



CREATING IMPACT TOGETHER

ANNUAL REPORT 2020

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ABOUT NPS MEDICINEWISE

Who we are

We are an independent, not-for-profit, evidence-based, consumer-centred Australian organisation.

Our mission

Improve health through safe and wise use of medicines and other health technologies.

Our vision

Improve the health of Australians.

What we do

We add value as the **steward of quality use of medicines**: promoting safe and wise use of medicines; bridging gaps between evidence and practice; and enabling better decisions.

We aim to:

- ▶ Improve the use of medicines and other health technologies to optimise health outcomes for Australians
- ▶ Improve health literacy of Australians
- ▶ Reduce misuse of medicines and other health technologies
- ▶ Improve the sustainability of the Pharmaceutical Benefits Scheme and Medical Benefits Scheme.

Our focus over the next two years is to:

- ▶ **Improve health outcomes for Australians**
- ▶ **Be a sustainable, high impact organisation.**



1. Drive

strong national stewardship of quality use of medicines



2. Target

quality use of medicines where the need or opportunity is greatest



3. Optimise

the use of health insights



4. Improve

our accountability, effectiveness and efficiency



5. Strengthen

our financial sustainability

MESSAGE FROM THE CHAIR

Dr Andrew Knight



This year has been one to remember in many ways. In the 2019-20 financial year NPS MedicineWise signed a new grant agreement with the Australian Government Department of Health until June 2022, providing us confirmation that the work of NPS MedicineWise is recognised as effective and has high impact in improving the health of Australians through safe and wise use of medicines and other health technologies.

This agreement supports the recommendations of the review of NPS MedicineWise's delivery of the Commonwealth's Quality Use of Medicines (QUM) Program, and we have made significant progress towards implementing these recommendations. A renewed focus on our QUM stewardship role in the sector has seen increased engagement with key stakeholders that will inform programs and activities to ensure that they address priority areas of unmet need.

The year has also brought the COVID-19 pandemic. I am impressed to see how flexible and responsive the NPS MedicineWise team has been in the face of such rapid changes. We have been able to continue to deliver on our vision and mission and help health professionals and consumers understand the complexities relating to medicines, tests and treatments during the pandemic.

In particular, we have had a strong continued focus on implementing the work laid out under our funding agreement with the Department of Health—

including delivering educational programs for health professionals, growing the Choosing Wisely Australia initiative and continuing to generate insights about prescribing in general practice through our MedicineInsight program. A highlight has been our work with the Consumer Advisory Group to help ensure consumers are truly at the centre of what we do.

“The year has also brought the COVID-19 pandemic. I am impressed to see how flexible and responsive the NPS MedicineWise team has been in the face of such rapid changes. We have been able to continue to deliver on our vision and mission and help health professionals and consumers understand the complexities relating to medicines, tests and treatments during the pandemic.”

It has been a challenging year of governance as we negotiated the new grant agreement immediately before having to deal with the implications of the pandemic. During this time we streamlined the board reducing the number of directors from 9 to 6. We undertook a board skills audit while

also reviewing our skills matrix. All this is part of our constant search for improved governance ensuring our board is fit for the challenges we face. I wish to thank all directors who have met many more times than the usual board calendar requires and particularly during the past six months to help guide the company through the time of the pandemic.

Following a review commissioned by the board, a decision was made in February 2020 to wind up operations of VentureWise as we streamline and consolidate the way we work. We will continue to work with a broad range of partners and stakeholders to improve the way medicines and other health technologies are used in Australia. We move forward with a strong emphasis on maintaining our independence, ensuring robust governance, delivering on mission and optimising our impact.

I would like to take a moment to acknowledge the staff who have departed in the last 12 months. The restructures required have brought many changes including a significant reduction in numbers. My thanks go to all for your contribution to NPS MedicineWise in some cases over many years. We thank you and wish you well for the future.

I'd also like to thank the two directors who finished their tenures during 2019-20. Jennifer Morris made a very significant contribution to NPS MedicineWise over the past three years, most recently providing advice on developing the new Consumer Advisory Group. Debbie Rigby

has provided an invaluable contribution over twelve years through her extensive experience, insights and understanding of the challenges faced by pharmacists. She has always demonstrated an amazing work ethic and a high commitment to the NPS MedicineWise board and our mission. We wish Jen and Debbie well in their future contributions. We have also welcomed Judy Gregurke to the board in the last year and are already benefiting from her wisdom and experience.

I believe a lot of positives have emerged over the past year. We have proven ourselves a resilient, responsive and effective company. We have deepened our relationships with our partners and cemented our central role as an evidence-based, consumer-centred organisation. I wish to thank CEO Steve Morris and the entire NPS MedicineWise team for an absolutely extraordinary year of hard work and achievement.

MESSAGE FROM THE CEO

Adj A/Prof Steve Morris



Momentum to tackle the challenge of quality use of medicines and to address medication safety has been building over the last 12 months despite the COVID-19 pandemic.

In last year's NPS MedicineWise annual report I wrote about the importance of maximising the impact of what we do, supporting the implementation of evidence-based quality use of medicines activities and programs, and collaborating to amplify our impact and reduce unnecessary duplication.

I'm happy to report that during this year, my second as CEO, we worked with consumers, health professionals and organisations across the health sector to create impact together.

Evaluation of previous programs including our *Statins: Optimising therapy, addressing intolerance, Neuropathic pain: Touchpoints for effective diagnosis and management* and *Starting, stepping down and stopping medicines* showed significant improvements in GP knowledge and understanding of how best to manage patients taking these treatments or with these conditions.

Educational programs delivered in 2019-20 included *Opioids: chronic pain and the bigger picture, Asthma and children: diagnosis and treatment*, and *Abdominal imaging*, while programs currently in development for delivery in 2020-21 will look at the important topics of psychotropics in aged care and heart failure.

To continue to deliver on our mission to improve the health of Australians through safe and wise use of medicines and other health technologies, we continued our flagship initiatives including Choosing Wisely Australia, Australian Prescriber, RADAR, the MedicineWise App, Medicines Line and the Adverse Medicine Events Line and the National Prescribing Curriculum.

“As COVID-19 swept across the world, we faced up to the many significant challenges posed by this pandemic. Our whole organisation almost seamlessly transitioned to working completely virtually, including our field force of educational visitors who switched to delivering our current educational programs via virtual visits, allowing health professionals to participate in these evidence-based educational activities without a face-to-face appointment.”

In addition to our core grant work supported by the Australian Government Department of Health, we also worked with other stakeholders on innovative



programs in areas of high unmet need including improving health outcomes for patients prescribed immunoglobulin products, collaboratively improving the use of bDMARDs, and helping embed regulatory reforms for opioids.

As COVID-19 swept across the world, we faced up to the many significant challenges posed by this pandemic. Our whole organisation almost seamlessly transitioned to working completely virtually, including our field force of educational visitors who switched to delivering our current educational programs via virtual visits, allowing health professionals to participate in these evidence-based educational activities without a face-to-face appointment. We created a COVID-19 information hub on our website for our synthesised information about prescribing, dispensing and taking medicines during the pandemic, and a new NPS MedicineWise podcast series to help health professionals stay up to date with the latest evidence for medicines, tests and treatments as it relates to COVID-19.

In 2019–20, I'm pleased to say we continued our strong focus on establishing new partnerships and Working Together agreements, including with Consumers Health Forum and the National COVID-19 Clinical Evidence Taskforce, and strengthening collaborations with Primary Health Networks (PHNs), the Australian Commission on Safety and Quality in Health Care (ACSQHC) and other key stakeholders, to facilitate a collective impact approach to improve the health of Australians.

The Royal Commission into Aged Care Quality and Safety and the recognition of quality use of medicine and medicine safety as a National Health Priority have both highlighted the need for quality use of medicines stewardship and collective, coordinated activities to achieve meaningful change. We will continue to grow these partnerships and agreements and establish new ones.

Putting the consumer at the heart of what we do will be guided by our new Consumer Engagement Plan and working in partnership with the Consumers Health Forum, and we will also influence others to do that as we begin to help refresh the National Medicines Policy later in 2020.

In April 2020 the Minister for Health released the report of the Review of NPS MedicineWise's delivery of the Commonwealth's Quality Use of Medicines Program. This was a timely opportunity for us to reflect on the effectiveness of our model and identify opportunities for improvement. We accepted all of the recommendations of the Review and while many of the recommendations focus on ways NPS MedicineWise could adapt and evolve its operational delivery, the recommendations also reflect and respond to the complexity of the system in which NPS MedicineWise sits, and the need for all partners to Australia's National Strategy for Quality Use of Medicines (NSQUM) to work together to achieve collective impact.

We released our [organisational strategy for 2020–22](#), which reflected the challenges posed by the review, and this, combined with our confirmed grant agreement with the Department of Health to June 2022 means we have a clear roadmap and focus for the years ahead.

To deliver in the way we have over the last twelve months has only been possible because of the fantastic commitment and flexible approach adopted by our staff, who I would like to take this chance to thank. The Review reaffirmed the role of NPS MedicineWise and challenged us to further mobilise the sector to embed the principles of the NSQUM within our health system, we will rise to that challenge and look forward to enhancing the quality use of medicines on behalf of all Australians over the coming year.

HIGHLIGHTS FROM 2019-20

Health professional reach

- ▶ Educational visits in primary care: **20,523** participants
- ▶ Clinical e-Audits completed: **1,446**
- ▶ Pharmacy Practice Reviews completed: **3,701**
- ▶ Case studies completed: **10,775**
- ▶ Webinar attendees: **2,386**
- ▶ Other online learning modules completed: **133,732**
- ▶ Proportion of medical schools using National Prescribing Curriculum: **95%**
- ▶ Reach via our email newsletters: **116,786** per newsletter
- ▶ Australian Prescriber subscribers: **86,584**
- ▶ Australian Prescriber podcast episode downloads: **170,255**

**These figures include combined reach through Department of Health funded programs and other programs.*

Engaging with consumers

- ▶ Total NPS MedicineWise website visits: **18 million**
- ▶ Calls to Medicines Line and the Adverse Medicine Events (AME) Line: **6,833**
- ▶ Average number of active sessions on the MedicineWise app each month: **45,887**

MedicineInsight: providing a unique insight into general practice

- ▶ Participating general practices: **732**
- ▶ Practice visits: **801**
- ▶ Regular patients: **3.2 million**

Choosing Wisely Australia

- ▶ Health professional colleges, societies, associations as Choosing Wisely member organisations: **45**
- ▶ Percentage of Australian medical colleges who are members of Choosing Wisely: **More than 90%**
- ▶ Health services as Choosing Wisely Champion Health Services: **39**

PUBLICATIONS

Journal publications

A number of publications in respected journals this year documented our contribution to quality use of medicines in Australia.

Naik-Panvelkar P, Norman S, Elgebaly Z, et al.

Osteoporosis management in Australian general practice: an analysis of current osteoporosis treatment patterns and gaps in practice.

BMC Fam Pract. 2020;21(1):32. Published 2020 Feb 12. doi:10.1186/s12875-020-01103-2

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7014771/>

Chidwick K, Busingye D, Pollack A, et al.

Prevalence, incidence and management of atopic dermatitis in Australian general practice using routinely collected data from MedicineInsight.

Australas J Dermatol. 2020;61(3):e319-e327. doi:10.1111/ajd.13268

<https://onlinelibrary.wiley.com/doi/full/10.1111/ajd.13268>

Busingye D, Gianacas C, Pollack A, et al.

Data Resource Profile: MedicineInsight, an Australian national primary health care database.

Int J Epidemiol. 2019;48(6):1741-1741h. doi:10.1093/ije/dyz147

<https://academic.oup.com/ije/article/48/6/1741/5530732>

Hains I, Meyers J, Sterling K, Yoo J, Reddel H, Weston C.

Difficult-to-treat and severe asthma in general practice: delivery and evaluation of an educational program.

BMC Fam Pract. 2019;20(1):99. Published 2019 Jul 13. doi:10.1186/s12875-019-0991-y

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6626400/>

Morgan T, Wu J, Ovchinikova L, Lindner R, Blogg S, Moorin R.

A national intervention to reduce imaging for low back pain by general practitioners: a retrospective economic program evaluation using Medicare Benefits Schedule data.

BMC Health Serv Res. 2019;19(1):983. Published 2019 Dec 21. doi:10.1186/s12913-019-4773-y

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6925437/>

Heron JE, Norman SM, Yoo J, et al.

The prevalence and risk of non-infectious comorbidities in HIV-infected and non-HIV infected men attending general practice in Australia.

PLoS One. 2019;14(10):e0223224. Published 2019 Oct 9. doi:10.1371/journal.pone.0223224

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6784917/>

Wu J, Dickinson S, Elgebaly Z, et al.

Impact of NPS MedicineWise general practitioner education programs and Choosing Wisely Australia recommendations on prescribing of proton pump inhibitors in Australia.

BMC Fam Pract. 2020;21(1):85. Published 2020 May 9. doi:10.1186/s12875-020-01158-1

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7211331/>

Totterdell J, Phillips A, Glover C, et al.

Safety of live attenuated herpes zoster vaccine in adults 70-79 years: A self-controlled case series analysis using primary care data from Australia's MedicinesInsight program.

Vaccine. 2020;38(23):3968-3979. doi:10.1016/j.vaccine.2020.03.054

<https://www.sciencedirect.com/science/article/pii/S0264410X20304436?via%3Dihub>

Carvalho Borin, M., Kakehasi, A.M., Dartnell, J., Gomes Ribeiro Junior, N., Acurcio, F.d.A., Guerra Junior, A.A. and Alvares-Teodoro, J. (2020)

Academic detailing program for rheumatoid arthritis: a contribution to Brazilian public health system sustainability.

