

**A year in focus** – Annual Report 2022

# **A lasting legacy**



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# About NPS MedicineWise

## WHO WE ARE

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

## OUR MISSION

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

## OUR VISION

Improve the health of Australians.

## WHAT WE DO

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

## We aim to:

- ▶ improve the use of medicines and other health technologies to optimise health outcomes for Australians
- ▶ improve health literacy of Australians
- ▶ reduce misuse of medicines and other health technologies
- ▶ Improve the sustainability of the Pharmaceutical Benefits Scheme (PBS) and Medical Benefits Scheme (MBS).

## OUR STRATEGY IN 2020-2022 HAS BEEN TO:

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

To achieve this, we have focussed on five priorities



**1. Drive**  
strong national stewardship of quality use of medicines



**2. Target**  
quality use of medicines where the need or opportunity is greatest



**3. Optimise**  
the use of health insights



**4. Improve**  
our accountability, effectiveness and efficiency



**5. Strengthen**  
our financial sustainability

# Message from the Chair



DR ANDREW KNIGHT

It has been a turbulent year for NPS MedicineWise. After 24 years' championing the quality use of medicines (QUM) in Australia, the organisation will cease its operations on 31 December 2022. This is a direct consequence of an Australian Government decision to withdraw funding.

In this final Annual Report, we celebrate an outstanding contribution. This year, as well as over the last 24 years, NPS MedicineWise has consistently delivered high-quality, valued programs and resources to improve QUM in Australia, focussing on where the need is greatest.

Partnerships are central to delivering on our mission and this year has been no exception. We have worked closely with key stakeholders to ensure we are collectively improving the use of medicines and medical tests across Australia. Our partners have included Consumers Health Forum of Australia, National Aboriginal Community Controlled Health Organisation (NACCHO), the Australian Commission on Safety and Quality in Health Care, Primary Health Networks, Therapeutic Guidelines Limited, Therapeutic Goods Administration, Society of Hospital Pharmacists of Australia, Pharmaceutical Society of Australia, and Royal Australian College of General Practitioners (RACGP). We have also partnered with disease-specific organisations

on individual programs to maximise our reach and impact. For our latest program on chronic kidney disease (CKD), we partnered with Kidney Health Australia and NACCHO, bringing together our collective expertise and networks to design and deliver a program for the one in ten adults in Australia who have, or who have signs of, CKD – and the one in five Aboriginal and Torres Strait Islander people who are living with this disease. We have continued to be a go-to partner for the Australian Government Department of Health and Aged Care, delivering additional services and resources to support the COVID-19 response.

Addressing QUM involves working across care delivery settings. In the last year, as well as delivering national education programs to primary care, we have extended our work with residential aged care facilities (RACFs) through our dementia and anticholinergic burden programs. We have also increased our reach with specialists through the Targeted Therapies Alliance – a consortium of consumer, health professional and research

organisations – providing information and resources to support QUM in rheumatology, dermatology and gastroenterology specialist settings.

MedicineInsight, the large, longitudinal primary care data set that is managed by NPS MedicineWise, has continued to be a valuable resource for general practitioners, policy makers and researchers in supporting QUM, preventable harm and optimal health outcomes. More than 10% of all Australian

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*NPS MedicineWise has consistently delivered high-quality, valued programs and resources to improve QUM in Australia*

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general practices participate in MedicineInsight and, this year, the data set has been expanded to better represent the Australian primary care patient population, including improved Indigenous population coverage. Since MedicineInsight was established in 2011, more than 80 research projects have been approved to use MedicineInsight data, yielding more than 60 publications to date, and more than 50 reports for government and policy makers.

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*MedicineInsight, the large, longitudinal primary care data set that is managed by NPS MedicineWise, has continued to be a valuable resource for general practitioners*

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I would like to acknowledge the outstanding contribution of our CEO Katherine Burchfield in this critical and difficult year. Katherine joined NPS MedicineWise in October 2021 amidst a rapidly changing policy landscape. The cut in NPS MedicineWise's core funding, announced only months after she joined, fundamentally changed the focus of her contribution this year. She has been an inspirational leader, bringing to the organisation her strength, integrity and compassion, as we fought to retain NPS MedicineWise's pivotal role in QUM in Australia.

It has also been a challenging year for my fellow directors, who have given their time and energy beyond measure, and to them I give my heartfelt thanks.

Finally, I would like to recognise and celebrate the achievements of the dedicated, passionate and talented NPS MedicineWise staff. They have been magnificent in the face of great uncertainty and change, continuing the outstanding record that has been established across the organisation's 24-year history.

In this final Annual Report, I congratulate all those who have worked at or with NPS MedicineWise over the 24 years. We leave behind an outstanding legacy, knowing that our work has significantly improved QUM and the health of all Australians.

# Message from the CEO



KATHERINE BURCHFIELD

When I joined NPS MedicineWise in October 2021, I could see that the organisation was playing a valuable and valued role in the Australian health sector. There was an unquestionable need for continued focus on the quality use of medicines (QUM) and other technologies nationally and NPS MedicineWise had a strong, unique capability and impact. I was expecting some challenges, but it turned out to be a more challenging year than anyone anticipated. In March 2022, the organisation lost its federal government funding without warning, midway through a review of the National Medicines Policy. After unsuccessfully advocating with government for a reversal of this move, the decision was made to wind up the organisation after 24 years of service to Australian health professionals and consumers.

It would be easy to reflect on this year as one of great uncertainty and disappointment. However, there is actually much to celebrate.

The programs that NPS MedicineWise has delivered this year have been among the most valued and impactful in its history.

With half of all young people experiencing mental ill health by the age of 25, our program on *mental health and young people* aimed to support early and effective management of mental ill health. Early evaluation shows positive changes in the approach to psychosocial assessments, mental health safety planning and using non-medicine options for management as a result of this program.

To reduce the risk of falls, dementia, hospitalisation and death, our program *Anticholinergic burden: the unintended consequences for older people* addressed important issues around the safe use of medicines in older Australians. Evaluation to date demonstrates positive changes in assessing the risks posed by anticholinergic burden and improved communication between GPs, nurses, pharmacists and consumers around best practice medicine management and use of medicine reviews.

We are excited about the potential of our new program on chronic kidney disease that was designed this year. Its delivery will be a headline focus for the remainder of 2022.

We have also had a strong focus on quality improvement and innovation this year. We have stepped up our work around consumer engagement, ensuring diversity of consumer input

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*The programs that NPS MedicineWise has delivered this year have been among the most valued and impactful in its history*  
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across our programs, embedding patients' lived experiences across our podcasts, video stories and webinars, and leading by example, with an extensive health literacy audit and update of our consumer resources. The MedicineWise app, which helps people keep track of their medicines, now supports complex medicine regimes not available on other apps and is ready for integration into the My Health Record. Successful linkage of our MedicineInsight primary care data set to the National Death Index and NSW hospital, emergency department and mortality data has allowed for more powerful analysis and deeper understanding of the whole patient journey.

NPS MedicineWise has proven highly effective in changing behaviours around the use of medicines, due to a rare and sophisticated toolkit that has been built up over many years, combined with high levels of trust and credibility among health professionals and consumers, and an extensive national reach. In 2021-22, over 18,000 GPs and one-third of all residential aged care facilities participated in educational visiting. Over 16 million website users accessed our extensive

online resources, with more than 33 million page views. Almost 10,000 calls were made to the NPS MedicineWise Medicines Line for expert advice on medicines and medicines use. The National Prescribing Curriculum online learning system was used by all university medical and pharmacy schools in Australia and rates as the best of its kind internationally. The Choosing Wisely Australia initiative continues to grow in membership, with champion health services now present in every state and territory.

I have been truly impressed by the depth and breadth of NPS MedicineWise initiatives, resources and expertise since I joined the organisation, and am proud to have had the opportunity to lead such a passionate and skilled team through this challenging period. It has been an eye-opening but also inspiring introduction into the QUM world. I would like to thank all of our team for their hard work and stoicism, our many partners for contributing their time and expertise, and the members of our various advisory and reference groups, who have given their time so generously.

For the remainder of 2022, we will be focusing on the smooth and effective transition of our functions and resources to the Australian Commission on Safety and Quality in Health Care and other custodians. Over the last 24 years, NPS MedicineWise has had a profound impact on the Australian health sector and will leave behind an incredible legacy, and a strong foundation for the future of QUM.

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*The MedicineWise app, which helps people keep track of their medicines, now supports complex medicine regimes not available on other apps and is now ready for integration into the My Health Record*

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*Dr Norman Swan opens the first NPS office*

## A brief history of NPS MedicineWise

NPS MedicineWise began as an independent public company in 1998 in response to an increasing focus on medicines and medicines use in Australia and around the world.

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

In 1991, a forum chaired by Consumers Health Forum of Australia (CHF) and the Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists (ASCEPT) brought together consumers and health professionals to examine the quality of medicine use in Australia. Later that year, a government-led review led to the 1992 publication of a quality use of medicines (QUM) strategy for Australia.

The forum prompted the establishment of the Pharmaceutical Health and Rational use of Medicines (PHARM) Committee. It funded around \$10 million of projects that improved medicines use, but when projects ended there was no way to sustain interventions. PHARM ultimately recommended the establishment of a national centre to coordinate QUM activity. This was the driver for establishing the National Prescribing Service Limited, now known as NPS MedicineWise.

NPS MedicineWise became a unique model for implementing government policy at this scale. While predominantly funded by the Australian Government, NPS MedicineWise has operated with an independent governance structure, with member organisations representing the peak bodies for consumers, health professionals, the pharmaceutical sector, government and healthcare providers. This model has enabled us to work in synergistic, connected and collaborative ways across the health sector to improve health outcomes.

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*NPS MedicineWise became a unique model for implementing government policy at this scale*

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Since its inception, NPS MedicineWise has led large-scale programs to address safe, effective and cost effective use of medicines and other health technologies. We have provided evidence-based information to health professionals and consumers using interventions that have been proven to be effective. A mix of academic detailing, audit and feedback and interactive learning is built into national programs designed to improve the use of medicines and medical tests. Target audiences have typically been

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*...the model of a national implementation body at arm's length from government, working in partnership with the sector, remains as relevant today as it was 24 years ago*

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general practitioners, pharmacists and nurses, however in more recent years there has been an increased focus on working with specialists and in aged care. Consumer campaigns have supported the work with health professionals.

In 2019, 'Quality Use of Medicines and Medicines Safety' was made the 10th National Health Priority Area. In 2020, in recognition of the substantial changes to the health landscape since the policy was published in 2000, the then Minister for Health, the Hon. Greg Hunt MP, commissioned a review of Australia's National Medicines Policy. Although the refreshed policy is yet to be published, draft copies show a continued focus on QUM and emphasis on a coordinated, evidence-based approach from all partners to achieve the objectives of the policy.

In March 2022, the federal government announced a major redesign of the Quality of Therapeutics, Diagnostics and Pathology Program, of which

QUM is a key part. The redesign involved the cessation of NPS MedicineWise's role and funding in QUM, the transition of key functions to the Australian Commission on Safety and Quality in Health Care, and the introduction of new contestable funding arrangements for other activities by 31 December 2022. As a result, after 24 years, NPS MedicineWise will be ceasing its operations at the end of 2022.

Nevertheless, the model of a national implementation body at arm's length from government, working in partnership with the sector, remains as relevant today as it was 24 years ago. Our track record demonstrates the success of this approach in achieving national policy objectives, improved prescribing and health outcomes, consumers as partners in their health care, and PBS and MBS sustainability.



