



National Prescribing Service Limited



annual report
2006-07

National Prescribing Service Ltd (NPS) is the Quality Use of Medicines service agency for Australia's National Medicines Policy.

Quality Use of Medicines (QUM) means selecting management options wisely; choosing suitable medicines if a medicine is considered necessary; and using medicines safely and effectively.

QUM applies equally to decisions about medicine use by an individual or within a community. The term 'medicine' includes prescription, non-prescription and complementary medicines.

NPS is an independent, non-profit organisation funded by the Australian Government Department of Health and Ageing.

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Purpose : Our purpose is to support the best use of medicines to improve health and well-being.

Vision : NPS services will be used when decisions about medicines are made. People using our advice will be able to choose if, when and how to use medicines to attain better health and well-being.

NPS will be an influential leader that:

- achieves improvements in health through better use of medicines
- helps develop, and implements the body of knowledge on QUM
- provides innovative and relevant QUM services for health professionals and consumers
- is a reliable and sought-after source of independent information on medicines.

Values : In all our relationships, services and activities:

- we are open, honest and balanced
- we are relevant, reliable and accurate
- we use rigorous processes
- we build the knowledge base for the best use of medicines
- we are creative and innovative
- we work in partnerships
- we encourage and recognise excellence in our staff
- we are determined to achieve results.

purpose, vision
and values



Programs for Health Professionals

... helping health professionals put Quality Use of Medicines into practice.

Information is provided through our publications, *RADAR: Rational Assessment of New Drugs and Research*, *Australian Prescriber*, *NPS News* and *Prescribing Practice Review*. Information is also provided through the Therapeutic Advice and Information Service telephone line.

Education and quality assurance program

Each year, health professionals can participate in a range of activities offered through six modules on topics of therapeutic interest. Modules include written information, prescription analysis and feedback, computer prescribing reports to assist reflection on practice and tools for practice based Quality Use of Medicines.

Activities within the modules include case studies with feedback and expert review, clinical and pharmacy practice audits with expert review and personalised feedback, educational visits from NPS facilitators and peer group discussions based on case scenarios.

Health professionals working in aged care homes and hospitals are provided with resources and tools to support Drug Use Evaluation (DUE) within their facilities.

health
professionals



Get to know your Medicines for Consumers

Consumers are encouraged to use reliable sources of information about medicines, discuss their medicines with their doctor and pharmacist, and find out the benefits and potential harm of taking medicines (and of not taking them).

Information and support are provided through:

- Mass media campaigns, such as
 - *Common colds need common sense*
 - *Get to know your medicines*
 - *Generic medicines are an equal choice*
 - Programs developed for specific communities:
 - Seniors
 - Multicultural communities
 - Aboriginal and Torres Strait Islander peoples
 - People living with a chronic condition
 - Medicines Line (telephone service)
 - *Medicines Update*, asking the right questions about new medicines
 - *MedicinesTalk*, information about using medicines wisely
 - Resources such as *Medicines List*, *Medimate* and fact sheets.
-

consumers

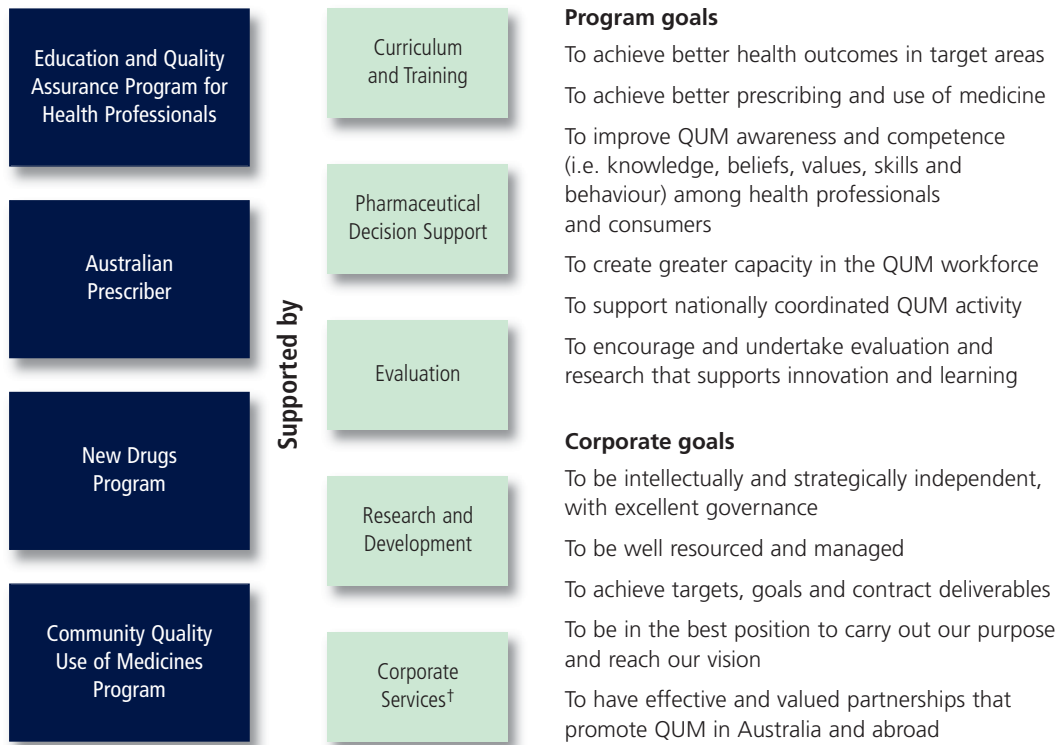
Our Partners

NPS is member-based and works in partnership with health professionals, government, the pharmaceutical industry and consumers. We work closely with our partners and stakeholders, particularly our clients and those in divisions of general practice, and consumer, health and community-based organisations, to update and improve our programs and services.

Member organisations

Australasian College of Dermatologists
Australasian Medical Writers Association
Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists
Australian and New Zealand College of Anaesthetists
Australian College of Rural and Remote Medicine
Australian Council of Social Service
Australian Dental Association
Australian General Practice Network
Australian Government Department of Health and Ageing
Australian Government Department of Veterans' Affairs
Australian Healthcare Association
Australian Lung Foundation
Australian Medical Association
Australian Nursing Federation
Australian Pensioners' and Superannuants' Federation
Australian Postgraduate Federation in Medicine
Australian Practice Nurses Association
Australian Private Hospitals Association
Australian Self-Medication Industry
Carers Australia
Chronic Illness Alliance
Consumers' Health Forum of Australia
COTA Partnership
Diabetes Australia
Federation of Ethnic Communities' Councils of Australia
Generic Medicines Industry Association
Health Consumers of Rural and Remote Australia
Medicines Australia
National Aboriginal Community Controlled Health Organisation
National Asthma Council Australia
National Heart Foundation of Australia
NSW Therapeutic Advisory Group
Optometrists Association Australia
Palliative Care Australia
Pharmaceutical Society of Australia
The Pharmacy Guild of Australia
The Royal Australasian College of Physicians
The Royal Australian and New Zealand College of Psychiatrists
The Royal Australian College of General Practitioners
Royal College of Nursing, Australia
Rural Doctors Association of Australia
The Society of Hospital Pharmacists of Australia
Therapeutic Guidelines
Victorian Postgraduate Medical Foundation

Our Programs and Goals



[†] Corporate Services: Administration, Corporate Public Affairs and Marketing, Finance, Human Resources, Information, Communications and Technology, Publishing.

Evaluation measures

Possible outcomes	Evaluation measures
Health professionals and consumers have access to NPS services, activities, products and information	Scope, usage and reach
↓	
Health professionals and consumers are aware of NPS services, activities, products and information	Awareness Perceived value and quality
↓	
Improved attitudes, skills and knowledge regarding QUM among health professionals and consumers	Enablers and barriers to implementation Sustainability Changes in attitudes, skills and knowledge
↓	
Improved prescribing and use of medicines	Changes in behaviour and drug use
↓	
Improved health outcomes for patients; value for money for the health system and the community	Changes in health and economic outcomes

Report from Dr Roger Boyd, Chair

Dr Roger
Boyd
Chair



Responding to change

Recent reforms to the Pharmaceutical Benefits Scheme are intended to increase the use of generic medicines. In addition, changes to the current authority requirements mean that doctors will no longer have to seek approval from Medicare Australia to prescribe around 200 medicines for long-term conditions.

Our capacity to research, analyse and provide evidence-based information and support to a wide group of health professionals and consumers stands us in good stead to respond to these changes in the health environment. Our publications, *Australian Prescriber*, *NPS News*, *Prescribing Practice Review* and *RADAR*, containing evidence-based information on both new and existing medicines including generic medicines, continue to be distributed free to all general practitioners and pharmacists in Australia, as well as to selected groups of other health professionals.

This year we developed key messages and strategies for a mass media campaign aimed at helping people to understand that generic medicines are an 'equal choice'. The campaign is specifically targeted to seniors with chronic conditions who use multiple medicines, and their carers. It complements a campaign urging consumers 'to get to know your medicines' and promoting awareness of the NPS Medicines Line, a telephone information service for consumers. A module on generic medicines has been included in our Seniors QUM Program, and a training package to

NPS is committed to ensuring that the services we provide support Quality Use of Medicines (QUM) and remain relevant and useful to health professionals and consumers. To do this, we constantly monitor the environment in which we work and respond appropriately to changes which might affect the ways in which people use, prescribe or recommend medicines.

assist pharmacy assistants in answering consumers' questions about generic medicines is being developed for release in late 2007.

QUM and health priorities

We strive to ensure that Quality Use of Medicines is included where necessary in broader health programs, such as those designed to encourage people to take charge of their own health, and initiatives arising from the Government's Chronic Disease Strategy which focuses on preventing and managing asthma, cancer, diabetes, heart, stroke and vascular disease, osteoarthritis, rheumatoid arthritis and osteoporosis.

Over the years, we have run programs for health professionals on medicines issues related to all these health conditions, except cancer. This year's programs included *Analgesic choices in persistent pain*, *Helping patients achieve remission of rheumatoid arthritis*, and *Managing hypertension as a cardiovascular risk factor*.

Also this year we partnered with Arthritis NSW to contribute to a program designed to help people with arthritis manage their condition and medicines. Relevant information has been included in a training module currently being trialed in New South Wales.

Support for at-risk communities

Aboriginal and Torres Strait Islander people, people from multicultural

communities, people with chronic conditions and the growing population of seniors have unique needs for information and support, which we aim to meet through our Community Quality Use of Medicines Program.

This year we continued working with our partners to develop and deliver programs appropriate to the needs of these communities, including the *Good Medicine Better Health* program for Aboriginal health workers, *Young People as a Gateway: The Ethnic Schools Program*, and our *Seniors Peer Education Program*.

Significant partnerships

Partnerships remain critical to our capacity to develop and deliver programs that are relevant to those participating in them. Our ongoing working relationship with the Australian General Practice Network and divisions of general practice, and new partnerships with state based organisations ensure that our programs are available to health professionals in their own communities.

We continue to partner with the Heart Foundation and National Institute of Clinical Studies in a program to improve the management of heart failure. Collaborations with state therapeutic advisory and drug use evaluation groups enable us to support effective drug use evaluation in hospitals.

