



Connecting a medicinewise Australia

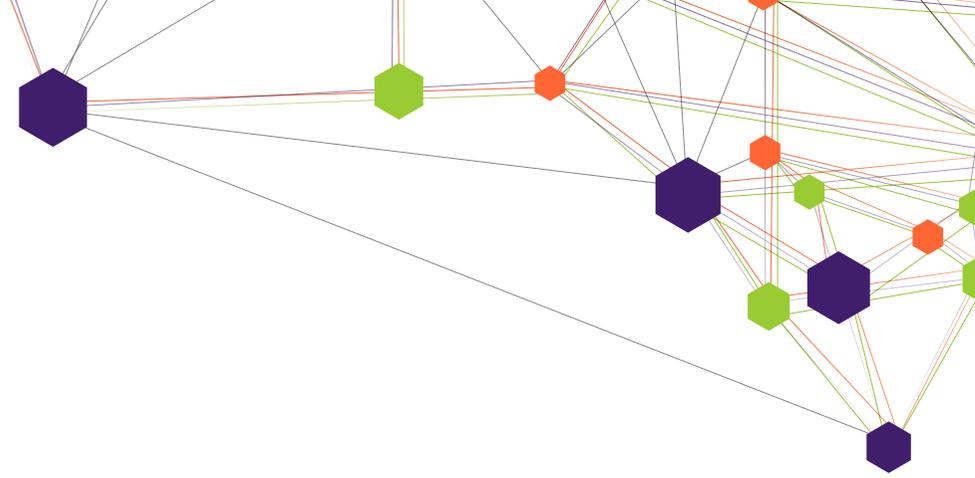
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Meaningful connections

Our mission is to enable the best decisions about medicines, health technologies and other health choices for better health and economic outcomes.

Our vision is to lead innovation and improvement in health care by building trust, implementing change and demonstrating impact.



Who we are

NPS MedicineWise is an independent, not-for-profit and evidence-based organisation that works to improve the way health technologies, medicines and medical tests are prescribed and used.

Established in 1998 with the primary aim of promoting quality use of medicines, today we connect with health consumers and health providers nation-wide, changing attitudes and behaviours, and empowering all Australians to make the best possible healthcare decisions when they count.

What we do

We provide guidance and direction on the safe and wise use of medicines and health technologies so that people stay healthier and the cost of care remains affordable.

We connect and deliver meaningful information for health consumers, health professionals, government, research and other businesses to enable the best decisions about medicines, health technologies and other health choices for better health and economic outcomes. Meaningful, evidence-based information is transformed into behaviour change services, digital health and data insights and knowledge transfer products.

How we do it

We work synergistically and in partnership with peak health organisations and government, connecting health consumers and health professionals with evidence-based resources and tools to improve the health of all Australians.

We connect people with our **behaviour change services, digital health and data insights** and **knowledge transfer products**, and our work is rigorously evaluated to demonstrate impact and inform continuous improvement. We believe that well-informed health professionals and a health-savvy population are key to achieving better health and economic outcomes.

OUR FORMULA FOR DELIVERING BETTER HEALTH AND ECONOMIC OUTCOMES



Chair's Report

Message from Mr Peter Turner CHAIR

Healthcare is a dynamic and innovative sector constantly evolving through technology and evidence-based care. Through innovation and increased national wealth, access to care has improved markedly over time. However, the challenges of growing complexity and cost are driving the need to make better and more informed choices. NPS MedicineWise drives quality use of medicines and medical diagnostic tests by advancing evidence-based therapeutic protocols for improved patient outcomes.

Our core programs on quality use of medicines and medical tests—our educational visiting service and online learning—continue to be highly utilised and valued by prescribers, and demonstrate positive changes in prescribing practice. Therapeutic topics this past year included the use of opioids in chronic pain, fracture prevention with osteoporosis and managing depression. Prescriber participation in NPS MedicineWise programs included over 14,000 general practitioners and 3,000 other prescribers (eg medical specialists and nurse practitioners). 94% of medical and pharmacy schools now include our National Prescribing Curriculum modules in their university undergraduate programs.

Our MedicinInsight primary care data program continues to grow with over 500 participating medical practices. Over 1100 quality improvement interventions involving data and clinical practice were made from the review and analysis of MedicinInsight data during this year. With almost three million patient records in the dataset, we look forward to the insights and actions flowing from future analysis.

Leveraging technology, our publications *Australian Prescriber* and *RADAR* transitioned to exclusively digital formats during the year. This reduces the costs of production and provides easier and more timely access to this highly valued and quality content for health professionals and other subscribers.

As the facilitator of Choosing Wisely Australia we are greatly encouraged by the enthusiasm of the sector with 67% of medical colleges already participating and several collaborative projects in development to drive implementation of the recommendations. Over 100 evidence-based recommendations have been released by the medical profession through this initiative, and these are designed to encourage better and more informed conversations between clinicians and patients to improve decision making and health outcomes.

The establishment of our commercial subsidiary, VentureWise Pty Ltd, has been a highlight for the group this year. VentureWise has the remit to work with a broad range of customers in support of the mission of the parent company. This work is carried out under the same principles and governance standards applied by NPS MedicineWise, including strict protocols around independence and full editorial control of content.

In May 2016 we held our ninth biennial National Medicines Symposium in Canberra with the theme 'making wise decisions about medicines, tests and technologies'. The symposium attracted over 400 delegates with diverse interests in improving quality use of medicines and other health technologies who had access to over 60 fantastic local and international speakers.

Healthcare is an increasingly technology-driven sector with the complexity of an ever expanding lexicon of interventions. More than ever before, stakeholders need to work together to optimise our healthcare resources and reduce waste and inefficiencies. Initiatives like Choosing Wisely Australia, the establishment of Primary Health Networks, the MBS Review and the proposed Healthcare Homes trial all present opportunities to improve healthcare decision making and patient outcomes. Ensuring people are actively involved in their own care remains a core priority, and a central tenet of the work of NPS MedicineWise.

The NPS MedicineWise team under the leadership of Dr Lynn Weekes continues to be a passionate advocate of improved healthcare for all. Their expertise and dedication is our greatest strength. My thanks to the NPS MedicineWise and VentureWise management and staff, my fellow directors, our members, government, industry and consumers for your continued support.



Chief Executive's Report



Message from Dr Lynn Weekes AM CHIEF EXECUTIVE

As I reflect on the achievements of the 2015-16 financial year I am pleased to see the organisation building on its core strengths while continuing to transform to meet the needs of our customers, health professionals and the broader community.

Enabling the best decisions about medicines and other health technologies remains important work and our suite of products and services continues to deliver positive outcomes and help build a medicinewise Australia.

In the last year we have been able to demonstrate significant changes in the way medicines are prescribed, tests are ordered and, importantly, in the flow-on outcomes of better quality care. In January our 18th Annual Evaluation Report found savings to the health system and improved quality of life for people living with dementia with reduced and more appropriate prescribing of antipsychotic therapy and consequently reduction in the harms caused by these medicines. We also demonstrated reductions in the use of fixed-dose hypertensives for initial therapy with more doctors following clinical guidelines in line with our program messages. It was gratifying to see changes in consumer awareness about behaviours contributing to the risk of antibiotic resistance and to see this followed up with data indicating GP prescribing of antibiotics has fallen substantially during our 2012-17 antibiotics campaign and we look forward to publishing these results in the near future.

Improving the quality of care and evidence-based prescribing decisions has also led to financial benefits for government and taxpayers with savings of \$75 million for the Pharmaceutical Benefits Scheme and \$19 million for the Medical Benefits Scheme. In coming years we see the opportunity to link this work more systematically with the Choosing Wisely movement and reviews of MBS and PBS by the Department of Health so that the best possible use of resources can be assured.

We live in a world that is increasingly reliant on digital technologies and data, with so called 'big data' used to support many decisions by both companies and governments. Against this background NPS MedicineWise has shifted our popular publications *Australian Prescriber* and *RADAR* to wholly digital distribution and we are testing augmenting the face-to-face visits of clinical service specialists with digital technology to increase access to

NPS MedicineWise expertise, especially in remote areas.

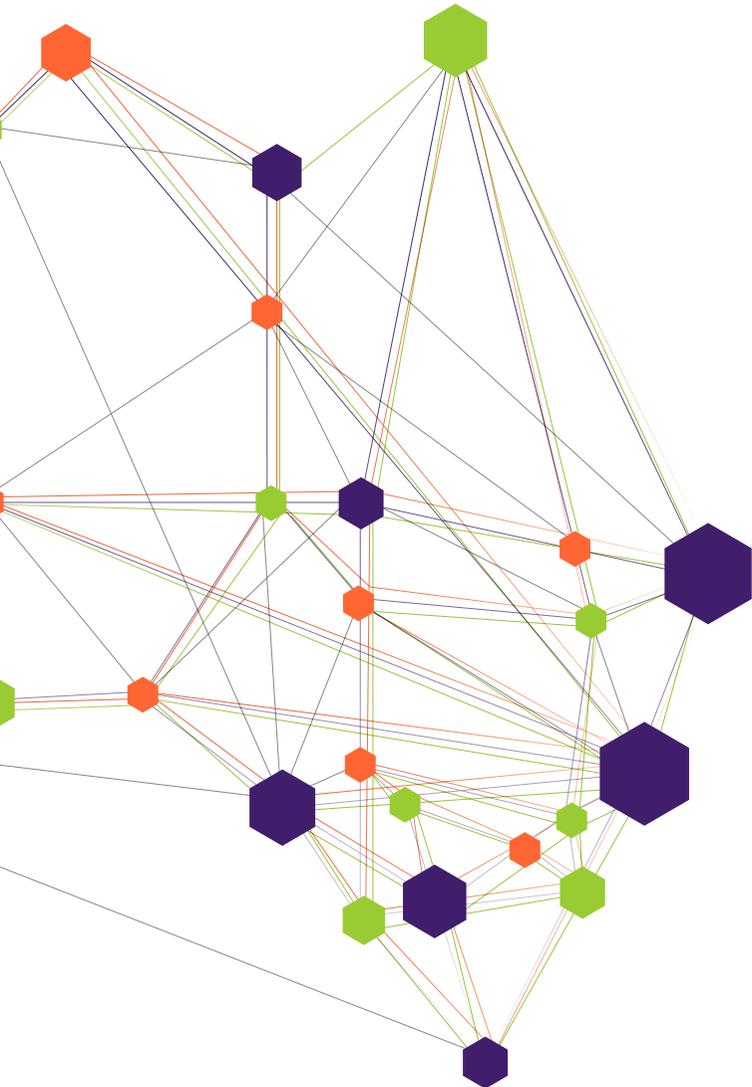
This year we have expanded our data and health informatics capability to support greater use of MedicineInsight reports for public good. MedicineInsight is an important national resource and we have taken big steps this year to ensure data security and confidentiality, implement appropriate governance for how the data is used and to build a data warehouse that will assist us to more efficiently store and analyse the data. It has been exciting to see the first demonstration projects report on use of the data and to provide regular reports to the Department of Health on usage patterns for medicines of interest. Perhaps most pleasing is the use of the data for quality improvement activities by participating practices and emerging evidence that this is improving the care of individual patients.

Delivering therapeutic topics in the field to general practitioners via our network of Clinical Services Specialists remains at the heart of the effectiveness of our work. Using evidence-based academic detailing techniques, these people and the programs they deliver are highly valued by health professionals and this year we have visited a record number of GPs to provide up-to-date information on therapeutic areas commonly managed in general practice.

Recognising the importance of connecting with our audiences, our annual health consumer awareness campaigns were also digitally geared. Be Medicinewise Week focused on the importance of being medicinewise at all ages and life stages and used social media to promote key messages to different age groups. Our winter cold and flu campaign focused on reducing the threat of antibiotic resistance by educating people about safe and wise use of antibiotics. We were able to connect with audiences using websites and social media pages specific to groups like parents, integrating advertisements, content, news articles and discussion posts.

It has always been part of our core values to *seek connections, share lessons learned and help each other succeed*. We hope to continue to create these meaningful connections that empower all Australians to make the best possible healthcare decisions.

Connecting through meaningful relationships



Delivering our mission is underpinned by a robust National Medicines Policy and meaningful and strong relationships across the health and community sectors.

We continue to focus on maintaining and strengthening our relationships with state and Commonwealth governments, peak bodies and our members to develop and implement meaningful products and services. Our vision to drive innovation and improvement in health care by building trust, implementing change and demonstrating impact also emphasises the importance of relationships. We recognise that partnership, collaboration and synergy with existing programs to share and add value makes us mutually strong and effective.

Our internal culture harnesses a passion to deliver upon our mission and vision, and be sensitive and accountable to our customers' requirements. With our customers' needs in mind we continually develop the skills of our workforce to prepare for what the future holds.

Our values

▶ **Courage**

We have the courage to think and do things differently for a better future

▶ **Customer centricity**

We meet the needs of our customers by listening, responding to feedback and adding value

▶ **Collaboration**

We seek connections, share learnings and help each other succeed

▶ **Integrity**

We are ethical, honest, transparent and open-minded

▶ **Accountability**

We do what we say we will do

ADVISORY GROUPS AND COMMITTEES 2015-16

Antibiotic Resistance Reference Group
Australian Prescriber Editorial Executive Committee
Choosing Wisely Advisory Group
Consumer Advisory Group
Data Governance Committee
Diagnostic Expert Advisory Panel
Nurse Insight Group
Prescribing Intervention Expert Advisory Group
RADAR Editorial Group
Strategic Evaluation Advisory Group

Thank you to members of our advisory groups, committees and our member organisations who share our commitment to achieving quality use of medicines and medical tests, and help enhance the relevance and importance of our work for our audiences.

MEMBER ORGANISATIONS

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

Throughout the year we continued to build and foster connections across the sector through consultation, collaboration and partnerships with key industry members and technical experts.

We were involved in the Biosimilars Awareness Initiative Reference Group, the Australian Strategic and Technical Advisory Group on Antimicrobial Resistance, and the Australian Commission on Safety and Quality in Health Care advisory groups and committees. We also provided input as part of the project steering committee for Antimicrobial Use and Resistance in Australia (AURA), providing the first Australian report on antimicrobial use and resistance in human health. As well as this we advocated medicinewise policy and practice through submissions to the Pharmaceutical Benefits Advisory Committee (PBAC) Guidelines Review, the Post-market Review on Chronic Obstructive Pulmonary Disease (COPD) Medicines, the Productivity Commission Public Inquiry into data availability and use, the Cancer Council Cervical Cancer Prevention Guidelines and Therapeutic Goods Administration (TGA) draft clinical evidence guidelines – medical devices, and were involved in the Department of Health Review of Pharmacy Remuneration and Regulation through written and oral submissions.