First National Medicines Symposium, 2000

# 24 years of QUM leadership

NPS MedicineWise has provided effective leadership in QUM across Australia through:

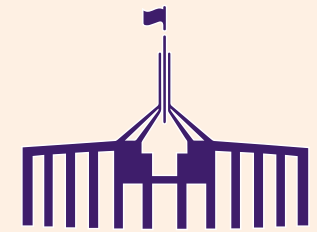
- ▶ nationally coordinated, locally implemented programs that address critical medicines and diagnostics
- ▶ delivering improvements in medicine use and management, and improvements in patient care and health outcomes for people most at risk of medication-related harm
- ▶ working in partnership to deliver on important QUM programs
- ▶ genuinely engaging with consumers, communities and consumer organisations to develop and deliver programs, products and services.

**ROI > 2:1**

to the Australian Government

over **\$1.3 billion**

in direct savings for the PBS and MBS



**> 95,000**

consumer medicines enquiries to Medicines Line since 2010



**> 13,000**

adverse reaction reports for medicines and vaccines to the TGA

trusted website and resources with



**16.5 million**

users in 2021-22

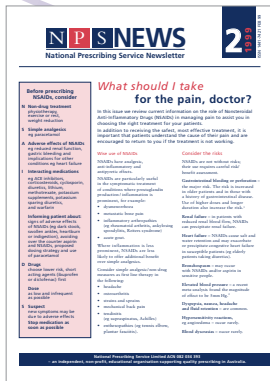


**480,000**

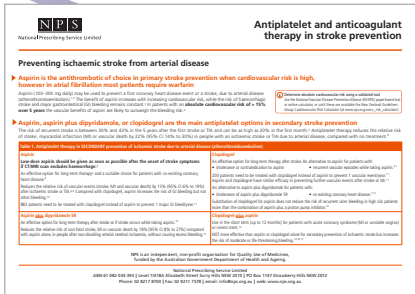
independent evidence-based educational visits in primary care

In our 24 years, we have delivered over 150 national programs across more than 20 therapeutic areas, including these highlights:

**1999 NSAIDs\***  
**One-third reduction**  
 in the proportion  
 of high-risk NSAIDs  
 prescribed by GPs.



**2009-10 Stroke prevention**  
**First-time aspirin prescriptions**  
 increased by **19.8%**  
**First-time stroke**  
**hospitalisations decreased**  
 by **17.3%**



**2012-17 Reducing**  
**antibiotic resistance**  
**24.8% overall**  
**reduction in GP**  
**antibiotic prescriptions**  
 for upper respiratory  
 tract infections

**2013 Imaging for acute**  
**low back pain (2013)**  
**10.85% relative reduction**  
 in the volume of CT scans  
 of the lumbosacral region.  
**An estimated 36 cases**  
**of cancer averted**



**2018 Neuropathic Pain**  
**20.2% reduction in**  
**pregabalin prescriptions**  
 with **savings** in excess of  
**14.6 million** to the PBS  
 in 2020-21



\* nonsteroidal anti-inflammatory drugs

# A Year in Focus: 2021-2022 highlights

Our achievements in 2021-22 built on this 24 year history. Here are some of the highlights from across the year:



**Mental health and young people: opportunities to empower and engage**

► MedicineWise News ► Webinar recording ► Podcast ► Videos

[Find out more ►](#)

Latest program from NPS Medicinewise

**Chronic kidney disease: early detection and management**

[Find out more ►](#)





**Anticholinergic burden: the unintended consequences for older people**

► Educational visits ► Patient resources  
► Podcast ► Webinar

[Find out more ►](#)




**15 specialist organisations**

collaborating to improving the use of bDMARDs and Immunoglobulins



Therapeutic Guidelines

**3 new**

working together agreements

**Australian Prescriber**

Exceeded

**100,000 subscribers**

for the first time



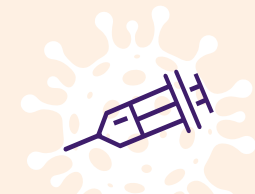
**20% increase**

in website users  
(16.5 million)



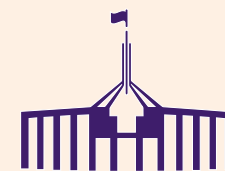
**~ 46.5% relative increase**

in patient adherence to osteoporosis medication in line with best practice management



**Over 7000**

adverse reaction reports to COVID-19 vaccines submitted to TGA



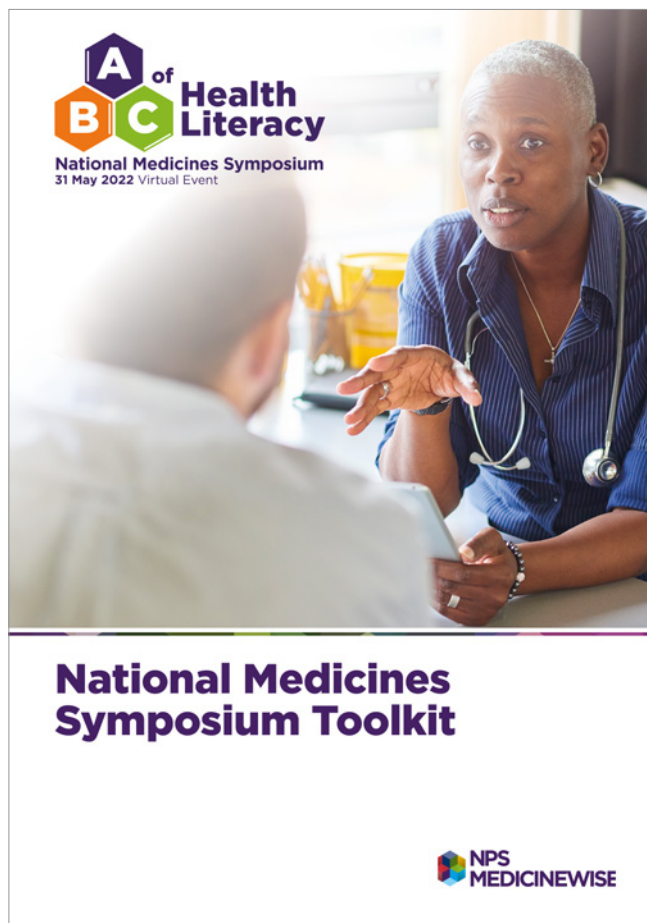
annual saving of  
**\$74.3 million**  
to the PBS, exceeding yearly target > 5%

# National stewardship of QUM

## TOGETHER WITH CONSUMERS

Supporting consumers to make the best possible decisions about their medicines is central to QUM and the work of NPS MedicineWise. Consumer health literacy is key to better decision-making and supporting improved health literacy has been a focus at NPS MedicineWise this year:

- ▶ In partnership with the Consumers Health Forum, we worked with Primary Health Networks to develop a roadmap for primary care to support improvements in health literacy.
- ▶ The annual National Medicines Symposium (NMS) on 31 May 2022 was titled *The ABC of Health Literacy* and showcased a range of tools to build both individual and organisational health literacy, and support those consumers at greater risk.
- ▶ To improve our own contribution to health literacy, we undertook an audit of existing NPS MedicineWise consumer resources, together with consumers and the Sydney Health Literacy Lab, which led to improvements in our web content and the introduction of health literacy tools as standard when developing our content.
- ▶ NPS MedicineWise contributed to the development of the National Health Literacy Strategy being led by the Sax Institute.

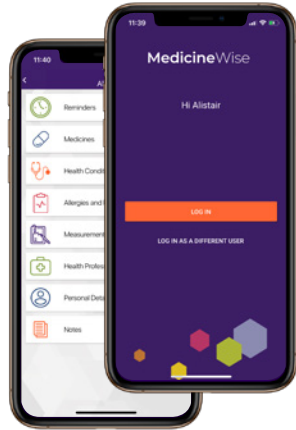


Consumers have been more active in our work than ever before, contributing to the development of each of our national education programs this year - *mental health and young people, anticholinergic burden and chronic kidney disease (CKD)*. The consumer (patient) lived experience is an integral part of these programs, represented in video stories, podcasts and webinars.



# TOOLS AND RESOURCES FOR CONSUMERS

▶ **MedicineWise app - 4,328 people on average actively used the app each month**

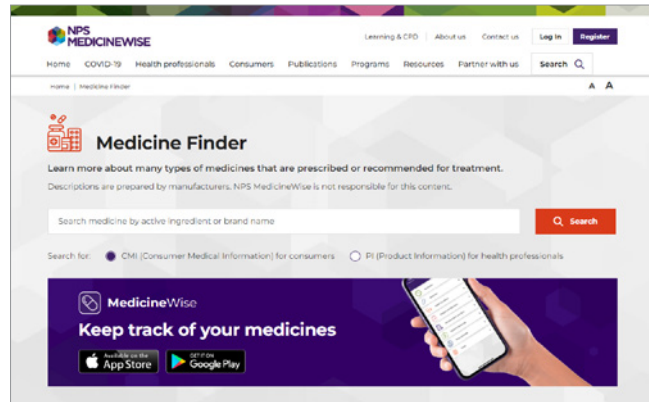


▶ **Choosing Wisely Australia 5 Questions - in 33 languages**



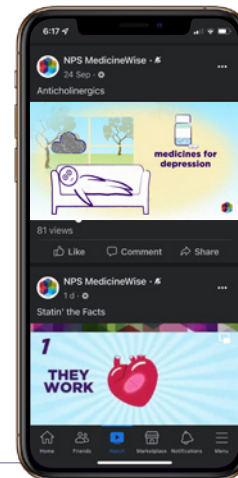
▶ **Medicines Line and Adverse Medicine Events Line - 24,477 calls in 2021-22**

▶ **Medicine Finder allows people to easily search for Consumer Medical Information**



▶ **Social media channels - 8 million impressions**

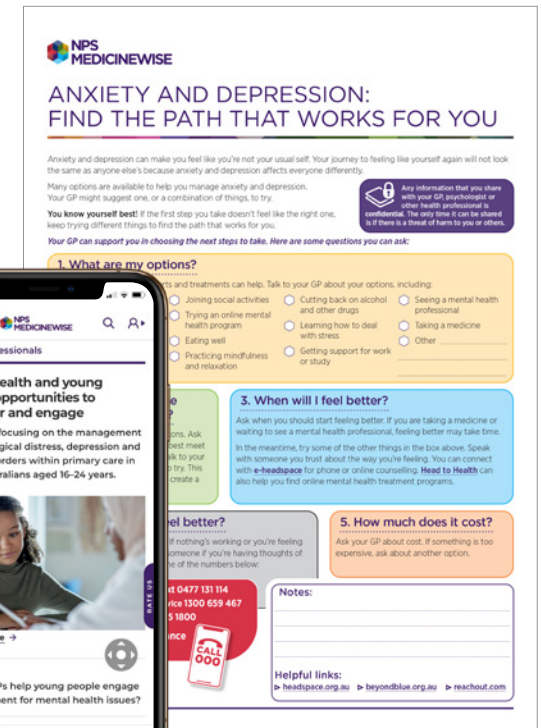
▶ **Social media video views - 1,708,751**



▶ **Patient lived experience in videos, podcasts and webinars**



▶ **Patient resources, news and content**



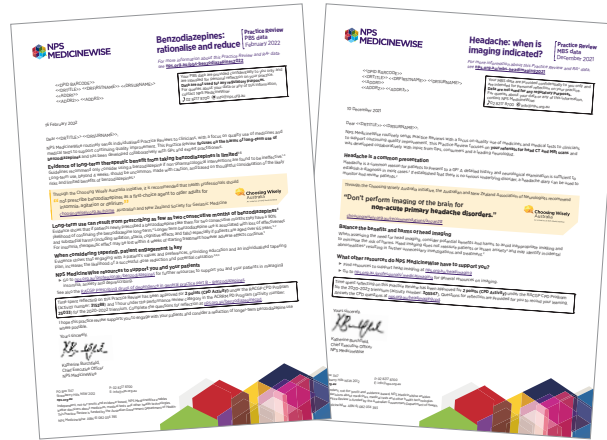
## HEALTH PROFESSIONAL ENGAGEMENT IN 2021-22

NPS MedicineWise delivers a range of activities and resources to improve QUM and support health professionals, including GPs, pharmacists, specialists, nurses and allied health. Activities and resources include:

- ▶ National educational visiting programs in primary care and aged care. Programs targeted heart failure, dementia, anticholinergic burden and mental health and young people.