We work closely with the Consumers' Health Forum of Australia, the Federation of Ethnic Communities'

Councils of Australia, COTA and the National Aboriginal Community Controlled Health Organisation.

Contributions from our member organisations are sought and highly valued, as are those from other stakeholders – a new series of stakeholder reference groups commenced in June on the topics of acute care, population health, continuity of care, residential and aged care, and improving health outcomes. These will draw to a close in August.

This year we also worked with members of the pharmaceutical industry in raising awareness of Quality Use of Medicines by holding several seminars on the theme, *QUM in the pharmaceutical industry*.

Moving forward with determination

We are determined to achieve what we have set out to do and constantly grapple with the challenge of finding suitable measures to show how our work improves health outcomes.

This is particularly important as we come to the end of the current funding cycle in 2009. Next year, we will be putting a submission to the Government that takes into account changes in the health environment and reflects the needs of constituents, stakeholders and partners in promoting and practising Quality Use of Medicines in the community.

I cannot conclude this report without acknowledging the enormous

Our capacity to research, analyse and provide evidence-based information and support to a wide group of health professionals and consumers stands us in good stead to respond to these changes in the health environment.

contribution of both NPS facilitators and staff. Over nearly 10 years we have built an impressive capability within the NPS staff and our field force. We now also have a significant number of dedicated volunteer peer educators, and benefit from the input of a wide range of experts who serve on various working groups and the board. The amassed talent, skills and experience of these people put us in a unique position to move forward into another funding cycle.

During the year in review we farewelled several of our board members. Dr Richard Abbott who had been a director since 2001 resigned in January and, in March, Ms Jan Donovan, a member of the inaugural NPS Board, reached the maximum of three three-year terms allowed under the NPS constitution. I remain the last of the inaugural board members and will have to retire from the board when I reach the maximum term for board membership in October 2007.

My disappointment at having to move on will be tempered by my belief that there needs to be such change in organisations, the expectation that I will still be able to serve NPS through other committee or working party involvement and the knowledge that the organisation is robust and well supported. It has been a source of pleasure and pride to have been involved with NPS, the talented team that support it and what it is

achieving in progressing Quality Use of Medicines.

I thank my fellow directors for their support and particularly acknowledge the new directors that we welcomed during the year – Ms Kate Moore, Mr Russell Edwards and Dr Ross Maxwell. I am very pleased that the board has elected Dr Janette Randall to take over from me as chair of the board. I also want to especially acknowledge the outstanding leadership of our CEO, Dr Lynn Weekes, throughout the life of NPS. The organisation is in good hands.

I would also like to again congratulate our inaugural chair, Dr Stephen Phillips, on being awarded the Medal of the Order of Australia in this year's Queen's Birthday Honours List. Stephen received this award for service to the medical profession and the community as an advocate for public health issues and for promoting the safe and effective use of medicines, particularly through NPS.

I am confident that there will be much to celebrate next year when NPS reaches its tenth anniversary. So much has been achieved yet the passion remains to continue the journey!



Dr Roger Boyd
Chair

Report from Dr Lynn Weekes, Chief Executive Officer

Dr Lynn
Weekes
Chief Executive
Officer



As always, we will continue to use rigorous processes to provide the evidence base for our services and in preparing the information we provide to consumers and health professionals.

As the service delivery arm of the National Medicines Policy, we have set ambitious goals related to our programs for health professionals and consumers which, over time, will lead to changes in medicine use and improved health outcomes.

We have also set corporate goals (see p.7) to ensure that we remain intellectually and strategically independent, with excellent governance, and that we have the appropriate infrastructure to be able to reach our long-term goals in a changing environment.

This year, we began a process of realigning the organisation to our corporate goals so that we can improve our existing program and service delivery, respond to change quickly, and remain innovative, creative and forward thinking.

Infrastructure to support achieving our goals

Our growth over the past years has led us to restructure the organisation so that we can more efficiently work together to achieve our goals and targets. The new structure will support our key business areas, QUM program development and support, innovation and learning, public affairs and policy, human resources and corporate services.

Recruitment has begun for executive managers in each of the key areas, and we will begin operating under the new structure in early 2008. While this is a significant change

for the organisation, both management and staff are looking forward to the opportunities the new structure will provide to sharpen our focus on our core business and, at the same time, use our skills and experience to become more dynamic and innovative.

Developing our staff

The breadth and depth of knowledge and skills in our workforce places us in a unique position to achieve our goals. Members of our staff are highly educated and dedicated, and come from a wide range of backgrounds including pharmacy, medicine, nursing, research, evaluation, health promotion, professional training, computer science, publishing and public affairs as well as from the essential services of finance, human resources, administration and information technology.

New systems and processes put in place this year in our human resources area will assist us to retain and further develop the talents of our staff and attract new staff. Comprehensive core competencies have been developed for the new executive management positions, and will be developed across the organisation, along with a talent management program.

Our processes for performance and salary reviews were improved this year. We continued to provide opportunities for professional development and training across the organisation, including in-house seminars and attendance at conferences, and funding for external training and skills development.

Support for our field force

Our field staff play a key role in taking our programs into their local communities. NPS facilitators employed through divisions of general practice remain an enthusiastic and committed group of people who have close personal contact with GPs, other health professionals and consumers in their areas. We continued to support them this year through regular briefings, teleconferences, visits by NPS staff to divisions, and a two-day forum.

This year, with COTA, we welcomed 121 peer educators from around Australia to Sydney for the first National Peer Educators' Forum. We were delighted to have Mr Phillip Herreen, Senior Australian of the Year, present the keynote address and to have the opportunity to meet and share experiences with this dedicated group of volunteers.

Positioning our messages in the community

A media strategy developed this year aims to increase awareness in the community of the importance of medicines and how to use them safely. This year we achieved more than 800 mentions of NPS and Quality Use of Medicines in a range of trade and consumer publications across Australia as well as on radio and TV. We also participated in an episode of Channel Nine's health program *What's Good For You*, about 'popping pills'.

The next 12 months

Over the next 12 months, we will continue to focus on our core business as well as expanding our programs in aged care homes, and for people with chronic conditions.

As always, we will continue to use rigorous processes to provide the evidence base for our services and in preparing the information we provide to consumers and health professionals. At the same time we are looking for opportunities to find creative, innovative ways to enhance our programs and services so that we can meet our goals.



Dr Lynn Weekes
Chief Executive Officer

Board Committee Reports



Dr Janette Randall
Chair, Audit Committee

NPS Audit Committee

Dr Janette Randall, Chair
Ms Jenny Bergin, Director
Dr Roger Boyd, Director
Mr Russell Edwards, Director

The NPS Audit Committee met periodically over the year to support both board and management in the diligent use of NPS funds. The committee regularly reviews financial results, oversees risk management, reviews and develops board policy in the areas of finance and risk, and oversees the annual audit process.

Highlights 2006–2007

- A new accounting system was implemented which will provide a higher level of sophistication in managing the organisation's resources and providing analysis and reports.

- A small set of financial key performance indicators was developed to enable the board to better monitor the financial health of the organisation.
- Board reporting was streamlined and now includes a more regular analysis of expenditure against budget.
- The organisation's risk management system, including the ongoing identification of strategic risks, was further developed.
- An unqualified audit report is now received.

I would like to acknowledge the efforts of my fellow Audit Committee members. Special thanks also to the NPS finance team led by Finance Manager Michael Peebles and Company Accountant Yolande Lu for their hard work and attention to detail.



Ms Susan Hunt
Chair, Board Nominations Committee

NPS Board Nominations Committee

Ms Susan Hunt, Chair
A/Professor Shane Carney, Director
Dr Graeme Killer, Director
Ms Kate Moore, Director
Dr Shiong Tan, Director

The Board Nominations Committee ensures that the NPS Board has the necessary skills and expertise to discharge its responsibilities. As each position on the board is vacated, the Board Nominations Committee identifies the essential criteria for replacement, interviews applicants and recommends appointment to the board. The board makes the final decision regarding appointment.

This year has been a very busy one, with an additional director position, two general practice positions, a physician/research position, and a consumer position all becoming vacant. All positions have now been filled with high calibre people, whom we welcome to the board.

Jan Donovan, the previous chair of the Board Nominations Committee, retired from the board in March 1997. The board is indebted to Jan for her strong leadership and contribution to its governance processes.

Reappointments

A/Professor Shane Carney
Physician/Researcher Class

Dr Shiong Tan
General Practice Class

Retirements

Dr Richard Abbott
General Practice Class

Ms Jan Donovan
Consumer Class

New appointments

Mr Russell Edwards
Additional Director bringing expertise in the pharmaceutical industry

Dr Ross Maxwell
General Practice Class

Ms Kate Moore
Consumer Class

Program goals

To achieve better health outcomes in target areas

To achieve better prescribing and use of medicine

Each year, through comprehensive evaluation of our activities and programs, we ensure that the right steps are taken to bring us closer to achieving our long-term goals. Full details of outcomes will be available in *Evaluation Report No. 10* available at the end of 2007. Below is a summary of the activities we undertook this year.

Therapeutic programs for behaviour change

- Six therapeutic programs were offered to health professionals (see box).
- All general practitioners and pharmacists received information on every program, along with invitations to participate in education activities. Other medical specialists in relevant fields and general practice nurses also received information.
- 15 816 health professionals voluntarily participated in education activities offered during the year.
- Case studies were offered online this year, as well as in print, as was a clinical audit on ischaemic heart disease. Participation rates for online activities are currently low but this is allowing us to adapt the products to suit participants' needs.

Improving drug use in aged care homes and hospitals

A package, including tools for data collection and evaluation, was developed to assist health professionals working in aged care homes to evaluate the use of hypnotics for insomnia.

The Acute Postoperative Pain (APOP) project is being run in 64 hospitals around Australia, in collaboration with state therapeutic advisory and drug use evaluation groups, and with advice from the Australian and New Zealand College of Anaesthetists.

Better medicine use for people with chronic conditions

In partnership with Arthritis NSW, a module has been developed and is being piloted for inclusion in *Moving On*, a program to help people with arthritis manage their condition.

Information on both arthritis and diabetes 2 has also been provided through newsletters and on websites.

A separate QUM module for people with chronic conditions has been included in the Seniors Peer Education program run with COTA; 66 education sessions have been held with people with chronic diseases, attended by 1 120 seniors.

PBS savings

We continue to improve and refine the method for measuring and attributing PBS savings. Challenges with the time-series methods used include changes in the prescribing environment that markedly alter drug usage patterns, such as the release of a new product on the market or the withdrawal of a popular medicine. We are working with the Department of Health and Ageing to access data at a less aggregated level which will assist in making a more refined analysis, and with the universities of Western Australia and South Australia to explore linked data sets so that we can better measure the health impacts of our programs.