J Pharm Health Serv Res, 11: 249-254. doi:10.1111/jphs.12365

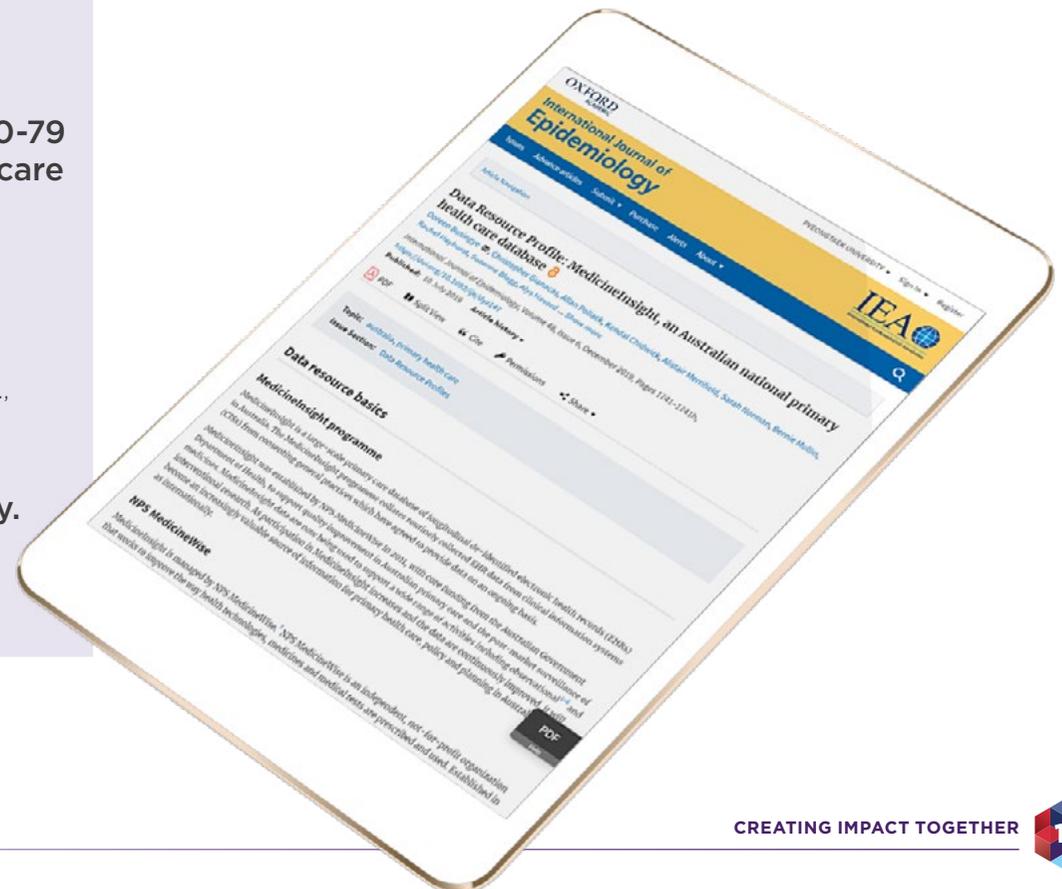
<https://onlinelibrary.wiley.com/doi/abs/10.1111/jphs.12365>

Economic evaluation reports

We undertake economic evaluation of our programs, and in 2019-20 we published a number of these reports including:

- ▶ Balancing benefits and harms of antipsychotic therapy (2015)
- ▶ Proton pump inhibitors: Too much of a good thing (2015)
- ▶ Imaging for acute lower back pain (2016)

Additional economic evaluation reports are available on our [website](#).



TOGETHER WITH CONSUMERS

With consumers at the centre of Australia's National Medicines Policy, this year NPS MedicineWise refreshed our commitment to ensuring that improving patient health outcomes is front and centre when designing our products and services.

We collaborate with consumers and consumer organisations in the design and development of our programs to amplify our collective impact and reduce unnecessary duplication, and this focus will continue as we go forward.



Involving consumers in our work

NPS MedicineWise is committed to involving consumers in our work so they can influence what we do and participate in the development of our programs, products and services. Our organisational strategy emphasises this focus and commits to keeping consumers at the heart of all that we do.

Central to this commitment is our pledge to genuinely engage with consumers, communities and organisations at all levels of the organisation and throughout the process of developing all our programs, products and services.

A Consumer Engagement Framework, developed during 2019–20, sets out how we are committed to the following principles which guide our approach to all consumer engagement activities:

- ▶ participation
- ▶ diversity
- ▶ leadership and support
- ▶ meaningful
- ▶ accountability
- ▶ respect and value.

A newly formed Consumer Advisory Group provides advice on best practice for consumer and community engagement and holds NPS MedicineWise accountable to our obligation and commitment to follow through on the consumer engagement principles as set out in this Framework.

A key achievement in 2019–20 has been involving consumer organisations in a needs analysis to help inform our topic selection process for upcoming educational programs.

Partnering to reinforce the primacy of consumers

In May 2020, we signed a new [working together](#) agreement with Consumers Health Forum of Australia (CHF).

This agreement outlines how we will partner and build on our collaboration over the past 20 years to ensure consumers are at the centre of quality use of medicines and better health decision-making.

Under the agreement, we will focus on building leadership and capacity within the health consumer community to strengthen participation and embed best practice consumer and community engagement across quality use of medicines programs and initiatives.



Key priorities include:

- ▶ promoting value-based health care, quality use of medicines, consumer co-design and health literacy;
- ▶ a consumer leadership and mentoring program; and
- ▶ examining consumer health literacy and activation from the perspective of 'grass roots' consumers as it relates to medicines and safe use to inform policy and programs.

A significant research project on consumer health literacy is now underway, with results to inform our work in this area.

Resources and information for consumers

During 2019–20, our resources, information and campaigns for consumers were delivered through multiple platforms, including:

- ▶ Online and telephone support for people with questions about safe and effective medicines use via our Medicines Line service and 'Ask a Pharmacist' chat on Facebook.
- ▶ Telephone service for people to report and discuss adverse experiences with medicines via our Adverse Medicine Events (AME) Line service.
- ▶ Information resources for consumers through our national education programs, including an opioids information video, a patient guide on managing chronic non-cancer pain and opioid medicines, fact sheets on asthma and wheezing and preparing children for a spirometry test, and information explaining about medical imaging tests.
- ▶ Consumer-friendly articles on current and topical issues such as taking care of your medicines during the bushfire crisis, staying medicinewise during the COVID-19 pandemic, and understanding why medicines will now be prescribed by active ingredient.

Our Reconciliation Action Plan

During 2019–20 we continued to work towards fulfilling the commitments of our Reconciliation Action Plan (RAP).

We continued to provide cultural awareness training for staff and work towards developing our own cultural awareness protocol document.

We renewed our membership with Supply Nation, a directory of verified Aboriginal and Torres Strait Islander businesses, and signed an agreement with an Aboriginal and Torres Strait Islander recruitment agency to whom we will refer relevant roles.

While there are currently limitations in the kinds of events we can host and participate in due to the pandemic, we continue to promote and acknowledge relevant events such as National Reconciliation Week virtually and encourage staff participation in local activities where it is appropriate to do so.

We've also continued to support our nominated charity WEAVE, a not-for-profit organisation that provides a way up and a way forward for children, young people, women, families and communities facing complex social situations.



- ▶ A national public relations campaign for Be Medicinewise Week in August 2019, which had the theme 'Get to know the language of medicines' and was endorsed by many member and stakeholder organisations.
- ▶ Sharing a range of messages for consumers through social media, with particular emphasis on engaging, shareable video content for Facebook and Twitter.
- ▶ Ensuring consumers can access our messages in multiple ways by proactively sharing content through editorial media and syndication partnerships to amplify our messages across print, online, television and radio using accessible, interesting language and messages.
- ▶ Supporting shared decision-making by promoting the Choosing Wisely '5 questions to ask' resources and pandemic guidance for consumers.
- ▶ Between January and June 2020, the MedicineWise app was used as a platform to deliver important health and medicines related information during COVID-19. Customer engagement on the app has doubled during this period, with over 11,000 unique users logging in per month creating 65,000 sessions to view health and medicines related content and keep their medicines list updated.
- ▶ Continuing to work and consult with partner consumer organisations to support their communities through access to evidence-based information about medicines and medical tests.

TOGETHER WITH HEALTH PROFESSIONALS: QUALITY USE OF MEDICINES AND MEDICAL TESTS IN PRACTICE

Our national education programs

NPS MedicineWise launched several new national education programs during the year supported by funding from the Australian Government Department of Health.

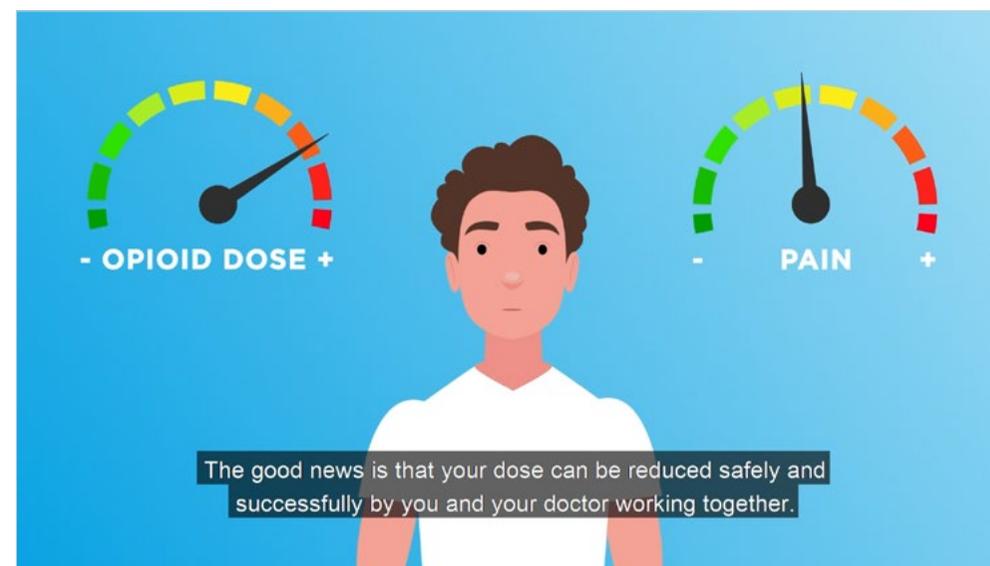
These multifaceted programs reached an audience of tens of thousands, including GPs, pharmacists and consumers through educational initiatives, tools and resources.

Stakeholders are engaged and consulted for each of our programs, with consumers, clinicians and organisations involved in the co-design of the program messages and content. We also deliver our programs in partnership with organisations where appropriate, to increase reach and impact and reduce duplication across the sector.

Opioids: chronic pain and the bigger picture

Every day in Australia, on average, 3 people die and nearly 150 are hospitalised because of harm from opioids. Reducing unnecessary prescription opioid use is an important part of solving this complex problem.

While opioids can be an effective component of the management of acute and cancer-related pain, they have a limited role in the management of chronic non-cancer pain.



Launched in October 2019, this educational visiting program focusing on the management of chronic non-cancer pain was developed in close collaboration with peak bodies and organisations in the sector and informed by Choosing Wisely recommendations from the Faculty of Pain Medicine of the Australian and New Zealand College of Anaesthetists (ANZCA).

The goal was to equip health professionals with tools and resources to reduce the harms of opioids while ensuring adequate pain management and quality of life for patients with chronic non-cancer pain.

The program included practical tools for health professionals and consumers, including an opioid tapering algorithm, an information video for consumers developed in partnership with ANZCA Faculty of Pain Medicine, and a new Choosing Wisely consumer resource to support conversations about chronic non-cancer pain and the role of opioids.

Asthma and children: diagnosis and treatment

Children are not 'small adults' when it comes to asthma. A definitive diagnosis of asthma may not be possible for young children, which can lead to an incorrect or missed diagnosis of asthma, and treatment approaches may be different to those of adolescents and adults.



EDUCATIONAL VISIT

PAEDIATRIC ASTHMA

Breathing new life into diagnosis and management



This educational visiting program, developed in close collaboration with Asthma Australia and the National Asthma Council, focused on the diagnosis and treatment of childhood asthma, and launched in February 2020.

The program messaging and program information was updated as asthma diagnosis recommendations were adapted due to the pandemic.

A second phase of the asthma program to follow on in the second half of 2020, will focus on updated asthma guidelines for adolescents and adults with mild asthma. Although the recommendations for childhood asthma have remained unchanged, they were put into context following these updates.

Abdominal imaging

Abdominal pain is one of the most common patient presentations in general practice, however diagnostic imaging is often not helpful for investigating chronic abdominal pain.



WEBINAR

CHRONIC ABDOMINAL PAIN: COULD IT BE IRRITABLE BOWEL SYNDROME?

Thursday, 25 June 2020
7:00–8:00 pm AEST

To find out more and to register:
nps.org.au/webinar/ibs



This educational program, which commenced in May 2020, reinforced that diagnostic imaging is often not indicated for chronic abdominal pain when a thorough clinical history and physical examination indicate that serious

disease is very unlikely. If imaging is required, it is important to include certain clinical details and the focus of the investigation to assist in the radiologist's interpretation of results.

The program included a GP Practice Review on MBS referrals, an updated online learning module and a webinar with a focus on irritable bowel syndrome (IBS).

Upcoming national programs

Reliance on antipsychotics and benzodiazepines in aged care has come under scrutiny by the Royal Commission into Aged Care Quality and Safety and is a focus of a new education program *Dementia and changed behaviour: a person-centred approach* for which development commenced during the 2019–20 financial year (launching September 2020).

Developed in close collaboration with key organisations working in this field, the program will be delivered in both aged care and community settings. A goal of the program is to increase health professional and carers' knowledge of how non-pharmacological approaches can be tailored to meet the needs of people experiencing changed behaviours in dementia.