Choosing Wisely Australia®



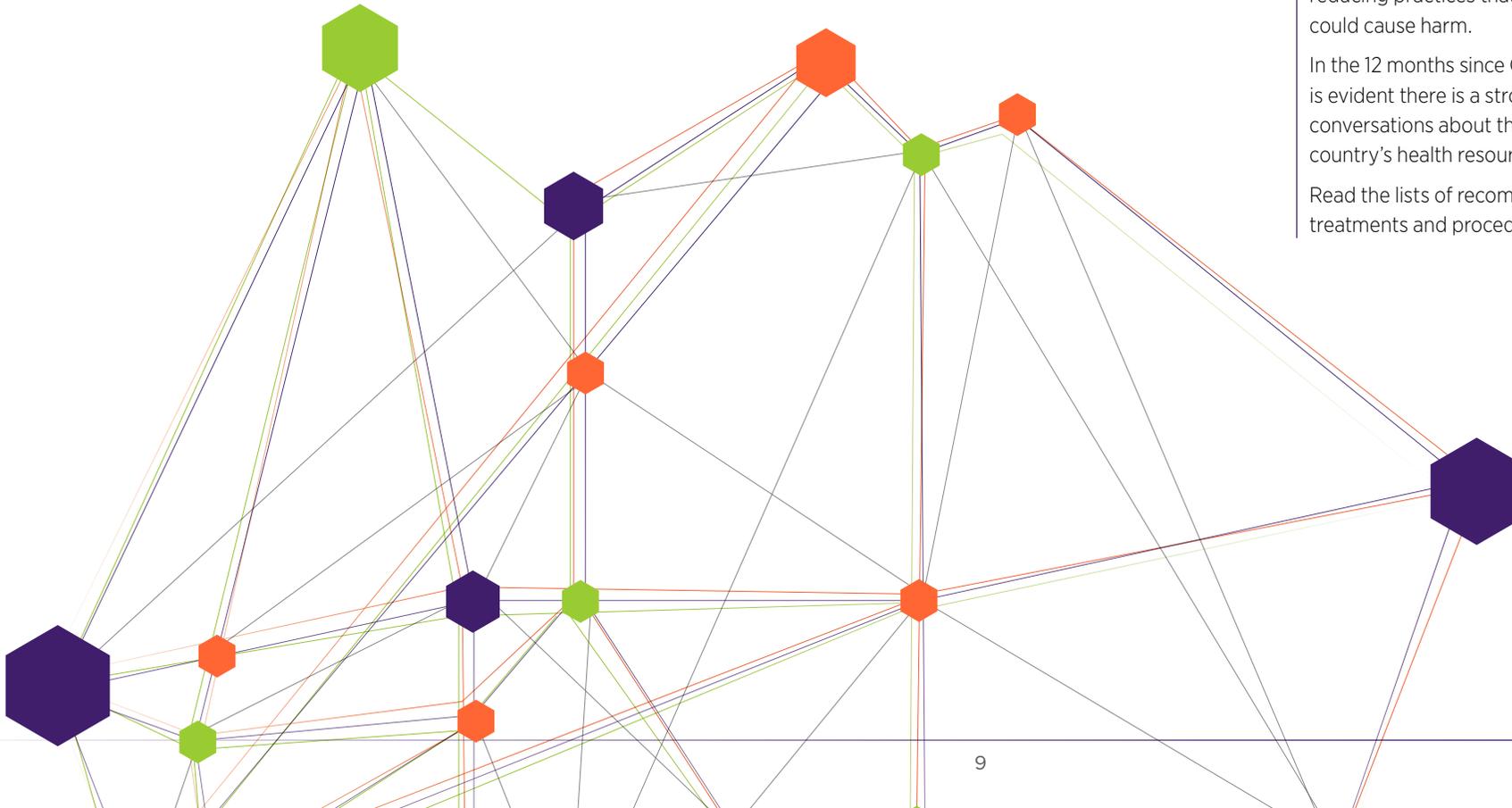
**Choosing Wisely
Australia**

An initiative of NPS MedicineWise

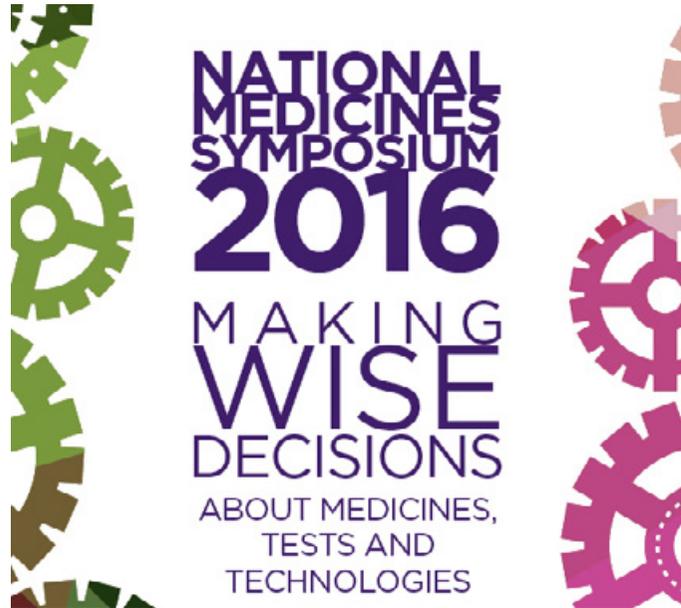
Choosing Wisely is a global social movement aimed at supporting conversations about the appropriate use of healthcare tests, treatments and procedures. Led by Australia's medical colleges and professional societies and facilitated by NPS MedicineWise, Choosing Wisely Australia® challenges the way we think about health care, questioning the notion 'more is always better'. Employing a ground-up approach driven by health professionals and their specialist colleges, societies and associations, Choosing Wisely puts consumers firmly at the centre by identifying and reducing practices that are not evidence-based and potentially could cause harm.

In the 12 months since Choosing Wisely launched in Australia, it is evident there is a strong appetite in our community for better conversations about the appropriate, safe and effective use of the country's health resources.

Read the lists of recommendations about unnecessary tests, treatments and procedures at www.choosingwisely.org.au



National Medicines Symposium 2016

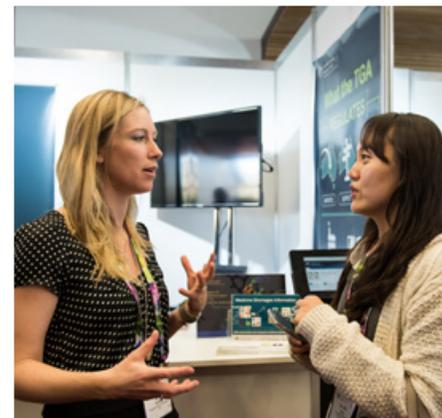


The ninth National Medicines Symposium (NMS) 2016 was held 19–20 May at the National Convention Centre in Canberra. This unique cross-disciplinary event happens every two years, and attracts representatives from all areas of the health sector, enabling conversations from a variety of angles.

In 2016 this leading symposium brought together more than 60 speakers and 400 delegates, including clinicians, policy makers, researchers and academics, industry representatives, consumer representatives and government.

The theme for NMS 2016 was **'Making wise decisions about medicines, tests and technologies: co-designing policy, practice and priorities'**. The symposium explored current and future challenges affecting quality use of health technologies and the broader health sector.

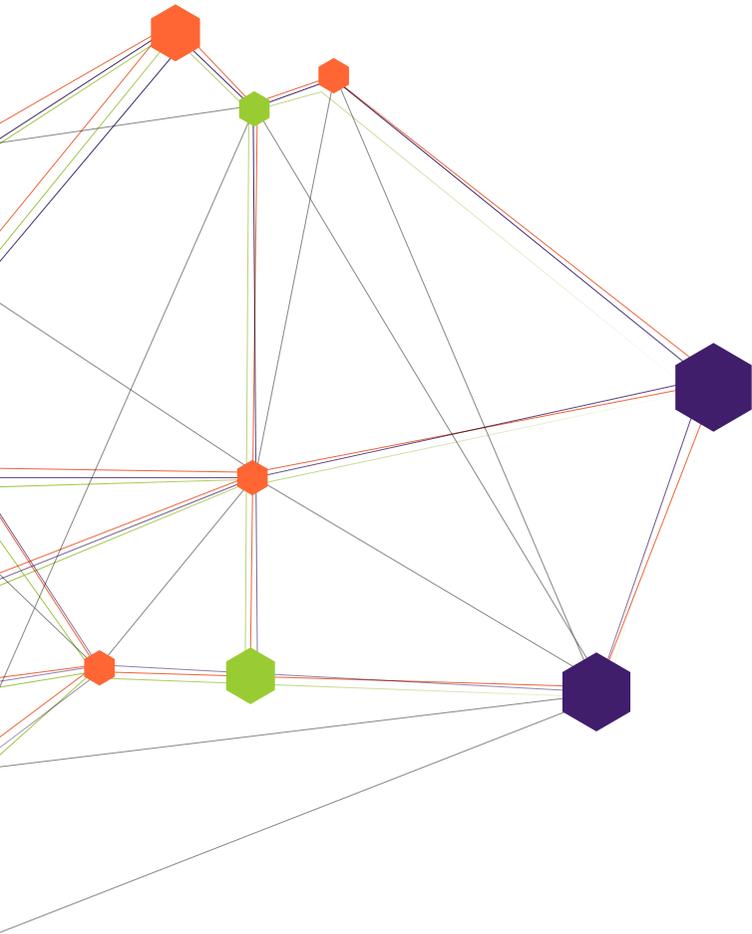
Visit www.nps.org.au/nms2016 for more information.



Primary Health Networks

Many components make up the Australian health ecosystem and to add value it's vital we weave our work into the flow.

This financial year we have focused on connecting and building strong relationships with Primary Health Networks (PHNs) to ensure a collaborative approach to achieving common goals, and strong connections between our organisations. We have established formal agreements with a number of PHNs to guide our partnerships, and will continue to look for ways to work synergistically and support their work.



Reconciliation Action Plan



Reconciliation ACTION PLAN

INNOVATE RAP

In July 2015 we launched our Reconciliation Action Plan (RAP), a 2-year plan which commits NPS MedicineWise to working with Aboriginal and Torres Strait Islander stakeholders to test and trial approaches that build relationships, demonstrate respect, and improve opportunities.

Our vision for reconciliation is to improve health, social and economic outcomes for Aboriginal and Torres Strait Islander peoples through driving innovation and cultural awareness across the organisation and our members, creating an environment to build relationships based on mutual trust and respect, leading to meaningful opportunities for Australia's First Peoples.

This financial year we established new relationships with nine Aboriginal and Torres Strait Islander organisations, diversified our suppliers via Supply Nation and provided cultural awareness training to 73 staff.

As well as meet RAP commitments, we also incorporated greater understanding to our work. During the year we released resources for Aboriginal and Torres Strait Islander peoples as part of two therapeutic programs.

“The culture immersion we experienced was just a small part of a larger picture and it’s good to know that even a small step in the right direction could have a lasting impact for future generations.”

NPS MedicineWise employee feedback

Connecting through meaningful offerings

Delivering meaningful information requires a careful weighing up of the tools and resources which are most valuable, and underpinning this work is the stringent requirement to provide evidence-based solutions that yield results.

Our product offerings comprise behaviour change services, digital health and data insights, and knowledge transfer products.

These products have strong track records for achieving our mission and satisfying stakeholders and customers.



Behaviour change services

Behaviour change methodology is applied to the development and implementation of our therapeutic programs and health consumer campaigns as well as our commissioned work, and achieving demonstrable positive impact is intrinsic to the design of all our work.



Medicines and dementia campaign

In October 2015 Alzheimer's Australia commissioned NPS MedicineWise to design, implement and evaluate a new national consumer awareness campaign. The campaign aims to educate and empower people living with a diagnosis of dementia and help them understand their rights when it comes to treatment. A suite of resources was developed to help people with dementia, and those involved in their care, to navigate their medicine and non-medicine choices.

The work commenced at the request of consumers who sit on advisory groups informing the work of Alzheimer's Australia through the National Quality Dementia Care initiative, supported by the J.O. and J.R. Wicking Trust. The development of the information resources and campaign content involved close collaboration and co-design with people living with a diagnosis of dementia, and people involved in the care of a person with dementia.

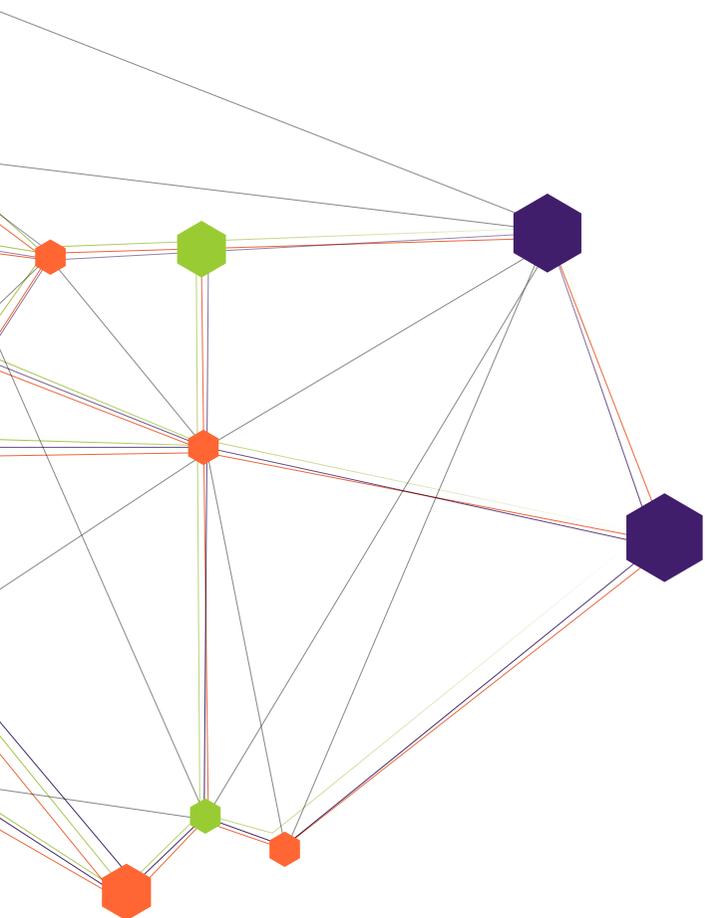
The campaign elements included national media coverage on the issue of medicines and dementia, national radio and television advertising, real life consumer stories told via video, free hard copy and digital consumer information resources made available via all Alzheimer's Australia state and territory offices, social media engagement, content dissemination partnerships, digital communication direct to health professionals, and online content.