Therapeutic topics (2006–07)

Analgesic choices in persistent pain

NPS News, case study with written feedback, *Prescribing Practice Review*, personalised prescribing feedback, educational visiting, clinical audit, pharmacy practice audit, small group meetings

Helping patients achieve remission of rheumatoid arthritis

NPS News, case study with written feedback

New drugs unwrapped

NPS News

Selective use of antibiotics

NPS News, case study (print and online) with written feedback, *Prescribing Practice Review*, personalised prescribing feedback, educational visiting, clinical audit, small group meetings, patient materials

Role of antipsychotics in managing behavioural disturbances

NPS News, case study (print and online) with written feedback, *Prescribing Practice Review*

Managing hypertension as a cardiovascular risk factor

NPS News, case study (print and online) with written feedback, *Prescribing Practice Review*, personalised prescribing feedback, clinical audit, pharmacy practice audit

Program goals

To improve QUM awareness and competence (i.e. knowledge, beliefs, values, skills and behaviour) among health professionals and consumers

For health professionals

To improve QUM competence and awareness among health professionals, accurate evidence-based information about specific medicines is provided through our publications *NPS News*, *Prescribing Practice Review* (see Therapeutic topics box p.13), *NPS RADAR* and *Australian Prescriber*.

NPS RADAR (Rational assessment of new drugs and research)

Each issue is distributed in print and electronically to more than 60 000 health professionals; *RADAR* is also incorporated into selected prescribing software systems. Medicines analysed in *RADAR* this year included those for osteoporosis, dyslipidaemia, chronic pain, osteoarthritis, hypertension, diabetes, and attention deficit hyperactivity disorder.

Australian Prescriber

The six issues published annually provide high quality information to health professionals, as well as raising controversial issues for debate.

Topics covered this year included diabetes, bipolar disorders, chronic obstructive airways disease, a review of a court's injunction to prevent criticism of a complementary medicine and prescribing by nurses. An article on the treatment of snake bite created a lot of media interest.

A reader's survey conducted this year found very high levels of satisfaction amongst readers and evidence of a substantial impact on prescribing practice. Readers like the short, easy to understand presentation of information which keeps them up to date. The website continues to attract thousands of visitors each month including many from overseas.

For consumers

Information about new drugs

The first issue of *Medicines Update* was published electronically; *Medicines Update* provides accurate, evidence-based information for consumers on drugs newly listed on the PBS.

Seniors QUM program

In collaboration with COTA, 282 peer educators have been trained to deliver QUM information to seniors, including information about generic medicines and managing chronic conditions. This year, more than 14 500 people attended QUM sessions run by peer educators, bringing the total participation since 2004 to 51 000.

Young People as a Gateway: Ethnic Schools Program

This program, targeted to families in Vietnamese, Chinese and Greek schools, aims to involve children and parents from these communities in QUM programs. Teaching modules are currently being piloted with 1 100 students and their families in Queensland.

The program is being run in partnership with the Federation of Ethnic Communities' Councils of Australia.

Common colds need common sense

Aim: To reduce inappropriate prescribing of antibiotics for common colds.

Target: Parents and carers of young children, aged 2 to 9 years; women in the workforce aged 18 to 34 years.

Television advertising featuring Harvey from our book *Harvey gets a cold*, radio interviews and editorials were used in this campaign. Printed materials were mailed to 10 000 family day care centres and children's services and 7 850 schools as well as to community health centres, public libraries, general practices, community pharmacists and hospital emergency departments. Schools were invited to enter a competition to write a story for a new version of *Harvey gets a cold* to be produced next year. Evaluation is currently underway.

With the help of our campaign partner, Ross Human Directions, information was provided directly to 60 000 women in the workplace between the ages of 18 and 34, and to several corporate organisations whose female staff are in this age group. These women were selected as many of them are carers of young children. In addition, research has shown that 52% of people aged 18 to 24 years, a subset of this group, believe incorrectly that taking antibiotics is appropriate for managing common colds and are high users of antibiotics.

National awareness campaigns

Get to know your medicines

Aim: To reduce the number of medicine-related problems in the community by encouraging consumers to seek independent and accurate information about medicines, and to actively participate with their health professional in making decisions.

Target: Seniors with chronic conditions who take multiple medicines, and their carers.

Generics are an equal choice

Aim: To increase awareness, understanding and acceptance of generic medicines.

Target: Seniors with chronic conditions who take multiple medicines, and their carers.

These campaigns will commence in August 2007 and will include television advertising accompanied by editorial and promotional material in print and on the website. Communities will be involved in local activities, and health professionals will be provided with information to assist them to answer questions about generic medicines.

Campaigns are supported by our partner organisations: COTA, Consumers' Health Forum of Australia and Federation of Ethnic Communities' Councils of Australia. Medicare Australia and Pharmacy Guild Australia distribute resources for us.

Program goals

To create greater capacity in the QUM workforce

Aboriginal health workers

Good Medicine Better Health is currently being piloted with Aboriginal health workers in the Kimberley, Port Lincoln and Melbourne. The program focuses on QUM issues related to diseases that are prevalent among indigenous peoples – type 2 diabetes, hypertension and asthma. It is run in partnership with the National Aboriginal Community Controlled Health Service and Aboriginal Health Council of South Australia.

Students

The National Prescribing Curriculum is being used by the senior students of 12 medical schools, three nurse practitioners schools, one pharmacy school and one dentistry school. Three new case studies were added to the teaching modules this year, with three more in development. There was a 16% increase in user numbers over last year.

QUM workforce training

Training in communication skills, with particular emphasis on delivering clinical messages, was provided to several health organisations and some divisions of general practice.

The QUM Module Online is being piloted with undergraduate nursing students.

Senior peer educators

The first National Peer Educators Forum was held in Sydney and was attended by 121 peer educators involved in the Seniors QUM program, run in partnership with COTA.

Facilitators

NPS facilitators are employed in 118 of the 119 divisions of general practice around Australia to support GPs and other health professionals in their local area to put QUM principles into practice. Training, resources and updates are provided along with ongoing support through regular teleconferences, therapeutic briefings, visit to divisions, and an annual forum.

Program goals

To encourage and undertake evaluation and research that supports innovation and learning

Building QUM research capacity

Two research collaborations have been established: *Understanding and improving prescribing practice* with the University of Queensland, and *Improving the uptake of evidence-based drug information and decision support* with a consortia from the University of Newcastle and UNSW.

A QUM Fellowship has been established jointly between the National Institute of Clinical Studies and NPS; it is currently being advertised.

We received funding through an ARC Linkage Grant with the University of Sydney Faculty of Pharmacy for a project, *Improving asthma device use: Innovative models for inter-professional practice*.

Targeted research

Research has commenced to investigate how consumers and health professionals obtain information on complementary medicines, their preferences for doing so and their needs for information related to complementary medicines. Fieldwork with consumers has been completed. A final report will be available in 2008.

We are conducting a study to evaluate the safety, quality and usefulness of electronic GP prescribing systems due for completion in December 2007.

A project evaluating the completion and accuracy of information about drug interactions provided in decision support software has been completed. Inconsistencies and shortcomings that impede QUM have been identified and recommendations to improve the quality of this information have been made to publishers.



Dr Roger Boyd



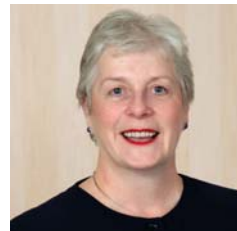
Ms Jenny Bergin



Dr Richard Abbott



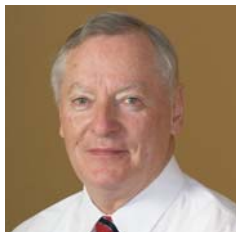
Associate Professor
Shane Carney



Ms Susan Hunt



Ms Janette Donovan



Dr Graeme Killer AO



Mr Russell Edwards



Ms Kate Moore



Dr Shiong Tan



Dr Janette Randall



Dr Ross Maxwell

our board
2006-2007

Our Board

Chair

Dr Roger Boyd

Roger is a medical administrator committed to a balanced, efficient and effective healthcare system. He brings to the NPS Board considerable senior management and business experience gained over 20 years in public and private hospital management.

Roger's qualifications include Bachelor of Medicine & Surgery (Sydney University 1978), Master of Business Administration (Geneva 1986), Master of Health Planning (UNSW 1988), Fellow of the Royal Australasian College of Medical Administrators (1988) and Associate Fellow of the Australian College of Health Service Executives (1992).

Past positions include Director of Medical Services and Community Health at Royal North Shore Hospital in Sydney and Managing Director of Health Care Corporation, a private hospital company.

Roger is currently Honorary Secretary of the Royal Australasian College of Medical Administrators and, through his own practice, provides consulting services in healthcare management and policy and planning to a number of public and private providers.

Roger joined the NPS Board shortly after its formation in 1998. He is also a member of the Audit Committee and the Phone Line Services Working Group. Until May 2007 he was a member of the Evaluation Working Group.

Roger is a member of the National Medicines Policy Chairs' Group, the Australian Pharmaceutical Advisory Council and a former member of its Continuity in Medication Management Working Party. He is also a member of the Australian Commission on Safety and Quality in Health Care's National Inpatient Medication Chart Oversight Committee and a member of the NSW Therapeutic Advisory Group & Clinical Excellence Commission's Performance Indicators and Medication Safety Project Steering Committee.

Directors

Ms Jenny Bergin

Jenny is the Pharmacy Class Director on the Board. She is the Pharmacist Consultant with the Pharmacy Guild of Australia and holds qualifications in pharmacy and business administration. Jenny has been a pharmacist in community hospital and regulatory settings, was a member of the Pharmacy Board of Tasmania and has managed community health services including medical, dental, nursing and palliative care. She has a keen interest in the continuous quality improvement approach to the management of health services and Quality Use of Medicines.

Jenny is a member of the Prescribing Intervention Working Group.

(Alternate Director,
Professor Gregory Peterson)

Dr Richard Abbott (resigned January 2007)

Richard is a rural procedural general practitioner from Scone in the Upper Hunter, NSW. He has been involved in rural medicopolitics and was a member of the NPS Advisory Group. He has a strong commitment to rural education and to best practice in medicine. Grass-roots experience in the delivery of NPS messages has been gained through involvement in divisional programs.

(Alternate Director, Dr Bruce Chater,
resigned January 2007)

Associate Professor Shane Carney

Shane is a nephrologist at John Hunter Hospital and an Associate Professor in the Faculty of Medicine and Health Sciences, The University of Newcastle. Apart from an interest in continuing medical education with the Hunter Postgraduate Medical Institute, he is committed to Quality Use of Medicines, being a member of the Australian Pharmaceutical Advisory Council and the Therapeutics Advisory Committee of the Royal Australasian College of Physicians.

Shane is a member of the Research and Development Working Group and the Evaluation Working Group.

Ms Susan Hunt

Susan was nominated to the Board by the Royal College of Nursing Australia and the Australian Nursing Federation. She is well acquainted with Quality Use of Medicines, having been involved in the first *Be Wise for Medicines* campaigns in the early 1990s. Susan has been a member of the Pharmaceutical Health and Rational use of Medicines Committee, and is currently a member of the Australian Pharmaceutical Advisory Council. She works as a clinical nurse consultant and educator, specialising in care related to older people in both residential and community settings.

Susan is a member of the Research and Development Working Group and the Curriculum and Training Working Group.

Ms Janette Donovan (resigned March 2007)

Jan works with consumer organisations as a representative and advocate for consumers. She has qualifications and a working background in education and public policy. She currently works as a consumer consultant in medicines education, health policy and research. Jan is committed to and passionate about furthering community access to information and education about medicines.

Until March this year, Jan was the Consumer Class Director on the NPS Board. She is a member of the Research Advisory Board of the Australian Primary Health Care Research Institute at the ANU; the Consumers' Health Forum nominee to the Medicines Evaluation Committee of the Therapeutic Goods Administration; and was a member of the Expert Group on Trans Tasman Labelling of Medicines.

