was 2.42% (2017: 2.67%). These deposits have an average maturity of 81 days.

		Group 2018 $	Group 2017 $
8	**Trade and Other Receivables Current**		
	Interest Receivable	32,151	39,258
	Accounts Receivable	1,307,045	968,492
		1,339,196	1,007,750

No allowance has been made for unrecoverable receivables for 2018 (2017: $nil).

		Group 2018 $	Group 2017 $
9	**Other Assets Current**		
	Prepayments - other	570,883	760,914
	Corporate gifts	2,316	4,097
	Income Tax Refundable	-	19,193
		573,199	784,204
	Non-Current		
	Income Tax Refundable	42,871	-
	Security deposit – other	200	200
		43,071	200

		Group 2018 $	Group 2017 $
10	**Property, Plant & Equipment Non-current**		
	Furniture & fittings - at cost	637,697	652,225
	Accumulated depreciation	(630,174)	(631,659)
		7,523	20,566
	Computer equipment – at cost	1,379,242	1,160,161
	Accumulated depreciation	(1,027,547)	(743,903)
		351,695	416,258
	Office equipment – at cost	138,877	95,594
	Accumulated depreciation	(54,113)	(83,810)
		84,764	11,784
	Leasehold improvements – at cost	1,306,763	1,285,298
	Accumulated depreciation	(1,270,945)	(1,255,186)
		35,818	30,112
	Computer software – at cost	1,029,251	1,821,040
	Accumulated depreciation	(936,406)	(1,563,280)
		92,845	257,760
	Total property, plant and equipment	572,645	736,480

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year

	Furniture & fittings	*Computer Equipment*	*Office equipment*	*Leasehold improvements*	*Computer software*	*Total*
Balance at the beginning of year	20,566	416,258	11,784	30,112	257,760	736,480
Additions	-	267,236	85,098	21,466	12,633	386,433
Disposals	-	-	-	-	(1,221)	(1,221)
Depreciation expense	(13,043)	(331,799)	(12,118)	(15,760)	(176,327)	(549,047)
Carrying amount at the end of the year	7,523	351,695	84,764	35,818	92,845	572,645

		Group 2018 $	Group 2017 $
11	**Trade and Other Payables Current**		
	Creditors	1,286,147	3,174,549
	Accruals	570,480	386,415
	Superannuation payable	426,140	300,313
	Net GST liability	948,412	504,132
	Prepaid income	1,768,655	1,147,902
	PAYG payable	231,518	216,167
		5,231,352	5,729,478
	Prepaid Incomes		
	Department of Health Prepaid income	13,642	-
	Other Prepaid income	1,755,013	1,147,902
		1,768,655	1,147,902

The average credit period on purchases of goods is 30 days. No interest is charged on overdue payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

		Group 2018 $	Group 2017 $
12	**Provisions Current**		
	Provisions for annual leave	1,916,573	1,764,031
	Provisions for long service leave	820,256	826,500
	Provision for lease restoration costs	166,844	-
		2,903,673	2,590,531
	Non-Current		
	Provision for lease restoration costs	355,580	476,353
	Provision for long service leave	853,665	614,650
		1,209,245	1,091,003

The provision for lease restoration costs was re-valued using market base estimations of make-good liabilities that may be incurred at termination of lease.

		Group 2018 $	Group 2017 $
13	**Retained Earnings**		
	Balance at the beginning of the financial year	3,175,224	2,695,496
	Surplus for the year	631,512	479,728
	Balance at the end of the financial year	3,806,736	3,175,224

14 Members Guarantees

The Group is limited by guarantee. In the event of winding-up, the Group Constitution requires each member to contribute a maximum of $50 towards meeting any outstanding obligations of the Group. The number of members as at 30 June 2018 was 45 (2017: 47).

15 Cash flow Information

For the purpose of the consolidated Statement of Cash Flows, cash includes cash on hand and in financial institutions.

Reconciliation of net cash provided by operating activities to surplus for the year:

	Group 2018 $	Group 2017 $
Surplus for the year	631,512	479,728
Depreciation	549,047	581,881
Changes in Working Capital: assets and liabilities:		
(Increase) in trade and other receivables	(331,446)	(211,249)
Decrease in other assets	191,814	32,100
(Decrease) in trade and other payables	(498,128)	(3,841,132)
Increase in provisions	407,706	718,601
Net cash generated by / (used in) operating activities	950,505	(2,240,071)

16 Key management personnel disclosures

The key management personnel of the Group include the directors as disclosed in the Directors' Report. They are responsible for the planning, directing and controlling the Group's activities. The following information relates to the remuneration paid to Directors as Directors Fees, and otherwise.

	Group 2018 $	Group 2017 $
Transactions with key management personnel		
Key Management Personnel Compensation		
Short-term employee benefits	517,792	507,907
Total compensation	517,792	507,907

17 Economic Dependency

The Group's ongoing operations are dependent on continuation of contractual arrangements with the Australian Government Department of Health.