**Total educational visiting participants: 18,557**

“NPS MedicineWise is one of the very few independent, unbiased sources of information available to health practitioners. I turn to NPS MedicineWise for my own education and I also rely on the NPS MedicineWise resources to educate medical students regarding safe and ethical use of medicines”



- ▶ MBS/PBS practice reviews – distributed for reflective learning to **30,000 GPs twice in the year**
- ▶ Online learning activities (includes case studies, audits and pharmacy practice reviews) – **140,928 completions**
- ▶ National Prescribing Curriculum modules for medical and pharmacy students – **52,610 completed**

- ▶ Publications and other clinical resources

- ◊ Australian Prescriber – **103,111 subscribers**
- ◊ MedicineWise update – **120,422 subscribers**
- ◊ RADAR **1,202,266 unique page views**
- ◊ Doctor's bag app – **21,400 installs**
- ◊ webinars – **4291 attendees**
- ◊ podcasts – **37 podcasts with 235,533 listens.**

“Unlike most other sources of information regarding medication, the NPS MedicineWise resources consider the holistic management of health rather than focussing on pharmacotherapy alone”

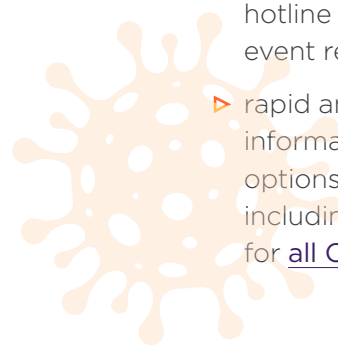


## RAPID RESPONSE TO QUM ISSUES

NPS MedicineWise provides an important rapid response capability for the Australia Government Department of Health and Aged Care, ensuring rapid and timely communications and other interventions regarding new and emerging QUM issues. In 2021-22, NPS MedicineWise has continued to act as a go-to organisation around changes in medicines and their indications, including COVID-19 vaccines and medicine options.



In response to changes in PBS and TGA indications, NPS MedicineWise delivers RADAR articles within 14 business days, which highlight the nature of the change, the rationale and key information required by prescribers. In 2021-22, NPS MedicineWise RADAR publications addressed topics ranging from PBS listings for a new drug for heart failure, through to new COVID-19 antiviral medicines, and PBS listing changes for hydroxychloroquine and levothyroxine.



### COVID-19

NPS MedicineWise continued to play an important role in the COVID-19 pandemic response. This includes:

- ▶ use of the Medicines Line consumer information hotline to support COVID-19 vaccine adverse event reporting
- ▶ rapid and timely updates of latest evidence information about vaccine and medicine options for health professionals and consumers, including consumer plain-English fact sheets for [all COVID-19 oral antivirals](#).

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“  
*NPS MedicineWise is my go-to objective, balanced and credible medical information site that I rely upon to keep me up to date*  
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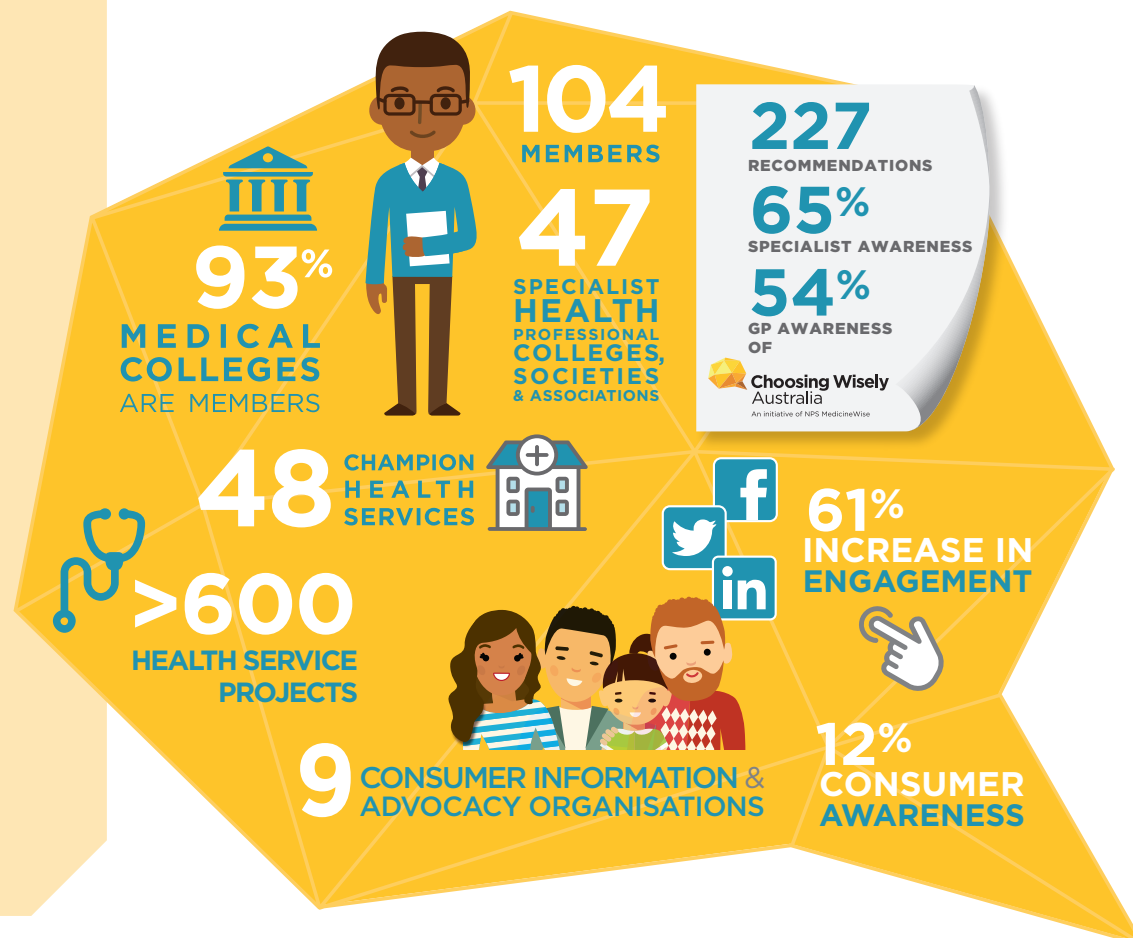
## CHOOSING WISELY AUSTRALIA

Choosing Wisely Australia is an initiative of NPS MedicineWise in partnership with Australia's health professional colleges, societies and associations. Part of the global Choosing Wisely initiative, the campaign supports important conversations about tests, treatments and procedures, and care that is evidence-based, free from harm, truly necessary and not duplicative.

Since the program's inception in 2015, membership has continued to grow. This year, Choosing Wisely welcomed five new champion health services, including NT Health. There are now a total of 48 champion health services with representation in all states and territories. Over 600 projects have been implemented by Champion Health Services since the initiative commenced. In more recent times this has included a focus on the impacts of COVID-19. In July 2021, during the COVID-19 response at the Wollongong Hospital, they noted pathology testing for COVID-19 patients was far greater than the average patient, and unnecessary in many cases. A Choosing Wisely program of guideline development, education and support saw an 81% reduction in tests ordered, increasing patient safety and comfort with no adverse impact on patient care.

A core and popular resource for consumers is *5 Questions to ask your health professional*. This resource is now available in English and 32 additional languages. It has been adapted to support conversations regarding medicines use, mental health and young people, anticholinergic burden, heart failure, dementia and changed behaviours, and opioids for back pain and osteoarthritis.

With the theme of *Choosing Wisely for a sustainable health system*, this year's National Meeting brought together over 200 Choosing Wisely members, consumer advocates, health professionals and healthcare influencers. In what was the 5th Choosing Wisely National meeting, we recognised local champions of the initiative. Debra Letica, a consumer representative and advocate was the Champion Consumer, and a pathology program at Monash Health led by Professor Beena Kumar won the Champion organisation award.



# Targeting where the need is greatest

QUM issues change over time: new issues emerge due to changing environments and other factors while other issues persist over time but require different approaches. Some QUM issues disproportionately affect certain population groups.

NPS MedicineWise uses a systematic approach to identify and assess QUM needs and regularly revisit key QUM areas to reinforce behavioural change. An example of this is our work in mental health, which has evolved over time.

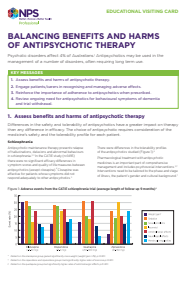
## MENTAL HEALTH AND YOUNG PEOPLE: OPPORTUNITIES TO EMPOWER AND ENGAGE

In the last 2 years, COVID-19 has had a significant impact on mental health – especially for younger people.

The majority of mental health problems start in childhood and adolescence, with 75% of adults with a mental health disorder experiencing the onset of the problem before the age of 24 years.

Prescribing for people aged 16 to 24 years with mental health conditions is increasing steadily, particularly antidepressants. These issues have been brought into sharp focus during the COVID-19 pandemic.

The *Mental health and young people* program is our most recent QUM intervention in mental health. The program focusses on the opportunities to engage and empower young people, especially when presenting in primary care with psychological distress, depression and/or anxiety disorders. This program, developed in collaboration with organisations including Australian Psychological Society, Black Dog Institute, Headspace, Royal Australian and New Zealand College of Psychiatrists, National Aboriginal Community Controlled Health Organisation, Western Victoria Primary Health Network, Orygen Health and many others, has been well received and is in high demand amongst general practices across Australia. The program is still in the field, however, it has had strong uptake from GPs, and early evaluation is showing positive changes in the approach of participating GPs to psychosocial assessments, mental health safety planning and use of non-medicine options for management.



2011 Antipsychotics



2016 Managing depression



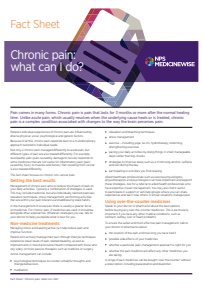
2018 Anxiety – rethinking the options



2022 Mental health and young people: opportunities to empower and engage

## PAIN

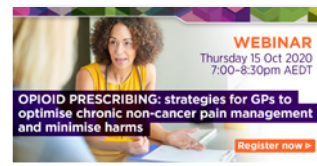
Pain management and the use of opioids, non-steroidal anti-inflammatory drugs (NSAIDs), pregabalin and other medicines has been a focus for NPS MedicineWise since its inception. While analgesics and anti-inflammatory medicines provide important benefits in managing pain, they can cause considerable harm. Opioids are a particular problem area – every day in Australia, on average, three people die and nearly 150 are hospitalised because of harm from opioids. In 2021-22 NPS MedicineWise launched an opioids web hub containing



**2015** Opioid medicines and chronic non-cancer pain



**2018** Neuropathic pain



**2021 and 2022** Opioids high-risk medicines and Opioid analgesic competencies support program

resources on the role of opioids in chronic non-cancer pain. Resources and interventions were also developed to support safe use of opioids for acute pain in the post-operative period and emergency department.

## AGED CARE

The recent Royal Commission into Aged Care Quality and Safety highlighted the inappropriate use of 'chemical restraints' in residential aged care facilities (RACFs) for people with dementia. This was a focus of our recent 2020-21 multifaceted *Dementia and changed behaviours – a person-centred approach* program, where our educators visited one-third of all RACFs nationally as well as over 6000 GPs in general practices.