WEBINAR Wed 26 August 2020
7pm–8pm AEST
Working together to enhance transitions of care for people with dementia
Register now ▶

WEBINAR Thur 29 Oct 2020
3pm–4:15pm AEST
DEMENTIA: a multidisciplinary approach to caring for people with changed behaviours
Register now ▶

An educational program on heart failure also commenced development during the 2019–20 financial year and aims to improve health outcomes for Australians with heart failure through the quality use of medicines and medical tests in primary care. The program launches in March 2021.

Other educational programs launched in previous financial years which continued into 2019–20 included *Low back pain: taking action* and *Anxiety: rethinking the options*.

Impact of previous programs

Formal evaluation of previous national education programs on statins, neuropathic pain and proton pump inhibitor (PPI) medicines found improved GP knowledge and behaviour, in line with key messages and evidence-based practice, as a result of these programs.

The 2017 program *Statins: Optimising therapy, addressing intolerance* prompted significant increases in the proportion of GPs who: assess cardiovascular (CV) risk and use an Australian CV risk calculator to inform their prescribing of lipid-lowering medicines (+18%); adequately trial statin therapy (+15%); and appropriately manage statin intolerance (+15%).

The 2018 program *Neuropathic pain: Touchpoints for effective diagnosis and management* prompted significant increases in GP knowledge: that sensory loss at the site of maximal pain is a key diagnostic feature of neuropathic pain (+24%); and to avoid prescribing pregabalin or gabapentin for non-neuropathic pain (+11%), which was a Choosing Wisely Australia recommendation. The program succeeded in significantly increasing the proportion of GPs: who perform physical examination with sensory testing (+27%) and motor assessment (+13%) to help diagnose neuropathic pain; who would start a patient with neuropathic pain on low-dose amitriptyline (+32%); and who would conduct a trial for 6–8 weeks when prescribing amitriptyline (+33%).

The 2018 program *Starting, stepping down and stopping medicines* prompted significant increases in GP knowledge: about the importance of reviewing patients within 4–8 weeks of starting PPI treatment for gastro-oesophageal reflux disease (GORD) (+16%); that a high-dose PPI is not appropriate for the initial treatment of GORD (+14%); and that PPIs should not be used long term for patients with uncomplicated disease (+13%), which was aligned with the Royal Australian College of General Practitioners (RACGP) Choosing Wisely Australia recommendation. There was a significant increase of 16% in the proportion of GPs who would appropriately manage a new patient with GORD.

Together with Aboriginal and Torres Strait Islander communities



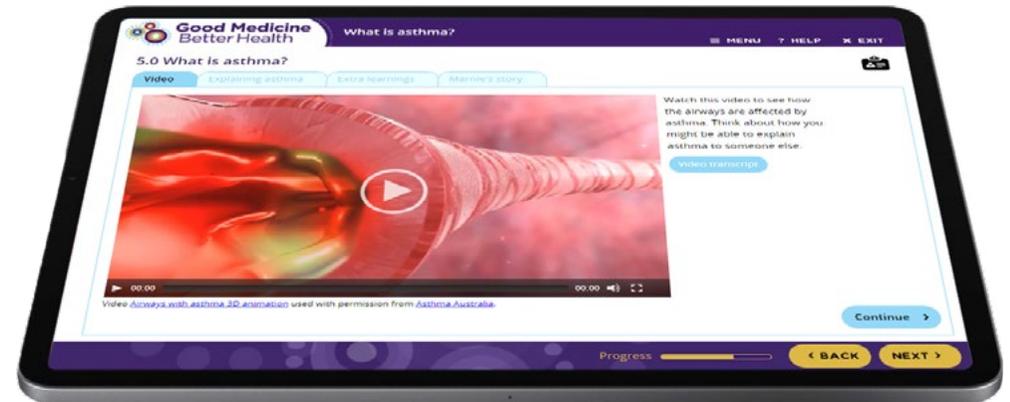
Good Medicine Better Health

A reimagining of a past program which successfully trained over 250 Aboriginal and Torres Strait Islander health workers and practitioners in quality use of medicines in 2010–12, our new Good Medicine Better Health program is underpinned by strong Aboriginal and Torres Strait Islander governance, with an advisory group established to guide the program from 2019 onwards.

Through collaboration with Aboriginal and Torres Strait Islander health professionals and communities, this program aims to improve quality use of medicines and medical tests and ensure Aboriginal and Torres Strait Islander Health Workers and Practitioners are skilled and empowered in quality use of medicines.

We provide training and resources needed to deliver the quality and safe use of medicines that is responsive to local needs to achieve better health outcomes for Aboriginal and Torres Strait Islander peoples.

Key partnerships have been identified and built with Aboriginal and Torres Strait Islander organisations and state-based Aboriginal Community Controlled Health Services to facilitate the delivery and uptake of the program. The overall format and accessibility of the online platform will be co-designed with key users and partners, and content is being developed in collaboration with key Aboriginal and Torres Strait Islander health organisations and national peak bodies.

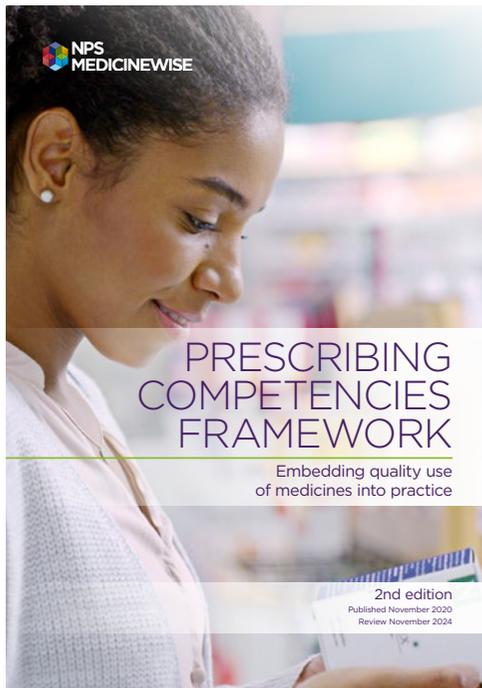


The content will be developed incrementally, with the first online learning course now available on the topic of asthma. This first course aims to increase the confidence of Aboriginal and Torres Strait Islander Health Workers and Health Practitioners to educate patients about their asthma, their asthma medicines and devices, and how to support a person having an asthma attack.

Supporting capability building

Quality prescribing outcomes and patient safety are critical to all prescribing professions. In 2019–20 NPS MedicineWise led a project to review and refresh the Prescribing Competencies Framework, first created in 2012. The current Prescribing Competencies Framework, published eight years ago now, details the practice expectations for Australian prescribers, including the knowledge, skills and attitudes required to safely and effectively prescribe medicines.

We have been working with the Queensland University of Technology to review and update the Framework to ensure it reflects contemporary prescribing practice and remains relevant to all prescribers.



An Expert Reference Group was convened to support the project, including representatives of regulatory, accreditation and consumer organisations.

The review has been undertaken in two stages. **Stage one** employed a Delphi method to gather feedback about the existing Framework, while **stage two** involves seeking feedback through a public consultation process regarding the updated draft Framework.

The refreshed Prescribing Competencies Framework will be published and made publicly available later in 2020.

Supporting best practice in prescriptions

An Australian Government initiative on active ingredient prescribing means most Pharmaceutical Benefits Scheme (PBS) and Repatriation PBS (RPBS) prescription medicines will be prescribed by their active ingredient rather than their brand name. The inclusion of active ingredients on prescriptions will be mandatory from 1 February 2021.

To support this initiative and help improve medicines safety through this initiative, we have developed a suite of resources including information for prescribers, pharmacists and consumers to explain the changes and what they mean in practice.

We are also supporting the Department of Health on the rollout of a separate initiative on electronic prescribing, which is currently being introduced and will provide a safe and secure alternative choice to paper prescriptions.



OUR ACTIVITIES AND RESOURCES

Our suite of program activities and resources is designed to inform decisions about medicines and medical tests and to improve patient outcomes. We match appropriate activities from this suite to the underlying drivers of behaviour as determined during our design process. Activities are free of charge and most are accredited for Continuing Professional Development for health professionals. We now offer our free educational visiting service virtually via video call across Australia so health professionals can participate in these evidence-based educational activities without a face-to-face appointment.

Activities for GPs

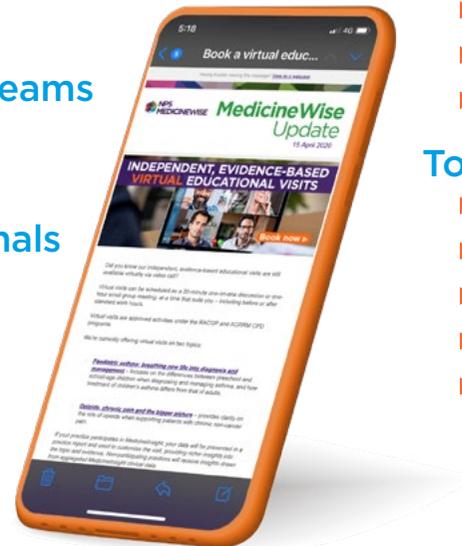
- ▶ [One-on-one-educational visits](#)
- ▶ [Clinical e-Audits](#)
- ▶ [PBS/MBS Practice Reviews](#)

Activities for whole-of-practice teams

- ▶ [MedicineInsight visits](#)
- ▶ [Small group meetings](#)

Activities for all health professionals

- ▶ [Webinars](#)
- ▶ [Clinical case studies](#)
- ▶ [Online courses](#)



Activities for pharmacists

- ▶ [Pharmacy Practice Reviews](#)
- ▶ [Pharmacy visits](#)

Activities for medical and pharmacy students

- ▶ [National Prescribing Curriculum modules](#)

Publications, programs and clinical resources

- ▶ [Australian Prescriber](#)
- ▶ [RADAR](#)
- ▶ [Medicinewise News](#)
- ▶ [Clinical algorithms and tools](#)
- ▶ [Clinical news articles and information](#)
- ▶ [Podcasts](#)
- ▶ [Medicine Finder, now including Product Information \(PI\)](#)

Tools and resources for consumers

- ▶ [Patient resources, news and content](#)
- ▶ [MedicineWise app](#)
- ▶ [Choosing Wisely Australia - 5 Questions](#)
- ▶ [Medicines Line](#) and the [Adverse Medicine Events Line](#)
- ▶ [Medicine Finder to provide access to Consumer Medicine Information \(CMI\)](#)



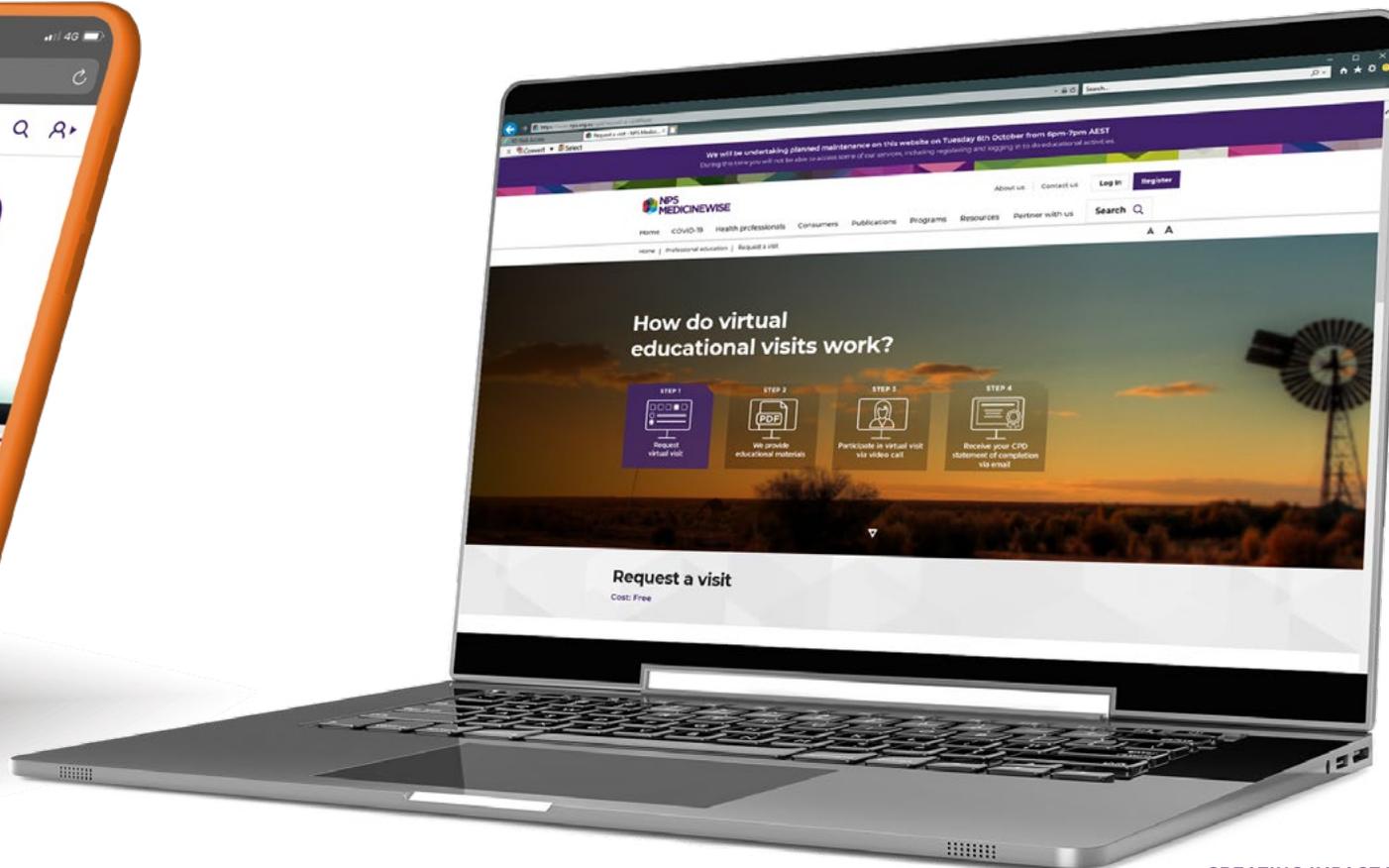
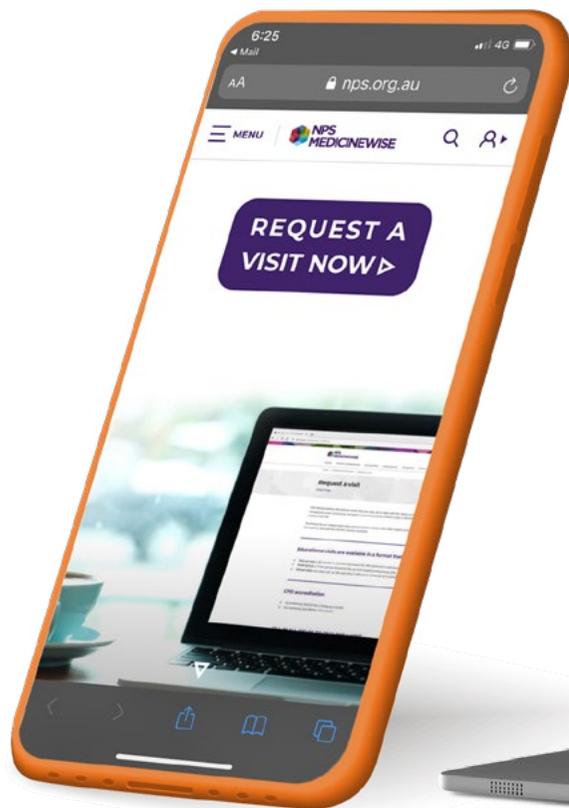
EXPERIENCE EDUCATIONAL VISITS...