All resources are available at www.nps.org.au/dementia

**ALZHEIMER'S
AUSTRALIA**

Therapeutic programs

We develop and implement three therapeutic programs per year and design each intervention to deliver maximum value and impact for health professionals and consumers. Recognising the importance of working synergistically towards common goals for better health outcomes, we align our programs with national priority health areas, consult broadly with key stakeholders and connect health professionals and consumers with meaningful information and tools.



Preventing fractures: where to start with osteoporosis

Osteoporosis is a silent condition, and there is evidence of under-recognition and treatment for Australians. This lack of treatment can lead to fractures, hospital admissions, impaired quality of life and premature mortality.

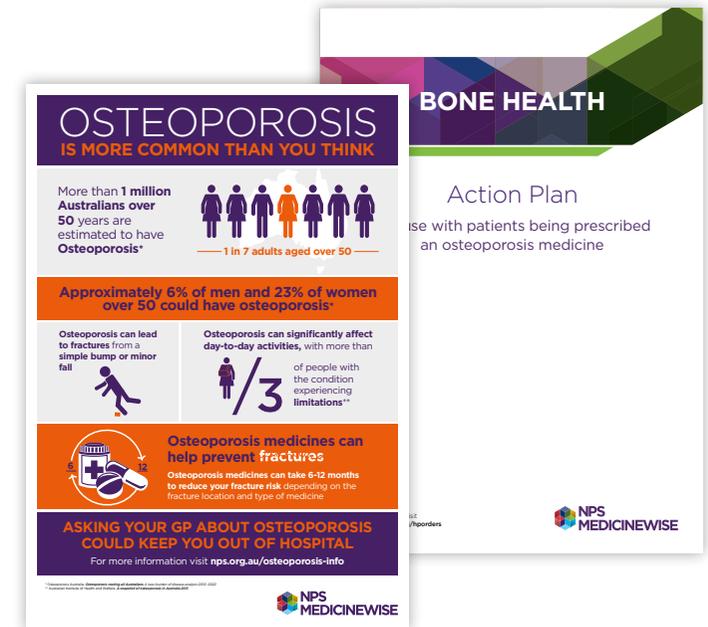
In October 2015 we launched our program *Preventing fractures: where to start with osteoporosis*. The health professional program focused on identifying men and women with a high minimal trauma fracture risk and how to prevent repeat fractures, choice and initiation of therapy for high-risk patients, and discussing the importance of adherence to medicines with patients.

The program was underpinned by an evidence base, current guidelines and best practice and included:

- ▶ An accredited educational visiting program [Preventing fractures: where to start with osteoporosis](#)
- ▶ Medicinewise News health professional publication [Osteoporosis: preventing bone fractures](#)
- ▶ An online case study [Preventing fractures: where to start with osteoporosis](#)
- ▶ [Bone Health Action Plan](#) (a resource to assist patients in managing bone health and osteoporosis medicines)
- ▶ [Specialist videos](#).



At the end of the financial year 9,808 unique health professionals had participated in the program, including 7,185 GPs, 1,701 pharmacists and 713 nurses. Full evaluation of the program is underway.



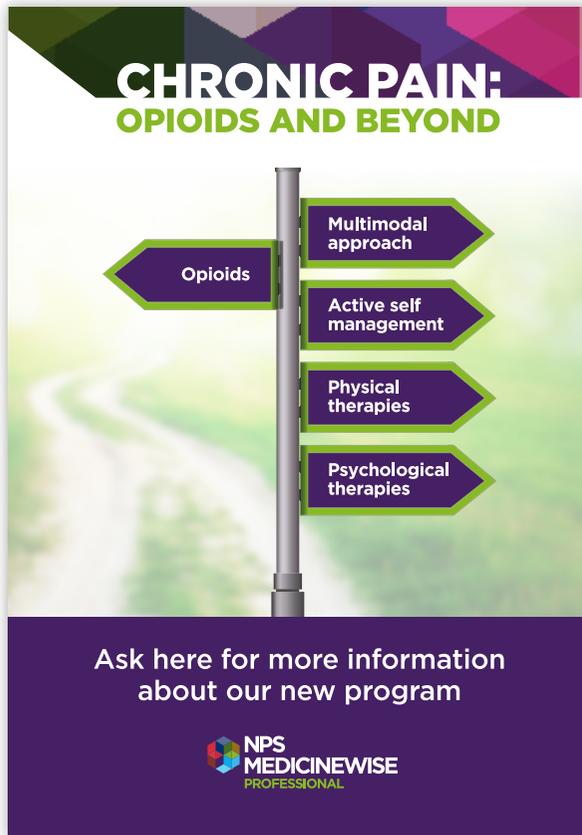
“This was a useful session, tailored to our group ie no time wasting with basic information that we all know. It was extremely CLINICALLY relevant.”

GP, following an educational visit on *Preventing fractures: where to start with osteoporosis*

For more information, visit www.nps.org.au/osteoporosis

Chronic pain: opioids and beyond

Management of chronic pain can be complex and challenging. It is estimated that approximately one third of patients experiencing chronic non-cancer pain are prescribed opioids despite the lack of evidence for long-term benefit.



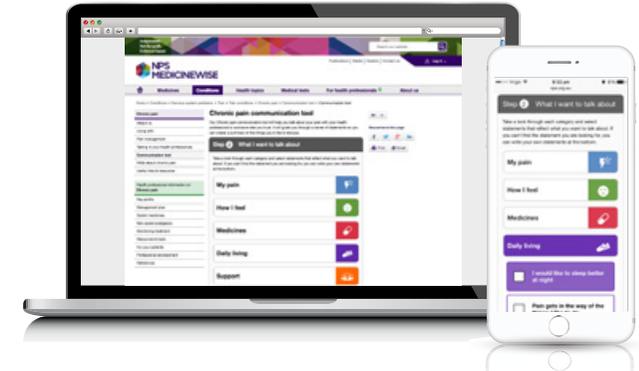
In June 2015 we launched *Chronic pain: opioids and beyond* to assist doctors and other healthcare professionals consolidate their knowledge on chronic pain management, current guidelines and practices. The program highlighted the importance of the role of non-pharmacological and non-opioid treatment options as well as the benefits of agreed management plans.



Resources and tools for the program included:

- ▶ An accredited educational visiting program *Chronic pain: opioids and beyond*
- ▶ An online information hub for consumers and healthcare professionals about [chronic pain](#)
- ▶ Medicinewise News health professional publication – [Chronic pain](#)
- ▶ A [Clinical e-Audit](#) and [Pharmacy Practice Review](#)
- ▶ An online case study [Chronic pain: opioids and beyond](#)
- ▶ [My Pain Diary](#) (a booklet for patients to record changes in their activity level and pain to assist their pain management).

During the financial year 9,484 unique health professionals participated in the program, including 7,257 GPs, 1,247 pharmacists and 728 nurses.



We also developed an online tool for health consumers. The 'Chronic pain communication tool' is a free tool that helps health consumers talk about their chronic pain with their doctor, specialist, psychologist, friend, family member or partner. As at the end of June 2016 our chronic pain communication tool landing page had over 13,000 page views.

More information and these resources are available at www.nps.org.au/chronicpain

“It is so wonderful to receive information in such an easy-to-understand and graphic (resources very clear) way and have the opportunity to relate information to actual cases. A great way to learn, [the Clinical Services Specialist] gives 110%.”

Pharmacist, following an educational visit on *Chronic pain: opioids and beyond*

Managing depression: re-examining the options

Against a backdrop of increasing antidepressant prescription—dispensing has doubled in the past decade—there is growing evidence for supportive approaches and psychological treatment strategies that can be delivered in primary care. Healthcare professionals—particularly GPs—are pivotal to the care of people with depression, as depression is the most commonly managed psychological condition and second most commonly managed chronic condition in primary care. There is a role for a range of non-pharmacological options such as supportive counselling, physical exercise, behavioural activation techniques and online psychological treatment tools that can be beneficial, accessible and empowering as part of individualised management plans.

The *Managing depression* program provides an update on the comparative features of antidepressants and highlights that psychological treatments are actually more effective than antidepressants in mild depression and equally effective in treatment of moderate depression.

The suite of resources and tools included:

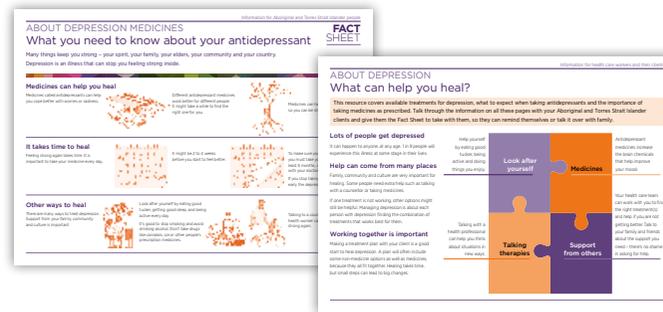
- ▶ An accredited educational visiting program [Managing depression: re-examining the options](#)
- ▶ Health professional publication [Medicinewise News: exploring non-drug options in depression](#)
- ▶ Online and interactive case study tailored by audience to GPs, pharmacists and nurses [Tailoring initial treatment in depression: re-examining the options](#)
- ▶ Pharmacy Practice Review for pharmacists [Depression: supporting quality use of antidepressants](#)
- ▶ Clinical e-Audit for GPs [Depression: achieving remission, preventing relapse](#)
- ▶ Resource for patients [Depression fact sheet – Your management options](#)

Between the launch of the program in March and the end of the financial year 5,660 GPs, 1,319 pharmacists and 555 nurses had taken part in the program. Full evaluation of the program is underway.

Managing depression resources for Aboriginal and Torres Strait Islander peoples

Difficulty with maintaining adherence to antidepressants is a quality use of medicines issue in Aboriginal and Torres Strait Islander communities, as it is in other communities.

Working with the Centre for Remote Health and a wide range of community members and health care workers, we developed resources for Aboriginal and Torres Strait Islander people with depression. The fact sheet [What you need to know about your antidepressant](#) aligns with the Centre for Remote Health's Medicines Book and covers available treatments for depression, what to expect when starting an antidepressant and the importance of taking medicine as prescribed.



The supplementary leaflet [About depression: what can help you heal?](#) can be used by health care workers to discuss the place that antidepressants and other treatments have in the management of depression.

Detailed online information is available at www.nps.org.au/depression

“This is a really good activity. Highly recommend it for education and upskilling GPs, particularly in rural and remote areas.”

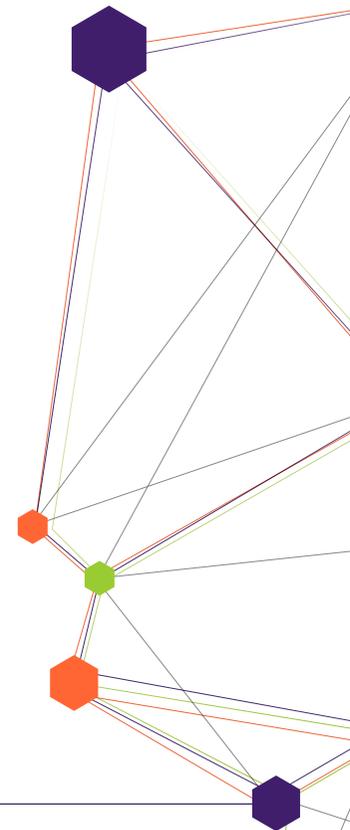
GP, following an educational visit

Type 2 diabetes: what's next after metformin?

During the financial year we also prepared for our next therapeutic program on diabetes, *Type 2 diabetes: what's next after metformin*. It aims to promote a stepped approach to managing blood glucose control by providing advice on how to navigate through the plethora of treatment options available, including consideration of patient and medicine specific factors.

Australian Diabetes Society and RACGP Diabetes Special Interest Group

We worked closely with the Australian Diabetes Society (ADS) and RACGP Diabetes Special Interest Group to help raise awareness of the ADS position statement about glucose-lowering medicines used for type 2 diabetes by promoting the associated algorithm as part of our *Type 2 diabetes: what's next after metformin* program.



Educational visiting and academic detailing

Our Clinical Services Specialists provide face-to-face education to health professionals across Australia. During the financial year they delivered educational visits on the following topics:

- ▶ Chronic pain: opioids and beyond
- ▶ Preventing fractures: where to start with Osteoporosis
- ▶ Managing depression: re-examining the options
- ▶ Blood pressure: measure, manage and monitor
- ▶ MedicineInsight – (on diverse topics including stroke, depression, antibiotics and diabetes).

This year we delivered educational visits to 23,568 GPs (12,434 unique GPs). This equates to an average of 445 GP face-to-face activities delivered every week during the financial year.

A total of 2,921 pharmacists were also visited.

“I really liked that the facilitator was happy to focus on areas we wanted to discuss, not just give a presentation.”

GP, following an educational visit on
*Preventing fractures:
where to start with osteoporosis*

“Facilitator was very good and emailed additional information on questions asked during the session – thank you.”

Nurse, following an educational visit on
Preventing fractures: where to start with osteoporosis

“I was delighted that someone from NPS MedicineWise actually visited a country pharmacy of their own initiative and gave after hours training (no charge!). It also had the effect of bringing together hospital staff (nurses from two hospitals) and three pharmacists (a physiotherapist wanted to come also). Collaboration was of great benefit.”

Pharmacist, following an educational visit on
*Chronic pain:
opioids and beyond*

“Excellent and whilst busy I look forward to these sessions.”

GP, following an educational visit on
Blood pressure: measure, manage and monitor

“Brilliant educational opportunity for which I am very grateful!”

GP, following an educational visit on
Blood pressure: measure, manage and monitor

“Really appreciate the ability to have direct one-on-one discussion with the educator so that ambiguous aspects of management can be discussed rather than just sit through a ‘pro forma’ delivery of treatment algorithms – much more useful from an educational point of view.”