Jan has been actively involved in the implementation of the National Medicines Policy in Australia for over a decade. She was a member of the Australian Pharmaceutical Advisory Council and the Medicconnect Development Group.

Jan is currently a member of the Victorian Medicines Advisory Committee and the Medicines Safety Committee at the Royal Women's Hospital in Melbourne.

(Alternate Director, Ms Diane Walsh, resigned March 2007)

Dr Graeme Killer AO

Graeme is Principal Medical Adviser to the Repatriation Commission. He trained as an occupational physician and served for 23 years in the Royal Australian Air Force. On his retirement from full-time defence service in 1990, he was appointed Director of Environment Health for the Australian Defence Force. He has been Principal Medical Adviser to the Department of Veterans' Affairs since 1991 and has taken a leading role in departmental initiatives in Quality Use of Medicines.

Graeme is a member of the Repatriation Pharmaceutical Reference Committee and Chair of the Editorial Committee and Consumer Reference Group for the Veterans' Medicines Advice and Therapeutic Education Services (MATES) Program. He pioneered the introduction of care planning and preventive annual health assessments for older Australians and initiated the Health Links Program between the Departments of Defence and Veterans' Affairs. Graeme sits on the Board of Morshead Nursing Home and the ACT Division of Red Cross.

Graeme has extensive healthcare interests, including occupational and public health and aged care. He maintains part-time clinical practice and has been personal physician to Prime Ministers Keating and Howard, and has a similar role with Government House, Canberra. He was made an Officer of the Order of Australia in 1999 for his service to the veteran community.

Graeme is a member of the Communications Working Group.

Mr Russell Edwards (appointed December 2006)

Russell's career in the pharmaceutical industry spans 36 years. In 1991 he founded the Australian branch of the biotechnology company, Amgen, and served as its managing director for 15 years.

He was a board member of Medicines Australia where he sponsored the establishment of guidelines for relationships between consumer health organisations and the pharmaceutical industry. In 2005 he founded Medicines Australia's Biotechnology Group (MABIG). More recently Russell has been Vice-President External Affairs at Amgen.

Russell possesses a broad understanding of issues in the public and private health sectors and a sound understanding of the Australian National Medicines Policy. He is regarded as an opinion leader in the pharmaceutical industry, particularly in the field of biotechnology.

Russell is a member of the Medicines Industry Liaison Group and the New Drugs Working Group (RADAR). He is now also the Alternate Chair: Medicines Australia Code of Conduct Monitoring Committee.

**Ms Katherine Moore
(appointed April 2007)**

An expert in public health policy, Kate has a long career in working on consumer health projects. She is a consultant, and has worked on projects such as the assessment of the 2006 Quality of Care Reports, published by Public Health Services in Victoria. She was a special adviser to the Healthcare Management Advisors' Project that reviewed the Australian Pharmaceutical Advisory Committee.

Kate is Chair of the ACT Health Council, a member of the Executive Committee of the Health Care Consumers' Association of the ACT and Chair of that organisation's Policy Sub-Committee, as well as a member of several other committees.

Kate is a member of the Community QUM Working Group.

(Alternate Director, Ms Diane Walsh, appointed April 2007)

Dr Shiong Tan

Shiong is a GP committed to the role of general practice in advancing the health and well-being of the Australian public. He has an ongoing commitment to the role of the divisional network and is the current Chair of the RACGP Quality Care National Standing Committee. He divides his work commitments between a group practice in Perth and the Office of Safety and Quality within the Health Department of Western Australia. He believes in the central role of patient activation and community development, and the opportunities for health gain afforded by health services reconfiguration through the development of evidence-based health policies.

Shiong is a member of the Community QUM Working Group and the Pharmaceutical Decision Support Working Group.

Dr Janette Randall

Janette is a general practitioner in Brisbane. She has worked in general practice on a full- and part-time basis since 1994, obtaining her General Practice Fellowship in 1996. She has a special interest in mental health issues, and has done additional training in this area.

Janette has been significantly involved in the Divisions of General Practice Program since 1997, having held various roles with her local Division of General Practice in Queensland. She was also a board member of the state-based representative body for divisions in Queensland, retiring in October 2006.

Janette is the immediate past Chair of the Queensland General Practice Advisory Council and continues to represent Queensland divisions on the council. She is also a member of the Bayside Health Community Council and an immediate past member of the Queensland Chronic Disease Strategy Implementation Steering Committee.

She chairs the Audit Committee and is a member of the New Drugs Working Group (RADAR).

**Dr Ross Maxwell
(appointed May 2007)**

Ross brings to the Board 25 years experience in general practice, with a very strong rural and regional medicine perspective.

Ross is the immediate past President of the Rural Doctors Association of Australia and maintains an active membership of his local Division of General Practice and the AMA Queensland. He is also currently on the Board and Treasurer of Health WorkForce Queensland and Chair of their Risk Management Committee.

Ross is a member of the Curriculum and Training Working Group and the Pharmaceutical Decision Support Group.

Working Groups and Committees

Australian Prescriber Editorial Executive Committee

Professor John Tiller (Chair)
School of Psychiatry
University of Melbourne

Dr John Dowden
Editor Australian Prescriber
NPS

Dr Cate Howell
General Practitioner

Dr Shanthi Kanagarajah
Geriatrician

Dr Paul Kubler
Department of Clinical Pharmacology
Royal Brisbane & Women's Hospital

Dr Julia Lowe
Hunter Area Diabetes Service
Royal Newcastle Hospital

Dr Lynn Weekes
Chief Executive Officer
NPS

Communications Working Group

Ms Simone Rossi (Chair)
Australian Medicines Handbook

Dr Richard Abbott (resigned)
Director NPS

Dr James Best
General Practitioner

A/Professor Nick Buckley
Clinical Pharmacology
and Toxicology
The Canberra Hospital

Ms Jan Donovan
Consumer Representative

Dr John Dowden
Editor Australian Prescriber
NPS

Ms Sharene Jackson
Manager Publishing
NPS

Dr Graeme Killer
Director NPS

Ms Judith Mackson
Manager Education and Quality
Assurance Program
NPS

Ms Debbie Norton
West Victoria Division of General
Practice

Ms Susan Parker
Pfizer Global Pharmaceuticals

Community QUM Working Group

Ms Diane Walsh (Chair)
Consumer Representative

Dr Parisa Aslani
Community Pharmacist

Mrs Diana Aspinall
Consumer Representative

Ms Hannah Baird
Manager Community Quality
Use of Medicines Program
NPS

Mr Michael Bolt
Australian Government
Department of Health
and Ageing

Ms Melanie Cantwell (resigned)
Consumers' Health Forum
of Australia

Dr John De Vries
General Practitioner

Ms Jan Donovan (resigned)
Director NPS

Mr Scott Harlum (resigned)
Consumers' Health Forum
of Australia

Ms Judith Mackson
Prescribing Intervention
Working Group Representative
NPS

Ms Alison Marcus
Consumer Representative

Ms Jo Mitchell
South Eastern Sydney and
Illawarra Area Health Service

Mr John Morgan (resigned)
Pharmacist

Ms Kate Moore
Director NPS

Dr Lynne Parkinson (resigned)
Centre for Research and
Education in Ageing
The University of Newcastle
PHARM Committee Representative

Dr Susan Quine (resigned)
Faculty of Medicine
University of Sydney

Dr Janette Randall (resigned)
Director NPS

Ms Sharon Ride
Consumer Representative

Ms Sheila Rimmer (resigned)
Consumer Representative

Mrs Coral Rizzalli
Consumer Representative

Ms Moya Sandow (resigned)
Consumer Representative

Dr Shiong Tan
Director NPS

Dr Christine Walker
Consumer Representative

Curriculum & Training Working Group

Professor Gillian Shenfield (Chair)
Clinical Pharmacologist

Mr Neil Cottrell
School of Pharmacy
University of Queensland

Professor John Daly
School of Nursing and Midwifery
University of Western Sydney

A/Professor Patricia Davidson
Council of the Deans of Nursing

A/Professor Christoph Gatzka
School of Rural Medicine
University of Melbourne

A/Professor Barbara Horner
Centre for Research into
Aged Care Services
Curtin University of Technology

Ms Susan Hunt
Director NPS

Dr Ross Maxwell
Director NPS

A/Professor Charles Mitchell
School of Medicine
University of Queensland

Professor Gregory Peterson
School of Pharmacy
University of Tasmania

Mr Antonio Russo
Consumers' Health Forum of
Australia

Ms Meg Stuart
Manager Curriculum and Training
NPS

Evaluation Working Group

Dr Tim Driscoll (Chair)
Consultant Epidemiologist

Dr Roger Boyd (resigned)
Director NPS

A/Professor Shane Carney
Director NPS

Mr Neil Day
Centre for Program Evaluation
University of Melbourne

Dr Neil Donnelly
Manager Program Evaluation
NPS

Ms Jan Donovan (resigned)
Director NPS

A/Professor Rosalind Hurworth
Centre for Program Evaluation
University of Melbourne

Ms Judith Mackson (resigned)
Manager Education and Quality
Assurance Program
NPS

Ms Rosemary McKenzie
Department of Public Health
University of Melbourne

Dr Stephen Phillips
General Practitioner

A/Professor Jan Ritchie
School of Public Health
and Community Medicine
University of New South Wales

A/Professor Glenn Salkeld
School of Public Health
University of Sydney

Professor Stephanie Short
School of Public Health
Griffith University

Dr Lynn Weekes (resigned)
Chief Executive Officer
NPS

Dr Sonia Wutzke (resigned)
Manager Program Evaluation
NPS

New Drugs Working Group (RADAR)

Dr Peter Roush (Chair)
General Practitioner

Dr Richard Abbott (resigned)
Director NPS

Ms Melanie Cantwell (resigned)
Consumers' Health Forum of Australia

Dr Michael Crampton
General Practitioner

Ms Anne Develin
Australian Government
Department of Health and Ageing

Dr John Dowden
Editor Australian Prescriber
NPS

Mr Russell Edwards
Director NPS

Dr Alice Glover
Therapeutic Guidelines Ltd

Ms Karen Kaye
NSW Therapeutic Advisory Group

Dr Michael Kennedy (resigned)
Internal Medicine Society
of Australia and New Zealand

Ms Anne McKenzie
Consumer Representative

Ms Deborah Monk
Medicines Australia

Mr Craig Patterson (resigned)
Manager New Drugs Program
NPS

Dr Janette Randall
Director NPS

Professor Paul Rolan
Professor of Pharmacology
University of Adelaide

Ms Simone Rossi
Australian Medicines Handbook

Dr Sepehr Shakib (resigned)
Department of Clinical Pharmacology
Royal Adelaide Hospital