Building on the success of this program, our *Anticholinergic burden: the unintended consequences for older people* program has tackled the problem of anticholinergic and sedative burden. Anticholinergic burden is the cumulative burden of multiple medicines, particularly for older people, and increases the risk of falls, dementia, hospitalisation and death. This is an important and common problem but not always front of mind for health professionals.

In partnership with experts and stakeholders, we codesigned a multifaceted program aiming to promote safe use of medicines, and reduce anticholinergic burden and medicine-related harm such as falls and hospitalisation. NPS MedicineWise educators then visited over 1000 nurses and pharmacists in 500 RACFs nationally, as well as ~6000 GPs. Collaboration with the University of Sydney saw the integration of the Drug Burden Index into MedicineInsight reports to provide GPs with a risk assessment of their patients to help prioritise medicine reviews. New tools and guidance support a collaborative approach between accredited pharmacists and medical practitioners when reviewing medicines via a Home Medicines Review or a Residential Medication Management Review.

Evaluation of the program to date has shown positive changes in assessing risks posed by anticholinergic burden, and improved communication between GPs, nurses, pharmacists and consumers around best practice medicine management and use of medicine reviews.

## SPECIALIST PRESCRIBING

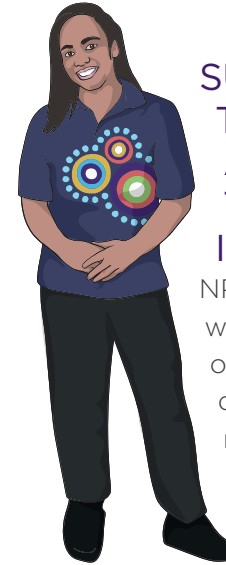
Specialists are prescribers of an increasing number of high-cost, highly specialised medicines. Ensuring optimal use of these medicines delivers the best possible outcomes for patients with the available resources.

Under the Australian Government's Value in Prescribing Program, NPS MedicineWise has partnered with a consortium of organisations, the [Targeted Therapies Alliance](#), to optimise the use of biological disease-modifying anti-rheumatic drugs (bDMARDs). The Alliance is engaging directly with physician specialists (particularly rheumatologists, gastroenterologists, dermatologists and immunologists), pharmacists, consumers and hospital drug and therapeutic committees, addressing QUM issues in the management of chronic diseases like inflammatory arthritis, inflammatory bowel disease and plaque psoriasis. This cross-specialty and cross-discipline approach is a world first for QUM.

Immunoglobulin is a critical therapy for people with immunodeficiencies and immune-type neurological conditions, and demand for this precious resource is growing. Also under the Australian Government's Value in Prescribing Program, NPS MedicineWise partnered with the National Blood Authority and worked with a consortium of national health organisations to:

- ▶ improve health outcomes for patients prescribed immunoglobulin products
- ▶ increase awareness among specialist healthcare professionals of the Immunoglobulin Criteria and National Policy requirements, and
- ▶ deliver efficiencies in the prescription and use of immunoglobulin products.

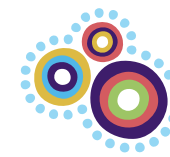
The program has developed a range of educational resources, tools and interventions for medical professionals (particularly specialists) and consumers, focusing on several specific conditions.



## SUPPORTING THE HEALTH OF ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE

NPS MedicineWise works closely with key stakeholders and organisations to co-design and develop interventions and resources to address QUM needs for Aboriginal and Torres Strait Islander communities across Australia. This includes NACCHO and other, state-based

Aboriginal Community Controlled Health Services, the National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners (NAATSIHWP), Primary Health Networks, national peak bodies and healthcare workers.



### Good Medicine Better Health

The Good Medicine Better Health program continues to provide CPD accredited education for Aboriginal and Torres Strait

Islander Health Workers and Health Practitioners. This year, modules on chronic pain, quit smoking and hepatitis were added to the module suite. The modules are complemented by consumer resources for use by health workers with their communities.

### + TARGETED THERAPIES ALLIANCE

Helping consumers and health professionals make safe and wise therapeutic decisions about biological disease-modifying antirheumatic drugs (bDMARDs) and other specialised medicines. Funded by the Australian Government Department of Health through the Value in Prescribing bDMARDs Program Grant.





### Remote Area Aboriginal Health Services program

To support safe and effective provision of medicines to residents of remote Aboriginal and Torres Strait Islander communities, NPS MedicineWise has developed and disseminated the following resources for use by staff working for Remote Area Aboriginal Health Services (RAAHS) across the year:

- ▶ Centralised website hub, *Medicines use in remote Australia*, providing easy-to-find, culturally appropriate resources to support QUM. Launched 1 April 2022.
- ▶ *Medication Storage Room Audit* resource adapted with permission from, and in close collaboration with the Northern Territory Department of Health. Released 26 May 2022.

- ▶ *New Starter Handover Summary* to support new RAAHS staff by providing key information for upskilling. Released 26 May 2022.

In just a few months since release in May, there have been around 4500 unique visits to the *Medicines use in remote Australia* centralised website hub.

screening and early diagnosis. Early detection and intervention may slow or halt disease progression to avoid dialysis or kidney transplant and reduce absolute cardiovascular risk. This year's *Chronic kidney disease: early detection and management* program has been developed in collaboration with Kidney Health Australia and NACCHO. It aims to support GPs across Australia to start a conversation with patients at higher risk about their kidney health and to provide guidance on the detection, diagnosis and management for patients with CKD. It also aims to raise awareness of CKD in the community.

### Chronic kidney disease: early detection and management program

Due to the asymptomatic nature of CKD, it is often under-recognised and under-treated. Aboriginal and Torres Strait Islander peoples are twice as likely to have CKD than non-Indigenous Australians. CKD rarely occurs in isolation and shares many management strategies with diabetes and cardiovascular disease. In 2020, CKD contributed to 11% of all deaths and was associated with 33% of all cardiovascular deaths in Australia. Knowing who is at risk of CKD enables targeted



# Optimising the use of health insights

## MEDICINEINSIGHT: INFORMING PRIMARY CARE

MedicineInsight is the first large-scale, national primary care data program in Australia that extracts longitudinal patient information from the clinical information systems used in general practice and transforms this data to support improvements in patient care. Started in 2011, MedicineInsight is a valuable resource for GPs, policy makers and researchers to support QUM, preventable harm and optimal health outcomes. It continues to increase in value, with improved coverage, data quality and enhanced insights through linkage to other relevant data sets.

This year, MedicineInsight data was linked to the National Death Index and NSW hospital, emergency department and mortality data, providing the potential to understand patient journeys through primary care and hospitals. We used this linkage to support MedicineInsight data validation, assessing the completeness, plausibility and generalisability of the data collected by MedicineInsight. We validated the information recorded in MedicineInsight on diagnosis, clinical observations, pathology testing and medicines prescribing as well as the recording of death and acute events that result in hospitalisations. The data linkage and validation are particularly important for studies that require accurate identification and timing of events that result in hospitalisations or deaths. Further, improvements in data visualisation have been made over the year to support enhanced data use by policy makers and GPs.

The fifth General Practice Insights Report (GPIR) using MedicineInsight data provided insights into care provided during the pandemic, including the strong uptake of telehealth consultations and the rollout of COVID-19 vaccines.

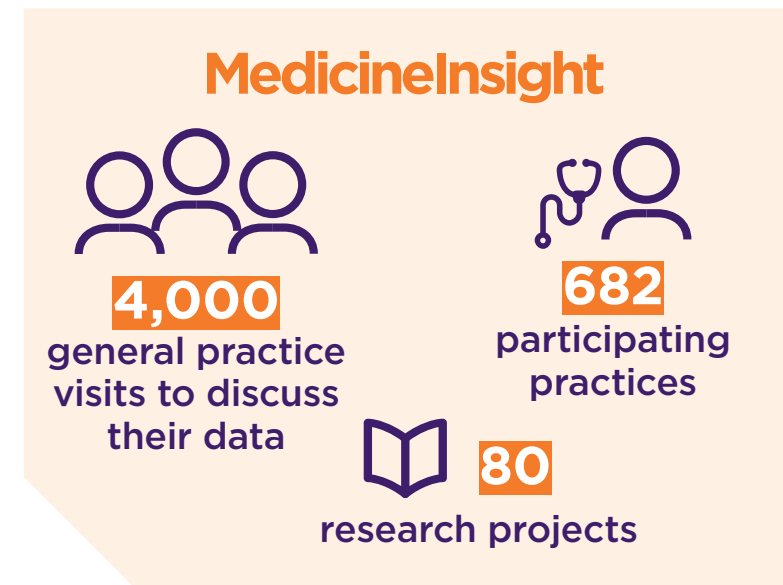
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*The recording of COVID-19 infections means that this longitudinal data set will be invaluable in years to come in studying the long-term effects of COVID-19 infection.*

---

An independent Privacy Impact Assessment was undertaken on the MedicineInsight Program in 2021. It concluded the program's privacy approach is strong and compliant with privacy legislation. It also made a series of recommendations for enhancements to the program which were implemented in 2021-22.

Further ensuring that we continue to meet the highest standards of governance, the MedicineInsight program also continues to hold ethical approval from the RACGP National Research Ethics and Evaluation Committee (NREEC).



## CONTRIBUTING TO THE QUM EVIDENCE BASE

NPS MedicineWise has an established track record in contributing to the peer-reviewed evidence base for QUM.

A list of publications over our 24-year history includes papers about QUM and consumers, our quality improvement programs, online learning and eHealth initiatives and a wide range of QUM issues including antibiotics and infections and cardiovascular medicines.

Publication in respected journals over the last year documents our continuing contribution to QUM in Australia.

- ▶ Havard A, Manski-Nankervis J, Thistlethwaite J, et al. Validity of algorithms for identifying five chronic conditions in MedicineInsight, an Australian national general practice database. BMC Health Services Research 2021;21:551. <https://bmchealthservres.biomedcentral.com/articles/10.1186/s12913-021-06593-z>
- ▶ Chidwick K, Pollack A, Busingye D, et al. Utilisation of pre-exposure prophylaxis (PrEP) for HIV prevention in the Australian general practice setting: a longitudinal observational study. Sex Health 2022;19(2):101-111. <https://pubmed.ncbi.nlm.nih.gov/35469591/>
- ▶ Daniels B, Havard A, Myton R, Chidwick K, Lee C. Evaluating the accuracy of data extracted from electronic health records into MedicineInsight, a national Australian general practice database. Int J Popul Data Sci. 2022 June 29. 1(7). <https://ijpds.org/article/view/1713>
- ▶ Busingye D, Daniels B, Brett J, et al. Patterns of real-world prescribing in Australian general practice (2013-18). Aust J Prim Health. 2021;27:416-424. <https://pubmed.ncbi.nlm.nih.gov/34521504/>
- ▶ Gianacas C, Muscatello D, Blogg S, et al. Effectiveness of influenza vaccination in reducing subsequent antibiotic prescribing in young children attending Australian general practices-a case-control study. J Pediatr Infect Dis Soc. 2022;11:283-290. <https://pubmed.ncbi.nlm.nih.gov/35395082/>
- ▶ Pollack A, Busingye D, Thistlethwaite J, Blogg S, Chidwick K. Characteristics of patients aged 50-74 years with a request for an immunochemical faecal occult blood test in the Australian general practice setting. Aust Health Review. 2022;46:222-232. <https://pubmed.ncbi.nlm.nih.gov/35220996/>