18 Segment Information

The Group's main activity is to operate as a not for profit Group that works in partnership with health professionals, Government, industry and consumers to promote Quality Use of Medicine that will lead to better health for Australians.

19 Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts:

	Group 2018 $	Group 2017 $
Payable		
Not later than one year	1,722,938	2,241,355
Later than one but not later than five years	517,644	1,656,031
	2,240,582	3,897,386

20 Financial Instruments

a) Credit Risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at reporting date was:

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

Impairment losses

None of the Group's receivables are past due. No impairment losses were recognised during the year.

b) Liquidity Risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2018

	Carrying amount $	6 months or less $
Non-derivative financial liabilities		
Trade and other payables	1,210,992	1,210,992
	1,210,992	1,210,992

30 June 2017

	Carrying amount $	6 months or less $
Non-derivative financial liabilities		
Trade and other payables	3,118,449	3,052,073
	3,118,449	3,052,073

20 Financial Instruments (continued)

c) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities are as follows:

	Group 2018 $	Group 2017 $
Fixed rate instruments		
Financial assets	7,200,000	8,003,532
	7,200,000	8,003,532
Variable rate instruments		
Financial assets	3,422,895	2,054,070
	3,422,895	2,054,070

Fair value sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates would have increased the Group's equity and profit by $34,229 (2017: $20,541).

21 Related Party Transactions

a) Key management personnel compensation
Details of key management personnel compensation are disclosed in note 16 to the financial statements.

b) Transactions with other related parties
National Prescribing Service Limited is a not-for-profit charity and does not distribute dividends to any members at any time and, on the winding up of the organisation, any remaining assets are required to be transferred to a similar not for profit entity.

No dividends were proposed, declared or paid by VentureWise during or since the financial year.

22 Group Details

The registered office of the Group is:
Level 7, 418A Elizabeth Street
Surry Hills, NSW 2010

The Group Secretary is:
Ms Kerry-Ann Aitken
Outsourcedlaw
119 Willoughby Road
Crows Nest NSW 2065

The Group's Auditors are:
DeloitteToucheTohmatsu
Grosvenor Place, 225 George Street,
Sydney NSW 2000, Australia

The principal places of business of the Group are:

Sydney:
National Prescribing Service Limited (NPS MedicineWise)
Level 7, 418A Elizabeth Street,
Surry Hills NSW 2010

Canberra:
National Prescribing Service Limited (NPS MedicineWise)
8/8 Phipps Close
Deakin ACT 2600

Melbourne:
National Prescribing Service Limited (NPS MedicineWise)
Level 4, 176 Wellington Parade
East Melbourne VIC 3002

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

23 Parent Entity Information

The following information relates to the parent entity, National Prescribing Service Limited. The information presented has been prepared using accounting policies that are consistent with those presented in Note 2.

	Company 2018 $	Company 2017 $
Current Assets	12,512,018	12,280,625
Non-Current Assets	572,187	735,145
Total Assets	13,084,205	13,015,770
Current Liabilities	7,575,957	8,148,695
Non-Current Liabilities	1,353,962	1,091,003
Total Liabilities	8,929,919	9,239,698
Net Assets	**4,154,286**	**3,776,072**
Retained Earnings	4,154,286	3,776,072
Total Equity	**4,154,286**	**3,776,072**
Surplus for the Year	378,214	581,009
Other Comprehensive Income for the Year	-	-
Total Comprehensive Income for the Year	378,214	581,009

24 Subsequent Events

NPS MedicineWise received a variation of funding to cover grant activities from 1 July 2018 to 30 November 2018. The final funding amounts and content of the four-year grant guidelines is in the process of being approved by the Commonwealth Government.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which have a significant effect on the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

RESPONSBILE PERSONS' DECLARATION

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the Directors

Peter Turner
Chair of National Prescribing Service Limited

Debra Kay
Director & Chair of the Audit and Risk Committee

Dated at Sydney: 20/9/2018

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Grosvenor Place
225 George Street
Sydney, NSW, 2000
Australia

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Independent Auditor's Report to the members of National Prescribing Service Limited

Opinion

We have audited the financial report of National Prescribing Service Ltd and its subsidiary (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration of the consolidated Group, comprising the entity and the entity it controlled at the year's end or from time to time during the financial year as set out on pages 9 to 34.

In our opinion the accompanying financial report of the Group, is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012 (Cth)* (the ACNC Act), including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards 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 Group in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting 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 required by the ACNC Act, which has been given to the directors of the Group, would be in the same terms if given to the directors 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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 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.

Deloitte.

The Directors' Responsibilities for the Financial Report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and ACNC Act and 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 Group's ability 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 Group or to cease operations, or have no realistic alternative but to do so.

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 the 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Group'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 Group 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 the directors 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gaile Timperley

Gaile Timperley
Partner
Chartered Accountants
Sydney, 20 September 2018

nps.org.au

Independent, not-for-profit and evidence-based, NPS MedicineWise enables better decisions about medicines, medical tests and other health technologies. We receive funding from the Australian Government Department of Health.
ABN 61 082 034 393

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