Professor Gillian Shenfield
Clinical Pharmacologist

Mr Graeme Vernon
Austin Health
NPS TAIS

Pharmaceutical Decision Support Working Group

Dr Stephen Phillips (Chair)
General Practitioner

Professor Michael Dooley
Pharmacy Department
The Alfred Hospital Melbourne

Mr Michael Farrell
Pharmacy Guild

Dr Pradeep Harshan Jayasuriya
General Practitioner

Dr Heather Leslie
Ocean Informatics

Dr Winston Liauw
Clinical Trials Centre
St Vincent's Hospital Sydney

A/Professor Siaw-Teng Liaw
Department of Rural Health
University of Melbourne

Dr Ross Maxwell
Director NPS

Ms Anne McKenzie
Consumer Representative

Dr Rod Pearce
General Practitioner

Professor Gregory Peterson
School of Pharmacy
University of Tasmania

Dr Marie Pirotta
General Practitioner

Mr James Reeve
Manager Pharmaceutical Decision
Support Program
NPS

Ms Lyndie Spurr
Royal District Nursing Service
Melbourne

Dr Shiong Tan
Director NPS
Dr Lynn Weekes
Chief Executive Officer
NPS

**Phone Line Services
Working Group**

Ms Roberta Lauchlan (Chair)
PHARM Committee Representative

Dr Roger Boyd
Director NPS

Ms Kerry Deans
Pharmaceutical Society
of Australia

Ms Jan Donovan (resigned)
Director NPS

Dr Susan Furphy
General Practitioner

Mr Scott Hill
Royal District Nursing Service Adelaide

Ms Susan Parker
Pfizer Global Pharmaceuticals

Mr Craig Patterson (resigned)
Manager Independent Information
NPS

Ms Diane Walsh
Consumer Representative

Ms Jenny Zwart
Accredited Community Pharmacist

**Prescribing Intervention
Working Group**

Dr Guan Yeo (Chair)
Clinical Education Consultant
General Practitioner

Ms Jenny Bergin
Director NPS

A/Professor Shane Carney (resigned)
Director NPS

Ms Josephine Farrugia
Medicare Australia

Dr David Gleave
General Practitioner

Dr John Gullota (resigned)
Australian Medical Association

Ms Karalyn Huxhagen
Community Pharmacist

Ms Judith Mackson
Manager Education and
Quality Assurance Program
NPS

Mr Frank May
Drug and Therapeutics Information
Service (DATIS)

Mr Robert Peck
Australian Government
Department of Veterans' Affairs

Ms Nancy Pierce
Consumer Representative

Dr Jane Robertson
Discipline of Clinical Pharmacology
The University of Newcastle

Ms Maxine Robinson
Drug Utilisation
Sub-Committee of PBAC
Australian Government
Department of Health and Ageing

Pharmacy Review Group

Dr Jane Robertson (Chair)
Discipline of Clinical Pharmacology
The University of Newcastle

Ms Jenny Bergin (resigned)
Director NPS

Mr Jason Campbell
Community Pharmacist

Professor Andrew Gilbert
School of Pharmacy and Medical
Sciences
University of South Australia

Ms Karalyn Huxhagen
Community Pharmacist

Ms Sally Kaesler
Clinical Pharmacist
John Hunter Hospital

Mr Frank May
Drug and Therapeutics
Information Service (DATIS)

Mr Robert Peck
Australian Government
Department of Veterans' Affairs

Ms Nancy Pierce
Consumer Representative

Dr Guan Yeo
Clinical Education Consultant
General Practitioner

**Research & Development
Working Group**

Professor Wayne Hall (Chair)
School of Public Health
University of Queensland

A/Professor Shane Carney
Director NPS

Dr Timothy Chen
Faculty of Pharmacy
University of Sydney

Professor Ric Day
Department of Physiology
and Pharmacology
University of New South Wales

Mrs Hadas Haileselassie
Consumers' Health Forum
of Australia

Ms Susan Hunt
Director NPS

Professor Simon Stewart
Cardiovascular Nursing
University of South Australia

Ms Margaret Williamson
Manager Research and Development
NPS

Professor Nick Zwar
School of Public Health
and Community Medicine
University of New South Wales

**Medicines Industry
Liaison Group**

Ms Jude Tasker (Chair)
Pfizer Global Pharmaceuticals

Mr David Grainger (Chair) (resigned)
Eli Lilly

Mr Jonathan Breach
Australian Self-Medication Industry

Mr Russell Edwards
Director NPS

Ms Mary Emanuel
Australian Self-Medication Industry

Ms Di Ford
Generic Medicines Industry
Association

Ms Judith Griffin
Merck Sharp and Dohme

Ms Deborah Monk
Medicines Australia

Dr Greg Pearce
Alphapharm Pty Ltd

Ms Robyn Ronai
Alphapharm Pty Ltd

**National Medicines Symposium
2008 Scientific Program
Committee**

Dr Stephen Phillips (Chair)
General Practitioner

Professor Marc Cohen
Australian Integrative
Medicines Association

Dr Gabrielle Cooper
Division of Health
University of Canberra

Professor Richard Day
Department of Physiology
and Pharmacology
University of New South Wales

Ms Rhonda Galbally AO
Our Community

Dr Paul Kubler
Department of
Clinical Pharmacology
Royal Brisbane Hospital

Dr Rebekah Moles
Faculty of Pharmacy
University of Sydney

Dr Greg Pearce
Alphapharm Pty Ltd

Dr Marie Pirotta
General Practice Unit
University of Melbourne

Dr Shiong Tan
Director NPS

Dr Janney Wale
Consumers' Health Forum
of Australia

Dr Lynn Weekes
Chief Executive Officer
NPS

Overseas Visitors

During the year we were pleased to share program knowledge and resources with visitors from overseas:

- Republic of Indonesia Ministry of Health delegation
- Jean-Pierre Grégoire and Jocelyne Moisan, Université Laval, Quebec, Canada
- Bob Nakagawa and Suzanne Taylor, Pharmaceutical Services, Ministry of Health, British Columbia, Canada
- Guo Xiaoxin, WHO Fellow Program, China.

Presentations, Posters and Publications By NPS Board and Staff 2006–2007

Invited papers

Medicines Australia & Department of Health and Ageing Joint Policy Conference

13–14 July 2006, Sydney
Quality Use of Medicines and its future in the PBS: Whose job is it anyway? (Panel discussion)
R Boyd

Royal Australasian College of Medical Administrators & Australian College of Health Service Executives

Joint National Congress
2–4 August 2006, Hobart
The power of research, innovation and technology: Technology assessment and uptake with information for professionals and consumers
R Boyd

Pharmacy Women's Congress

18–20 August 2006, Sydney
Career path options (Panel member)
L Weekes

22nd International Conference on Pharmacoepidemiology and Therapeutic Risk Management

24–27 August 2006, Lisbon, Portugal
Global assessment of the contribution of drug utilisation research to public health
L Weekes
Changes in antihypertensive drug use following educational interventions in primary care
L Weekes

Invited poster:

Repetition of pharmacotherapy key messages in a social marketing program to improve prescribing
J Mackson

Society of Hospital Pharmacists of Australia (SHPA) State Branch Conference (NSW)

22–24 September 2006, Sydney
Evidence perspective: Gaps in quality of medicine use
G Higgins
Closing the gaps in primary care
L Weekes

The National Institute of Clinical Studies Using Evidence Using Guidelines Symposium

19–20 October 2006, Melbourne
Choosing interventions to address sub-optimal medicine use
J Mackson, G Higgins, C Bottomley
Barriers & Enablers: What stops implementation from happening? What helps?
J Mackson, E Lalor, R Martin, L Swinburne

12th Conference of the Japanese Society for Pharmacoepidemiology (JSPE) 2006

12 November 2006, Yokohama, Japan
Drug utilisation studies and rational drug use
J Mackson

University of Kyoto, Department of Pharmacoepidemiology

14 November 2006, Kyoto, Japan
Drug utilisation studies and rational drug use
J Mackson

ADGP Network Forum 2006

25–28 November 2006, Gold Coast
Closing the Quality Use of Medicines gaps in primary care
L Weekes

IQPC Elevating the Status of Internal Communication Conference

19–21 February 2007, Melbourne
Communicating with a diverse workplace audience
P Phillips

Medication Safety Self Assessment Program Launch

28 February 2007, Sydney
Quality Use of Medicines and medication safety
R Boyd

Executive Assistant & PA Congress

1–2 May 2007, Melbourne
Panel: The EA role: Job or career? An insightful perspective from the public sector and not-for-profit organisations
B Wilson

ConPharm

31 May – 3 June 2007, Sunshine Coast, Queensland
Delivering QUM: Taking the mystery out of DUEs
C Bottomley, S Edwards

Association of Regulatory and Clinical Scientists (ARCS) 2007 Annual Scientific Congress

4–6 June 2007, Sydney
Translating from trial results to patients
M Gillies

Health Council of Canada Symposium

Safe and Sound — Optimising Prescribing Behaviours
12–13 June 2007, Montreal, Canada
Quality assurance and behaviour change
L Weekes

Presentations

Australasian Medical Writers Association 23rd Annual Conference

1–2 September 2006, Sydney
Career development forum
A Bhasale

Society of Hospital Pharmacists of Australia (SHPA) State Branch Conference (NSW)

22–24 September 2006, Sydney
Evidence versus Hype workshops:
The Illawarra experience
M Jordan, G Higgins

4th National General Practice Nurse Conference

12–14 October 2006, Gold Coast
General practice nurses promoting
Quality Use of Medicines in chronic
obstructive pulmonary disease
D McMath

MEDNET 2006: 11th World Congress on Internet in Medicine

13–16 October 2006, Toronto, Canada
Internet technologies for delivery of
evidence based information: Using
web services and XML effectively
B Lewis

The National Institute of Clinical Studies Using Evidence Using Guidelines Symposium

19–20 October 2006, Melbourne
Implementation of guidelines
for management of community-
acquired pneumonia in hospital
emergency departments
LK Pulver, KA McIntosh,
DJ Maxwell, A Wai

International Society for Quality in Health Care ISQua's 23rd International Conference

22–25 October 2006, London
Community-acquired pneumonia:
Towards improving outcomes nationally
A national quality improvement
initiative 'Down Under'
DJ Maxwell, KI Kaye, KA McIntosh,
MB Robertson, LA Stanton,
GM Peterson, AC Marwood,
WB Dollman, LK Pulver, SE Tett,
J Coombes, A Petrie, A Wai,
F Horn, J Mackson, L Weekes

IQPC Internal Communications Conference

24–25 October 2006, Sydney
Reaching your business
objectives by aligning internal
and external communication
F Hagon

School of Public Health and Community Medicine (UNSW) Research Student Conference

27 October 2006, Sydney
How do seniors use medicines
information provided in
peer-led sessions?
L Kehoe, S Wutzke, J Ritchie

Practice Nurse Conference: GPCE (General Practitioner Conference and Exhibition)

17–19 November 2006, Melbourne
Quality Use of Medicines:
Reducing the use of medicines
and medication error
G Green

ADGP Network Forum 2006

25–28 November 2006, Gold Coast
NPS partnership with
divisions of general practice
G Higgins, J Mackson

Transformations 2006

27–29 November 2006, Canberra
Collaborative partnerships across
international boundaries
J Davis, D Kordes

ASCEPT Education Workshop

1 December 2006, Melbourne
Uptake and usage, and plans
for the future of the National
Prescribing Curriculum
G Shenfield, M Stuart

First International LAMS Conference

7–8 December 2006, Sydney
LAMS and Quality Use of
Medicines (QUM)
K Baskett

Partnership in Practice

3–5 May 2007, Sydney
Common colds need
common sense campaign
M Artist

2007 General Practice & Primary Health Care Research Conference

23–25 May 2007, Sydney
Antibiotic use in urinary tract infection
(UTI): Findings from a general
practitioner (GP) clinical audit
K Barry, K Loukas, C Fang Yu,
J Mackson, S O'Riordan