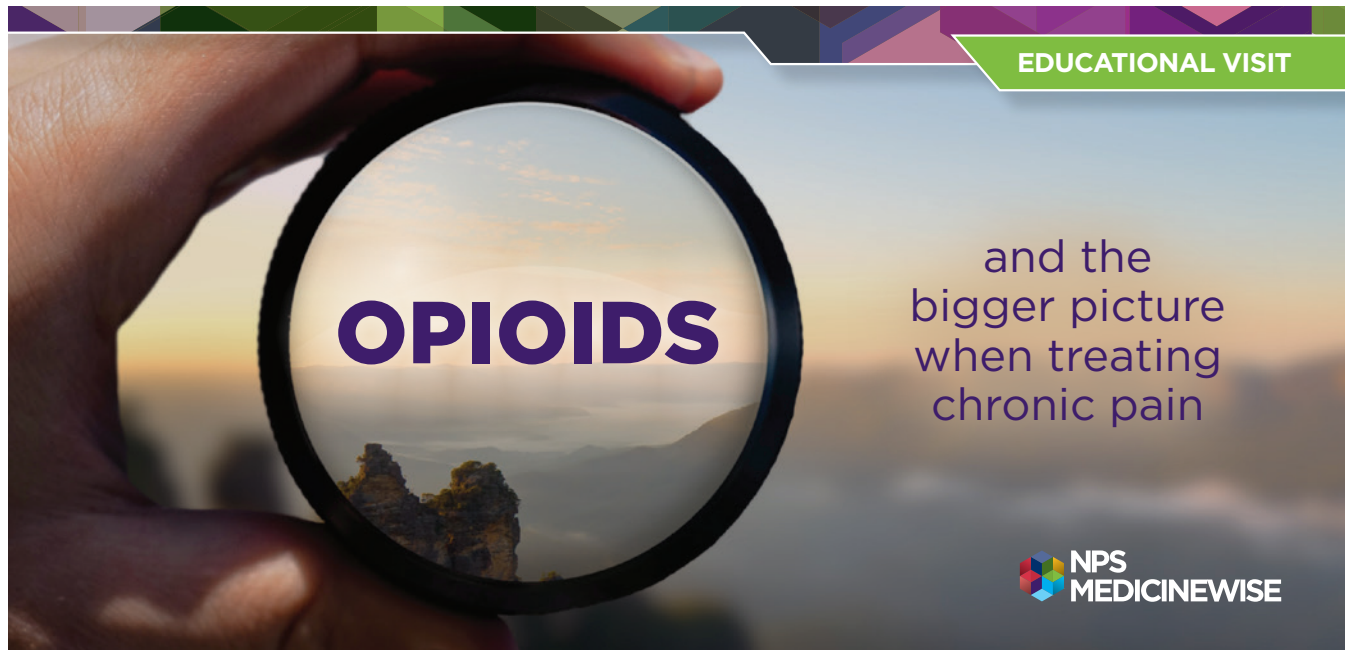
- ▶ Glasziou P, Dartnell J, Beizen R, Morgan M, Manski-Nankervis J. Antibiotic stewardship: A review of successful, evidence-based primary care strategies. *Aust J Gen Pract.* 2022;51:15-20. <https://pubmed.ncbi.nlm.nih.gov/35098269/>
- ▶ Van Driel M, Merlo G, Baillie E, Dartnell J, Hall L, Heal C. Preserving antibiotics for the future: Where Australian general practice sits on the global spectrum. 2022;51:10-13. <https://pubmed.ncbi.nlm.nih.gov/35098271/>
- ▶ Chapman-Goetz J, Packham N, Gabb G, et al. Acceptability and feasibility of the NPS MedicineWise mobile phone application in supporting medication adherence in patients with chronic heart failure: Protocol for a pilot study. 2022;17:e0263284. <https://pubmed.ncbi.nlm.nih.gov/35120174/>
- ▶ Chidwick K, Myton R, Rodgers A, et al. A cluster randomized controlled trial of a MedicineInsight Educational Quality Improvement Programme to improve the diagnosis and treatment of chronic hepatitis C in general practice (the EQUIP-HEPC trial). *J Viral Hepat.* 2022;29:135-146. <https://pubmed.ncbi.nlm.nih.gov/34762764/>
- ▶ Belcher J, Myton R, Yoo J, Boville C, Chidwick K. Exploring the physical health of patients with severe or long-term mental illness using routinely collected general practice data from MedicineInsight. *Aust J Gen Pract.* 2021;50:944-949. <https://pubmed.ncbi.nlm.nih.gov/34845468/>
- ▶ Hill C, Rowett D, Dartnell J. Improving the quality use of highly specialised drugs. *Aust Prescr.* 2021;44:144-145. <https://pubmed.ncbi.nlm.nih.gov/34728877/>
- ▶ Busingye D, Chidwick K, Simpson V, et al. The changing characteristics of patients with chronic hepatitis C prescribed direct acting antiviral medicines in general practice since listing of the medicines on the Australian Pharmaceutical Benefits Scheme. *JGH Open.* 2021;5:813-819. <https://pubmed.ncbi.nlm.nih.gov/34263077/>

# Impacts of our programs

Evaluation has been an integral part of our work since the first educational visiting program in 1999 and our first evaluation report was published in 2000. Evaluation methods have adapted as new data sets and evidence on best methodologies emerged. We employ best practice methodologies that have been externally validated, and our evaluations inform our work to improve our services, products and, ultimately, our impact. Over the years we have evaluated over 150 programs on topics such as diabetes, antibiotics, stroke, dyslipidaemia, blood pressure, heart failure, pain, opioids, depression, anxiety, sleep, asthma, chronic obstructive pulmonary disease, dementia, and safe use of medicines in older people, imaging and laboratory testing. Our programs and resources have been shown to significantly improve health outcomes for Australians, such as reducing cancers, strokes, other major cardiovascular events and harm from opioid medicines.

This year we evaluated the preliminary impacts of our *Heart failure, Dementia and changed behaviours, Anticholinergic burden and mental health* programs as well as longer-term outcomes of earlier opioids and osteoporosis programs. This adds to our long history of [program evaluation](#).

“  
*The quality of resources is excellent and easily translated into clinical practice*  
”



EDUCATIONAL VISIT

and the bigger picture when treating chronic pain

NPS MEDICINEWISE

## FULL-PROGRAM EVALUATIONS:

### ▶ Supporting a sustainable MBS and PBS:

- 74.3 million and 3.75 million in savings to the PBS and MBS respectively

### ▶ Chronic pain: opioids and beyond (2015)

- Every year from the start of program, patients of GPs who participated in the program were 15.1% less likely to be prescribed an opioid.
- 27.9% reduction in the rate of opioids prescribed for chronic non-cancer pain every 2 years from the start of program.

### ▶ Opioids and the bigger picture when treating chronic pain (2019)

- Every year from the start of program, patients of GPs who participated in the program were 5.6% less likely to be prescribed an opioid.
- 10.9% reduction in the rate of opioids prescribed for chronic non-cancer pain every 2 years from the start of program.

### ▶ Preventing fractures: where to start with osteoporosis

- 11.3% relative increase in adherence to osteoporosis medication within 12 months from the start of the program.
- 46.5% relative increase in adherence to osteoporosis medication at 44 months from the start of the program.

### ▶ Neuropathic pain (2018)

- 20.2% reduction in pregabalin prescriptions and 665,439 fewer prescriptions in 2020-21.

## INTERIM PROGRAM EVALUATIONS:

**HEART FAILURE**  
Supporting GPs in early diagnosis

High rates of mortality and hospital readmission make heart failure a challenging condition to manage.

The latest NPS MedicineWise program developed in collaboration with the National Heart Foundation of Australia offers General Practitioners a range of support:

- ▶ Early diagnosis and classification
- ▶ Guidance around the use of echocardiograms
- ▶ Interpretation of echocardiogram reports
- ▶ Effective treatments
- ▶ Up-titration of heart failure medicines
- ▶ Managing comorbidities
- ▶ Patient action plans and self-management

Access a range of resources and learning opportunities  
[nps.org.au/heart-failure](https://nps.org.au/heart-failure)

[nps.org.au](https://nps.org.au)  
This program is funded by the Australian Government Department of Health

Heart Foundation

NPS MEDICINEWISE

### ▶ Heart failure: Taking an active role

- 41% increase in GPs confident identifying the symptoms and signs of a patient presenting with heart failure.

- 47% increase in GPs who would up-titrate guideline-recommended heart failure medicines for patients with heart failure with reduced ejection fraction.

### ▶ Anticholinergic burden: the unintended consequences for older people

- 31% increase in GPs who would switch from an anticholinergic medicine to a non-pharmacological option.
- 53% increase in RACF health professionals who would consider anticholinergic burden when a resident experiences a fall or cognitive decline.
- One-third of consumers believed their knowledge about the benefits and harms of medicines had increased.

### ▶ Dementia and changed behaviours: a person-centred approach

- 48% increase in health professionals who would use a person-centred approach to manage dementia and changed behaviours.
- 34% increase in confidence among RACF health professionals to deprescribe psychotropic medicines in older people with dementia and changed behaviours.
- 44% of carers reported an increase in knowledge of non-medicine options to help manage dementia and changed behaviours.



# Board of Directors



## DR ANDREW KNIGHT<sup>1</sup>

Andrew is Chair of NPS MedicineWise.

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

He is a senior staff specialist GP in the South Western Sydney Local Health District Primary and Integrated Care Unit.

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

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

## DR WINSTON LIAUW<sup>2</sup>

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

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

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

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

Winston is Chair of the Board Audit and Risk Committee and a member of the Board Business Development Committee.

NPS MedicineWise director since 18 June 2010.

## MS JUDY GREGURKE<sup>3</sup>

Judy is a management consultant and consumer and health advocate. She has over 25 years of experience in executive management roles in health, disability and peak body membership organisations in the not-for-profit sector and applies that experience in her consulting roles.

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

Judy is an experienced leader with a genuine passion for empowering and supporting people and representing the views and concerns of workers, service users, consumers and community members.

She is a speech pathologist with a master's degree in Health Administration (Health Service Management). She is also a graduate and member of the Australian Institute of Company Directors.

Judy is Chair of the Board Governance and Nomination Committee. NPS MedicineWise director since 25 March 2020.

## ADJ PROF MARK BOOTH<sup>4</sup>

Mark Booth is a Principal at Nous Group – a consultancy that operates across the public and private sectors in Australia, Canada and the UK.

Prior to this Mark was the Chief Executive Officer of Food Standards Australia New Zealand (FSANZ) – a bi-national government agency that develops and administers the Australia New Zealand Food Standards Code as well as undertaking a number of other activities related to food, health, innovation and trade.

Prior to joining FSANZ in early 2017 Mark had a career predominantly in the health sector looking at strategic policy issues. He has worked

in the public, private and academic sectors in the UK, New Zealand, Australia and the USA.

Mark's original background was in health economics. He has post-graduate qualifications in economics, public administration and public health. Mark is an adjunct professor at the Centre for Health Economics and Evaluation at University of Technology Sydney, and is a visiting research fellow at the School of Population Health at the Australian National University.

Mark is a member of the Board Audit & Risk Committee.

NPS MedicineWise director since 15 February 2021.

## DR AMANDEEP HANSRA<sup>5</sup>

Amandeep is a practising GP in Sydney. She is a former Senior Medical Adviser at Medibank and founding Chief Medical Officer and CEO of Telstra ReadyCare. Following this, Amandeep became the Chief Medical Officer for Telstra Health, and established a telemedicine service in the Philippines in partnership with leading Swiss telemedicine provider Medgate.

Amandeep is a digital health consultant involved in a number of government digital health reviews at both state and Commonwealth levels.

She is a member of the Board Governance & Nomination Committee and the Business Development Committee.

NPS MedicineWise director since 15 February 2021.