GP, following an educational visit on
*Managing depression:
re-examining the options*

Health coaching

In January 2016 NPS MedicineWise commenced delivering a new health coaching service—The COACH Program®—for patients with coronary heart disease (CHD), stroke or mini stroke (TIA), peripheral vascular disease, heart failure, diabetes, chronic obstructive pulmonary disease and/or high risk of CHD or diabetes. The COACH Program is an evidence-based coaching program provided over the phone over a period of 6 months (5-6 sessions) with regular written follow-up. Trained health professionals support the care patients receive from doctors and other health professionals to help prevent chronic conditions from developing or getting worse.

The benefits of The COACH Program include:

- ▶ Helping patients achieve guideline-recommended targets for cholesterol, blood pressure, glucose and diabetes.
- ▶ Identifying gaps in treatment and developing a plan that can help close these treatment gaps.
- ▶ Encouraging lifestyle changes based on the most recent guidelines, including improved diet, suitable physical activity or support to quit smoking.
- ▶ Providing advice on medicine management and getting regular tests for disease risk factors.

New Medicines Support Service

Medicine adherence is a significant issue, with as many as half of patients not adhering to their medicines. Benefits of adherence include better health outcomes and reductions in health care spending.

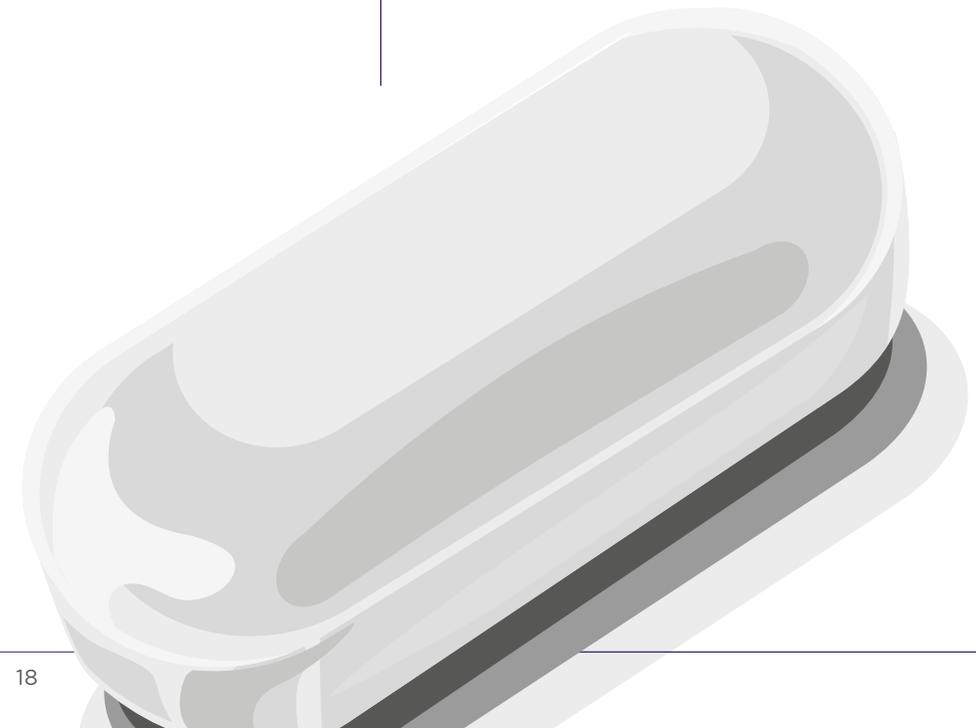
With this in mind, this year we collaborated with Pharmacy Guild of Australia to test the feasibility of an Australian 'New Medicines Support Service'. Based on the NHS England New Medicines Service which has been demonstrated to improve adherence, the New Medicines Support Service involves community pharmacists providing support for people newly prescribed a medicine for specific conditions. The pilot study demonstrated that the service can be implemented effectively, and that consumers responded positively and reported it to be of value.

Based on these promising results we are exploring how to study applicability of the service more extensively in the Australian context.

Promoting the safer use of opioid medicines

While use of opioid pain reliever medicines to treat acute or cancer-related pain is generally accepted, their widespread use for chronic non-cancer pain is increasingly coming into question. With increasing use, there is increasing serious harm including addiction and overdose.

In February we partnered with the Victorian Department of Health and Human Services to develop a number of resources which will help doctors and pharmacists engage with their patients early on during treatment about the importance of managing their use of opioid medicines safely, and facilitate the discussion about possible safer or more appropriate treatment options.





Health campaigns

Antibiotics, colds and flu

The World Health Organization (WHO) has warned that antibiotic resistance is one of the greatest threats to human health today.

NPS MedicineWise commenced a 5-year campaign in 2012 to raise awareness of this issue and help health professionals and consumers understand what they can do to reduce antibiotic resistance. During the year we continued to build on this campaign in new and innovative ways.

For health professionals this included delivering targeted education programs to improve appropriate prescribing and judicious use of antibiotics, and analysing data on antibiotic prescribing.

We [translated information leaflets](#) also for Arabic and Chinese speaking health consumers about managing colds and flu without antibiotics and developed an integrated health consumer campaign which ran through the winter cold and flu season.

Our two-part winter campaign promoted the value of antibiotics. In part one, *Winter is coming*, we collaborated with Tropfest to run a short film competition that asked film-makers to develop a story about the threat of antibiotic resistance. This generated highly creative video entries which have attracted global acclaim.

International health organisations have promoted the films via their channels, and the winning film 'The Pick Up' was screened to the 90,000 people in attendance at the Tropfest festival held in January. The [finalist films](#) can be viewed on the NPS MedicineWise YouTube channel.

“Antibiotic resistance is a serious global health issue that is already affecting our community. Conversations must happen in lots of different places to ensure people understand this threat and our role in preventing it. Short films have enormous potential to reach a global audience and encourage people to think about how they can join the fight against antibiotic resistance.”

Dr Lynn Weekes, CEO, NPS MedicineWise

Antibiotics, colds and flu

From June until August 2015 we ran part two of our winter campaign, *Winter is here*. The emphasis was on educating people that viruses cause colds and flu, so antibiotics won't help. It aimed to create conversations about antibiotic resistance in order to increase awareness and change behaviour, such as asking for antibiotics for colds and flu, which contributes to the problem.

Winter is here connected with parents and wider consumer audiences using a highly targeted range of print, online and social media. To allow for maximum reach and engagement, we also used outside advertisements on railways, bus interiors, bus backs and bus shelters. One of the most novel outside advertisements was an interactive poster positioned in Sydney and Melbourne that sneezed when pedestrians walked past.



Game: Cold and flu recovery race



Video: Antibiotics are losing their power

Read more, watch the video and play the cold and flu recovery game at nps.org.au/coldandflu



Be Medicinewise Week 2015

Our fifth annual Be Medicinewise Week was held from 12–18 October 2015. The theme *'Be medicinewise at all ages & life stages'* encouraged medicinewise behaviour and increased general knowledge of quality use of medicines at every age and life stage.

A campaign toolkit for members and stakeholders was available for download and to kick off the week we held a morning tea at a busy community playgroup where a celebrity ambassador helped us share campaign messages while keeping children and parents entertained.

Key topics during the week included:

1. Be medicinewise when pregnant and breastfeeding
2. Be medicinewise with children
3. Be medicinewise as a teenager/young adult
4. Be medicinewise when medicines are part of your life (targeting adults living with long-term conditions and using medicines such as asthma treatments, warfarin, diabetes medicines, statins)
5. Be medicinewise as you're getting older

Social media highlights include 91,067 people reached through social media, 1,770 people engaged with our social media messages and 1,339 people contributed to our messages.



Antibiotic Awareness Week 2015

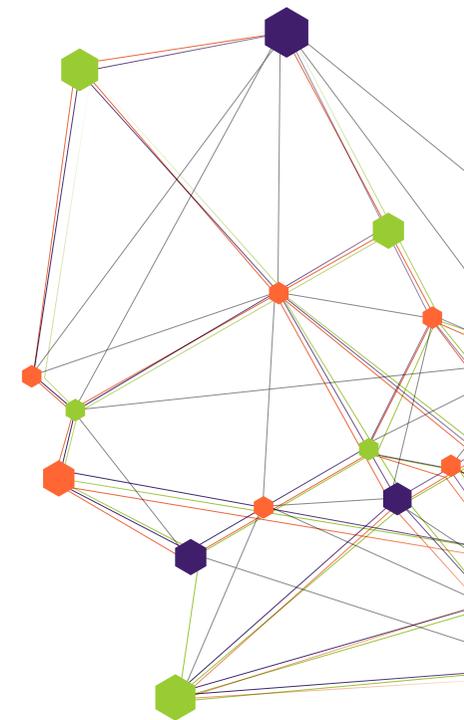
We were commissioned by the Western Pacific Regional Office of WHO to develop a suite of campaign resources for use in member countries during Antibiotic Awareness Week 2015.

Locally, Australia's Antibiotic Awareness Week 2015 was coordinated by NPS MedicineWise and the Australian Commission on Safety and Quality in Health Care in conjunction with the Australian Government Department of Health and Department of Agriculture, the Australian Veterinary Association, and state and territory health departments.



During the week we helped people find out why and how to handle antibiotics with care through:

- ▶ Educating Australians to manage cold and flu without antibiotics
- ▶ Online events such as a 'Pharmacist Hour' Facebook chat through our NPS MedicineWise Facebook page
- ▶ Driving people to find out more on our website at www.nps.org.au/jointhefight



Westmead Hospital pharmacists during Antibiotic Awareness Week 2015

Digital health and data insights

We have grown and enhanced our digital health and data insights offering which includes MedicineInsight and MedicineList+. Combined with our substantial analytical and reporting capabilities we are in a unique position to use insights to inform our work, as well as provide these insights to inform government, research and other business, in line with our mission to achieve better health and economic outcomes.



MedicineList+

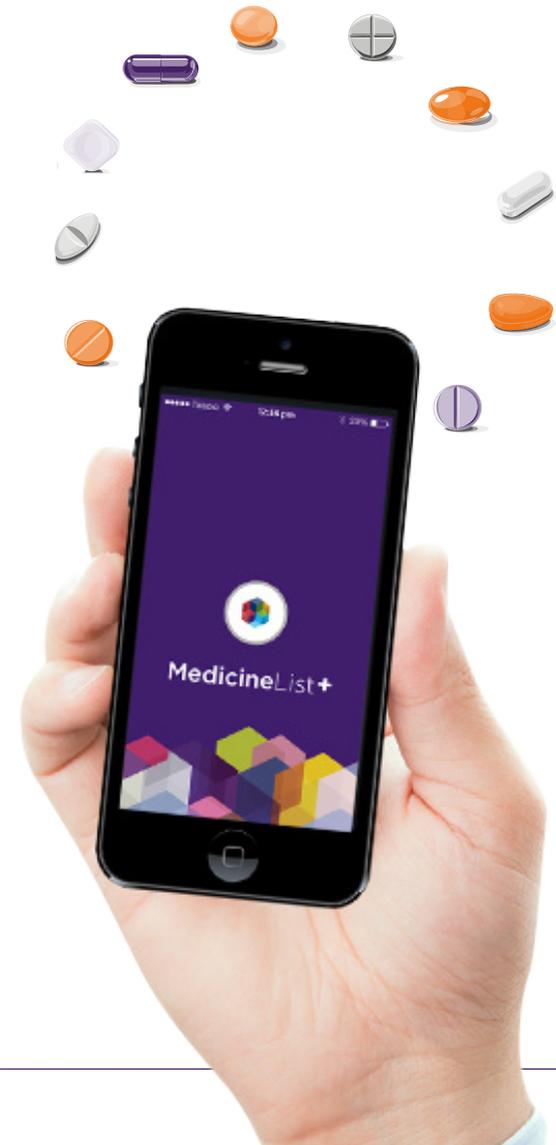
Keeping an up-to-date list of medicines people are prescribed and using helps in a number of ways. Health consumers and carers get to know the medicines, get better results from medicines and enjoy better health as a result. The free *MedicineList+* smartphone app has been developed to enable consumers and carers to always have an up-to-date list of medicines on hand, and in a format that can be easily managed and shared with health care providers.



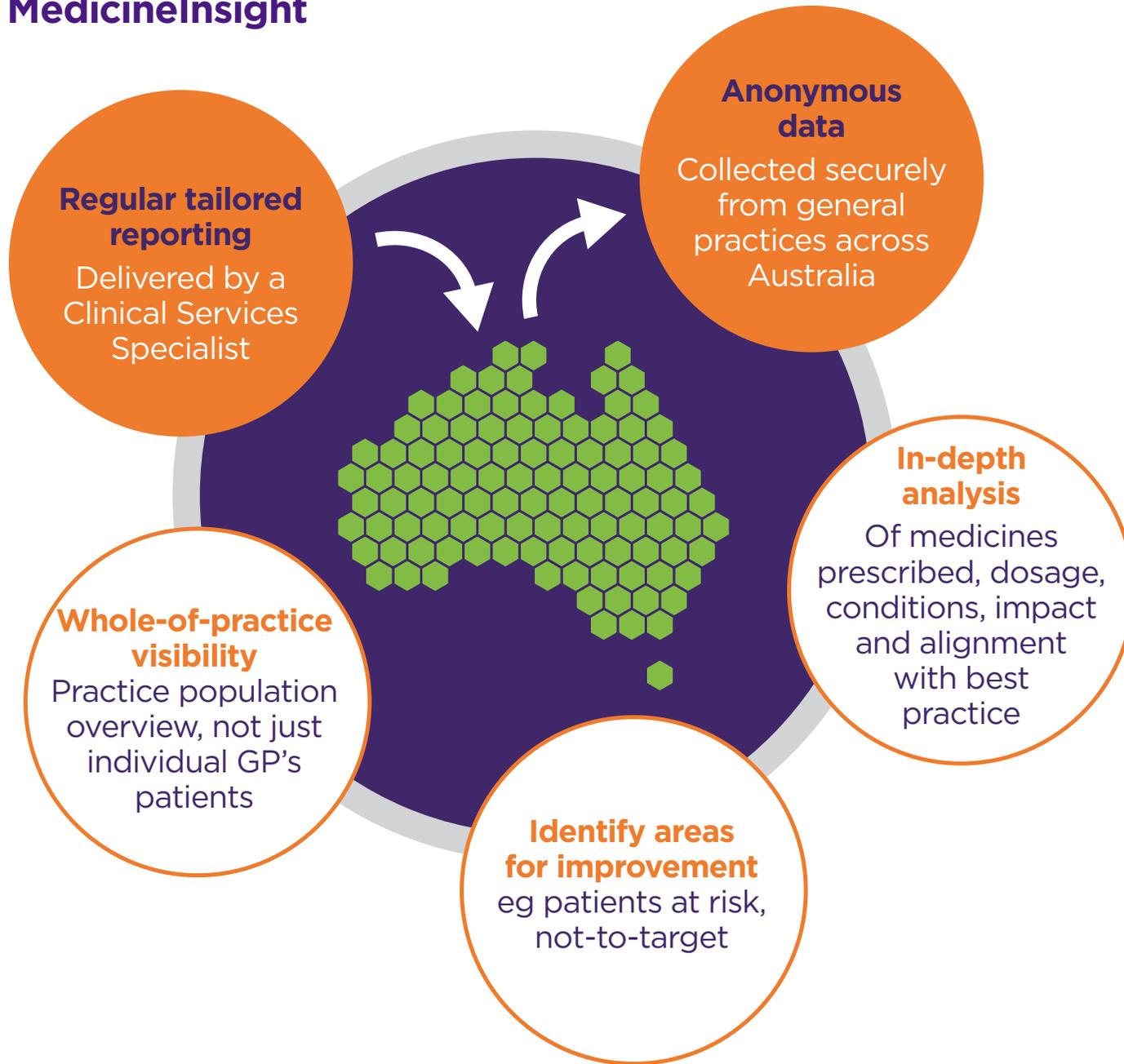
During this financial year *MedicineList+* achieved various milestones including:

- ▶ The *MedicineList+* Data Repository Project commenced, enabling app information to be captured in a cloud-based data repository. It is due for completion in late 2016-17.
- ▶ A 132% increase in downloads following the implementation of various marketing activities to boost user uptake of *MedicineList+*.
- ▶ Development of a *MedicineList+* Hospital Implementation Kit following various co-design sessions with hospital health professionals, to facilitate user uptake of *MedicineList+* in the hospital environment.