...VIRTUALLY ANYWHERE

NPS Medicinewise know it's not always easy to fit educational visits into your busy schedule. But there's no need to miss out.

They now offer you the option to participate in their independent, evidence-based educational visits virtually - at a time and place that's convenient for you.



CHOOSING WISELY AUSTRALIA®

Choosing Wisely Australia is a key initiative of NPS MedicineWise and part of a global movement to address low-value and unnecessary healthcare practices. We do so by encouraging conversations about what care is truly necessary.

Over the past five years Choosing Wisely Australia has continued to grow as a network of health professional colleges, societies and associations; health services; and consumer partners who commit to supporting the Choosing Wisely initiative. Nearly 200 evidence-based recommendations have been released about practices healthcare providers and consumers should question and are implementing across a range of settings and organisations.

Choosing Wisely supports care that is:

- Supported by evidence
- Not duplicative
- Free from harm
- Truly necessary

A learning network

Monthly webinars allow our Champion Health Service network to share results and key learnings from projects being undertaken to reduce low value care, with the wider Choosing Wisely community. In 2019-20 our webinars included presentations from the Queensland Opioid Stewardship Program, the Sunshine Coast Hospital and Health Service's consumer work, and the Royal Perth Bentley Group's goals of patient care project. In June 2020, the National COVID-19 Clinical Evidence Taskforce presented to our network on its COVID-19 living guidelines and how they may support frontline health workers with managing COVID-19.

Featured stories showcasing implementation of Choosing Wisely can be found on the Choosing Wisely Australia website, alongside a growing number of tools and resources, including two new resources. The Stewardship Toolkit for Clinical Educators contains resources for those who want to integrate Choosing Wisely recommendations and case studies into their education and training. The Choosing Wisely in General Practice resource showcases how general practices can get involved and integrate Choosing Wisely into their practice.

Education

As facilitator of Choosing Wisely, NPS MedicineWise promotes and integrates Choosing Wisely into our national educational programs. In the past year, individual primary care programs targeting asthma, opioids, thyroid testing and abdominal imaging promoted Choosing Wisely

recommendations from The Thoracic Society of Australia and New Zealand, Faculty of Pain Medicine of the Australian and New Zealand College of Anaesthetists, Endocrine Society and Royal Australian College of General Practitioners. Evaluation of previous educational programs found increases in awareness of Choosing Wisely Australia recommendations and positive changes in GP practices. GP awareness of a Choosing Wisely Australia recommendation to avoid prescribing pregabalin or gabapentin for non-neuropathic pain increased by 11% after participation in the neuropathic pain education program. Following the statins education program there was a 24% increase in GPs who assessed absolute cardiovascular risk with a cardiovascular risk calculator.

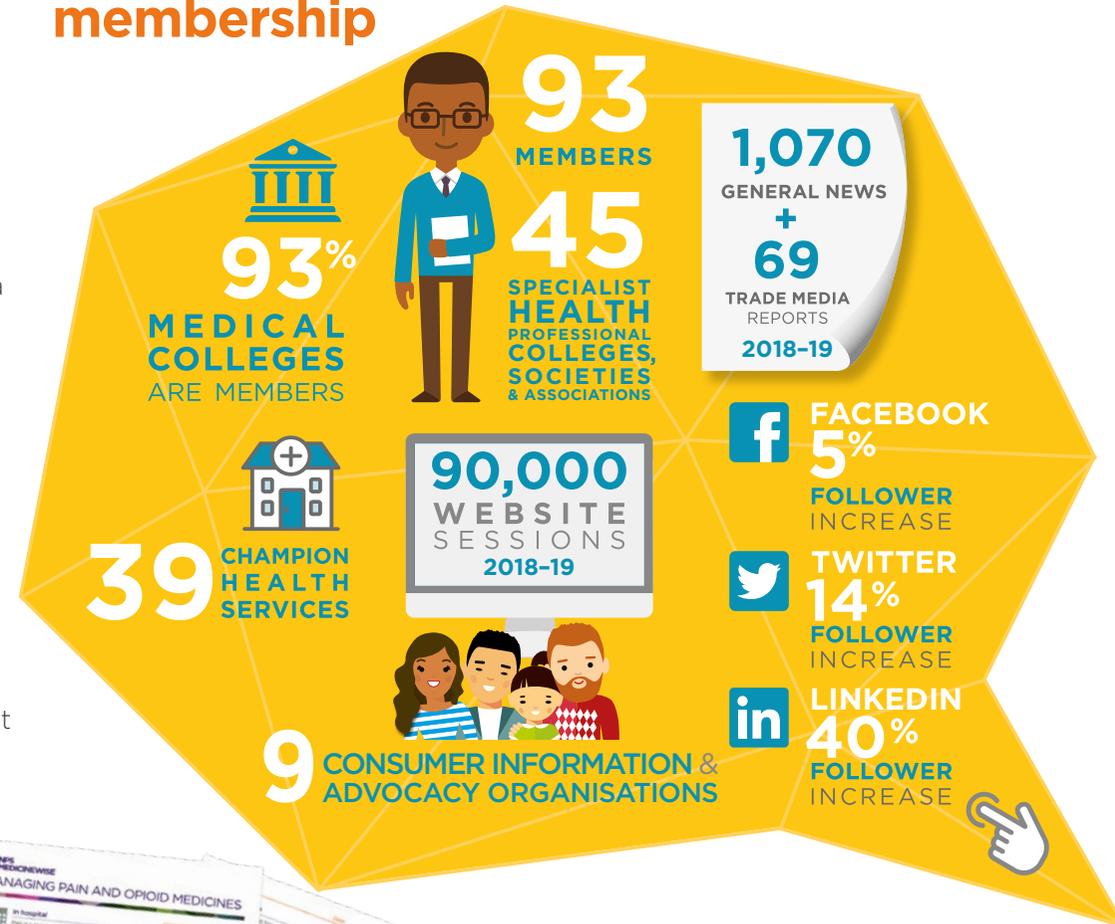
Shared decision making

Central to Choosing Wisely is support for shared decision making through encouraging consumer/health professional conversations that focus on benefits, risks and alternatives of healthcare options. To improve communication in transitions of care, the Choosing Wisely 5 Questions resource has been adapted to support people who are commenced on an opioid for non-cancer pain in hospital. This new resource, developed in consultation with the Queensland Clinical Senate and Society for Hospital Pharmacists, helps consumers and their health professionals have important conversations about pain and medications.

Choosing Wisely in a pandemic

Recognising that accessing necessary healthcare and asking questions about medical treatments and tests is important during a pandemic, Choosing Wisely Australia developed COVID-19 guidance to support clinicians and consumers. These have been disseminated through the Choosing Wisely Australia website, social media, podcasts and videos for health service waiting rooms.

Choosing Wisely membership



MedicineInsight

INFORMING QUALITY IMPROVEMENT IN PRIMARY CARE

NPS MedicineWise's MedicineInsight program continues to be an important part of our mission to enable better health and economic outcomes for people and the community.

MedicineInsight is a large-scale, national general practice dataset, established to support quality improvement in general practice, post-market monitoring of medicines and tests, Australian health policy and primary care research.

This program is only possible thanks to the consumers and general practices around Australia who share their de-identified data. With 732 practices encompassing over 5,000 participating GPs, MedicineInsight has collected de-identified data of approximately 3.2 million regular patients attending participating general practices.

Throughout 2019–20 MedicineInsight continued 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 also had the opportunity to use MedicineInsight to create a number of timely reports examining prescribing, diagnoses and encounter trends during recent events including the 2019–20 bushfire crisis. These reports were shared with relevant stakeholders as appropriate including the Australian Department of Health, Therapeutic Goods Administration, Australian Commission on Safety and Quality in Health Care and the National COVID-19 Clinical Evidence Taskforce to inform their work.

Tailored reports for GPs

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. These reports are supporting quality use of medicines and medical tests in practice, and helping to drive positive behaviour change to improve patient outcomes. MedicineInsight practices had access to all-of practice meetings facilitated by NPS MedicineWise Educational Visitors, to discuss their tailored reports, with meetings focusing on practice-led development of quality improvement interventions aligned with our national

educational programs. Reports are refreshed monthly and available to participating practices via a secure web-based report repository.

Topics for which MedicineInsight practices had access to practice reports to inform quality improvement activities in 2019–20 included:

- ▶ Type 2 diabetes: what's next after metformin?
- ▶ Anxiety: Rethinking the options
- ▶ Chronic hepatitis C: management in primary care
- ▶ Opioids and the bigger picture when treating chronic pain
- ▶ Paediatric asthma: breathing new life into diagnosis and management
- ▶ Proton Pump Inhibitors: starting, stepping down and stopping medicines
- ▶ Low back pain.

Practices also had access to a range of past reports in the report repository.

Reports for policy makers

A number of reports for policy makers were commissioned throughout the year.

Bushfires

We undertook a study to understand the impact of bushfires on the health of Australians visiting general practices. MedicineInsight data was used to compare rates at which patients attended general practices with respiratory conditions on days affected by bushfire smoke and days which were not bushfire smoke affected.

As seen in studies using hospital data, the number of patients presenting with asthma increased on bushfire smoke affected days. The encounter rate for asthma was 24% higher on days of bushfire smoke exposure compared with non-bushfire smoke exposed days (RR 1.24, 95% CI 1.16–1.32). Asthma encounter rates were 87% higher on days of extreme bushfire smoke exposure when compared with non-extreme bushfire smoke exposed days (RR 1.87, 95% CI: 1.44–2.43). However, the increase appeared to be short-

term and rates of asthma encounters diminished as the number of days after bushfire exposure increased.

This report was commissioned by the Australian Government Department of Health.

Faecal occult blood tests

The Department of Health requested a MedicineInsight report on patients aged 50–74 who had a GP-ordered faecal occult blood tests (FOBTs) despite being eligible for free testing under the National Bowel Cancer Screening Program (NBCSP). Among eligible patients, 45,771 (6.7%) had at least one GP-ordered FOBT.

After testing, 34.0% of patients were referred to a specialist, 2.2% were diagnosed with polyps, 1.3% with a gastrointestinal tract inflammatory condition and 0.9% with haemorrhoids. The likelihood of having a GP-ordered FOBT was higher among patients aged 55–59 years (7.3%) than 70–74 years (5.8%), among Aboriginal and Torres Strait Islander Australians (9.1%) than other Australians (7.0%) and among residents of New South Wales (9.1%), South Australia (8.9%) or Victoria (7.8%).

In approximately 15% of patients the FOBT was ordered for screening purposes rather than being ordered to investigate gastrointestinal symptoms or because of a family history of bowel cancer. These patients would have been eligible for free screening under the NBCSP. GPs could play an active role in providing information about the NBCSP and how to access the NBCSP test kits to patients who require screening.

Cardiovascular disease in people with long-term mental illness

As part of the 2018–19 General Practice Insights Report (GPIR) for the Department of Health we explored cardiovascular disease (CVD), CVD risk factors and use of preventive medicines in patients with long-term mental illness (bipolar disorder, schizophrenia, and long-term depression or anxiety disorder).

Among the 114,629 patients with a long-term mental illness recorded, 6.8% had a record of CVD and 8.2% had a record of type 2 (or unspecified) diabetes. A fifth had hypertension or dyslipidaemia and a quarter were current smokers or overweight. Compared to the general population without long-term mental illness, the risk of CVD was 50% greater in those with long-term mental illness.

While most patients with long-term mental illness and existing CVD had at least one preventive medicine recorded, they were less likely than the general population with existing CVD to have both a lipid-lowering and a blood pressure-lowering medicine recorded, as recommended in guidelines for the secondary prevention of cardiovascular events.

As three-quarters of Australians with mental illness seek medical care in general practice, GPs are well placed to improve their cardiovascular health, both through lifestyle advice to improve the risk factor profile of these patients, and through recommended medicines.

Other reports commissioned in 2019–20 included:

- ▶ Use of MedicineInsight to inform the Department of Health Future of Pathology Project
- ▶ An investigation of the physical health of people with severe mental illness
- ▶ Characterising patients with a request for three-dimensional breast tomosynthesis in the general practice setting
- ▶ Utilisation of pre-exposure prophylaxis against human immunodeficiency virus (HIV) in the Australian general practice setting
- ▶ Sexual health checks in general practice – a 12 month snapshot
- ▶ General Practice Insights Report (GPIR) 2017–18 and General Practice Insights Report (GPIR) 2018–19
- ▶ Use of psychotropic medicines by general practice patients aged 65 years or older.