## MR ROB FITZPATRICK<sup>6</sup>

Rob is an experienced company director, chief executive and corporate advisor, with expertise in commercialisation, technology, innovation and growth.

During a career spanning 30 years, Rob has represented Australia's business and technology communities at the highest levels domestically and internationally. He has demonstrated capabilities in corporate strategy, sales and marketing at McKinsey & Company in Australia, Europe and Asia, telecommunications at SingTel Optus, technology innovation at shopfast.com.au and Gelion Technologies, and commercialisation of early-stage research at Data61. He has been foundation investor in technology-based start-ups and is a company director influencing technology adoption in traditional businesses. Rob has a detailed understanding of public sector operations at federal and state levels, research and higher education, agriculture, renewable energy, retail, telecommunications and technology sectors and has worked with boards across a broad range of organisations.

Rob has Economics and Law degrees from the University of Sydney, a Master's in Business Administration from The Wharton School at the University of Pennsylvania and is a Graduate of the Australian Institute of Company Directors.

Rob is a member of the Board Audit & Risk Committee and the Board Business Development Committee.

NPS MedicineWise director since 15 February 2021.

## DR JAMES LANGRIDGE<sup>7</sup>

James is former Vice Principal (International) of University of Wollongong and Foundation CEO/Managing Director of the ITC Group of Companies (UOW's commercial arm). He is also the former chair of VentureWise Pty Ltd.

James is a former member of the Board Audit and Risk Committee and Chair of the Board Business Development Committee.

NPS MedicineWise director from 3 December 2009 to 3 December 2021.

# Board Governance and Nomination Committee report

The Board Governance and Nomination Committee (BGNC) is a standing committee charged with assisting the Board to discharge its responsibilities and duties to NPS MedicineWise members, other stakeholders and at law by ensuring:

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

Significant activities undertaken over the past 12 months included:

- ▶ a search to fill one director vacancy for the Board to consider in accordance with the NPS Constitution.
- ▶ continued succession planning discussions on behalf of the Board,

to ensure the board has a complement of skills to lead the organisation into the future in a way that is consistent with current best practice

- ▶ review of Board governance policies under the remit of the BGNC for recommendation to the Board.

During 2021-22 the BGNC recommended the Board amend the Company Constitution to enable it to retain the current Board composition to ensure stability and effective oversight of the Company in light of the March 2022 Federal Budget announcement.

I would like to thank my fellow BGNC members for their essential and meaningful contribution to the work of the Committee.

**Ms Judy Gregurke**

*Board Governance and Nomination Committee*

# Board Audit and Risk Committee report

The Board 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 financial reporting, external audit and risk management.

The Board Audit and Risk Committee continued to make sound progress on a number of fronts throughout the financial year in financial management reporting, policy development, risk management and financial control.

Highlights for 2021-22 are:

- ▶ recommending and approving financial governance and risk management strategies and policies

- ▶ receiving an unqualified audit report for the 2021-22 financial year.

I would like to thank my fellow Board Audit and Risk Committee members and all directors for their support and efforts in ensuring NPS MedicineWise was well placed to deliver on its vision and mission in the financial year despite the numerous challenges faced. To the Senior Leadership Group, our Finance Team, the Legal, Governance and Risk Team and managers across the organisation, together with our external auditor Pitcher Partners, I extend my gratitude for your professional support.

**Dr Winston Liauw**

*Chair, Audit and Risk Committee*





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## DIRECTORS' REPORT

The Directors present their report together with the annual financial report of National Prescribing Service Limited and its 100% wholly owned subsidiary, VentureWise Pty Limited (that was deregistered on 11 July 2021), from hereon in referred to as "the Group" for the financial year ended 30 June 2022.

### Directors

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

#### Non-Executive Directors

Andrew Knight (Chair)  
Winston Liauw  
Judy Gregurke  
Mark Booth  
Amandeep Hansra  
Robert Fitzpatrick

#### Retired Non-Executive Directors

James Langridge (3 December 2021)

### Particulars of Directors

Name of Director and Qualifications	Board committee memberships	Experience
<b>Andrew Knight (Chair)</b> MBBS, MMedSci, FRACGP, FAICD	Board Governance and Nomination Committee	Senior staff specialist general practitioner in the South Western Sydney Local Health District Primary and Integrated Care Unit. Clinical Adviser for the Australian Primary Care Collaborative program. Former Chair of the Nepean Blue Mountains Primary Health Network. NPS MedicineWise director since 3 August 2010.
<b>Winston Liauw</b> MBBS(Syd), MMedSci(UNSW), FRACP, GAICD, MPol&Policy(Deakin)	Chair, Board Audit and Risk Committee  Board Business Development Committee	Practising Medical Oncologist and a Clinical Pharmacologist. Director of the Cancer Services Stream South Eastern Sydney Local Health District and Oncology Program. Oncology Program Chair at the NSW Health Education and Training Institute (HETI) and convenes the Basic Sciences of Oncology Course. Lead clinician for the Translational Cancer Research Network and UNSW Sphere Cancer Academic Group. Chief Medical Information Officer South Eastern Sydney LHD. NPS MedicineWise director since 18 June 2010.
<b>Judy Gregurke</b> Dip App Sc, MHA, GAICD	Chair, Board Governance and Nomination Committee	Management consultant. Experienced consumer and community health advocate with over 25 years of experience in executive management roles in health, disability and peak body membership organisations in the not-for-profit sector. A consumer advisor for the Australian Digital Health Agency and a member of the Services Australia Taskforce and a former member of the Aged Care Sector Committee and the Aged Care Quality and Safety Commissioner's Consultative Forum. NPS MedicineWise director since 25 May 2020.

## DIRECTORS' REPORT (Continued)

### Particulars of Directors (Continued)

Name of Director and Qualifications	Board committee memberships	Experience
<b>Mark Booth</b> Executive Master in Public Administration (EMPA), Postgraduate Diploma in Public Health, M.A. Economics, B.A. (Hons) Economics, GAICD	Board Audit & Risk Committee	Principal at Nous Group. Former Chief Executive Officer of Food Standards Australia New Zealand (FSANZ)  Prior to joining FSANZ in early 2017 career predominantly in the health sector looking at strategic policy issues. Worked in the public, private and academic sectors in the UK, New Zealand, Australia and the USA.  Adjunct professor at the Centre for Health Economics and Evaluation at UTS; and a visiting research fellow at the School of Population Health at the ANU. NPS MedicineWise director since 15 February 2021.
<b>Robert (Rob) Fitzpatrick</b> MBA, BEc.LLB, GAICD	Board Audit & Risk Committee Board Business Development Committee	Experienced company director, chief executive and corporate advisor, with expertise in commercialisation, technology, innovation and growth.  A career spanning 30 years, Rob has represented Australian Business and Technology communities at the highest levels domestically and internationally, demonstrated capabilities in corporate strategy, sales & marketing at McKinsey & Company in Australia, Europe and Asia, telecommunications at SingTel Optus, technology innovation at shopfast.com.au and Gelion Technologies, and commercialisation of early-stage research at Data61.  Detailed understanding of public sector operations at federal and state level, research and higher education, agriculture, renewable energy, retail, telecommunications and technology sectors. NPS MedicineWise director since 15 February 2021.
<b>Amandeep Hansra</b> BMED (Hons), FACHI, FRACGP, MPH&TM, ACCAM, GAICD, GEMBA, CHIA	Board Governance & Nomination Committee  Board Business Development Committee	Practising GP in Sydney. Former Senior Medical Adviser at Medibank and founding Chief Medical Officer and CEO of Telstra ReadyCare, then Chief Medical Officer for Telstra Health. Established a telemedicine service in the Philippines in partnership with leading Swiss telemedicine provider Medgate. A digital health consultant involved in a number of government digital health reviews at both State and Commonwealth levels. NPS MedicineWise director since 15 February 2021.
<b>James Langridge</b> BBus, GradDipTertiaryEd, MEdAdmin, DBA, FAICD	Board Audit and Risk Committee  Chair, Board Business Development Committee	Formerly Vice Principal (International) University of Wollongong and Foundation CEO/Managing Director of the ITC Group of Companies (UOW's commercial arm). Significant Board experience in offshore jurisdictions especially the Middle East and North America. Chair, VentureWise Pty Ltd. NPS MedicineWise director from 3 December 2009 to 3 December 2021.

## DIRECTORS' REPORT (Continued)

### Company Secretary

Kerry-Ann Aitken was reappointed as Company Secretary effective from 1 January 2022.

### 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	Meeting of Directors		Board Audit & Risk Committee meetings		Board Governance & Nomination Committee		Board Business Development Committee	
	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended	Number eligible to attend	Number of meetings attended
Andrew Knight	17	17			9	9		
Winston Liauw	17	17	5	5			3	3
Judy Gregurke	17	17			9	9		
Mark Booth	17	16	5	5				
Rob Fitzpatrick	17	17	5	4			3	3
Amandeep Hansra	17	17			9	9	3	3
James Langridge	7	7	3	3			3	3

### Principal Activities

NPS MedicineWise aims to improve the health of Australians through safe and wise use of medicines and other health technologies. We add value as the steward of quality use of medicines: promoting safe and wise use of medicines; bridging gaps between evidence and practice; and enabling better decisions.

Our work supports achievement of the Quality Use of Medicines (QUM) objectives of Australia's National Medicines Policy. We are independent, not-for-profit, evidence-based and consumer centred.

### Operating Results

The net deficit for the year ended 30 June 2022 was \$1,436,395 (2021: deficit \$340,753).

### Review of Operations

The 2021-22 financial year saw healthcare receiving elevated public attention during the ongoing COVID-19 pandemic as well as a continued focus on aged care. NPS MedicineWise has continued to deliver on our objectives. We have supported the QUM in the face of rapidly evolving healthcare evidence and an increased need for timely and independent advice.

Services delivered in 2021-22 included health professional knowledge transfer and clinical improvement programs, consumer education and awareness activities, quality improvement initiatives, health professional and consumer publications and online content, consumer telephone services, and tools and resources to support health literacy across different health and community settings.

Our focus continues to be on optimising safe and effective use of medicines and medical tests through delivery of integrated, evidence-based and rigorously evaluated programs. During the year we delivered multidisciplinary educational programs on the diagnosis and management of heart failure, anticholinergics and the safe use of medicines in older people, and mental health in younger people. We have been a go-to resource for the latest information on COVID—19 medicines and vaccines.

## DIRECTORS' REPORT (Continued)

As the steward of QUM, we have continued to collaborate to deliver programs of impact. We partnered with key disease-focused organisations (such as the Kidney Health Australia and the National Heart Foundation) to develop and support our programs. Formal partnerships with key stakeholders have allowed cross-sector collaboration on QUM priorities. Key stakeholders include the Australian Commission on Safety and Quality in Healthcare, Consumers Health Forum of Australia (CHF), Royal Australian College of General Practitioners (RACGP), the National Aboriginal Community Controlled Health Organisation (NACCHO), the Pharmaceutical Society of Australia (PSA), the Society of Hospital Pharmacists of Australia, Therapeutic Guidelines and Primary Health Networks (PHNs). Our national network of Choosing Wisely Australia membership also continues to grow.

With a strong and consistent focus on consumers, we have integrated consumer input across all our work in accordance with our Consumer Engagement Framework, codigned with the CHF.

MedicineInsight, with approximately 700 general practices contributing to the unique data set, has continued to provide valued, validated and robust data for insights into general practice in Australia. This year, MedicineInsight insights included the prescribing of benzodiazepines and bupropion in general practice, and COVID-19 vaccine adverse events. MedicineInsight continues to inform policy and research.