Prescribing new drugs: Influences
reported by general practitioners
and specialists

M Williamson, L Tobin, S Wutzke,
A de Almeida Neto, C Patterson,
J Mackson, L Weekes

Arthritis and Osteoporosis Educators' Meeting

26 May 2007,
Darling Harbour, Sydney
Paracetamol and non-steroidal
anti-inflammatory drugs
M Koo

**19th International Union
of Health Promotion and
Education Conference**

10–15 June 2007, Vancouver, Canada
The trials and successes of a national
consumer-led health promotion
program in Australia
H Baird

Health education for Australian
seniors about medicine use: Building
on community strengths and
organisational capacities
L Kehoe, S Wutzke, K Vaughan,
J Ritchie

Posters**4th Australasian Conference on
Safety and Quality in Health Care**

21–23 August 2006, Melbourne
National quality improvement
initiatives – and beyond
A Wai, KA McIntosh, MB Robertson,
F Horn, JM Mackson, DJ Maxwell,
KI Kaye, LA Stanton, GM Peterson,
AC Marwood, WB Dollman,
LK Pulver, SE Tett, J Coombes,
A Petrie, L Weekes

**MEDNET 2006:
11th World Congress
on Internet in Medicine**

13–16 October 2006,
Toronto, Canada
Providing NPS clinical audits
electronically
B Lewis

14th Cochrane Colloquium

23–26 October 2006, Dublin, Ireland
Do Cochrane reviews influence
guidelines for acute respiratory
infections?
E Kay, A Bhasale

**Society of Hospital Pharmacists
of Australia (SHPA) Biennial
Clinical Conference (Federal)**

9–11 November 2006, Melbourne
Pharmacist audits: A useful training
tool for clinical placements
G Higgins, G Cooper

ANZCA Annual Scientific Meeting

26–29 May 2007, Melbourne
A national survey of analgesic
prescribing practices in the
acute postoperative pain patient
J Trinca, KA McIntosh, O Clavisi,
P Macintyre, S Schug, A Wai

Publications

Hood SG, Bereznicki L, Dunt D,
Jackson S, Lowe A, Mackson J,
Phillips S, Pirkis J and Taylor S (2006).
Interventions to improve evidence-
based prescribing for heart failure.
(Protocol) *Cochrane Database of
Systematic Reviews* Issue 3.

Horn FE, Mandryk JA, Mackson JM,
Wutzke SE, Weekes LM, Hyndman RJ
(2007). Measurement of changes
in antihypertensive drug utilisation
following primary care educational
interventions. *Pharmacoepidemiology
Drug Saf Mar*;16(3):297–308.

Mandryk JA, Mackson JM, Horn FE,
Wutzke SE, Badcock CA, Hyndman RJ
et al. (2006). Measuring change
in prescription drug utilisation in
Australia. *Pharmacoepidemiology
Drug Saf Jul*;15(7):477–484.

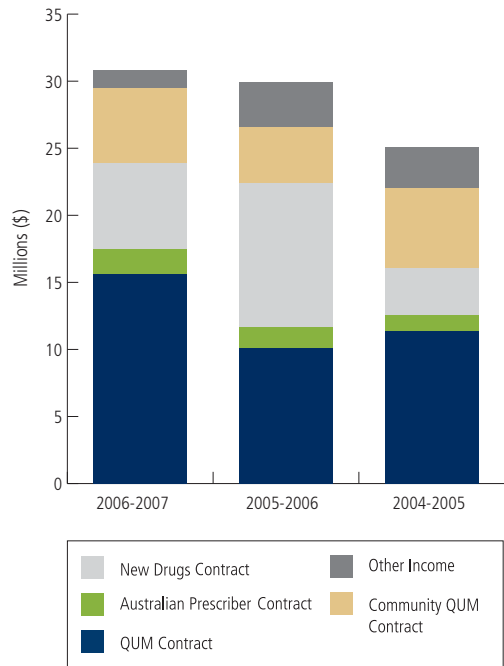
Wutzke SE, Artist MA, Kehoe LA,
Fletcher M, Mackson JM, Weekes LM
(2007). Evaluation of a national
programme to reduce inappropriate
use of antibiotics for upper respiratory
tract infections: effects on consumer
awareness, beliefs, attitudes and
behaviour in Australia. *Health Promotion
International Mar*;22(1):53–64.



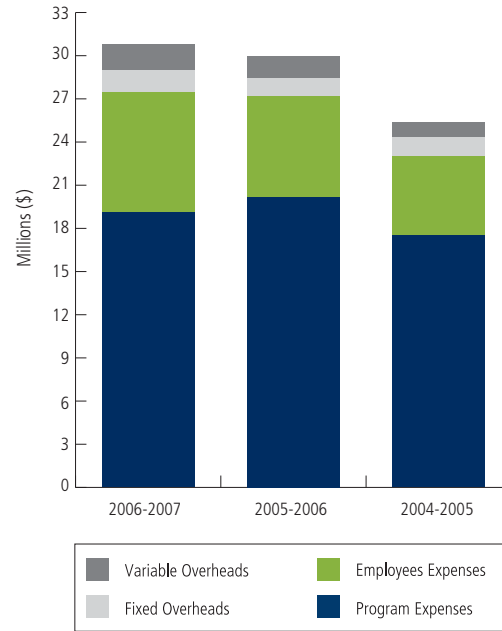
financial
statements

Financial Statements

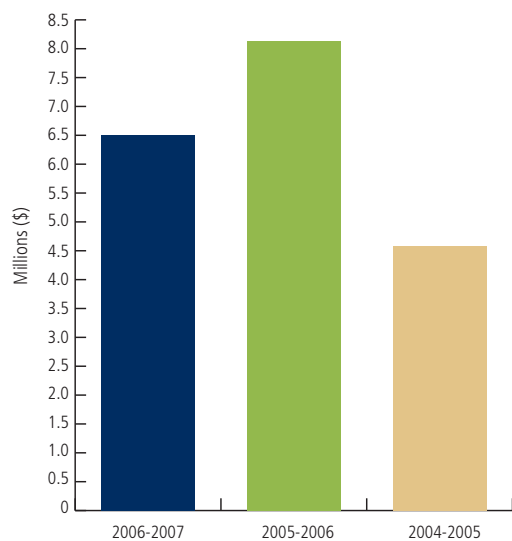
Revenue Sources



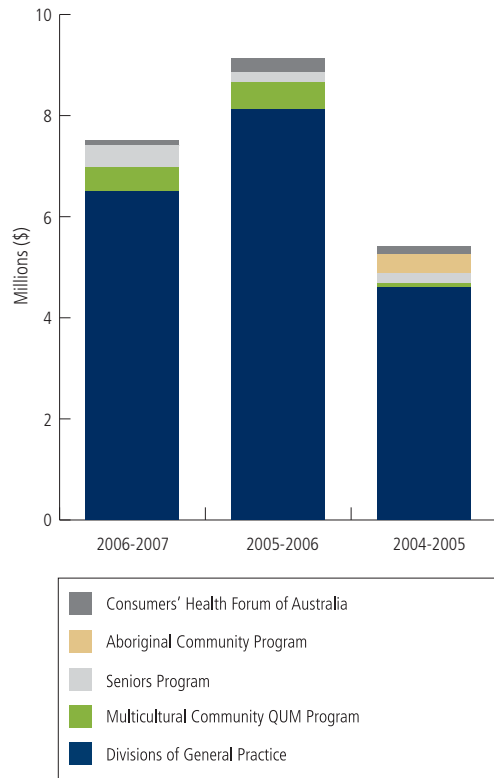
Comparison of Expenditure by Categories 2004 to 2007



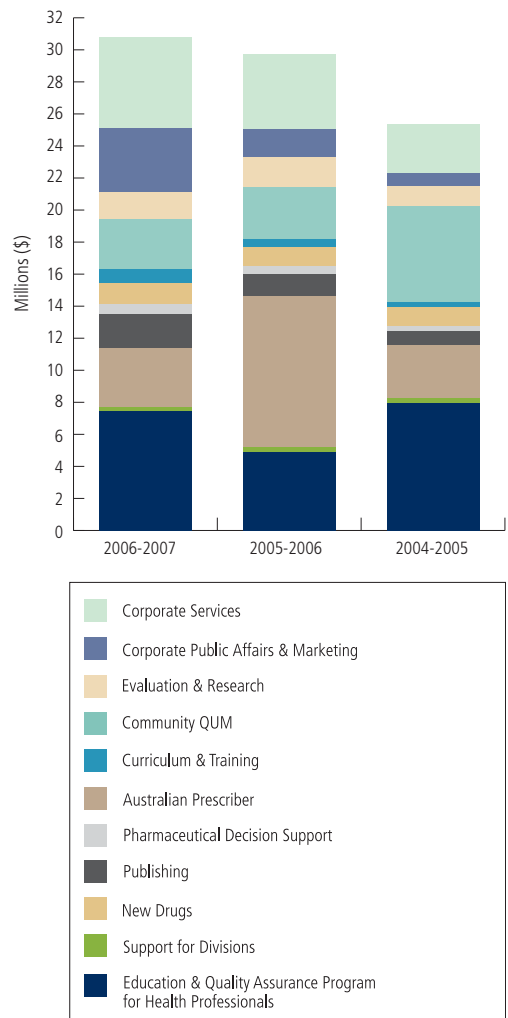
QUM Contract Payments to Divisions of General Practice



QUM Contracts with Health Professionals and the Community



Expenditure by Cost Centre



Directors' Report

Your directors present their report on the results of National Prescribing Service Limited (the Company) for the financial year ended 30 June 2007.

Directors

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

Richard Abbott
(resigned 23/1/2007, alternate – Alan Chater, resigned 23/1/2007)

Jennifer Bergin
(alternate – Gregory Peterson)

Roger Boyd

Shane Carney

Janette Donovan
(resigned 24/3/2007, alternate – Diane Walsh, resigned 24/3/2007)

Russell Edwards
(appointed 8/12/2006)

Susan Hunt

Graeme Killer

Ross Maxwell (appointed 15/5/2007)

Katherine Moore
(appointed 23/4/2007, alternate – Diane Walsh appointed 2/8/2007)

Janette Randall

Shiong Kok Tan

Other details of directors are shown elsewhere in this report.

Secretary

Nick Geddes FCA FCIS was appointed as Company Secretary on 7 April 1998.