Supporting research and patient care with data

MedicineInsight data is increasingly being used to inform implementation programs to improve quality of care for patients, and to support research projects that align with the public good ethos and mission of NPS MedicineWise.

“My colleagues and I at the University of Tasmania have been using NPS MedicineWise’s MedicineInsight dataset since 2015. We appreciate that the organisation takes their secondary use of general practice e-record data seriously with sound data governance of this valuable asset. The organisation’s MedicineInsight dataset has increased the capability of Australian general practice researchers to answer questions relevant to improving the health care of Australians.”

Associate Professor Jan Radford, Associate Professor in General Practice, University of Tasmania

“MedicineInsight data is a fantastic resource for primary care health services research. At the Victorian Comprehensive Cancer Centre we have linked the data to hospital and cancer registry datasets to study the role of primary care across the continuum of cancer care. We would not have been able to do this without the great support from NPS MedicineWise.”

Professor Jon Emery, Herman Professor of Primary Care Cancer Research, Centre for Cancer Research, University of Melbourne

Research publications

Some research projects using MedicineInsight data have been highlighted in respected academic journals over the past year:

Bezabhe WM, Kitsos A, Saunder T, et al.

Medication Prescribing Quality in Australian Primary Care Patients with Chronic Kidney Disease.

J Clin Med. 2020;9(3):783. Published 2020 Mar 13. doi:10.3390/jcm9030783

<https://www.mdpi.com/2077-0383/9/3/783>

Heron JE, Norman SM, Yoo J, et al.

The prevalence and risk of non-infectious comorbidities in HIV-infected and non-HIV infected men attending general practice in Australia.

PLoS One. 2019;14(10):e0223224. Published 2019 Oct 9. doi:10.1371/journal.pone.0223224

<https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0223224>

De Oliveira Bernardo C, González-Chica DA, Stocks N.

Impact of funding influenza vaccination on coverage among Australian children: a national study using MedicineInsight, a large general practice database.

Hum Vaccin Immunother. 2020;16(3):630-635. doi:10.1080/21645515.2019.1664866

<https://www.ncbi.nlm.nih.gov/pubmed/31526224>

Frank O, De Oliveira Bernardo C, González-Chica DA, Macartney K, Menzies R, Stocks N.

Pneumococcal vaccination uptake among patients aged 65 years or over in Australian general practice.

Hum Vaccin Immunother. 2020;16(4):965-971. doi:10.1080/21645515.2019.1682844

<https://www.tandfonline.com/doi/full/10.1080/21645515.2019.1682844>

Busingye D, Gianacas C, Pollack A, Chidwick K, Merrifield A, Norman S, Mullin B, Hayhurst R, Blogg S, Havard A and Stocks N.

Data Resource Profile: MedicineInsight, an Australian national primary health care database.

Int J Epidemiol. 2019 Dec 1;48(6):1741-1741h. doi: 10.1093/ije/dyz147.

<https://www.ncbi.nlm.nih.gov/pubmed/31292616>

Chidwick K, Busingye D, Pollack A, Osman R, Yoo J, Blogg S, Rubel D, Smith S.

Prevalence, incidence and management of atopic dermatitis in Australian general practice using routinely collected data from MedicineInsight.

Australasian Journal of Dermatology, 15 March 2020, <https://doi.org/10.1111/ajd.13268>

<https://onlinelibrary.wiley.com/doi/full/10.1111/ajd.13124>

[Read the full list of approved projects using MedicineInsight data and associated publications.](#)

Checking the validity of MedicineInsight data

In collaboration with the University of Melbourne and the University of New South Wales, we validated the algorithms that identify the health records of patients with particular conditions in the MedicineInsight data. Checking 475 randomly selected patients from the database with diagnoses recorded in the original electronic health records held at the practice, we found the algorithms to be reliable for the conditions tested, which included anxiety disorder, asthma, depression, osteoporosis and type 2 diabetes.

In future work, we will validate the algorithms for different conditions. We will check the completeness of the data in several key fields, and we will compare our data against national databases.

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.

An independent and external Data Governance Committee provides advice and approval on use of MedicineInsight data.

Members include general practitioners, academics, researchers and consumer advisers, including individuals with data security and privacy expertise.

MedicineInsight GP Advisory Group

NPS MedicineWise is committed to engaging with general practice and ensuring transparency of the MedicineInsight program. To support this, we have established a MedicineInsight GP Advisory Group to provide a forum for general practitioners to, on behalf of their peers, advise NPS MedicineWise with regards to the secondary use of their general practice data. The majority of GPs included on this group are drawn from participating MedicineInsight practices. This group's work will be complementary to the established independent Data Governance Committee which also has GP membership and the Data Development Advisory Group.

The MedicineInsight GP Advisory Group's role includes providing advice on the benefits of using general practice data and potential future opportunities for data utility, articulating any concerns and workshopping solutions and assisting us to keep the program current and contemporary through ideas for program enhancements and improvements.

Our ethical frameworks

Since establishing MedicineInsight in 2011, we have operated within robust ethical frameworks. The ownership of the clinical data remains with the general practices 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.

[Read more about privacy, security and governance for MedicineInsight.](#)

EXTENDING OUR IMPACT

In addition to our core contract work with the Australian Government Department of Health, NPS MedicineWise works with other stakeholders to design, develop and implement innovative programs to improve health knowledge and decision-making.

Always with the aim of having a positive impact on health outcomes, these additional programs:

- ▶ generate health insights through capturing and synthesising health information
- ▶ drive clinical improvements by delivering evidence-based programs, products and community initiatives to improve clinical decisions, or
- ▶ facilitate knowledge transfer, providing multi-faceted support for health professionals and consumers.

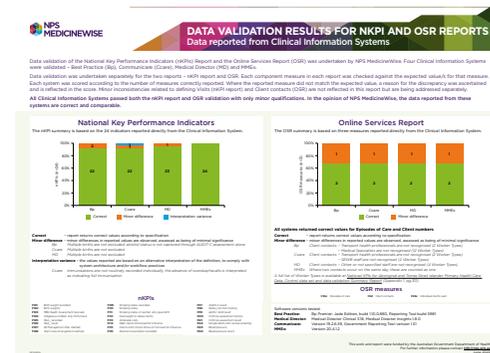
Collaborating with these customers provides a way for us to increase our impact and to drive the implementation of quality use of medicines in new and different areas.

Some of our new and continuing programs in 2019–20 are highlighted below.

Indigenous Health reporting

The national Key Performance Indicators (nKPI) report and Online Services Report (OSR) collect data from organisations funded by the Australian Government to provide primary health care services to Aboriginal and Torres Strait Islander Australians.

Commencing in 2019, NPS MedicineWise was contracted by the Australian Government Department of Health to validate the nKPI and OSR reports, using a control data set (CDS) to check the integrity of the report outputs.



Four clinical information systems are validated – Best Practice (Bp), Communicare (Ccare) Medical Director (MD), and MMEx.

The results of each validation process conducted by NPS MedicineWise are presented in the format of a vendor scorecard available on our [website](#).

Population Health Cancer Management Program

Population-based screening programs for bowel, breast and cervical cancer in Australia have been shown to reduce mortality, however their effectiveness relies on increasing participation rates.

In May 2019, Central and Eastern Sydney PHN (CESPHN) formed a partnership with NPS MedicineWise to develop and implement the Population Health Cancer Management Program. The primary goal of the program is to improve screening participation in the three national cancer

screening programs (bowel, breast, cervical) amongst primary practice populations through the implementation of quality improvement activities.

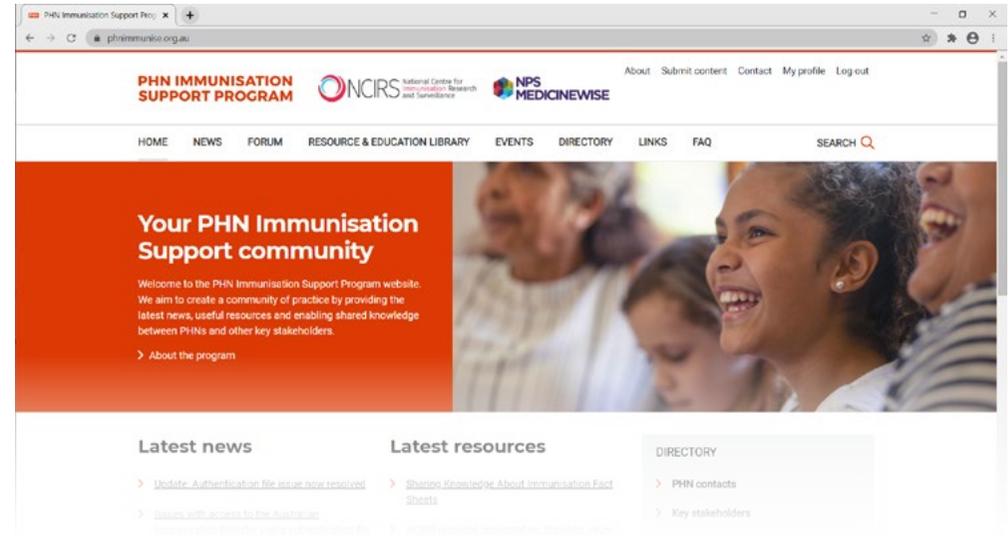
NPS MedicineWise is working with 18 practices within the CESPHN region to implement the newly developed Quality Improvement Toolkit from the Cancer Institute NSW. The aim of the program is to improve the ability and capacity of primary practices to systematically address screening participation in their practice populations through quality improvement activities. Through a population health approach the program is designed to function as a launching pad to support longer term population health achievements by enabling primary care service providers to implement system changes.

Despite COVID-19 practices have continued to engage remotely in the program and are continuing to work towards implementing quality improvement activities that encourage cancer screening participation.

Embedding regulatory reforms for opioids

Commissioned by the Therapeutic Goods Administration (TGA), we raised awareness about the regulatory changes around opioids and the implications in practice beyond our Opioids, chronic pain and the bigger picture program.

As part of this project we produced a RADAR article, a consumer information card stack and updated material to support existing program activities. We ran a survey of health professionals to inform future activities and resource development around opioids. These activities will include health professional webinars, a series of communication videos to assist with having effective conversations between health professionals and patients, a series of podcasts for health professionals and an online module based on an interactive case study.



PHN Immunisation Support Program

We are working nationally in collaboration with all Primary Health Networks (PHNs), jurisdictional and Commonwealth health departments and Services Australia to drive improved patient care through optimal uptake of immunisation.

The PHN Immunisation Support Program commenced in 2017 and is a collaborative project between the National Centre for Immunisation Research and Surveillance and NPS MedicineWise, funded by the Australian Government Department of Health. The initiative provides a national, coordinated support service to help PHNs develop and enhance immunisation programs to meet the needs of local communities. PHNs and other stakeholders have access to an online hub where they can access and share best practice information and resources using a community of practice approach. The program supports working groups, provides education and networking opportunities and provides mentoring and advice.

Ensuring best possible outcomes through safe and wise use of bDMARDs and other specialised medicines

bDMARDs are a class of medicine that have made a significant improvement in the management of chronic diseases like rheumatoid arthritis, inflammatory bowel disease and chronic dermatological conditions. These biological medicines are part of the fastest-growing sector of the pharmaceutical market, and are an increasingly complex area for consumers, specialists and pharmacists to navigate.

With funding from the Australian Government Department of Health through its Value in Prescribing program, NPS MedicineWise and a range of organisations representing specialists, pharmacists, consumers and research experts have formed a consortium, the Targeted Therapies Alliance, or the Alliance, to provide stewardship and direction by developing access to up-to-date and evidence-based information about the safe and wise use of bDMARDs and other specialised medicines to ensure the best possible health and economic outcomes. The Alliance will help consumers and health professionals make safe and wise therapeutic decisions about biological disease-modifying antirheumatic drugs and other specialised medicines.



Over the coming months, NPS MedicineWise and the organisations who make up the Alliance will be publishing specific information about the use of biological and other specialised medicines across a range of rheumatology,

dermatology and gastroenterology conditions. This will include, for example, rheumatoid arthritis, ankylosing spondylitis, psoriatic arthritis, psoriasis, Crohn disease and ulcerative colitis.

Access to the information developed by organisations who make up the Alliance will be promoted and made available through this website and through Alliance members' websites.

Promoting appropriate use of immunoglobulins

Immunoglobulin is a critical therapy for people with immunodeficiencies and immune-type neurological conditions, but demand is growing and this is a precious resource.

Under the Australian Government's Value in Prescribing Program, NPS MedicineWise and a consortium of health organisations is working nationally to improve health outcomes for patients prescribed immunoglobulin products.

This stream of work will support clinicians, particularly specialists, in the use of immunoglobulin products, as well as provide access to better information to allow patients to manage their health conditions.

We are working with the National Blood Authority and a range of stakeholders to develop and deliver educational resources, tools and interventions to support clinicians in optimising the use of precious immunoglobulin products, as well educate consumers on these products.

Out of pocket costs transparency project

Providing information to consumers about the potential costs of health care helps them make better informed decisions and reduces barriers to accessing the care they need.

In June 2019 we were contracted by the Australian Government Department of Health to use our strong technical writing and health information expertise to contribute to the development of materials to support informed decision-making by consumers seeking medical specialist care in the private health system. These materials will contribute to the initiatives announced by the Minister for Health in March 2019 and funded under the 2019-20 federal budget to improve transparency and consumer understanding of the out of pocket costs associated with many common specialist procedures.

QUALITY MANAGEMENT AND CLINICAL GOVERNANCE

Quality management, clinical governance and data governance frameworks

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.

NPS MedicineWise undergoes annual external audits to ensure continued compliance with the ISO9001:2015 Quality Management Standard. In May 2020 we successfully extended our certification to July 2023.

Our 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 support the application of the policy.