Beyond our core work on behalf of the Commonwealth, we have undertaken work that included provision of primary care data insights data to support antimicrobial surveillance, education to support the roll out of state-level real-time prescription monitoring, working on national Indigenous health indicators, and continuing the work on two Value in Prescribing projects to improve use of biologic disease-modifying anti-rheumatic drugs (bDMARDs) and immunoglobulins.

### Significant Changes in State of Affairs

On 29 March 2022 a new budget measure was announced by the Commonwealth Government to redesign of the Quality use of Diagnostics, Therapeutics and Pathology Program (QUTDTP) under which NPS MedicineWise has received uncontested funding for over 24 years. The budget measure involved the transition of QUM stewardship functions from NPS MedicineWise to the Australian Commission on Safety and Quality in Health Care, the introduction of new contestable funding arrangements and the ceasing of all uncontested funding to NPS MedicineWise with effect from 1 January 2023.

NPS MedicineWise challenged the budget measure and called for a review of the decision by the incoming Government. A rapid review of the measure was announced by the new Minister for Health and Ageing. On 29 June 2022 a variation to the Grant Funding Agreement was signed guaranteeing NPS MedicineWise uncontested grant funding for a period of six months, from 1 July 2022 to 31 December 2022 to allow for the rapid review, continued delivery and transition of programs if the measure was not reversed.

### Matters Subsequent to Reporting Period

On 25 August 2022 NPS MedicineWise received the result of the incoming Government's Rapid Review, finding that the policy intention of the 2022-23 Budget Measure was appropriate for the delivery of the Quality Use of Diagnostics, Therapeutics and Pathology Program. In light of this decision, on 6 September 2022, the Directors resolved to liquidate NPS MedicineWise by 31 December 2022. Planning for the transition of functions to the Australian Commission on Safety and Quality in Health Care is now underway. The Grant Funding Agreement makes adequate provision for NPS MedicineWise to pay its debts as and when they fall due.

### Dividends

Under the terms of NPS MedicineWise's constitution it is not entitled to pay dividends.

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

**DIRECTORS' REPORT (Continued)****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 2022, there were 64 members of the company (2021: 64) comprising voting, non-voting and honorary members.

**Environmental Issues**

The Group'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 Group 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 Group.

*Insurance Premiums*

During the financial year the Group has paid premiums in respect of Directors' and officers' liability insurance contracts for the year ended 30 June 2022.

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

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

**Court Proceedings**

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

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

**Going Concern**

The existing Commonwealth Government funding agreement will expire on 31 December 2022. NPS MedicineWise will cease operations and go into liquidation by 31 December 2022.

The Directors have assessed it is appropriate for the Group to prepare financial statements on a liquidation basis, noting the Grant Funding Agreement and existing cash resources will ensure an orderly wind up of the Company. The Company has commenced the final six months of its multi-year Quality Use of Medicines Grant funding contract that is due to end on 31 December 2022.

The Directors have prepared projected cash flow information from the date of approval of these financial statements until 31 December 2022. Taking into consideration the business impact of not having a grant funding contract beyond 31 December 2022, the Directors have satisfied themselves that the Group will be able to pay all its debts as and when they fall due.

**DIRECTORS' REPORT (Continued)****Auditor's Independence Declaration**

The auditor's independence declaration is included on page 7 of the annual report.

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



**Andrew Knight**

Chair of National Prescribing Service Limited



**Winston Liauw**

Director & Chair of the Board Audit and Risk Committee

**Dated at Sydney:**  
23<sup>rd</sup> September 2022



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**Auditor's Independence Declaration  
To the Responsible Persons' of National Prescribing Service Limited  
ABN 61 082 034 393**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

- i. the auditor's 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.

This declaration is in respect of National Prescribing Service Limited and the entity it controlled during the year.

Melissa Alexander  
Partner

Pitcher Partners  
Sydney

23 September 2022

Adelaide Brisbane Melbourne Newcastle Perth Sydney

Pitcher Partners is an association of independent firms.  
An independent New South Wales Partnership. ABN 17 795 780 962. Liability limited by a scheme approved under Professional Standards Legislation. Pitcher Partners is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.



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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

		Group 2022	Group 2021
	Note	\$	\$
Revenue - <i>operating activities</i>	4	28,456,824	30,390,230
Operational Expenses	5	(6,908,345)	(6,896,692)
Gross Surplus		<u>21,548,479</u>	<u>23,493,538</u>
Other Revenue	4	2,871	658,250
Finance Revenue	4	1,287	20,559
Employee Related Costs	5	(19,937,816)	(21,440,363)
Overheads – Fixed Costs	5	(1,712,384)	(1,640,165)
Overheads – Variable Costs	5	<u>(1,338,832)</u>	<u>(1,432,572)</u>
Net Deficit before Income Tax		<u>(1,436,395)</u>	<u>(340,753)</u>
Income Tax Expense		-	-
Deficit for the Year		<u>(1,436,395)</u>	<u>(340,753)</u>
Other Comprehensive Income		-	-
Total Comprehensive Deficit or the Year		<u>(1,436,395)</u>	<u>(340,753)</u>

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022**

		Group 2022	Group 2021
	Note	\$	\$
<b>ASSETS – CURRENT</b>			
Cash and Cash Equivalents	7	10,283,038	12,105,299
Financial Assets	7	-	2,006,833
Trade and Other Receivables	8	384,879	500,266
Other Assets	9	472,318	747,216
Property, Plant and Equipment	10	66,870	538,511
Intangible Assets	10	-	6,126
Right of Use Assets	11	<u>312,606</u>	<u>1,250,454</u>
Total Assets – Current		<u>11,519,711</u>	<u>17,154,705</u>
<b>LIABILITIES – CURRENT</b>			
Trade and Other Payables	12	1,939,559	2,089,487
Contract liabilities	12	4,531,196	7,695,899
Provisions	13	3,792,927	3,704,611
Lease Liabilities - Right-of-Use Assets	14	<u>331,923</u>	<u>1,304,207</u>
Total Liabilities – Current		<u>10,595,605</u>	<u>14,794,204</u>
<b>NET ASSETS</b>		<u>924,106</u>	<u>2,360,501</u>
<b>EQUITY</b>			
Retained Earnings	15	<u>924,106</u>	<u>2,360,501</u>
<b>TOTAL EQUITY</b>		<u>924,106</u>	<u>2,360,501</u>

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

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Group 2022	Group 2021
		\$	\$
<b>Cash flows from Operating Activities</b>			
Receipt of Department of Health funding		24,748,646	30,390,230
Receipts from customers		511,805	8,331,602
Interest received		1,287	20,559
Payments to suppliers & employees		<u>(28,114,311)</u>	<u>(37,445,185)</u>
Net Cash (Used in) / Generated by Operating Activities	17	<u>(2,852,573)</u>	<u>1,297,206</u>
<b>Cash flows from Investing Activities</b>			
Proceeds from investments		2,006,833	1,993,167
Payments for property, plant and equipment		(4,236)	-
Proceeds from sale of property, plant and equipment		-	(90)
Net Cash Generated by Investing Activities		<u>2,002,597</u>	<u>1,993,077</u>
<b>Cash flows from Financing Activities</b>			
Repayment of lease liabilities		<u>(972,285)</u>	<u>(922,904)</u>
Net Cash Used in Financing Activities		<u>(972,285)</u>	<u>(922,904)</u>
Net (Decrease) / Increase in Cash Held		(1,822,261)	2,367,379
Cash and Cash Equivalents at the Beginning of the Year		<u>12,105,299</u>	<u>9,737,920</u>
Cash and Cash Equivalents at the End of the Year	7	<u>10,283,038</u>	<u>12,105,299</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 1. Corporate Information

These financial statements and notes represent those of National Prescribing Service Limited (NPS MedicineWise) for the year ended 30 June 2022 are presented as consolidated financial statements and represent those of the Company and its controlled entity ("the Group"). The Group comprises of the Company, National Prescribing Service Limited and its wholly owned subsidiary VentureWise Pty Limited.

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

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

The consolidated financial statements were authorised for issue by the Directors on 23<sup>rd</sup> September 2022.

### 2. Statement of Significant Accounting Policies

#### a) Basis of Preparation

The financial statements presented in this financial report are consolidated financial statements that cover a group of entities comprising NPS MedicineWise and its controlled entities (the Group).

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for Profit Tier 2 Entities.

This is the first financial report of the group prepared in accordance with Australian Accounting Standards – Simplified Disclosures. The prior year financial report was prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards – Simplified Disclosures has not affected the group's reported financial position, financial performance and cash flows.

The financial statements for the year ended 30 June 2022 have not been prepared on a going concern basis and have been prepared on a liquidation basis as the Group intends to cease operations and go into liquidation by 31 December 2022. Accordingly, these financial statements have been prepared on an alternate basis that all assets and liabilities have been classified as current.

All amounts are presented in Australian dollars.

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

#### b) Statement of Compliance

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 2. Statement of Significant Accounting Policies (continued)

#### c) Going Concern

The existing Commonwealth Government funding agreement will expire on 31 December 2022. NPS MedicineWise will cease operations and go into liquidation by 31 December 2022.

The Directors have assessed it is appropriate for the Group to prepare financial statements on a liquidation basis, noting the Grant Funding Agreement and existing cash resources will ensure an orderly wind up of the Company. The Company has commenced the final six months of its multi-year Quality Use of Medicines Grant funding contract that is due to end on 31 December 2022.

The Directors have prepared projected cash flow information from the date of approval of these financial statements until 31 December 2022. Taking into consideration the business impact of not having a grant funding contract beyond 31 December 2022, the Directors have satisfied themselves that the Group will be able to pay all its debts as and when they fall due.

#### d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group being 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 Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2. Statement of Significant Accounting Policies (continued)

e) Revenue Recognition

*Grant Funding*

The Group receives grant funding for various programs. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the grant is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the grant is accounted for under AASB 1058 where the income is recognised upon receipt.

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

*Other revenue from contracts with customers*

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

*Interest revenue*

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

f) Contracts balances

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

g) Cash and Cash Equivalents

Cash and term deposits are carried at face value of the amounts deposited or drawn. The carrying amounts of cash and 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.

h) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2. Statement of Significant Accounting Policies (continued)

h) Property, Plant & Equipment (continued)

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.

i) Right-of-use assets

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

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

j) Lease liabilities - right-of-use assets

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

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2. Statement of Significant Accounting Policies (continued)

**k) Impairment of Financial Assets**

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

**l) 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.

**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) Income Tax**

The Company, NPS MedicineWise has obtained an income tax ruling and is tax exempt pursuant to Section 50-B of the Income Tax Assessment Act 1997. The Company's wholly owned subsidiary, VentureWise was subject to income tax prior to its deregistration on 11 July 2021.

**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 Group has a present obligation to pay resulting from employees' services provided up to reporting date.

• *Wages, salaries, and annual leave*

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

• *Long Service Leave*

The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

• *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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2. Statement of Significant Accounting Policies (continued)

**q) Financial Instruments**

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

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

*Classification and subsequent measurement of financial assets*

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

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

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

**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**

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

**t) Standards and interpretations in issue not yet adopted**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The company has decided not to early adopt any of these new and amended pronouncements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Revenue recognition

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

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

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

The liabilities for employee benefits are expected to be settled within 12 months from the reporting date and as such are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through inflation have been taken into account.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the term of funding agreement with the Commonwealth Government; the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2. Statement of Significant Accounting Policies (continued)

u) Critical accounting judgements and key sources of estimation uncertainty (continued)

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**
**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 have overall responsibility for the establishment and oversight of the risk management framework.