We are continuously updating *MedicineList+* app, to ensure it remains a valuable tool for health consumers and professionals.



MedicineInsight



MedicineInsight is the first large-scale program to collect longitudinal clinical care data in Australia.

MedicineInsight uses real-time clinical data to provide insights for practice improvement, policy development, policy implementation, business strategy and research.

It is used to influence and drive policy development, and inform health care decision making at local, regional and national levels.

It is the data hub for quality improvement activities in ambulatory and community-based care, especially those practitioners and organisations seeking to improve the use of medicines, tests, procedures and other therapies, and is a source of primary care data that supports policy development, new payment models, policy implementation and business strategy. It also contributes to program evaluation and identification of areas of need for new programs.

The MedicineInsight dataset contains patient-level clinical information, including reason for visit, diagnosis, risk factors, prescriptions, immunisation, tests, and some referral information. It also includes demographic data for both patients and GPs. As this program grows so does our commitment to ensure that MedicineInsight data remains secure, confidential, private and protected. In our role as data custodians our policies, processes and the procedures ensure that:

- ▶ MedicineInsight data is kept confidential, secure and protected
- ▶ all Commonwealth and state data governance, privacy and ethical frameworks and laws are followed
- ▶ MedicineInsight data is only used to improve the quality of care for Australians and for the public good.



MEDICINEINSIGHT

MEDICINEINSIGHT USES

Data-driven quality improvement program for general practices

Practice-tailored intervention programs have been developed and implemented using MedicineInsight data to improve quality use of medicines for conditions such as Type 2 diabetes, COPD and stroke management.

Post-market surveillance of medicine use

Pharmaco-epidemiologic reports are developed to understand the level and trends of usage and appropriateness of use of a medicine or a group of medicines.

Support for evidence-based health policy

MedicineInsight extracts information from a national cohort of general practices on risk factors, chronic disease management, immunisation and cancer screening that can be used to monitor population health, develop national or targeted health improvement programs and inform policy.

Support for safe use of new medicines

MedicineInsight data has been analysed and reported to assess the level of implementation of risk management plans for specific medicines. The insights provide support for GPs and specialists to use new medicines safely and follow risk management requirements.

MedicineInsight has great potential to support and inform policy and its implementation, support Primary Health Networks, provide surveillance of antibiotic use, collate information on communicable disease outbreaks and provide regular tailored population health reports. It also provides a mechanism for population of registries relating to specific conditions and treatments.

Milestones reached this year include:

- ▶ Commencement of the Data Governance Group
- ▶ Data Access Framework established
- ▶ Launch of the Report Repository and monthly delivery of practice reports
- ▶ 530 general practices, over 3,500 GPs
- ▶ 3.5 million active patients and continuing to grow.

The insights from de-identified MedicineInsight data are valuable for research and quality improvement purposes. Since the establishment of the Data Access Framework insights have supported research into:

- ▶ chronic kidney disease prevalence and management in people with type 2 diabetes in Australian general practice
- ▶ evaluation of vaccination coverage data for population subgroups
- ▶ the prevalence of chronic musculoskeletal/pain conditions in Australian in general practice and their association with vitamin D testing, vitamin D deficiency, vitamin D prescribing
- ▶ analgesic prescribing and patient socio-demographic characteristics
- ▶ preventing obesity in childhood and adolescence: weight and height screening in Australian general practice.

We also informed policy through insights provided in the MedicineInsight Report 2015-2016 Report to the Department of Health, and a Needs Assessment for Primary Health Network (PHN). More information is available at www.nps.org.au/medicineinsight



Knowledge transfer products

As audience needs and the environment change, our knowledge transfer products consider new contexts and situations and are adaptable, timely and responsive.



Medicare Benefits Schedule Review

Since March we have been assisting the Department of Health with the Medicare Benefits Schedule Review. As part of this work we are writing evidence-based summaries and technical reports, and providing secretariat support to seven Medicare Benefits Schedule Review working groups.

National Cervical Screening Program

During the financial year we have undertaken a number of activities to support the forthcoming changes to the National Cervical Screening Program on behalf of the Department of Health.

Phase one involved dissemination of information explaining and summarising the intended changes. This included a [RADAR publication](#) released in October 2015 and distributed to over 75,000 health professionals.

In April 2016 we commenced phase two which includes the development of education and training products to support the rollout of the renewed National Cervical Screening Program next year. We will deliver online learning modules, facilitator and participant Train the Trainer workshop materials, and content on cervical cancer, cervical screening and the screening pathway for both health professionals and consumers which will be available on the Department of Health's website for the National Cervical Screening Program.

These education and training products will be available ahead of the commencement of the renewed National Cervical Screening Program in May 2017.

Publications

Australian Prescriber



In 2015 *Australian Prescriber* celebrated 40 years since its foundation in 1975, and 20 years since the creation of the australianprescriber.com.au website. The anniversary was acknowledged at the NPS MedicineWise Annual General Meeting where it was also announced that *Australian Prescriber* had been included in the internationally recognised PubMed Central. This was an outstanding achievement, the culmination of extensive work to meet the new standards of scholarly publishing.

In late 2015 several improvements were made to the *Australian Prescriber* website. At that time it was receiving more than 250,000 unique visitors per month which complemented the

50,000 readers of the hard copy.

With a focus on digitalisation and greater connectivity, a plan to migrate the *Australian Prescriber* website and move to digital-only publication was announced in January. The existing website remained in operation until June 2016 when it moved to a new platform, and the final print issue was distributed in June 2016.



Visit www.nps.org.au/australian-prescriber

RADAR



RADAR provides health professionals with timely, independent evidence-based information on new drugs and medical tests and changes to listings on the Pharmaceutical Benefits Scheme. Articles are published when major changes to the PBS or MBS take effect, and *RADAR* is available in prescribing software as pop-ups for one year following the publication of full reviews, to provide GPs with accurate, evidence-based information on new medicines at the point of care.

Previously *RADAR* was print-published three times a year in line with major updates to the Schedule of Pharmaceutical Benefits. Recognising the changing needs of health professionals who need current information at their fingertips, in December 2015 *RADAR* announced the move to digital publication only.

The new digital edition of *RADAR*, titled *RADAR Direct*, features high-quality articles and has been improved by evidence-based commentary on newly listed specialist medicines, wrap-ups of all new PBS listings, updates on de-listings and changes to indications. *RADAR Direct* is still independently reviewed by experts in clinical medicine, academics, pharmaceutical industry representatives, independent drug information providers, and government.



Medicinewise News

Medicinewise News provides health professionals with up-to-date, succinct and independent information on therapeutic topics and related issues. It offers evidence-based advice on quality prescribing and use of medical tests. Medicinewise News is a free publication available online.

In the last financial year we produced four issues complementing our therapeutic programs, distributed to an average of 70,000 health professionals each issue.



You can read issues and sign up to receive them electronically at nps.org.au/publications/health-professional/medicinewise-news

Phone lines

Medicines Line

Medicines Line continues to provide timely, independent, accurate and evidence-based medicines information to assist consumers in making decisions about their medicines.

During the financial year Medicines Line completed 8,989 medicines enquiries, an increase of 824 calls from the previous financial year. The most common call categories were side effects (19%), drug interactions (17%), questions about dosage and administration (12%), questions about mechanism/profile of a medicine (10%), breastfeeding (9%), complementary medicines (5%) and pregnancy (4%).

Now in its sixth year of in-house service delivery, Medicines Line also began to answer medicine questions on the NPS MedicineWise Facebook page. One hundred and thirty seven Facebook medicine questions were answered in the financial year, providing written information, and often referring people to medicine information on the NPS MedicineWise website or to our Medicines Line.

Adverse Medicine Events (AME) Line

The Adverse Medicine Event Line service provided the Therapeutic Goods Administration (TGA) with 161 Adverse Drug Reaction (ADR) reports on behalf of consumers between 1 July 2015 and 30 June 2016.

These reports are submitted to the TGA for analysis and contribute to national pharmacovigilance. ADR reports submitted to the TGA are now publicly available in a summarised and anonymised version on the TGA website.

Online learning

We understand the value of online learning to keep health professionals up-to-date with the latest evidence-based knowledge. The majority of our modules are CPD-accredited with relevant professional organisations.

During the financial year we recorded 133,000 registered online learners, including health professionals working in public and private hospitals, private practice, pharmacies, universities and aged care facilities, engaging with our course offerings.

In 2015 we offered:

- ▶ 53 online courses
- ▶ 10 case studies

We also maintained and hosted the suite of 32 online learning modules that comprise the National Prescribing Curriculum (NPC). These are currently used by 100% of all medical schools and 94% of all pharmacy schools in Australian universities.

Our online learning resources are available at www.nps.org.au/health-professionals/cpd

During the financial year we also forged successful online learning partnerships with the following organisations:

Australian Commission on Safety and Quality in Health Care (ACSQHC)

We developed a new module for the ACSQHC entitled 'Introduction to Antimicrobial Prescribing'. This module specifically targets medical prescribers, nurse practitioners, hospital pharmacists and health professional university students.

Department of Health (Victoria)

A new module entitled *Drug misuse: implications for pharmacists* was designed and built as part of the implementation of the National Pharmaceutical Drug Misuse Framework for Action. It provides an opportunity for pharmacists to reinforce their knowledge of the vital role pharmacists play in ensuring quality use of medicines in Australia and preventing potentially harmful medicines use.

Gastroenterological Society of Australia (GESA)

In partnership with GESA and through an educational grant via the International Coalition of Hepatitis C education providers (IC-Hep) NPS MedicineWise designed and developed a module aimed at GPs to assist in the diagnosis, treatment and ongoing management of people with chronic hepatitis C infection.

Website



The NPS MedicineWise website has developed into a well trusted information hub for health professionals and consumers alike. To ensure it remains as widely used and valuable as possible this year we began a 2-year project to ensure all content meets accessibility guidelines and to redevelop the site to better meet the needs of our audiences.

Visitors to the site can access thousands of pages of meaningful information on medicines, medical tests, and health conditions. It houses online versions of all our publications as well as tools and resources to support health literacy across different health and community settings, and provides access to online learning activities. During the financial year we had 10.96 million visits to the website (a 50% increase from 2014-15) and reached 8.5 million users (a 50% increase from 2014-15).

Social media

Our social media presence has grown over the financial year, with a reach of over ten million through combined messages across all our channels. Connecting with health professionals as well as health consumers using Twitter, Facebook, and LinkedIn, we have stayed on top of conversations as they are happening, as well as initiating in-depth discussions.



Our most popular post was a Facebook post about antidepressants. It had nearly 8,000 engagements (likes, shares and comments) and reached 196,000 people.

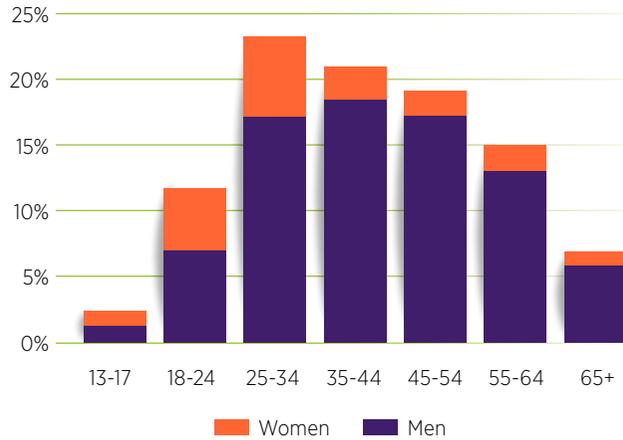
Facebook 'chats' were particularly successful in cross-promoting topics, working with stakeholders, such as:

- ▶ Chronic Pain Australia, for *Chronic pain: opioids and beyond*
- ▶ Osteoporosis Australia, for *Preventing fractures: where to start with osteoporosis*
- ▶ Black Dog Institute, for *Managing depression: re-examining the options*
- ▶ Alzheimer's Australia as part of the Medicines and Dementia campaign.

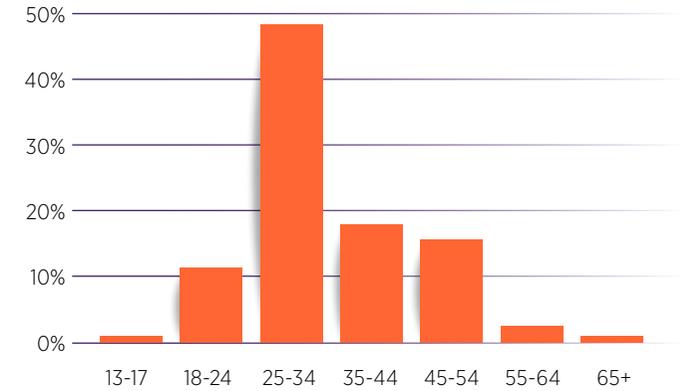
Connect with us!