Our data governance framework underpins all MedicineInsight activities to ensure appropriate use of data. An independent and external Data Governance Committee provides advice and approval on use and sharing of MedicineInsight data, and the program has been granted ethics approval from the RACGP National Research and Evaluation Ethics Committee (NREEC).

[Read more about our quality management, clinical governance and data governance frameworks.](#)

Advisory input for quality use of medicines stewardship

We manage and coordinate a range of formal governance groups who meet at various intervals each year.

Working together with subject matter experts through formal program governance ensures our programs and interventions are appropriately designed, targeted and contextualised to meet the needs of different audiences, and delivered in partnership with the appropriate organisations.

In 2019–20, active governance groups included:

- ▶ Australian Prescriber Editorial Executive
- ▶ Consumer Advisory Group
- ▶ Choosing Wisely Advisory Group
- ▶ Choosing Wisely Consumer Engagement and Activation Project Expert Working Group
- ▶ Clinical Intervention Advisory Group
- ▶ Data Development Advisory Group
- ▶ Independent External Data Governance Committee
- ▶ National Prescribing Competency Framework Expert Reference Group

TOGETHER WITH OUR MEMBERS

Our 46 member organisations are an important and valued asset to our work. The member organisations represent GPs, pharmacists, specialists, nursing, other health professionals, the pharmaceutical industry, government and the Australian community.

			
 <p>Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists (ASCEPT)</p>			
			<p>Australian Government Department of Veterans' Affairs</p>
			
 <p>Australian Primary Health Care Nurses Association</p>			

 <p>Consumer Healthcare Products Australia</p>	 <p>CHF Consumers Health Forum of Australia</p>	 <p>COTA For older Australians Council on the Ageing (COTA)</p>	 <p>diabetes australia</p>
 <p>FECCA Federation of Ethnic Communities' Councils of Australia</p>	 <p>GBMA Generic and Biosimilar Medicines Association</p>	 <p>HEAL Health Education Australia Limited</p>	 <p>Lung Foundation Australia</p>
 <p>MSIA MEDICAL SOFTWARE INDUSTRY ASSOCIATION</p>	 <p>Medicines Australia</p>	 <p>NACCHO National Aboriginal Community Controlled Health Organisation</p>	 <p>National Asthma Council AUSTRALIA</p>
 <p>Heart Foundation</p>	 <p>NSW TAG NSW Therapeutic Advisory Group Inc. Advancing quality use of medicines in NSW</p>	 <p>Optometry AUSTRALIA</p>	 <p>PalliativeCare AUSTRALIA</p>
 <p>Pharmaceutical Society of Australia</p>	 <p>The Pharmacy Guild of Australia</p>	 <p>RACP Specialists. Together Royal Australasian College of Physicians</p>	 <p>RACGP Royal Australian College of General Practitioners</p>
 <p>The Royal Australian & New Zealand College of Psychiatrists</p>	 <p>The Royal Australian and New Zealand College of Radiologists*</p>	 <p>RCPA The Royal College of Pathologists of Australasia</p>	 <p>RURAL DOCTORS ASSOCIATION OF AUSTRALIA</p>
 <p>shpa Society of Hospital Pharmacists of Australia</p>	 <p>Therapeutic Guidelines</p>		

BOARD OF DIRECTORS

Dr Andrew Knight



Andrew has been a director of NPS MedicineWise since 3 August 2010 and Chair of Board since 1 July 2019.

He is a staff specialist general practitioner and Director of the South Western Sydney Local Health District Primary and Integrated Care Unit.

Andrew holds academic appointments at the University of NSW and Western Sydney University. He was previously a Director of Training in the Australian General Practice Training Program. He has had extensive experience in quality improvement for general practice through the Australian Primary Care Collaboratives Program. He is the former chair of the Nepean Blue Mountains Primary Health Network.

He is a fellow of the Australian Institute of Company Directors and a member of the NPS MedicineWise Board Governance and Nomination Committee.

Dr Rosemary Bryant



Rosemary has had a broad career in acute hospital and community nursing management, as well as in government relations, advocacy and policy development and implementation. After serving as Executive Director of the Royal College of Nursing, Australia, for 8 years, she was the first Commonwealth Chief Nurse and Midwifery Officer from July 2008 to June 2015.

Rosemary is 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. She chairs the Steering Committee of the Rosemary Bryant AO Research Centre.

Rosemary is a Chair of the NPS MedicineWise Board Governance and Nomination Committee.

Ms Judy Gregurke



Judy has extensive leadership experience in health, community, disability and aged care sector management roles with a demonstrated passion for empowering and supporting people and representing the views and concerns of service users, consumers and community members.

She is currently enjoying consultancy and consumer advocacy roles and is a consumer advisor for the Australian Digital Health Agency and a member of the Services Australia Aged Care Taskforce. She is a former member of the Aged Care Sector Committee and the Aged Care Quality and Safety Commissioner's Consultative Forum.

As a Speech Pathologist, Judy worked in acute hospital, primary care, disability and education settings. She has a master's degree in Health Administration (Health Service Management) and is a Graduate and current member of the Australian Institute of Company Directors.

Judy is a member of the NPS MedicineWise Board Governance and Nomination Committee.

Dr James Langridge



Jim's career over the past 30 years has been in higher education administration, specialising for over 20 years in international education, entrepreneurship in higher education and business management.

He brings to the NPS MedicineWise Board experience gained from directorships of organisations in the private education sector, entrepreneurial start-up companies and those involved in regional and economic development. His experience in offshore markets is diverse, in particular in the Middle East, South Asia and North America.

His qualifications include a doctorate from the University of Southampton on the topic 'Entrepreneurship in higher education'. He was awarded a fellowship of the UOW in recognition of his contribution to international higher education and is also a fellow of the Australian Institute of Company Directors.

Jim is a member of the NPS MedicineWise Board Audit and Risk Committee.

Dr Winston Liauw



Winston is a practicing medical oncologist and clinical pharmacologist with master's degrees in pharmaceutical development and public policy.

His clinical practice is based around gastrointestinal cancer with a speciality in regional and intraperitoneal chemotherapy. He is a Director of the Cancer Services Stream, South Eastern Sydney Local Health District and Oncology Program.

Winston is Oncology Program Chair at the NSW Health Education and Training Institute (HETI) and convenes the Basic Science of Oncology Course. He is lead clinician for the Translational Cancer Research Network and the UNSW Sphere Cancer Group.

Winston was appointed the Chief Medical Information Officer of South Eastern Sydney Local Health District in 2019.

Winston is Chair of the NPS MedicineWise Board Audit and Risk Committee.

Ms Jennifer Morris



Jennifer is a healthcare safety professional and consumer representative with a focus on the safety, wellbeing, experiences, perspectives and contributions of healthcare consumers.

In her work at the University of Melbourne, Jennifer's qualitative and quantitative research has explored clinical care and clinical decision-making, as well as healthcare workforce regulation and legislative reform.

She is a member of the Member of the Safer Care Victoria Academy (Incident Response Team), and Victorian Clinical Council, and holds advisory committee positions with a variety of health sector organisations, including the Australasian College for Emergency Medicine, Health Complaints Commissioner (Victoria), Australian Primary Health Care Nurses Association and National Health and Medical Research Council.

Jennifer was an NPS MedicineWise director from May 2017 to May 2020 and a Chair of the NPS MedicineWise Board Governance and Nomination Committee during the 2019-2020 financial year.

Ms Deborah Rigby



Debbie is a consultant clinical pharmacist practicing in Brisbane. She is an internationally recognised certified geriatric pharmacist, having a special interest in geriatric and respiratory

pharmacotherapy, and regularly conducts medication review services and presentations to pharmacists, nurses, allied health professionals and consumers.

Debbie is a member of the Medication Safety Oversight Committee, Australian Commission for Quality and Safety in Health Care. Adjunct Associate Professor at the School of Pharmacy, University of Queensland. Clinical Associate Professor at Queensland University of Technology.

Debbie's work is award-winning, earning her the PSA Australian Pharmacist of the Year in 2001, PSA Qld Bowl of Hygeia in 2002, inaugural AACP Consultant Pharmacist Award in 2008, SHPA Clinical Pharmacy Award in 2016 and PSA Qld Gold Medal Award in 2017.

Debbie was an NPS MedicineWise director from August 2008 to August 2020, and was a member of the NPS MedicineWise Board Audit and Risk Committee during the 2019-20 financial year.

BOARD GOVERNANCE AND NOMINATION COMMITTEE REPORT

The Board Governance and Nomination Committee (BGNC) is a standing committee charged with 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.

During the year Andrew Knight was appointed Board Chair and Jennifer Morris appointed BGNC Chair until the end of her term as a director at which time Rosemary Bryant was appointed BGNC Chair. I would like to thank Jennifer for her valued contribution to the BGNC. During the year Judy Gregurke joined the BGNC and I would like to welcome her.

Significant activities undertaken over the past 12 months included:

- ▶ 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.
- ▶ Review and the introduction of a new Board composition guidance and skills matrix. These important tools underpin decisions and planning about Board composition and appointments, to ensure it continues to well support effective organisational governance and deliver on strategy.

- ▶ Supporting Board evaluation and assessment.
- ▶ New Board Chair appointed. The BGNC supported the selection and appointment of a new Board Chair.

During 2019–20 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.

Dr Rosemary Bryant

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.

Highlights for 2019–20 are:

- ▶ Recommending and approving financial governance and risk management strategies and policies
- ▶ Receiving an unqualified audit report for the 2019–20 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.

Dr Winston Liauw

Chair, Audit and Risk Committee

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DIRECTORS' REPORT

The Directors present their report together with the annual financial report of National Prescribing Service Limited and its 100% wholly owned subsidiary, VentureWise Pty Limited, from hereon in referred to as "the Group" for the financial year ended 30 June 2020.

Directors

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

Non-Executive Directors

Andrew Knight (Chair)
James Langridge
Winston Liauw
Deborah Rigby
Jennifer Morris (retired on 19 May 2020)
Rosemary Bryant
Judy Gregurke (appointed 25 May 2020)

Executive Director

Steve Morris (retired on 23 January 2020)

Particulars of Directors

Name of Director and Qualifications	Board committee memberships	Experience
Andrew Knight (Chair) MBBS, MMedSci, FRACGP, FAICD	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 Western Sydney University. Clinical Adviser for the Australian Primary Care Collaborative program. Former 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 offshore jurisdictions especially the Middle East and North America. Chair, VentureWise Pty Ltd. Chair, VentureWise Pty Ltd in-corporation. NPS MedicineWise director since 3 December 2009.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	Board committee memberships	Experience
Winston Liauw MBBS(Syd), MMedSci(UNSW), FRACP, GAICD, MPol&Policy(Deakin)	Chair, 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. Chief Medical Information Officer South Eastern Sydney LHD. NPS MedicineWise director since 18 June 2010.
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. Clinical Associate Professor at Queensland University of Technology. NPS MedicineWise director since 25 August 2008.
Jennifer Morris BSc BA GDipSciComm	Board Governance and Nomination Committee	Healthcare quality and safety professional – with a focus on the wellbeing, experiences, perspectives and contributions of healthcare consumers. Member of the Occupational Therapy Board of Australia. Former member of the Board of Management for the Disability Discrimination Legal Service. Member of the Safer Care Victoria Academy (Incident Response Team), and Victorian Clinical Council. Holds advisory committee positions with the Australasian College for Emergency Medicine, Health Complaints Commissioner (Victoria) and Australian Primary Health Care Nurses Association. NPS MedicineWise director from 19 May 2017 to 19 May 2020.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	Board committee memberships	Experience
Rosemary Bryant AO FACN (DLF)	Chair, Board Governance and Nomination Committee (appointed 10 June 2020)	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.
Judy Gregurke Dip App Sc, MHA, GAICD	Board Governance and Nomination Committee (appointed 10 June 2020)	Experienced consumer and community health advocate with over 25 years of experience in executive management roles in health, disability and peak body membership organisations in the not for profit sector. Former member of the Aged Care Sector Committee and the Aged Care Quality and Safety Commissioner's Consultative Forum. Experienced leader with a genuine passion for empowering and supporting people and representing the views and concerns of service users, consumers and community members. NPS MedicineWise director since 25 May 2020.
Steve Morris BPharm, MSc in Health Services Research and Technology Assessment, MBA		Chief Executive Officer of NPS MedicineWise since 3 September 2018. Former Executive Director SA Pharmacy, and Chief Pharmacist for SA Health. Mr Morris holds an MBA and MSc in Health Services Research and Technology Assessment. NPS MedicineWise executive director from 20 September 2018 to 23 January 2020.

DIRECTORS' REPORT (Continued)

Company Secretary

Kerry-Ann Aitken was reappointed as Company Secretary effective from 1 July 2020.

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:

Name of Director	Meetings of Directors		Board Audit and Risk Committee meetings		Board Governance and Nomination Committee meetings	
	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended
Andrew Knight	8	8			5	5
James Langridge	8	7	4	4		
Winston Liauw	8	7	4	4		
Deborah Rigby	8	8	4	3	2	2
Jennifer Morris	6	6			4	3
Rosemary Bryant	8	8			5	5
Judy Gregurke	2	2			1	1
Steve Morris	2	2				

Principal Activities

NPS MedicineWise aims to improve the health of Australians through safe and wise use of medicines and other health technologies.

We add value as the steward of quality use of medicines: promoting safe and wise use of medicines; bridging gaps between evidence and practice; and enabling better decisions.

Our work supports achievement of the Quality Use of Medicines objectives of Australia's National Medicines Policy.

We are independent, not-for-profit, evidence-based and consumer centred.

Operating Results

The net deficit for the year ended 30 June 2020 was \$789,933 (2019: deficit \$315,549).

Review of Operations

NPS MedicineWise delivered on our objectives during the 2019-20 financial year, while embedding changes to our operational structure and to ensure we remain outcome-focused and relevant into the future. Our new, more agile way of working together was tested as we continued high quality and seamless operations during the COVID-19 pandemic including long periods of remote working.