Name of director	Qualifications, experience and special responsibilities	Class of directorship	Board committee memberships	Interests in shares	Interests in contracts
Jennifer Bergin	Director, NPS	Pharmacy	Audit Committee	Nil	Nil
Roger Boyd	Chair, NPS	Other	Audit Committee	Nil	Nil
Shane Carney	Director, NPS	Other Prescribers/Research	Nominations Committee	Nil	Nil
Russell Edwards	Director, NPS	Other	Audit Committee	Nil	Nil
Susan Hunt	Director, NPS	Other	Chair, Nominations Committee	Nil	Nil
Graeme Killer	Director, NPS	Government	Nominations Committee	Nil	Nil
Ross Maxwell	Director, NPS	General Practitioner		Nil	Nil
Katherine Moore	Director, NPS	Consumer		Nil	Nil
Janette Randall	Director, NPS	General Practitioner	Chair, Audit Committee	Nil	Nil
Shiong Kok Tan	Director, NPS	General Practitioner	Nominations Committee	Nil	Nil

Meetings of directors

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

Name of director	Meetings of directors		Audit Committee meetings		Board Nominations 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
Richard Abbott	3	3	–	–	–	–
Jennifer Bergin	8	8	7	7	–	–
Roger Boyd	8	8	7	7	–	–
Shane Carney	7	7	–	–	4	4
Janette Donovan	4	4	–	–	5	5
Russell Edwards	5	5	2	2	–	–
Susan Hunt	8	6	–	–	6	6
Graeme Killer	8	4	–	–	4	4
Ross Maxwell	3	1	–	–	–	–
Katherine Moore	4	3	–	–	–	–
Janette Randall	8	7	7	7	–	–
Shiong Kok Tan	8	6	–	–	6	6
Alternates						
Richard Abbott (Alternate, Alan Chater)	–	–	–	–	–	–
Janette Donovan (Alternate, Diane Walsh)	–	–	–	–	–	–
Jennifer Bergin (Alternate, Gregory Peterson)	–	–	–	–	–	–

Principal activities

National Prescribing Service Ltd (NPS) is the Quality Use of Medicines service agency for Australia's National Medicines Policy. Our work is relevant to decisions about medicine use by an individual or within a community. The term 'medicine' includes prescription, non-prescription and complementary medicines. Our purpose is to support people to make best use of medicines to improve health and well-being.

Operating results

The net amount of the surplus for the year ended 30 June 2007 was \$60,468 (2006 – \$78,826).

Review of operations

Refunding of the New Drugs PBS Listing contract, which ended on 30 June 2006, was announced in May 2006 as part of the Federal Budget and a revised funding agreement was formally executed on 8 January 2007.

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Future developments

Further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

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 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 an officer or auditor of the Company.

Insurance premiums

During the financial year the Company has paid premiums in respect of directors' and officers' liability insurance contracts for the year ended 30 June 2007.

The Company has paid or agreed to pay premiums in respect of such insurance contracts for the year ending 30 June 2008.

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

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

Events subsequent to balance date

NPS has entered into negotiations with Mater Health Services to fund Adverse Medicines Events (AME) phone line service.

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

Court proceedings

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

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 34.

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



Dr R Boyd
Chair of National Prescribing Service Limited



Dr J Randall
Director & Chair of the Audit Committee

Dated this 27th day of August 2007

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

Dear Board Members

**Auditor's Independence Declaration to the Directors of
National Prescribing Service Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 there have been:

- (i) no contraventions of auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

V.J. Ryan & Co

**V.J. RYAN & CO
CHARTERED ACCOUNTANTS**



**Peter D Wyer
PARTNER**

DATED THIS ^{29th} DAY OF AUGUST 2007 AT SYDNEY

Financial Statements

Income Statement for the year ended 30 June 2007

	Note	2007 \$	2006 \$
Revenue	3	29,464,255	26,674,600
Program Expenses			
Total Program expenses	4	(18,919,065)	(17,930,537)
Gross surplus		<u>10,545,190</u>	<u>8,744,063</u>
Other income	3	339,180	249,522
Finance Income	4	946,802	769,718
Finance costs	4	–	(591)
Employee related costs	4	(8,527,075)	(6,933,137)
Overheads – fixed costs	4	(1,474,988)	(1,193,291)
Overheads – variable costs	4	(1,768,641)	(1,557,458)
Net operating surplus before income tax	4	<u>60,468</u>	<u>78,826</u>
Income tax expense	1(g)	–	–
Operating surplus after income tax		<u>60,468</u>	<u>78,826</u>

Balance Sheet as at 30 June 2007

	Note	2007 \$	2006 \$
Assets			
Current assets			
Cash and cash equivalents	6	15,559,216	16,392,336
Trade and other receivables	7	109,335	80,035
Other current assets	8	2,227,428	428,787
Total current assets		<u>17,895,979</u>	<u>16,901,158</u>
Non-current assets			
Property, plant & equipment	9	932,658	984,034
Total non-current assets		<u>932,658</u>	<u>984,034</u>
Total assets		<u>18,828,637</u>	<u>17,885,192</u>
Current liabilities			
Trade and other payables	10	17,866,173	17,163,591
Provisions	11	427,415	281,995
Total current liabilities		<u>18,293,588</u>	<u>17,445,586</u>
Non-current liabilities			
Provisions	11	188,716	153,741
Total non-current liabilities		<u>188,716</u>	<u>153,741</u>
Total liabilities		<u>18,482,304</u>	<u>17,599,327</u>
Net assets		<u>346,333</u>	<u>285,865</u>
Equity			
Retained earnings	12	346,333	285,865
Total equity		<u>346,333</u>	<u>285,865</u>

Statement of Changes in Equity for the year ended 30 June 2007

	Note	2007 \$	2006 \$
Equity at the beginning of the year			
Retained earnings		285,865	207,039
Surplus for the year		60,468	78,826
Balance at the end of the year		<u>346,333</u>	<u>285,865</u>
Total equity at the end of year		<u>346,333</u>	<u>285,865</u>

Cash Flow Statement for the year ended 30 June 2007

	Note	2007 \$	2006 \$
Cash flows from operating activities			
DoHA funding		29,434,955	39,867,700
Receipts from customers		339,180	223,904
Interest received		946,802	805,533
Payments to suppliers		<u>(31,019,505)</u>	<u>(38,954,557)</u>
Net cash provided by (used in) operating activities	14	<u>(298,568)</u>	<u>1,942,580</u>
Payments for plant, equipment and leasehold improvement		<u>(534,552)</u>	<u>(1,065,579)</u>
Net cash provided (used in) investing activities		<u>(534,552)</u>	<u>(1,065,579)</u>
Net increase in cash held		(833,120)	877,001
Cash at the beginning of the year		<u>16,392,336</u>	<u>15,515,335</u>
Cash at end of year	6	<u>15,559,216</u>	<u>16,392,336</u>

Notes to the financial statements for the year ended 30 June 2007

1 Corporate Information

National Prescribing Service Limited (the Company) is a Company domiciled in Australia.

The address of the registered office is c/- Australian Company Secretaries Pty Limited, Level 5, 255 George Street, Sydney, NSW.

The nature of the operations and principal activities of the Company is acting as the Quality Use of Medicines service agency for Australia's National Medicines Policy.

The financial report was authorised for issue by the directors on 27 August 2007.

2 Statement of Significant Accounting Policies

(a) Statement of Compliance

The financial report is a general purpose financial report prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations), adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The significant policies which have been adopted in the preparation of this annual report are:

Except for the amendments to AASB 101 *Presentation of Financial Statements*, which the Company has early adopted, the following table outlines recently issued or amended Australian Accounting Standards and Interpretations, which although not effective have not been adopted.

Reference	Title	Summary	Application date	Impact on Company financial report	Application date for Company
AASB2005-10	<i>Amendments to Australian Accounting Standards</i>	Amendments arise from release of AASB 7 <i>Financial Instruments: Disclosures</i>	1 January 2007	No impact other than changes in financial instruments disclosures	1 January 2007
AASB 7	<i>Financial Instruments: Disclosures</i>	New Standard replacing AASB 132	1 January 2007	As above	1 January 2007
AASB 8	<i>Operating Segments</i>	New Standard replacing AASB 114	1 January 2009	As above	1 January 2009

(b) Basis of Preparation

The financial report is presented in Australian dollars which is the Company's functional currency.

The financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of

making judgements about the carrying value of assets and liabilities, that are not readily apparent from other sources. 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.

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

Notes to the financial statements for the year ended 30 June 2007

(c) Revenue Recognition

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

Government contract

Government contract income is recognised when the money is due.

Interest revenue

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

Sale of non-current assets

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

(d) Trade 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.

(e) Cash and Cash Equivalents

Cash, short-term deposits and bank overdrafts are carried at face value of the amounts deposited or drawn. The carrying amounts of cash, short-term deposits and bank overdrafts approximate net fair value. Interest revenue is accrued at the market or contracted rates. Credit risk is minimised as all cash is held with a large bank which has an acceptable credit rating determined by a recognised rating agency.

(f) Trade Payables

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

(g) Income Tax

The Company has obtained an income tax ruling and is tax exempt pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

(h) Property, Plant & Equipment

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

Plant & equipment

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Company commencing from the time assets are held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of lease or the estimated useful lives of the improvements. Assets costing less than \$4,500 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
Office equipment	22.22%
Furniture & fixture	7.70%
Computer equipment	33.33%
Computer software	40.0%

(i) Leases

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

(j) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated further cash outflows to be made for those benefits.

Contributions are made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

(k) Goods and Service Tax

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.

(l) Impairment of Assets

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

its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

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

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

(m) Comparative Figures

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

(n) Provisions

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

3 Revenue	Note	2007	2006
		\$	\$
Operating activities			
DoHA funding		41,665,455	39,867,700
Less prepaid committed/uncommitted revenue		(12,201,200)	(13,193,100)
Expended grant funds		<u>29,464,255</u>	<u>26,674,600</u>
Other income			
Expense recovery		64,507	25,618
Other income		<u>274,673</u>	<u>223,904</u>
		<u>339,180</u>	<u>249,522</u>

Notes to the financial statements for the year ended 30 June 2007

	2007	2006
	\$	\$
4 Surplus for the Year		
The surplus before income tax expense has been determined after crediting/charging the following items of income and expense:-		
Program expenses		
Travel	743,271	860,140
Computers	76,774	52,164
Consumables	36,112	33,699
Communications	50,108	46,434
Distribution	738,561	862,891
Printing and design	1,672,345	1,208,436
Data processing	1,091,882	642,989
Support services	339,216	538,658
Public affairs management (including major campaigns)	2,678,366	882,911
Contracts (including partners in program delivery)	9,635,844	11,060,439
Grants	56,000	875
Fees	1,800,586	1,740,901
Total program expenses	18,919,065	17,930,537
Finance income		
Interest on bank deposits	946,802	769,718
Total finance income	946,802	769,718
Finance costs		
Interest paid	–	591
Total finance costs	–	591
Employee related costs		
Wages	7,436,860	6,062,725
On costs	1,090,215	870,412
	8,527,075	6,933,137
Overheads – fixed costs		
Premises	609,427	538,407
Administration	131,357	82,858
Insurances	148,466	148,010
Depreciation	585,738	424,016
	1,474,988	1,193,291
Overheads – variable costs		
Travel	131,728	245,098
Computers	219,958	142,678
Consumables	147,303	139,129
Communications	68,544	74,644
Distribution	22,304	19,723
Printing and design	129,761	81,386
Support services	176,116	183,571
Public affairs management	8,529	500
Entertainment	39,361	35,998
Financial charges and interest	7,605	17,723
Fees	301,952	351,675
Fringe benefits tax	515,480	256,883
Asset write-down expenses	–	8,450
	1,768,641	1,557,458

	2007	2006
	\$	\$
4 Surplus for the Year (continued)		
Rental expenses on operating leases	527,804	463,703
Depreciation		
Furniture & fittings	105,863	47,984
Office equipment	32,465	21,665
Leasehold improvements	223,923	177,717
Computer equipment	140,263	135,089
Computer software	83,224	41,561
Total depreciation expense	585,738	424,016
	2007	2006
	\$	\$
5 Auditors' Remuneration		
Audit services		
Auditors of the Company		
V. J. Ryan & Co		
Auditing or reviewing the financial report	30,450	–
Other auditors		
Auditing or reviewing the financial report	–	22,000
Special audits	3,600	4,200
	3,600	26,200
Other services		
Auditors of the Company		
V. J. Ryan & Co		
Review of accounting systems	–	26,000
FBT advice	2,110	
	2,110	26,000
Other auditors		
Taxation services (FBT)	–	1,500
	2007	2006
	\$	\$
6 Cash and Cash Equivalents		
Cheque account	441,499	783,583
Business investment account	3,522,709	3,238,078
Term deposits	11,592,858	12,369,557
Petty cash	2,150	1,118
	15,559,216	16,392,336
Reconciliation of cash		
Cash at the end of the financial year as shown in cash flows statement is reconciled to items in the balance sheet as follows:		
Cash	15,559,216	16,392,336
	15,559,216	16,392,336

The effective interest rate on short-term bank deposits was 6.18% (2006: 5.75%).
These deposits have an average maturity of 60 days.