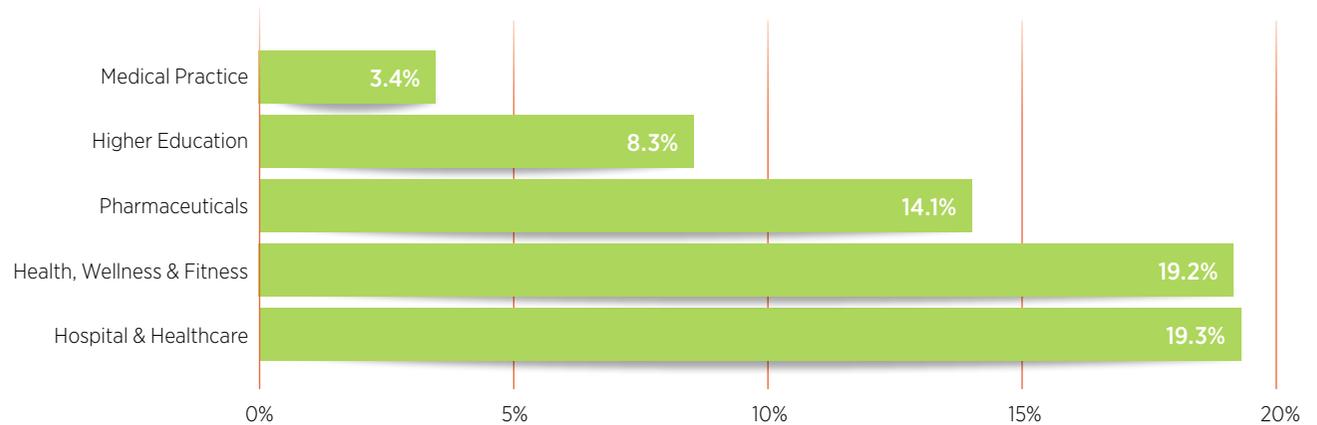
Facebook demographic



Twitter audience



LinkedIn followers by industry



Using analytics we can identify age and geographic location, as well as industry (LinkedIn only). This knowledge enables us to tailor our messages to provide the most meaningful information for our audiences.

Board of Directors

PETER TURNER

BSc, MBA, GAICD



Board committee memberships:
Governance and Nomination Committee

Experience

Former Executive Director and Chief Operating Officer of CSL Limited, and Founding President of CSL Behring. Past Chairman and Board member of the PPTA (Plasma Protein Therapeutics Association). Former non-executive Chair of Ashley Services Group Limited. Non-executive Director of Virtus Health Limited. Non-executive Director of Bionomics Limited. Graduate member of the Australian Institute of Company Directors.

NPS MedicineWise director since December 2012.

Chair, NPS MedicineWise Board since January 2015.

LYNN WEEKES AM

BPharm, MSc, PhD, Fellow SHPA, GAICD



Experience

Chief Executive of NPS MedicineWise since 1998 and represents the company on national committees and advisory groups. Non-executive Director National Return of Unwanted Medicines. Board Member Optometry Council of Australia and New Zealand. Registered pharmacist. Appointed as a Member of the Order of Australia in 2013 for significant service to Australian community health through the promotion of quality use of medicines.

Lynn was appointed as an NPS MedicineWise Director in April 2015.

DEBRA KAY

PSM, BEd GradDip



Board committee memberships:
Board Governance and Nomination Committee

Experience

Research Fellow, South Australian Health and Medical Research Institute (SAHMRI). Former CEO of Asthma Australia and Regional Program. Manager at The Smith Family. NPS MedicineWise director since July 2013.

ANDREW KNIGHT

MBBS, MMedSci, FRACGP, FAICD



Board committee memberships:
Audit and Risk Committee

Experience

General Practitioner and staff specialist in general practice at the GP Unit Fairfield Hospital. Conjoint Senior Lecturer in general practice at the University of New South Wales, University of Sydney and University of Western Sydney. Clinical Adviser for the Australian Primary Care Collaborative program. Chair of the Nepean Blue Mountains Primary Health Network.

NPS MedicineWise director since August 2010.

JAMES LANGRIDGE

BBus, GradDipTertiaryEd, MEdAdmin, DBA, FAICD



Board committee memberships:
Audit and Risk Committee

Experience

30 years in higher education administration and until early 2009, held the joint appointments of Vice Principal (international) at the University of Wollongong and CEO/Managing Director of the ITC Group of Companies (UOW's commercial arm). Chair, VentureWise Board since December 2014.

NPS MedicineWise director since December 2009.

WINSTON LIAUW

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



Board committee memberships:
Governance and Nomination Committee

Experience

Practising Medical Oncologist and a Clinical Pharmacologist. Director of the Cancer Services Stream South Eastern Sydney Local Health District and Oncology Program. Chair at the NSW Health Education and Training Institute (HETI). Serves on Scientific Advisory Boards for the St George and Sutherland Medical Research Foundation. Improving Palliative Care through Clinical Trials, and the Palliative Care Clinical Studies Collaborative.

NPS MedicineWise director since June 2010.

KAY PRICE

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



Board committee memberships:
Chair, Governance and Nomination Committee

Experience

Associate Professor and Research Leader in the School of Nursing and Midwifery, University of South Australia. Member of the National Research Council, Asthma Australia. Chief Investigator on the North West Adelaide Health (Cohort) Study. NPS MedicineWise director since October 2008.

DEBORAH RIGBY

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



Board committee memberships:
Chair, Audit and Risk Committee

Experience

Advanced Practice Pharmacist. Chair of the Society of Hospital Pharmacists of Australia Accredited Pharmacist Reference Group. Adjunct Senior Lecturer at the School of Pharmacy, University of Queensland. Visiting Fellow at Queensland University of Technology. NPS MedicineWise director since August 2008.

ROGER SEXTON

MBBS, DRCOG (UK), FRACGP, FACRRM, GAICD, MBA (Adel)



Board committee memberships:
Audit and Risk Committee

Experience

Practised as a procedural rural General Practitioner for 30 years and currently works in urban general practice and as a rural locum and a clinical skills tutor at Adelaide University. A past member of the PBAC and past Presiding Member of the Medical Board of SA. Board member of national medical indemnity insurer MIGA. Member AMA, RACGP, ACRRM, RDASA, AICD.

NPS MedicineWise director since March 2013.

CHRISTINE WALKER

MA, PhD, MAICD



Board committee memberships:
Audit and Risk Committee

Experience

CEO of Chronic Illness Alliance. Board member of the Epilepsy Foundation of Victoria. Treasurer of Epilepsy Australia. Advisory Group Member of the UNSW Research Centre for Primary Health Care and Equity. An honorary researcher at University of Melbourne Department of General Practice. Member of Community Advisory Committee Melbourne Genomics Health Alliance. Member of RACGP Standing Committee on Quality.

NPS MedicineWise director since May 2011.

Board Governance and Nomination Committee Report

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

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

Significant activities undertaken over the past 12 months included:

- ▶ Undertaking regular board succession planning discussions on behalf of the board, to ensure the board has a complement of skills to lead the organisation into the future in a way that is consistent with current best practice.
- ▶ A review of the board Charter and board policies on selection and recruitment of directors; and appointment of members of the company were undertaken for recommendation to the board.
- ▶ Board evaluation and assessment was completed, and board director professional development sessions were undertaken on subsidiary governance to ensure the board aspires to the highest standards of corporate governance in a group context.

During 2015-16 the board made six board director appointments. The role of committee is to regularly review the recruitment and appointment processes for new board directors; assessing applicants against the criteria: and for applicants meeting the criteria, interviewing them on behalf of the board. Recommendations for an appointment to the board are then made by the committee for board consideration. Once appointed, the committee has an important role in ensuring that new board directors receive an appropriate induction to prepare them for their role on the board.

I would like to thank my fellow Board Governance and Nomination Committee members for their essential and meaningful contribution to the work of the committee over the past year.

A/Prof Kay Price

Chair – Board Governance and Nomination Committee

Audit and Risk Committee Report

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

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

There were no changes to the composition of the committee during the year.

Highlights for 2015-16 are:

- ▶ Recommending and approving financial governance and risk management strategies and policies
- ▶ Conducted financial training programs for directors
- ▶ Receiving an unqualified audit report for the 2015-16 financial year

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

Deborah Rigby

Chair, Audit and Risk Committee

Financial report

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DIRECTORS' REPORT

The Directors present their report together with the annual financial report of National Prescribing Service Limited and its subsidiary ("the Group") for the financial year ended 30 June 2016.

Directors

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

Non-Executive Directors

Debra Kay
Andrew Knight
James Langridge
Winston Liauw
Kay Price
Deborah Rigby
Roger Sexton
Peter Turner (Chair)
Christine Walker

Executive Director

Lynn Weekes AM

Particulars of Directors

Name of Director and Qualifications	Board committee memberships	Experience
Debra Kay PSM, BEd GradDip	Board Governance and Nomination Committee	Research Fellow, South Australian Health and Medical Research Institute (SAHMRI). Former CEO of Asthma Australia and Regional Program Manager at The Smith Family. NPS MedicineWise director since 12 July 2013.
Andrew Knight MBBS, MMedSci, FRACGP, FAICD	Audit and Risk Committee	General Practitioner and staff specialist in general practice at the GP Unit Fairfield Hospital. Conjoint Senior Lecturer in general practice at the University of New South Wales, University of Sydney and University of Western Sydney. Clinical Adviser for the Australian Primary Care Collaborative program. Chair of the Nepean Blue Mountains Primary Health Network. NPS MedicineWise director since 3 August 2010.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	Board committee memberships	Experience
James Langridge BBus, GradDipTertiaryEd, MEdAdmin, DBA, FAICD	Audit and Risk Committee	30 years in higher education administration and until early 2009, held the joint appointments of Vice Principal (international) at the University of Wollongong and CEO/Managing Director of the ITC Group of Companies (UOW's commercial arm). NPS MedicineWise director since 3 December 2009.
Winston Liauw MBBS(Syd), MMedSci(UNSW), FRACP, GAICD, MPol&Policy(Deakin)	Board Governance and Nomination Committee	Practising Medical Oncologist and a Clinical Pharmacologist. Director of the Cancer Services Stream South Eastern Sydney Local Health District and Oncology Program. Chair at the NSW Health Education and Training Institute (HETI). Serves on Scientific Advisory Boards for the St George and Sutherland Medical Research Foundation. Improving Palliative Care through Clinical Trials; and the Palliative Care Clinical Studies Collaborative. NPS MedicineWise director since 18 June 2010.
Kay Price RN, Dip T (Nurse Ed), MN, PhD, FACN, GAICD	Chair, Board Governance and Nomination Committee	Associate Professor and Research Leader in the School of Nursing and Midwifery, University of South Australia. Member of the National Research Council, Asthma Australia. Chief Investigator on the North West Adelaide Health (Cohort) Study. NPS MedicineWise director since 25 October 2008.
Deborah Rigby BPharm, GradDipClinPharm, AdvDipNutrPharm, AdvPracPharm, AACPA, FASCP, FACP, FPS, FSHP, FAICD	Chair, Audit and Risk Committee	Advanced Practice Pharmacist. Chair of the Society of Hospital Pharmacists of Australia Accredited Pharmacist Reference Group. Adjunct Senior Lecturer at the School of Pharmacy, University of Queensland. Visiting Fellow at Queensland University of Technology. NPS MedicineWise director since 25 August 2008.
Roger Sexton MBBS, DRCOG(UK), FRACGP, FACRRM, GAICD, MBA (Adel), Member AMA, RACGP, ACRRM, RDASA, AICD	Audit and Risk Committee	Practised as a procedural rural General Practitioner for 30 years and currently works in urban general practice and as a rural locum and a clinical skills tutor at Adelaide University. A past member of the PBAC and past Presiding Member of the Medical Board of SA. Board member of national medical indemnity insurer MIGA. NPS MedicineWise director since 8 March 2013.

DIRECTORS' REPORT (Continued)

Particulars of Directors (Continued)

Name of Director and Qualifications	Board committee memberships	Experience
Peter Turner (Chair) BSc, MBA, GAICD	Board Governance and Nomination Committee	Former Executive Director and Chief Operating Officer of CSL Limited, and Founding President of CSL Behring. Past Chairman and Board member of the PPTA (Plasma Protein Therapeutics Association). Non-executive director of Virtus Health Limited. Non-executive Chair of Ashley Services Group Limited. Graduate member of the Australian Institute of Company Directors. NPS MedicineWise director since 9 December 2012. Chair, NPS MedicineWise Board since 1 January 2015.
Christine Walker MA, PhD, MAICD	Audit and Risk Committee	CEO of Chronic Illness Alliance. Board member of the Epilepsy Foundation of Victoria. Treasurer of Epilepsy Australia. Advisory Group Member of the UNSW Research Centre for Primary Health Care and Equity. An honorary researcher at University of Melbourne Department of GP. Member of Community Advisory Committee Melbourne Genomics Health Alliance. Member of RACGP Standing Committee on Quality. NPS MedicineWise director since 19 May 2011.
Lynn Weekes AM BPharm, MSc, PhD, Fellow SHPA, GAICD		Chief Executive of NPS MedicineWise since 1998 and represents the company on national committees and advisory groups. Non-Executive Director National Return of Unwanted Medicines. Registered pharmacist. Appointed as a Member of the Order of Australia in 2013 for significant service to Australian community health through the promotion of quality use of medicines.

Company Secretary

Kerry-Ann Aitken was reappointed as Company Secretary effective from 1 July 2016.

DIRECTORS' REPORT (Continued)

Meetings of Directors

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

Name of Director	Meetings of Directors		Audit and Risk Committee meetings		Board Governance and Nomination Committee meetings	
	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended
Debra Kay	4	4	--	--	5	5
Andrew Knight	5	5	5	5	--	--
James Langridge	5	4	5	4	--	--
Winston Liauw	5	5	--	--	7	7
Kay Price	5	5	--	--	7	7
Deborah Rigby	5	5	5	4	--	--
Roger Sexton	5	5	5	5	--	--
Peter Turner	5	5	--	--	7	7
Christine Walker	5	5	5	4	--	--
Lynn Weekes	5	5	--	--	--	--

Principal Activities

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

NPS MedicineWise is the quality use of medicines (QUM) 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 work now extends to improving decisions about the use of diagnostic imaging and pathology testing.