DIRECTORS' REPORT (Continued)

Review of Operations (Continued)

Services delivered in 2019-20 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 programs on the role of opioids in the management of chronic non-cancer pain, diagnosis and management of paediatric asthma, lower gastrointestinal imaging and dementia and psychotropic medicines.

As the steward of quality use of medicines, we strengthened our collaboration and partnerships across the health sector to build collective impact, including a formal agreement with the Consumers Health Forum of Australia that will be instrumental in the implementation of our new codesigned Consumer Engagement Framework.

In line with this renewed focus on consumers, we supported consumers being medicinewise in the community through social media and public relations activity including Be Medicinewise Week 2019, promotion of our MedicineWise app and Medicines Line service, and promotion of quality use of medicines messages during the bushfire crisis and COVID-19 pandemic.

Beyond our core work on behalf of the Commonwealth, we commenced and continued work with partners in areas of innovation and care including cancer screening and referrals, community-based palliative care, genomics, real time prescription monitoring and mental health. Together with consortium partners, work continued on two Value in Prescribing projects to improve use of biologic disease-modifying anti-rheumatic drugs (bDMARDs) and immunoglobulins.

MedicineInsight continued its growth, with over 700 general practices contributing to the unique data set. This has become a useful and robust dataset for insights into general practice in Australia which in turn inform policy and research to improve health outcomes for all Australians. The General Practice Insights Report 2017-18, released this year, looked at 2.7 million patients' de-identified data showing common chronic health conditions in 2017-18 and the clinical management the patients received. It contained insights such as which medicines are most likely to be prescribed privately, in which circumstances repeat prescriptions are being issued, and ways MedicineInsight data are already being used in quality improvement projects.

Choosing Wisely also continued to grow among the health profession and wider community, including into new areas of healthcare research, education and advocacy. Choosing Wisely recommendations continued to be embedded into NPS MedicineWise educational programs, and new resources were launched including the new *Managing pain and opioid medicines* resource for people who are prescribed opioids for non-cancer pain in hospital, as well as pandemic guidance for health professionals and consumers.

Significant Changes in State of Affairs

In January 2020, a contract to deliver a Quality Use of Medicines Programme was executed with the Australian Government, Department of Health for the period of 1 January 2020 to 30 June 2022.

Matters Subsequent to Reporting Period

As at the date of the authorization of this financial report, there has been no material impact on the financial results of the Group arising from COVID. The extent of the future impact of COVID-19 on the operational and financial performance of the Group will depend on certain developments, including the duration and spread of the outbreak, regulations imposed by governments with respect to further outbreak, and the impact on customers, employees and economy all of which are uncertain and cannot be predicted at this time.

A deed of variation on Quality Use of Medicines Programme contract was executed on 1 July 2020 between NPS MedicineWise and the Australian Government, Department of Health.

Other than the matter noted above, no matters or circumstances have arisen since the end of the financial year which have a significant effect on the operations of the Group, the results of those operations, or the state of affairs of the Group 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 to NPS MedicineWise 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 2020, there were 45 members of the company (2019: 45).

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 Group has paid premiums in respect of directors' and officers' liability insurance contracts for the year ended 30 June 2020.

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

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

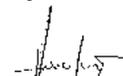
No person has applied for leave of the Court to bring proceedings on behalf of the Group or intervened in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 45 of the annual report.

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



Andrew Knight

Chair of National Prescribing Service Limited



Winston Liauw

Director & Chair of the Audit and Risk Committee

Dated at Sydney:
1st October 2020



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

2 October 2020

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 2020, 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 (Cth) in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Gaile Timperley
 Partner
 Chartered Accountants

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 Member of Deloitte Asia Pacific Limited and the Deloitte Network.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2020**

		Group 2020	Group 2019
	Note	\$	\$
Revenue	4	33,084,192	36,094,693
Operational Expenses	5	(6,906,547)	(5,784,822)
Gross Surplus		<u>26,177,645</u>	<u>30,308,701</u>
Other Income	4	267,444	49,145
Finance Income	4	134,995	383,565
Employee Related Costs	5	(23,826,645)	(26,721,109)
Overheads – Fixed Costs	5	(1,931,804)	(2,249,671)
Overheads – Variable Costs	5	<u>(1,611,568)</u>	<u>(2,087,350)</u>
Net Deficit before Income Tax		<u>(789,933)</u>	<u>(315,549)</u>
Income Tax Expense		-	-
Deficit for the Year		<u>(789,933)</u>	<u>(315,549)</u>
Items that will not be reclassified subsequently to profit or (loss)		-	-
Items that may be reclassified subsequently to profit or (loss)		-	-
Total comprehensive Deficit for the year		<u>(789,933)</u>	<u>(315,549)</u>

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 2020

	Note	Group 2020 \$	Group 2019 \$
ASSETS			
Cash and Cash Equivalents	7	9,737,920	4,854,006
Short Term Investment	7	4,000,000	3,514,240
Trade and Other Receivables	8	477,539	2,964,081
Other Assets	9	<u>1,037,240</u>	<u>624,739</u>
Total Current Assets		<u>15,252,699</u>	<u>11,957,066</u>
Other Assets	9	43,071	43,071
Property, Plant and Equipment	10	837,191	490,905
Intangible Assets	10	72,528	138,929
Right of Use Assets	11	<u>2,188,302</u>	<u>-</u>
Total Non-Current Assets		<u>3,141,092</u>	<u>672,905</u>
Total Assets		<u>18,393,791</u>	<u>12,629,971</u>
LIABILITIES			
Trade and Other Payables	12	9,891,110	5,798,887
Provisions	13	2,692,878	2,371,842
Lease liabilities - right-of-use assets	14	<u>922,906</u>	<u>-</u>
Total Current Liabilities		<u>13,506,894</u>	<u>8,170,729</u>
Provisions	13	881,437	968,055
Lease liabilities - right-of-use assets	14	<u>1,304,206</u>	<u>-</u>
Total Non-Current Liabilities		<u>2,185,643</u>	<u>968,055</u>
Total Liabilities		<u>15,692,537</u>	<u>9,138,784</u>
NET ASSETS		<u>2,701,254</u>	<u>3,491,187</u>
EQUITY			
Retained Earnings	15	<u>2,701,254</u>	<u>3,491,187</u>
TOTAL EQUITY		<u>2,701,254</u>	<u>3,491,187</u>

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 2020

	Retained Earnings \$	Total Equity \$
Balance at 1 July 2018	3,806,736	3,806,736
Total Comprehensive Income for the Year		
Deficit for the Year	<u>(315,549)</u>	<u>(315,549)</u>
Balance at 30 June 2019	<u>3,491,187</u>	<u>3,491,187</u>
Total Comprehensive Income for the Year		
Deficit for the Year	<u>(789,933)</u>	<u>(789,933)</u>
Balance at 30 June 2020	<u>2,701,254</u>	<u>2,701,254</u>

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 2020

	Note	Group 2020 \$	Group 2019 \$
<i>Cash flows from Operating Activities</i>			
Receipt of Department of Health funding		30,749,568	33,534,967
Receipts from customers		9,158,950	2,089,395
Interest received		134,995	383,565
Interest paid		(33,376)	-
Payments to suppliers & employees		(33,287,800)	(37,787,696)
Net Cash Generated/ (Used in) by Operating Activities	17	<u>6,722,337</u>	<u>(1,779,769)</u>
<i>Cash flows from Investing Activities</i>			
Payments for investments		(485,760)	(3,514,240)
Payments for property, plant and equipment		(689,812)	(478,865)
Proceeds from property, plant and equipment		1,721	3,985
Net Cash Used in Investing Activities		<u>(1,173,851)</u>	<u>(3,989,120)</u>
<i>Cash flows from Financing Activities</i>			
Repayment of lease liabilities		(664,572)	-
Dividends paid		-	-
Net Cash Used in Financing Activities		<u>(664,572)</u>	<u>-</u>
Net Increase/ (Decrease) in Cash Held		4,883,914	(5,768,889)
Cash and Cash Equivalents at the Beginning of the Year	7	<u>4,854,006</u>	<u>10,622,895</u>
Cash and Cash Equivalents at the End of the Year		<u>9,737,920</u>	<u>4,854,006</u>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. Corporate Information

These financial statements and notes represent those of National Prescribing Service Limited (NPS MedicineWise) for the year ended 30 June 2020 are presented as consolidated financial statements and represent those of the Company and its controlled entity ("the Group"). The Group comprises of the Company, National Prescribing Service Limited and its wholly owned subsidiary VentureWise Pty Limited.

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 consolidated financial statements were authorised for issue by the directors on 1st October 2020.

2. Statement of Significant Accounting Policies

a) Basis of Preparation

These consolidated 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 to those of the Company and controlled entity, are consistent with those of the previous period.

All amounts are presented in Australian dollars.

The Company is a not-for-profit entity while its wholly owned subsidiary is a for profit entity.

b) Statement of Compliance

These consolidated 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 consolidated 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 consolidated 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 controlled by the Group 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.

2. Statement of Significant Accounting Policies (continued)

e) Basis of consolidation (continued)

The Group 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 Group 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 Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group 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 Group 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 Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group 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.

f) Revenue Recognition

Grant Funding

The Group receives grant funding for various programs. When the Group receives government grants that are in the scope of AASB 1058 (being a transactions where the consideration paid to acquire an asset is significantly less than fair value principally to enable the company to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the transaction is accounted for under AASB 1058 where the income is recognised upon receipt.

Under AASB 15, Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with the customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the services promised.

2. Statement of Significant Accounting Policies (continued)

f) Revenue Recognition (continued)

Other revenue from contracts with customers

Revenue from provision for other services, data provision or development of materials is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Interest Revenue:

Interest revenue is recognised as it is accrued, taking into account the effective yield financial assets. Interest earned on QUM grant is used to meet the obligations set out in the grant agreements.

g) Contracts balances

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

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) 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.

2. Statement of Significant Accounting Policies (continued)

j) Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits.

The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option. Lease terms range from one to ten years. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

k) Lease liabilities - right-of-use assets

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

l) Impairment of Financial Assets

The Group has adopted the expected credit loss model for assessing impairment of financial assets. At each reporting date, the Group accounts for expected credit losses and changes in those credit losses to reflect changes in credit risk since initial recognition.

m) 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.

The Group has extended an Intercompany Loan facility capped at \$500,000 to its wholly owned subsidiary, VentureWise. Interest on the loan is charged at an arm's length rate calculated as 2% above the current market interest rate.

n) 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.

o) Income Tax

The Company, NPS MedicineWise 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.

2. Statement of Significant Accounting Policies (continued)

p) 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.

q) 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 Group 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.

r) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Interest income is recognised using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. Statement of Significant Accounting Policies (continued)

r) Financial Instruments (continued)

The financial assets of the Group comprise trade receivables and other receivables. Trade receivables are generally due for settlement within 30 days.

Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables and are measured subsequently at amortised cost using the effective interest method. Trade and other payables are unsecured and are usually paid within 30 days of recognition. All interest related charges are reported in profit or loss.

s) 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.

t) Adoption of new and revised Accounting Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to their operations and effective for the current year. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

AASB 1058 - Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

In the current year, the Group has applied AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers which are effective for an annual period that begin on or after 1 July 2019.

The Group has applied AASB 1058 and AASB 15 in accordance with the modified retrospective (cumulative catch up) method where the comparative figures are not restated. Instead, the Group has recognised the cumulative effect of initially applying AASB 1058 and AASB 15 for the first time for the year ended 30 June 2020 against retained earnings as at 1 July 2019. The Group has also elected to apply AASB 1058 and AASB 15 retrospectively only to contracts and transactions that are not completed contracts' as at 1 January 2019

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/ non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. Statement of Significant Accounting Policies (continued)

t) Adoption of new and revised Accounting Standards (continued)

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contact with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118.

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Impact of adopting AASB 15 on the financial statements

The adoption of these standards has resulted in no material changes to the financial statements.

AASB 16 Leases

In the current year, the Group has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 January 2019. The date of initial application of AASB 16 for the Group is 1 July 2019. AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of AASB 16 on the Group's financial statements is described below.

Impact on lease accounting and financial impact on the financial statements

Former operating leases

AASB 16 changes how the Group accounts for leases previously classified as operating leases under AASB 117, which were off balance sheet. Applying AASB 16, for all leases (except as noted below), the Group:

- Recognises right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments
- Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss
- Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as tablet and personal computers, small items of office furniture and telephones), the Group has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. This expense is presented in profit or loss.

2. Statement of Significant Accounting Policies (continued)

t) Adoption of new and revised Accounting Standards (continued)

On initial application of AASB 16, using the transitional rules available, the Group elected to record right-of-use assets based on the corresponding lease liability adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position at the date of initial application. Right-of-use assets of \$2,891,684 and lease obligations of \$2,891,684 were recorded as of 1 July 2019. As a result, there was no net impact on retained earnings. It also resulted in a decrease in fixed overheads of \$692,228, an increase in depreciation expenses of \$703,382 and interest expense of \$27,657. When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at 1 July 2019, being the weighted-average rate of 1.4%.

u) Standards and interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations 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 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	1 July 2021	30 June 2022

v) 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.

Revenue recognition:

To determine if a grant contract should be accounted for under AASB 1058 or AASB 15, the Group has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing if the performance obligations are 'sufficiently specific', the Group has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation (e.g. activity work plans) and holding discussions with relevant parties.

Income recognition from grants received by the Group has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

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 through 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
4 Revenue		
<i>Operating Activities</i>		
Department of Health funds	26,250,682	30,951,366
Other revenue from contracts with customers	6,833,510	5,143,327
	<u>33,084,192</u>	<u>36,094,693</u>
<i>Other Income</i>		
Expense recovery	1,444	11,168
Seminar registration fees	-	37,977
COVID-19 government support	266,000	-
	<u>267,444</u>	<u>49,145</u>
<i>Finance Income</i>		
Interest on bank deposits	134,995	383,565
	<u>134,995</u>	<u>383,565</u>

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary market, major products and service lines and timing of revenue recognition.