Notes to the financial statements for the year ended 30 June 2007

	2007	2006
	\$	\$
7 Trade and Other Receivables		
Current		
Interest accrued	50,228	70,265
Other receivables	59,107	9,770
	<u>109,335</u>	<u>80,035</u>
	2007	2006
	\$	\$
8 Other Current Assets		
Security deposit – other	368	200
Security deposit – lease Canberra	11,674	10,850
Security deposit – lease Sydney	188,737	143,070
Prepayments – DGP contract	1,753,561	–
Prepayments – other	270,400	272,260
Gift tokens	900	50
Parking vouchers	588	796
Corporate gifts	1,200	2,250
Payroll/EFT Clearing	–	(689)
	<u>2,227,428</u>	<u>428,787</u>
	2007	2006
	\$	\$
9 Property, Plant & Equipment		
Furniture & fittings – at cost	371,411	450,681
Accumulated depreciation	(178,626)	(63,133)
	<u>192,785</u>	<u>387,548</u>
Computer equipment – at cost	478,823	209,092
Accumulated depreciation	(338,024)	(148,749)
	<u>140,799</u>	<u>60,343</u>
Office equipment – at cost	127,660	82,404
Accumulated depreciation	(102,135)	(57,223)
	<u>25,525</u>	<u>25,181</u>
Leasehold improvements	1,269,244	1,079,745
Accumulated depreciation	(845,819)	(604,326)
	<u>423,425</u>	<u>475,419</u>
Computer software – at cost	360,920	113,647
Accumulated depreciation	(210,796)	(78,104)
	<u>150,124</u>	<u>35,543</u>
Total property, plant and equipment	<u>932,658</u>	<u>984,034</u>

Movements in Carrying Amounts

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

	Furniture & fittings \$	Computer equipment \$	Office equipment \$	Leasehold improvements \$	Computer software \$	Total \$
Balance at the beginning of year	387,548	60,343	25,181	475,419	35,543	984,034
Additions	4,280	217,823	25,537	86,772	201,836	536,248
Disposals		(1,886)				(1,886)
Transfers	(93,180)	4,782	7,272	85,157	(4,031)	–
Depreciation expense	(105,863)	(140,263)	(32,465)	(223,923)	(83,224)	(585,738)
Carrying amount at the end of year	192,785	140,799	25,525	423,425	150,124	932,658

	2007 \$	2006 \$
10 Trade and Other Payables		
Current		
Creditors	4,632,988	1,483,436
Accruals	857,227	1,946,374
Credit cards	–	107,618
PAYG payable	–	166,636
Superannuation payable	113,363	93,163
Salary sacrifice clearing	–	–
Net GST liability	(73,605)	118,664
FBT payable	135,000	54,600
Prepaid uncommitted revenue	–	1,966,250
Prepaid committed revenue	12,201,200	11,226,850
	17,866,173	17,163,591
Prepaid committed income		
Prepaid committed revenue consists of:		
QUM contracts	9,040,470	8,031,700
CQUM contracts	777,470	1,576,500
New Drugs contract	2,383,260	1,618,650
Australian Prescriber	–	–
	12,201,200	11,226,850
Prepaid uncommitted income		
New Drugs contract	–	1,966,250

	2007 \$	2006 \$
11 Provisions		
Current		
Provision for annual leave	427,415	281,995
Non-current		
Provision for long service leave	188,716	153,741

Notes to the financial statements for the year ended 30 June 2007

	2007	2006
	\$	\$
12 Retained Earnings		
Opening balance	285,865	207,039
Surplus for the year	60,468	78,826
Total retained earnings	<u>346,333</u>	<u>285,865</u>

13 Members Guarantees

The Company is limited by guarantee. In the event of winding-up, the Company Constitution requires each member to contribute a maximum of \$50 towards meeting any outstanding obligations of the Company. The number of members as at 30 June 2007 was 44 (2006 – 43).

	2007	2006
	\$	\$
14 Cash Flow Information		
For the purpose of the statement of cash flows, cash includes cash on hand and in banks.		
(a) Reconciliation of the operating surplus		
After tax to the net cash from operations:		
Operating surplus	60,468	78,826
Depreciation	585,738	424,016
Disposal of fixed assets	–	–
Changes in assets and liabilities:		
Increase in trade and other creditors	848,192	1,302,399
Decrease (increase) in receivables & other debtors	(29,300)	(125,279)
Decrease in pre-paid committed income	(1,798,641)	137,900
Increase provisions	34,975	124,718
Net cash flow from or used in operations	<u>(298,568)</u>	<u>1,942,580</u>

15 Key Management Personnel Disclosures

The following were key management personnel of the Company at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Directors

Richard Abbott (appointed 18 June 2001, ceased 23 January 2007)
 Jennifer Bergin (appointed 24 August 2002)
 Roger Boyd (appointed 16 October 1998)
 Shane Carney (appointed 18 June 2001)
 Janette Donovan (appointed 19 March 1998, ceased 24 March 2007)
 Russell Edwards (appointed 8 December 2006)
 Susan Hunt (appointed 24 October 2002)
 Graeme Killer (appointed 6 April 2006)
 Ross Maxwell (appointed 15 May 2007)
 Katherine Moore (appointed 23 April 2007)
 Gregory Peterson (alternate for Jennifer Bergin, appointed 6 February 2006)
 Janette Randall (appointed 4 May 2006)
 Shiong Kok Tan (appointed 3 August 2004)
 Diane Walsh (alternate for Katherine Moore, appointed 23 April 2007)

15 Key Management Personnel Disclosures (continued)	2007	2006
	\$	\$
Transactions with key management personnel		
Key management personnel compensation		
Directors' fees	225,766	239,591
Directors' superannuation	20,905	21,563
Total compensation	246,671	261,154

No director or related party has had a loan to or from the Company during the year, or in the prior year.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company during the year or since the end of the previous financial year and there were no material contracts involving other directors' interests existing at year-end.

Some Directors are members of NPS Working Groups and were paid Sitting Fees on the same basis as other members of those Working Groups until the role of directors was redefined and no payments have been paid since.

16 Economic Dependency

The Company's ongoing operations are dependent on continuation of contracts with the Australian Government Department of Health and Ageing.

17 Segment Information

The Company's only activity is to operate as a not for profit Company that works in partnership with health professionals, Government, industry and consumers to promote QUM that will lead to better health for Australians. This activity is performed solely in Australia.

18 Capital and Leasing Commitments	2007	2006
	\$	\$
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts:		
Payable		
– not later than one year	577,971	497,085
– later than one but not later than five years	1,593,769	1,610,178
– later than five years	–	–
	2,171,740	2,107,263

Notes to the financial statements for the year ended 30 June 2007

19 Financial Instruments

(a) Interest rate risk

The organisation'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, is as follows:

	Weighted average effective interest rate		Floating interest rate		Fixed interest rate maturing			
	2007	2006	2007	2006	Within 1 year		1 to 5 years	
	%	%	\$	\$	\$	\$	\$	\$
Financial assets:								
Cash and cash equivalents	5.19	5.10	3,966,358	4,022,778	-	-	-	-
Term deposits	6.21	5.75	-	-	11,592,858	12,369,557	-	-
Total financial assets			3,966,358	4,022,778	11,592,858	12,369,557	-	-
Financial liabilities:	%	%	\$	\$	\$	\$	\$	\$
Total financial liabilities	-	-	-	-	-	-	-	-

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets, is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

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

(c) Net Fair Values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements.

20 Company Details

The registered office of the Company is:

C/- Australian Company Secretaries Pty Ltd
Level 5, National Australia Bank House
255 George Street
Sydney NSW 2000

The Company Secretary is:

Mr N Geddes FCA, FCIS
Australian Company Secretaries Pty Ltd

The Company's Auditors are:

V.J. Ryan & Co
Chartered Accountants
Level 5, 255 George Street
Sydney NSW 2000

The principal places of business of the Company are:

Sydney

National Prescribing Service Limited
Level 7, 418A Elizabeth Street,
Surry Hills NSW 2010

Canberra

National Prescribing Service Limited
Suite 3, 2 Phipps Close
Deakin ACT 2601

Melbourne

National Prescribing Service Limited
Suite 4, 65 Oxford Street
Collingwood VIC 3066

Directors' Declaration

The Directors of National Prescribing Service Limited (the Company) declare that:

1. The financial statements and notes, as set out on the pages 31 to 48, are in accordance with the Corporations Act 2001, including:
 - a. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - b. giving a true and fair view of the financial position as at 30 June 2007 and of the performance for the year ended on that date of the Company;
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Dr R Boyd
Chair of National Prescribing Service Limited



Dr J Randall
Director & Chair of the Audit Committee

Dated this 27th day of August 2007

**INDEPENDENT AUDIT REPORT TO THE DIRECTORS OF
NATIONAL PRESCRIBING SERVICE LIMITED**

ABN 61 082 034 393

Scope

The financial report and directors' responsibility

The financial report of National Prescribing Service Limited (the company) for the year ended 30 June 2007 comprises the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, Accompanying Notes and the Directors' Declaration set out on pages 5 to 22. The company's directors are responsible for the preparation and true and fair presentation of the financial report. This includes the responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and estimates inherent in the financial report.

Audit Approach

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

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the Corporations Act 2001, Australian Accounting Standards (including Australian Accounting Interpretations) and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion the financial report of National Prescribing Service Limited is in accordance with:

- (a) the Corporations Act 2001 including –
 - (i) giving a true and fair view of the company's financial position as at 30 June 2007 and its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (b) other statutory reporting requirements.

Independence

We are independent of the company and have met applicable independence guidelines of Australian professional ethical announcements and the Corporations Act 2001.

V. J. Ryan & Co

V J RYAN & CO
Chartered Accountants

Peter D Wyer

Partner: Peter D Wyer

Level 5
255 George Street
SYDNEY NSW 2000

Dated: 27 August 2007

NPS is an independent, non-profit organisation for Quality Use of Medicines,
funded by the Australian Government Department of Health and Ageing.

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