The company's long term goals are that:

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

DIRECTORS' REPORT (Continued)

Operating Results

The net surplus for the year ended 30 June 2016 was \$408,452 (2015: deficit of \$196,493).

Performance measures

	2016		2015	
	Target	Actual	Target	Actual
Reported PBS Savings (\$M) ¹	70.00	75.21	69.28	69.24
Reported MBS Savings (\$M) ²	13.00	19.30	4.50	33.05
Number unique GP participants	14,000	14,402	14,000	14,447
Number consumer interactions	1,000,000	1,836,500	200,000	1,732,635

¹ The PBS savings reported for a particular year are based on the evaluation report completed during the year, based on prior year data.

² The MBS savings reported in 2016 covers savings for both 2015 and 2016.

Review of Operations

NPS MedicineWise continued to build a medicinewise Australia during the 2015-16 financial year. Services included health professional knowledge transfer and behaviour change programs, consumer education and awareness campaigns, quality improvement initiatives, health professional and consumer publications and online content, consumer telephone service and tools and resources to support health literacy across different health and community settings.

Our focus continues to be on optimising safe and effective use of medicines and medical tests through delivery of integrated, evidence-based and rigorously evaluated programs. During the year we completed our GP educational visiting programs for our Fatigue, Blood Pressure and Pain programs, launched our Osteoporosis and Depression programs and continued our work on combating antibiotic resistance by raising awareness about inappropriate prescribing and use of antibiotics.

MedicineInsight continued to mature and participating practices had access to quality improvement reports on antibiotics, diabetes, depression and stroke. Considerable progress was made towards establishing a data warehouse and data visualisation portal that will be completed during 2016-17.

Health professional publications were fully digitised during the financial year, including *Australian Prescriber* and *NPS RADAR*.

Significant Changes in State of Affairs

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

Matters Subsequent to Reporting Period

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

DIRECTORS' REPORT (Continued)

Dividends

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

Members' guarantee

NPS MedicineWise is a company limited by guarantee without share capital. In the event of the company being wound up, each member undertakes to contribute an amount not exceeding \$50 to cover costs, charges and expenses of winding up. As at 30 June 2016, there were 47 members of the company (2015: 47).

Environmental Issues

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

Indemnification and Insurance of Directors, Officers and Auditors

Indemnification

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

Insurance Premiums

During the financial year the Company has paid premiums in respect of directors' and officers' liability insurance contracts for the year ended 30 June 2016.

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

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

Court Proceedings

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

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

Auditor's Independence Declaration

The auditor's independence declaration is included on page 36 of the annual report.

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


Peter Turner
Chair of National Prescribing Service Limited


Deborah Bigby
Director & Chair of the Audit and Risk Committee

Dated at Sydney: 22/9/16



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

22 September 2016

Dear Board Members

National Prescribing Service Limited

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

As lead audit partner for the audit of the financial statements of National Prescribing Service Limited and its subsidiary for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Gaille Pearce
Partner
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	Group 2016 \$	Group 2015 \$
Revenue	4	40,695,392	45,180,279
Operational Expenses	5	(11,013,002)	(14,948,403)
Gross Surplus		<u>29,682,390</u>	<u>30,231,876</u>
Other Income	4	1,526,652	620,773
Finance Income	4	446,475	567,926
Employee Related Costs	5	(26,823,159)	(26,722,509)
Overheads – Fixed Costs	5	(2,475,794)	(2,499,047)
Overheads – Variable Costs	5	<u>(1,948,112)</u>	<u>(2,395,512)</u>
Net Surplus /(Deficit) before Income Tax		<u>408,452</u>	<u>(196,493)</u>
Income Tax Expense	2(e)	-	-
Surplus /(Deficit) For the Year	2(e)	<u>408,452</u>	<u>(196,493)</u>
Items that will not be reclassified subsequently to profit or (loss)		-	-
Items that may be reclassified subsequently to profit or (loss)		-	-
Total comprehensive Surplus/(Deficit) for the year		<u>408,452</u>	<u>(196,493)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	Group 2016 \$	Group 2015 \$
ASSETS			
Cash and Cash Equivalents	7	12,664,202	13,681,441
Trade and Other Receivables	8	796,501	323,132
Other Assets	9	797,113	553,244
Total Current Assets		<u>14,257,816</u>	<u>14,557,817</u>
Other Assets	9	200	200
Property, Plant and Equipment		<u>951,832</u>	<u>661,434</u>
Total Non-Current Assets		<u>952,032</u>	<u>661,634</u>
Total Assets		<u>15,209,848</u>	<u>15,219,451</u>
LIABILITIES			
Trade and Other Payables	11	9,570,612	9,968,719
Provisions	12	<u>1,983,856</u>	<u>2,113,941</u>
Total Current Liabilities		<u>11,554,468</u>	<u>12,082,660</u>
Provisions	12	<u>959,884</u>	<u>849,747</u>
Total Non-Current Liabilities		<u>959,884</u>	<u>849,747</u>
Total Liabilities		<u>12,514,352</u>	<u>12,932,407</u>
NET ASSETS		<u>2,695,496</u>	<u>2,287,044</u>
EQUITY			
Retained Earnings	13	<u>2,695,496</u>	<u>2,287,044</u>
TOTAL EQUITY		<u>2,695,496</u>	<u>2,287,044</u>

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
30 JUNE 2016**

	Retained Earnings \$	Total Equity \$
Balance at 30 June 2014	2,483,537	2,483,537
Total Comprehensive Income/ (Loss) for the Year		
Deficit for the Year	<u>(196,493)</u>	<u>(196,493)</u>
Balance at 30 June 2015	<u>2,287,044</u>	<u>2,287,044</u>
Total Comprehensive Income for the Year		
Surplus for the Year	<u>408,452</u>	<u>408,452</u>
Balance at 30 June 2016	<u>2,695,496</u>	<u>2,695,496</u>

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Note	Group 2016 \$	Group 2015 \$
Cash flows from Operating Activities			
Receipt of Department of Health funding		46,508,000	48,643,996
Receipts from customers		802,977	810,085
Interest received		446,475	567,926
Payments to suppliers & employees		(47,967,861)	(48,169,932)
Net Cash Generated by Operating Activities	15	<u>(210,409)</u>	<u>1,852,075</u>
Cash flows from Investing Activities			
Payments for property, plant and equipment		(806,830)	(440,812)
Net Cash Used in Investing Activities		<u>(806,830)</u>	<u>(440,812)</u>
Net (Decrease)/Increase in Cash Held		(1,017,239)	1,411,263
Cash and Cash Equivalents at the Beginning of the Year	7	<u>13,681,441</u>	<u>12,270,178</u>
Cash and Cash Equivalents at the End of the Year		<u>12,664,202</u>	<u>13,681,441</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1 Corporate Information

These financial statements and notes represent those of National Prescribing Service Limited (NPS MedicineWise) for the year ended 30 June 2016 are presented as consolidated financial statements and represent those of the Company and controlled entities ("the Group").

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

The nature of the operations and principal activities of the Company and subsidiary is acting as the quality use of medicine agency for Australia's National Medicines Policy.

The financial statements were authorised for issue by the directors on 22 September 2016.

2 Statement of Significant Accounting Policies

a) Basis of Preparation

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

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

All amounts are presented in Australian dollars.

The Company is a not-for-profit entity.

b) Statement of Compliance

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

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

c) Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business and the realisation of assets and settlement of liabilities in the ordinary course of business.

d) Basis of consolidation

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2 Statement of Significant Accounting Policies (continued)

(d) Basis of consolidation (continued)

in an investee are sufficient to give it power, including:

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

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

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

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

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

e) Revenue Recognition

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

Government Contract

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

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

Other Income

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

Sale of Non-Current Assets

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

f) Advertising Expense

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

g) Income Tax

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2 Statement of Significant Accounting Policies (continued)

h) Cash and Cash Equivalents

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

i) Trade and Other Receivables

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

j) Property, Plant & Equipment

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

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

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

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

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

k) Impairment of Financial Assets

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

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

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

Impairment losses are recognised in the profit or loss.

2 Statement of Significant Accounting Policies (continued)

l) **Impairment of Non-Financial Assets**

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

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

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

m) **Trade and Other Payables**

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

n) **Leases**

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

o) **Provisions**

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

p) **Employee Entitlements**

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

- **Wages, salaries, and annual leave**
Liabilities for employee benefits for wages, salaries and annual leave is expected to be settled within 12 months of year-end. The provision has been calculated at current wage and salary rates including related on-costs. Sick leave is expensed as incurred.
- **Long Service Leave**
The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date. The portion of the long service leave liability not expected to be settled within 12 months is discounted using the rates applicable to national government securities at reporting date, which most closely match the terms of maturity of the related liability.
- **Superannuation**
Superannuation contributions by the Group on a defined basis to an employee superannuation fund are charged as expenses when incurred. The Group has no legal obligation to provide benefits to employees on retirement.

2 Statement of Significant Accounting Policies (continued)

q) **Financial Instruments**

Non-derivative financial instruments

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

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

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

Derivative financial instruments

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

r) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

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

s) **Adoption of new and revised Accounting Standards**

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2 Statement of Significant Accounting Policies (continued)

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

Standard interpretation

	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards ²	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15', AASB 2015-8 'Amendments to Australian Accounting Standards – Effective Date of AASB 15', and AASB 2016-3 'Amendments to Australian Accounting Standards – Clarifications to AASB 15'	1 January 2018	30 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB 1057 'Application of Australian Accounting Standards' and AASB 2015-9 'Amendments to Australian Accounting Standards – Scope and Application Paragraphs'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 July 2016	30 June 2017
AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	30 June 2018

There are no other impending changes that will have a material impact on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2 Statement of Significant Accounting Policies (continued)

u) Critical accounting judgements and key sources of estimation uncertainty

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

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

3 Financial Risk Management

Overview

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

- credit risk
- liquidity risk
- market risk

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

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

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

Credit Risk

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

3 Financial Risk Management (continued)

Liquidity Risk

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

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

Market Risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

4 Revenue

	Group 2016 \$	Group 2015 \$
Operating Activities		
Expended Department of Health funds	<u>40,695,392</u>	<u>45,180,279</u>
Other Income		
Expense recovery	26,382	22,622
Seminar registration fees	151,812	-
Other income	<u>1,348,458</u>	<u>598,151</u>
	<u>1,526,652</u>	<u>620,773</u>
Finance Income		
Interest on bank deposits	<u>446,475</u>	<u>567,926</u>
Total Finance Income	<u>446,475</u>	<u>567,926</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Group 2016 \$	Group 2015 \$
5 Surplus / (Deficit) for the Year		
The surplus/(deficit) before income tax expense has been determined after crediting/charging the following items of income and expense.		
Operational Expenses		
Travel	844,403	875,528
Computers	694,937	332,981
Consumables	22,510	80,955
Communications	108,447	109,844
Data Processing, Printing and Distribution	1,333,719	2,505,482
Support services	754,357	630,470
Public affairs management (including major campaigns) – Note 1	1,533,691	2,676,243
Contracts (including partners in program delivery) – Note 2	775,021	3,785,544
Grants	-	20,000
Fees (consultant fees and sitting fees)	4,945,917	3,931,356
Total Operational Expenses	<u>11,013,002</u>	<u>14,948,403</u>
Employee Related Costs		
Wages	23,701,760	23,628,963
On costs	3,121,399	3,093,546
	<u>26,823,159</u>	<u>26,722,509</u>

Note 1: Public affairs management expenses incurred of \$1.5M included 2016 National Medicine Symposium campaign.

Note 2: Reduction in contract costs of \$3.0M relates to changes in arrangements with Primary Health Networks during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Group 2016 \$	Group 2015 \$
5 Surplus / (Deficit) for the Year (continued)		
Overheads – Fixed Costs		
Premises	1,696,214	1,563,325
Administration	124,086	148,378
Insurances	138,852	123,105
Depreciation	516,642	664,239
	<u>2,475,794</u>	<u>2,499,047</u>
Overheads – Variable Costs		
Travel	303,905	380,260
Computers	660,949	901,932
Consumables	80,623	68,897
Communications	151,726	104,445
Distribution	28,302	4,325
Printing & design	175,077	175,532
Support services	65,713	96,172
Public relations & media	2,576	1,951
Entertainment	76,901	86,801
Financial charges	16,328	12,111
Fees (consultant fees and sitting fees)	384,540	561,175
Fringe benefits tax	1,472	1,911
	<u>1,948,112</u>	<u>2,395,512</u>
Rental Expenses on Operating Leases	<u>1,388,537</u>	<u>1,350,274</u>
Depreciation		
Furniture & fittings	50,415	56,494
Office equipment	10,687	30,155
Leasehold improvements	88,694	275,217
Computer equipment	227,456	140,559
Computer software	139,390	161,814
Total Depreciation Expense	<u>516,642</u>	<u>664,239</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Group 2016 \$	Group 2015 \$
6 Auditor's Remuneration		
Auditing and review of the financial report	55,100	54,450
7 Cash and Cash Equivalents Current		
Cheque account	428,882	497,379
Business investment account	1,734,020	1,182,762
Term deposits	10,500,000	12,000,000
Petty cash	1,300	1,300
	<u>12,664,202</u>	<u>13,681,441</u>
The effective interest rate on short-term bank deposits was 2.91% (2015: 3.33%). These deposits have an average maturity of 102 days.		
	Group 2016 \$	Group 2015 \$
8 Trade and Other Receivables Current		
Interest Receivable	63,445	91,848
Accounts Receivable	733,056	231,284
	<u>796,501</u>	<u>323,132</u>
No allowance has been made for unrecoverable receivables for 2016 (2015:\$0).		
	Group 2016 \$	Group 2015 \$
9 Other Assets Current		
Prepayments - other	791,411	546,384
Corporate gifts	5,702	6,860
	<u>797,113</u>	<u>553,244</u>
Non-Current		
Security deposit - other	<u>200</u>	<u>200</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Group 2016 \$	Group 2015 \$
10 Property, Plant & Equipment Non-current		
Furniture & fittings - at cost	653,210	642,532
Accumulated depreciation	(601,840)	(552,673)
	<u>51,370</u>	<u>89,859</u>
Computer equipment – at cost	968,809	821,756
Accumulated depreciation	(432,485)	(530,473)
	<u>536,324</u>	<u>291,283</u>
Office equipment – at cost	146,568	164,346
Accumulated depreciation	(138,995)	(147,916)
	<u>7,573</u>	<u>16,430</u>
Leasehold improvements – at cost	1,267,819	1,243,920
Accumulated depreciation	(1,242,946)	(1,154,252)
	<u>24,873</u>	<u>89,668</u>
Computer software – at cost	1,703,716	1,406,827
Accumulated depreciation	(1,372,024)	(1,232,633)
	<u>331,692</u>	<u>174,194</u>
Total property, plant and equipment	<u>951,832</u>	<u>661,434</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

	<i>Furniture & fittings</i>	<i>Computer Equipment</i>	<i>Office equipment</i>	<i>Leasehold improvements</i>	<i>Computer software</i>	<i>Total</i>
Balance at the beginning of year	89,859	291,283	16,430	89,668	174,194	661,434
Additions	11,926	472,497	1,830	23,899	296,888	807,040
Disposals	-	-	-	-	-	-
Depreciation expense	(50,415)	(227,456)	(10,687)	(88,694)	(139,390)	(516,642)
Carrying amount at the end of the year	51,370	536,324	7,573	24,873	331,692	951,832

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Group 2016 \$	Group 2015 \$
11 Trade and Other Payables Current		
Creditors	3,183,771	4,763,702
Accruals	701,264	2,032,466
Superannuation payable	259,478	240,902
Net GST liability	527,152	263,658
Prepaid income	4,898,948	2,643,985
Other	-	24,006
	<u>9,570,612</u>	<u>9,968,719</u>
Prepaid Incomes		
Department of Health Prepaid income - committed - Note 1	4,228,592	2,643,985
Other Prepaid income - committed - Note 1	670,355	-
	<u>4,898,948</u>	<u>2,643,985</u>

Note 1: Income that is committed in terms of expenditure.