	Group 2020 \$	Group 2019 \$
Disaggregated by primary markets		
Government	30,955,724	33,022,278
Health Insurance	430,627	507,666
Primary Health Networks & Hospitals	312,628	296,806
University & Research Institution	289,413	610,683
Commercial Company	1,095,800	1,657,260
	<u>33,084,192</u>	<u>36,094,693</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
Disaggregated by major products/ services		
Service	32,398,881	35,451,414
Data provision	487,448	318,116
Consumer mobile App	124,251	184,213
Training materials	73,612	140,950
	<u>33,084,192</u>	<u>36,094,693</u>
Disaggregated by timing of revenue recognition		
At a point in time	487,448	318,116
Over time	32,596,744	35,776,577
	<u>33,084,192</u>	<u>36,094,693</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
5 (Deficit)/Surplus for the Year		
The deficit before income tax expense has been determined after crediting/charging the following items of income and expense.		
<i>Operational Expenses</i>		
Travel	332,455	482,226
Computers - Note 1	1,017,426	822,584
Consumables	2,418	6,490
Communications	32,173	40,718
Data Processing, Printing and Distribution - Note 2	659,101	524,571
Support services	362,543	499,348
Public affairs management - Note 3	147,625	331,160
Contracts (including partners in program delivery)	676,646	615,638
Grants	672	25,427
Fees (consultant fees and others) – Note 4	3,675,488	2,436,660
	<u>6,906,547</u>	<u>5,784,822</u>
<i>Employee Related Costs</i>		
Wages – Note 5	21,014,036	23,770,752
On costs – Note 5	2,479,895	2,950,357
	<u>23,826,645</u>	<u>26,721,109</u>

Note 1: enhancement in information security.

Note 2: production of MBS productivity review material.

Note 3: adjustment of marketing strategy by reduction of advertising expenditure

Note 4: engagement of consortia as required in bDMARDs and VIP contracts

Note 5: increase of operating efficiency from organization re-structure

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
5 (Deficit)/Surplus for the Year (continued)		
<i>Overheads – Fixed Costs</i>		
Premises	479,511	1,522,368
Administration	190,190	157,678
Insurances	150,514	151,934
Depreciation and Amortization (i)	1,111,589	417,691
	<u>1,931,804</u>	<u>2,249,671</u>
<i>Overheads – Variable Costs</i>		
Travel	108,733	219,596
Computers- Note 1	813,092	787,997
Consumables	74,192	209,004
Communications	103,854	129,206
Distribution	4,224	9,159
Printing & design	24,236	53,672
Support services	122,374	102,342
Public relations & media	1,990	183
Entertainment	14,673	58,338
Financial charges and interest on lease contract	33,376	14,244
Fees (consultant fees and others)	309,461	498,343
Fringe benefits tax	1,363	5,266
	<u>1,611,568</u>	<u>2,087,350</u>
Rental Expenses on short term leases	347,100	1,212,301
<i>(i) Depreciation and Amortization</i>		
Furniture & fittings	30,003	3,257
Office equipment	59,756	39,788
Leasehold improvements	44,134	27,290
Computer equipment	196,776	237,069
Computer software	11,137	83,213
Intangible Assets - Software	66,401	27,074
Right-of-use Assets	703,382	-
	<u>1,111,589</u>	<u>417,691</u>

NOTES TO THE COSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
6 Auditor's Remuneration		
Auditing the financial report	86,273	56,100
7 Cash and Cash Equivalents		
Cheque account	7,142,573	504,924
Business investment account	1,095,347	1,349,082
Term deposits – term below 3 months	1,500,000	3,000,000
	<u>9,737,920</u>	<u>4,854,006</u>
Short term investment		
Term deposits – term over 3 months	4,000,000	3,514,240
	<u>4,000,000</u>	<u>3,514,240</u>

The effective interest rate on short-term bank deposits was 1.53% (2019: 2.26%). These deposits have an average maturity of 91.41 days.

	Group 2020 \$	Group 2019 \$
8 Trade and Other Receivables		
Interest Receivable	14,752	45,910
Accounts Receivable	462,787	2,918,171
	<u>477,539</u>	<u>2,964,081</u>

No allowance has been made for expected credit loss for the current year (2019: \$nil).

	Group 2020 \$	Group 2019 \$
9 Other Assets		
<i>Current</i>		
Prepayments - other	1,037,240	624,036
Corporate gifts	-	703
	<u>1,037,240</u>	<u>624,739</u>

NOTES TO THE COSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
9 Other Assets		
<i>Non-Current</i>		
Income Tax Refundable	42,871	42,871
Security deposit – other	200	200
	<u>43,071</u>	<u>43,071</u>
10 Property, Plant & Equipment Non-current		
Furniture & fittings - at cost	178,281	220,945
Accumulated depreciation	(37,662)	(216,679)
	<u>140,619</u>	<u>4,266</u>
Computer equipment – at cost	837,432	636,618
Accumulated depreciation	(493,242)	(296,961)
	<u>344,190</u>	<u>339,657</u>
Office equipment – at cost	227,437	178,560
Accumulated depreciation	(109,799)	(54,203)
	<u>117,638</u>	<u>124,357</u>
Leasehold improvements – at cost	290,967	65,194
Accumulated depreciation	(59,275)	(56,758)
	<u>231,692</u>	<u>8,436</u>
Computer software – at cost	102,362	102,362
Accumulated depreciation	(99,310)	(88,173)
	<u>3,052</u>	<u>14,189</u>
	<u>837,191</u>	<u>490,905</u>
Intangible Assets		
Intangible Assets – software – at cost	166,003	166,003
Accumulated depreciation	(93,475)	(27,074)
	<u>72,528</u>	<u>138,929</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
11 Right-of-use - Non-current		
Right-of-use assets		
Right-of-use assets – at cost	2,891,684	-
Accumulated depreciation	(703,382)	-
	<u>2,188,302</u>	<u>-</u>

Movements in Carrying Amounts

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

	<i>Furniture & fittings</i>	<i>Computer Equipment</i>	<i>Office Equipment</i>	<i>Leasehold Improvements</i>	<i>Computer Software</i>	<i>Intangible Assets</i>	<i>Right-of- use assets</i>	<i>Total</i>
Balance at the beginning of year	4,266	339,657	124,357	8,436	14,189	138,929	-	629,834
Additions	166,356	203,030	53,036	267,390	-	-	2,891,684	3,581,496
Disposals	-	(1,721)	-	-	-	-	-	(1,721)
Depreciation expense	(30,003)	(196,776)	(59,756)	(44,134)	(11,137)	(66,401)	(703,382)	(1,111,589)
Carrying amount at the end of the year	<u>140,619</u>	<u>344,190</u>	<u>117,638</u>	<u>231,692</u>	<u>3,052</u>	<u>72,528</u>	<u>2,188,302</u>	<u>3,098,020</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
12 Trade and Other Payables		
Creditors	1,552,842	2,227,603
Accruals	892,123	432,778
Superannuation payable	218,322	251,775
Net GST liability	284,060	2,969
Contract liabilities (i)	6,943,763	2,873,422
PAYG payable	-	10,340
	<u>9,891,110</u>	<u>5,798,887</u>

	Group 2020 \$	Group 2019 \$
(i) Contract liabilities		
Department of Health Prepaid income	1,734,844	(1,474)
Other Prepaid income	5,208,919	2,874,896
	<u>6,943,763</u>	<u>2,873,422</u>

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
13 Provisions		
<i>Current</i>		
Provisions for annual leave	1,770,495	1,507,509
Provisions for long service leave	899,561	774,162
Provision for lease restoration costs	22,822	90,171
	<u>2,692,878</u>	<u>2,371,842</u>
<i>Non-Current</i>		
Provision for lease restoration costs	148,000	272,905
Provision for long service leave	733,437	695,150
	<u>881,437</u>	<u>968,055</u>

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

14 Lease liabilities - right-of-use assets

<i>Current</i>		
Lease liabilities - right-of-use assets	922,906	-
	<u>922,906</u>	<u>-</u>
<i>Non-Current</i>		
Lease liabilities - right-of-use assets	1,304,206	-
	<u>1,304,206</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Group 2020 \$	Group 2019 \$
15 Retained Earnings		
Balance at the beginning of the financial year	3,491,187	3,806,736
Deficit for the year	(789,933)	(315,549)
Balance at the end of the financial year	<u>2,701,254</u>	<u>3,491,187</u>

16 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 2020 was 45 (2019: 45).

17 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 (deficit)/surplus for the year:

	Group 2020 \$	Group 2019 \$
Deficit for the year	(789,933)	(315,549)
Depreciation and amortization	1,111,589	417,691
<i>Changes in Working Capital: assets and liabilities:</i>		
Decrease/ (Increase) in trade and other receivables	2,486,541	(1,624,885)
Increase in other assets	(412,501)	(51,540)
(Decrease)/Increase in trade and other payables	21,882	(537,874)
Increase in contract liabilities	4,070,341	-
Increase in prepaid income	-	1,105,409
(Decrease)/ Increase in provisions	234,418	(773,021)
Net cash (used in)/generated by operating activities	<u>6,722,337</u>	<u>(1,779,769)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

18 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 2020 \$	Group 2019 \$
Transactions with key management personnel		
Key Management Personnel Compensation		
Short-term employee benefits	331,670	476,566
	<u>331,670</u>	<u>476,566</u>

19 Economic Dependency

The Group's ongoing operations are dependent on continuation of existing contractual arrangements with the Australian Government Department of Health, which is based on the existing terms of the grant contract for the period of 1 January 2020 to 30 June 2022.

20 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.

21 Capital and Leasing Commitments

Lease and Other Contractual Commitments:

This includes non-cancellable short-term leases contracted for and other contractual commitments but not capitalised in the accounts:

	Group 2020 \$	Group 2019 \$
Payable:		
Not later than one year	4,006,936	1,729,268
Later than one but not later than five years	675,789	772,717
	<u>4,682,725</u>	<u>2,501,985</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

22 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 2020

	Carrying amount \$	6 months or less \$
Non-derivative financial liabilities		
Trade and other payables	1,613,242	1,613,242
	<u>1,613,242</u>	<u>1,613,242</u>

30 June 2019

	Carrying amount \$	6 months or less \$
Non-derivative financial liabilities		
Trade and other payables	2,227,603	2,227,603
	<u>2,227,603</u>	<u>2,227,603</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

22 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 2020 \$	Group 2019 \$
Fixed rate instruments		
Financial assets	5,500,000	6,514,240
	<u>5,500,000</u>	<u>6,514,240</u>
Variable rate instruments		
Financial assets	8,237,920	1,854,006
	<u>8,237,920</u>	<u>1,854,006</u>

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 \$82,379 (2019: \$18,540).

23 Related Party Transactions

a) Key management personnel compensation

Details of key management personnel compensation are disclosed in note 18 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, NPS MedicineWise's 100% wholly owned subsidiary, during or since the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

23 Related Party Transactions (continued)

During 2019-20 financial year, following intercompany transactions incurred between NPS MedicineWise and VentureWise and they were eliminated on consolidation in the Group financial statements:

- o VentureWise commissioned \$896,849 of services to NPS MedicineWise and paid NPS MedicineWise \$896,849 for these services.
- o Intercompany Loan facility between NPS MedicineWise and VentureWise was \$398,207 for the year ended 30 June 2020 (2019: \$398,207).
- o Intercompany charges of \$147,985 to VentureWise from NPS MedicineWise for recovery of overheads staff time and insurance.
- o VentureWise paid \$13,091 of Interest to MedicineWise on using the Intercompany Loan facility.

24 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 2020 \$	Company 2019 \$
Current Assets	15,419,366	11,649,292
Non-Current Assets	3,098,220	630,034
Total Assets	<u>18,517,586</u>	<u>12,279,326</u>
Current Liabilities	13,267,735	7,603,960
Non-Current Liabilities	2,185,642	933,233
Total Liabilities	<u>15,453,377</u>	<u>8,537,183</u>
Net Assets	<u>3,064,209</u>	<u>3,742,143</u>
Retained Earnings	3,064,209	3,742,143
Total Equity	<u>3,064,209</u>	<u>3,742,143</u>
Deficit for the Year	(677,936)	(412,143)
Other Comprehensive Income for the Year	-	-
Total Comprehensive Income for the Year	<u>(677,936)</u>	<u>(412,143)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

25 Subsequent Events

As at the date of the authorization of this financial report, there has been no material impact on the financial results of the Group arising from COVID-19. The extent of the future impact of COVID-19 on the operational and financial performance of the Group will depend on certain developments, including the duration and spread of the outbreak, regulations imposed by governments with respect to further outbreak, and the impact on customers, employees and economy all of which are uncertain and cannot be predicted at this time.

A deed of variation on Quality Use of Medicines Programme contract was executed on 1 July 2020 between NPS MedicineWise and the Australian Government, Department of Health with the completion date of 30 June 2022.

Other than the matter noted above, no matters or circumstances have arisen since the end of the financial year which have a significant effect on the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

26 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:
Deloitte Touche Tohmatsu
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)
C/O Regus, 15 Moore Street
Canberra ACT 2601

Melbourne:
National Prescribing Service Limited (NPS MedicineWise)
C/O the Hub, 162 Collins Street
Melbourne VIC 3000

RESPONSIBLE 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



Andrew Knight

Chair of National Prescribing Service Limited



Winston Liauw

Director & Chair of the Audit and Risk Committee

Dated at Sydney:

1st October 2020

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 2020, 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 consolidated 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 45 to 59.

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 2020 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 (including Independence Standards)* (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.

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



Gaile Timperley
Partner
Chartered Accountants
Sydney, 2 October 2020



nps.org.au

Independent, not-for-profit and evidence-based,
NPS MedicineWise enables better decisions about medicines, medical tests and other health technologies.
ABN 61 082 034 393

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