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

	Group 2016 \$	Group 2015 \$
12 Provisions Current		
Provisions for annual leave	1,383,008	1,407,361
Provisions for long service leave	600,848	706,580
	<u>1,983,856</u>	<u>2,113,941</u>
Non-Current		
Provision for lease restoration costs	433,048	392,150
Provision for long service leave	526,836	457,597
	<u>959,884</u>	<u>849,747</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Group 2016 \$	Group 2015 \$
13 Retained Earnings		
Balance at the beginning of the financial year	2,287,044	2,483,537
Surplus /(Deficit) for the year	408,452	(196,493)
Balance at the end of the financial year	<u>2,695,496</u>	<u>2,287,044</u>

14 Members Guarantees

The Group is limited by guarantee. In the event of winding-up, the Group Constitution requires each member to contribute a maximum of \$50 towards meeting any outstanding obligations of the Group. The number of members as at 30 June 2016 was 47 (2014 – 47).

15 Cash flow Information

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

Reconciliation of net cash provided by operating activities to (deficit) / surplus for the year:

	Group 2016 \$	Group 2015 \$
Surplus/(Deficit) for the year	408,452	(196,493)
Depreciation	516,642	664,239
Loss on disposal of property, plant and equipment	-	46,932
Changes in Working Capital: assets and liabilities:		
(Increase) in trade and other receivables	(723,883)	(85,831)
Decrease in other assets	6,437	152,992
(Decrease)/Increase in trade and other payables	(398,107)	1,047,013
(Decrease)/Increase in provisions	(19,950)	223,223
Net cash (used in)/provided by operating activities	<u>(210,409)</u>	<u>1,852,075</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

16 Key management personnel disclosures

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

	Group 2016 \$	Group 2015 \$
Transactions with key management personnel		
Key Management Personnel Compensation		
Short-term employee benefits	471,812	463,975
Total compensation	<u>471,812</u>	<u>463,975</u>

17 Economic Dependency

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

18 Segment Information

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

19 Capital and Leasing Commitments

Operating Lease Commitments

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

	Group 2016 \$	Group 2015 \$
Payable		
Not later than one year	3,514,761	2,518,262
Later than one but not later than five years	2,646,364	3,821,980
	<u>6,161,125</u>	<u>6,340,242</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

20 Financial Instruments

a) Credit Risk

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

	Group 2016 \$	Group 2015 \$
Cash and cash equivalents	12,664,202	13,681,441
Trade and other receivables	796,501	323,132
Other assets	200	200
	<u>13,460,903</u>	<u>14,004,773</u>

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

Impairment losses

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

b) Liquidity Risk

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

30 June 2016

	Carrying amount \$	6 months or less \$
Non-derivative financial liabilities		
Trade and other payables	3,126,192	3,126,192
	<u>3,126,192</u>	<u>3,126,192</u>

30 June 2015

	Carrying amount \$	6 months or less \$
Non-derivative financial liabilities		
Trade and other payables	4,709,252	4,709,252
	<u>4,709,252</u>	<u>4,709,252</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

20 Financial Instruments (continued)

c) Interest Rate Risk

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

	Group 2016 \$	Group 2015 \$
Fixed rate instruments		
Financial assets	10,500,000	12,000,000
	<u>10,500,000</u>	<u>12,000,000</u>
Variable rate instruments		
Financial assets	2,162,902	1,680,141
	<u>2,162,902</u>	<u>1,680,141</u>

Fair value sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates would have increased the Group's equity and profit by \$21,629 (2015: \$16,801).

21 Related Party Transactions

a) Key management personnel compensation

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

b) Transactions with other related parties

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

22 Group Details

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

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

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

The principal places of business of the Group are:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

23 Parent Entity Information

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

	Company 2016 \$	Company 2015 \$
Current Assets	14,020,034	14,664,149
Non-Current Assets	949,621	661,634
Total Assets	14,969,655	15,325,783
Current Liabilities	10,814,708	12,067,310
Non-Current Liabilities	959,884	849,749
Total Liabilities	11,774,592	12,917,059
Retained Earnings	3,195,063	2,408,724
Total Equity	3,195,063	2,408,724
Surplus / (Deficit) for the Year	786,337	(74,813)
Other Comprehensive Income for the Year	-	-
Total Comprehensive Income for the Year	786,337	(74,813)

24 SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may, significantly affect, the operations of the entity, results of those operations, or state of affairs of the entity in future financial years.

RESPONSIBLE PERSONS' DECLARATION

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

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

On behalf of the Directors

Peter Turner
Chair of National Prescribing Service Limited

Deborah Rigby
Director & Chair of the Audit and Risk Committee

Dated at Sydney:

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Deloitte.

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

We have audited the accompanying financial report of the National Prescribing Service Limited (the "entity"), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors declaration of the consolidated entity, comprising the entity and the entity it controlled at the year's end or from time to time during the financial year as set out on pages 36 to 49.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* (the ACNC Act) and for such internal control as the directors of the company determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Opinion

In our opinion the financial report of National Prescribing Service Limited is in accordance with Division 60 of the ACNC Act, including:

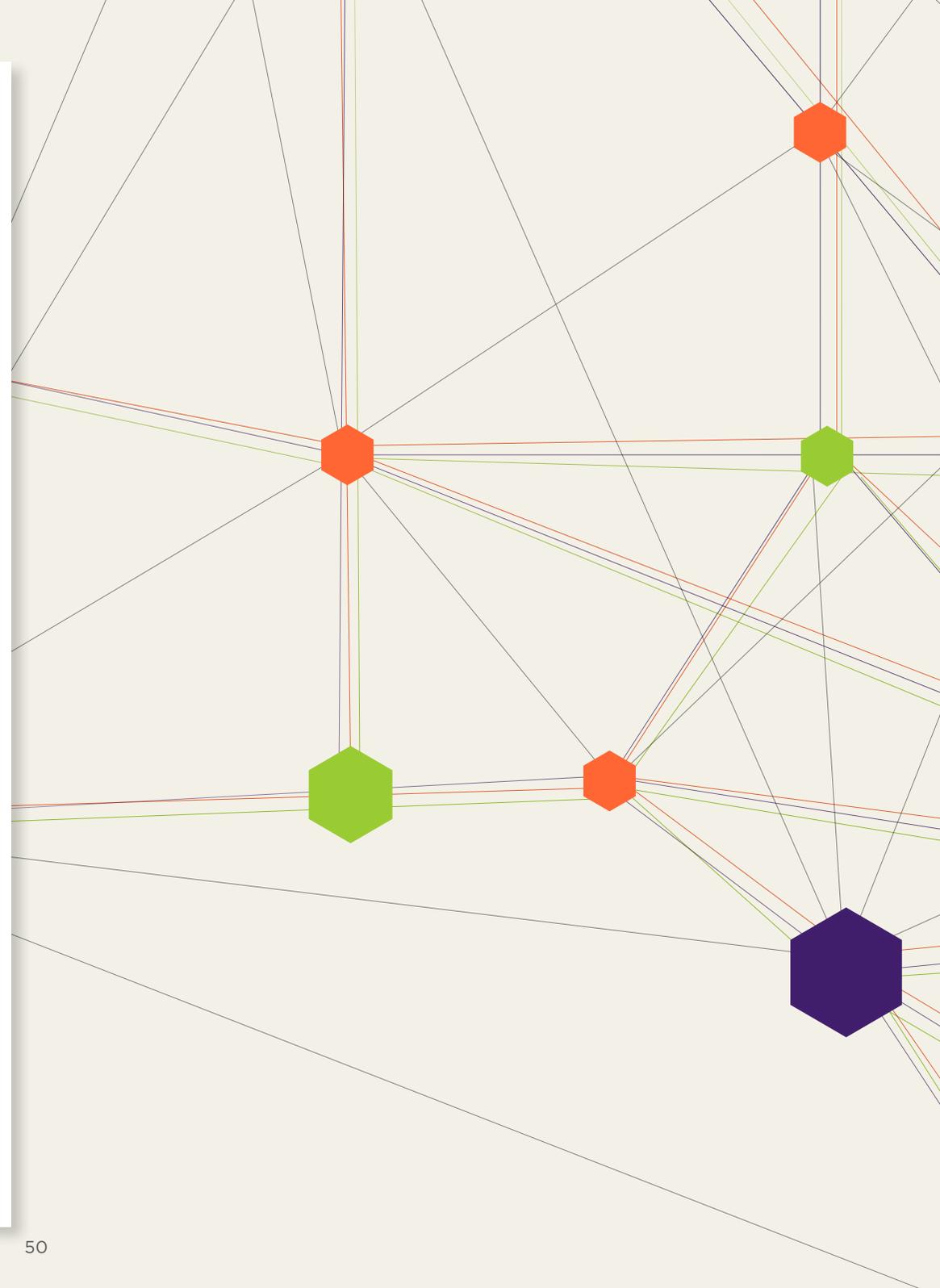
- (a) giving a true and fair view of the group's financial position as at 30 June 2016 and of its performance and cashflows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

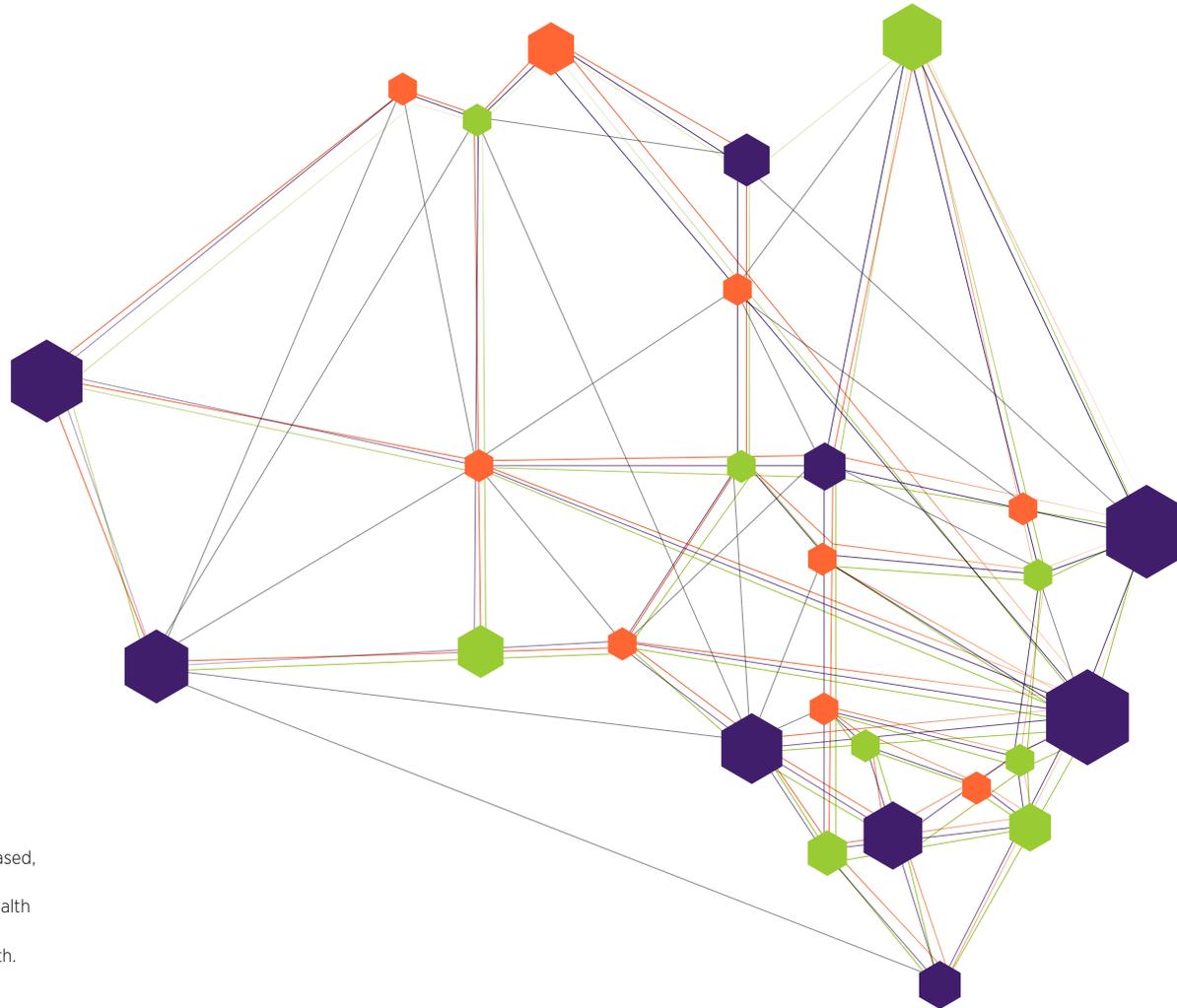
Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gaile Pearce

Gaile Pearce
Partner
Chartered Accountants
Sydney, 22 September 2016





www.nps.org.au

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