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

**Credit Risk**

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

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

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

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

**Liquidity Risk**

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

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

**Market Risk**

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

	Group 2022 \$	Group 2021 \$
<b>4 Revenue</b>		
<i>Operating Activities</i>		
Department of Health funds	23,877,853	23,847,980
Other revenue from contracts with customers	4,578,971	6,542,250
	<u>28,456,824</u>	<u>30,390,230</u>
<i>Other Revenue</i>		
Expense recovery	2,871	13,450
COVID-19 government support	-	644,800
	<u>2,871</u>	<u>658,250</u>
<i>Finance Revenue</i>		
Interest on bank deposits	1,287	20,559
	<u>1,287</u>	<u>20,559</u>

**Disaggregation of revenue from contracts with customers**

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

	Group 2022 \$	Group 2021 \$
<b>Disaggregated by primary markets</b>		
Government	28,063,277	29,765,527
Health Insurance	72,381	368,027
Primary Health Networks & Hospitals	67,654	36,875
University & Research Institution	253,512	205,946
Commercial Company	-	13,855
	<u>28,456,824</u>	<u>30,390,230</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## 4 Revenue (continued)

	Group 2022 \$	Group 2021 \$
<b>Disaggregated by major products/ services</b>		
Service	28,163,467	30,060,819
Data provision	212,683	129,285
Consumer mobile App	28,085	185,667
Training materials	52,589	14,459
	<u>28,456,824</u>	<u>30,390,230</u>
	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>
<b>Disaggregated by timing of revenue recognition</b>		
At a point in time	440,220	129,285
Over time	28,016,604	30,260,945
	<u>28,456,824</u>	<u>30,390,230</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Group 2022 \$	Group 2021 \$
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## 5 (Deficit) for the Year

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

*Operational Expenses*

Travel	64,791	42,001
Computers	972,715	752,690
Consumables	697	2,064
Communications	28,945	58,371
Data Processing, Printing and Distribution	1,154,160	1,186,394
Support services	347,236	455,129
Public affairs management	236,970	147,625
Contracts (including partners in program delivery)	917,511	567,738
Fees (consultant fees and overheads distribution)	3,185,320	3,687,345
	<u>6,908,345</u>	<u>6,896,692</u>

*Employee Related Costs*

Wages	17,690,297	19,118,433
Superannuation	2,124,135	2,223,727
On-costs	123,384	98,203
	<u>19,937,816</u>	<u>21,440,363</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Group 2022 \$	Group 2021 \$
<b>5 (Deficit) for the Year (continued)</b>		
<i>Overheads – Fixed Costs</i>		
Premises	87,931	108,455
Administration	126,449	144,829
Insurances	65,878	58,044
Interest on Lease Contract	12,274	25,999
Depreciation and Amortisation (i)	1,419,852	1,302,838
	<u>1,712,384</u>	<u>1,640,165</u>
<i>Overheads – Variable Costs</i>		
Travel	7,331	10,988
Computers	666,922	755,001
Consumables	341	3,844
Communications	67,703	77,662
Distribution	5,199	1,931
Printing & design	13,226	17,519
Support services	120,347	162,382
Entertainment	6,166	7,987
Financial charges and interest on lease contract	9,013	8,980
Fees (consultant fees and others)	441,693	342,638
Fringe benefits tax	751	769
Tax expenses	-	42,871
	<u>1,338,832</u>	<u>1,432,572</u>
Rental Expenses on short term leases	<u>23,160</u>	<u>67,670</u>
(i) Depreciation and Amortisation – (Note 1)		
Furniture & fittings	94,378	35,151
Office equipment	52,616	57,250
Leasehold improvements	171,543	45,112
Computer equipment	155,932	159,433
Computer software	1,409	1,643
Intangible Assets – Software	6,126	66,401
Right-of-use Assets	937,848	937,848
	<u>1,419,852</u>	<u>1,302,838</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**5 (Deficit) for the Year (continued)**

Note 1: depreciation expense was accelerated on all Plant and Equipment to align with termination of the lease on 31 October 2022 and liquidation of the Group by 31 December 2022.

	Group 2022 \$	Group 2021 \$
<b>6 Auditor's Remuneration</b>		
Auditing the financial report		
Auditors of the company – Pitcher Partners	68,000	60,000
Prior year (2020) auditors of the company – Deloitte	-	20,828
	<u>68,000</u>	<u>80,828</u>
<b>7 Cash and Cash Equivalents</b>		
Cheque account	5,163,883	7,105,034
Business investment account	5,119,155	4,000,265
Term deposits – term less than 3 months	-	1,000,000
	<u>10,283,038</u>	<u>12,105,299</u>
<b>Financial Assets</b>		
Term deposits – term over 3 months	-	2,006,833
	<u>-</u>	<u>2,006,833</u>
<b>8 Trade and Other Receivables</b>		
Interest Receivable	-	2,658
Accounts Receivable	200,272	497,608
GST receivable	184,607	-
	<u>384,879</u>	<u>500,266</u>

Term deposits were not maintained during the financial year ended 30 June 2022, no interest was earned. The effective interest rate on bank term deposits held in the financial year ended 30 June 2021 was 0.22%. These deposits had an average maturity of 102.8 days.

No allowance has been made for expected credit losses for the current year (2021: \$nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Group 2022 \$	Group 2021 \$
<b>9 Other Assets</b>		
<i>Current</i>		
Security deposit – lease Canberra	2,906	2,906
Security deposit – other	200	200
Prepayments – other	469,212	744,110
	<u>472,318</u>	<u>747,216</u>
<b>10 Property, Plant &amp; Equipment</b>		
Furniture & fittings - at cost	178,281	178,281
Accumulated depreciation	(167,191)	(72,813)
	11,090	105,468
Computer equipment – at cost	534,915	533,299
Accumulated depreciation	(501,945)	(348,633)
	32,970	184,666
Office equipment – at cost	227,437	227,437
Accumulated depreciation	(219,664)	(167,049)
	7,773	60,388
Leasehold improvements – at cost	290,967	290,967
Accumulated depreciation	(275,930)	(104,387)
	15,037	186,580
Computer software – at cost	102,362	102,362
Accumulated depreciation	(102,362)	(100,953)
	-	1,409
	<u>66,870</u>	<u>538,511</u>
<b>Intangible Assets</b>		
Intangible Assets software – at cost	-	166,003
Accumulated depreciation	-	(159,877)
	<u>-</u>	<u>6,126</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Group 2022 \$	Group 2021 \$
<b>11 Right-of-use - Current</b>		
<b>Right-of-use assets</b>		
Right-of-use assets – at cost	2,891,684	2,891,684
Accumulated depreciation	(2,579,078)	(1,641,230)
	<u>312,606</u>	<u>1,250,454</u>

**Movements in Carrying Amounts**

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

	<i>Furniture &amp; fittings</i>	<i>Computer Equipment</i>	<i>Office Equipment</i>	<i>Leasehold Improvements</i>	<i>Computer Software</i>	<i>Intangible Assets</i>	<i>Right-of- use assets</i>	<b>Total</b>
<b>Balance at the beginning of year</b>	105,468	184,666	60,388	186,580	1,409	6,127	1,250,454	<b>1,792,092</b>
<b>Additions</b>	-	4,236	-	-	-	-	-	<b>4,236</b>
<b>Disposals</b>	-	-	-	-	-	-	-	-
<b>Depreciation expense</b>	(94,378)	(155,932)	(52,615)	(171,543)	(1,409)	(6,127)	(937,848)	<b>(1,419,852)</b>
<b>Carrying amount at the end of the year</b>	11,090	32,970	7,773	15,037	-	-	312,606	<b>379,476</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Group 2022 \$	Group 2021 \$
<b>12 Trade and Other Payables</b>		
Trade creditors	835,571	875,318
Accruals	879,499	628,463
Superannuation payable	182,259	193,211
Contract liabilities (i)	4,531,196	7,695,899
PAYG payable	42,230	23,660
	<u>6,470,755</u>	<u>9,785,386</u>
(i) Contract liabilities		
Department of Health Prepaid Income	2,763,296	4,225,275
Other Prepaid Income	1,767,900	3,470,624
	<u>4,531,196</u>	<u>7,695,899</u>

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Group 2022 \$	Group 2021 \$
<b>13 Provisions</b>		
<i>Current</i>		
Provision for annual leave	1,718,282	1,762,518
Provision for long service leave	1,923,739	1,791,187
Provision for lease restoration costs	150,904	150,906
	<u>3,792,925</u>	<u>3,704,611</u>

The provision for lease restoration costs was re-valued using market-based estimations of make-good liabilities that may be incurred at termination of lease. The lease for premises in Surry Hills will be surrendered by 31 October 2022.

All provisions are current due to pending liquidation.

**14 Lease liabilities - Right-of-Use Assets**

<i>Current</i>		
Lease Liabilities - Right-of-Use Assets	331,923	1,304,207
	<u>331,923</u>	<u>1,304,207</u>

Lease Liabilities - the Group leases three offices spaces in Australia. The lease for premises in Surry Hills will be surrendered by 31 October 2022. Leased shared office space in Melbourne and Canberra are retained on a month-to-month basis.

**15 Retained Earnings**

Balance at the beginning of the financial year	2,360,501	2,701,254
Deficit for the year	(1,436,395)	(340,753)
Balance at the end of the financial year	<u>924,106</u>	<u>2,360,501</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**
**16 Members Guarantees**

The Group is limited by guarantee. In the event of winding-up, the Group Constitution requires each member to contribute a maximum of \$50 towards meeting any outstanding obligations of the Group. The number of members as at 30 June 2022 was 64 (2021: 64) comprising voting, non-voting and honorary members.

**17 Cash flow Information**

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

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

	Group 2022 \$	Group 2021 \$
Deficit for the year	(1,436,395)	(340,753)
Depreciation and amortisation	1,419,852	1,302,838
<i>Changes in Working Capital: assets and liabilities:</i>		
Decrease / (Increase) in trade and other receivables	115,388	(22,727)
Increase in other assets	274,899	333,094
(Decrease) in trade and other payables	(3,314,631)	(105,544)
Increase in provisions	88,314	130,298
Net cash (used in) / generated by operating activities	<u>(2,852,574)</u>	<u>1,297,206</u>

**18 Key management personnel disclosures**

The key management personnel of the Group include the Directors as disclosed in the Directors' Report and Senior Management. 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 paid to Senior Management as Salary.

	Group 2022 \$	Group 2021 \$
Transactions with key management personnel		
<b>Key Management Personnel Compensation</b>		
Short-term employee benefits	1,153,365	1,225,992
	<u>1,153,365</u>	<u>1,225,992</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**
**19 Economic Dependency**

The Group's ongoing operations are dependent on continuation of existing contractual arrangements with the Australian Government Department of Health, which is based on the existing terms of the grant contract for the period of 1 January 2020 to 30 June 2022. A grant contract extension has been secured guaranteeing funding for the period 1 July 2022 to 31 December 2022.

**20 Segment Information**

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

**21 Capital and Leasing Commitments**

Lease and Other Contractual Commitments:

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

	Group 2022 \$	Group 2021 \$
Payable:		
Not later than one year	331,923	932,208
Later than one but not later than five years	-	331,923
	<u>331,923</u>	<u>1,264,131</u>

**22 Related Party Transactions**
**a) Key management personnel compensation**

Details of key management personnel compensation are disclosed in note 18 to the financial statements.

**b) Transactions with other related parties**

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

VentureWise, the 100% wholly owned subsidiary of NPS MedicineWise, was deregistered on 11 July 2021.

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 22 Related Party Transactions (continued)

VentureWise was deregistered on 11 July 2021. During 2021-22 financial year, the following intercompany transactions incurred between NPS MedicineWise and VentureWise and they were eliminated on consolidation in the Group financial statements:

Intercompany Loan balance between NPS MedicineWise and VentureWise of \$395,270 was written off by NPS MedicineWise (2021: \$398,207).

### 23 Subsequent Events

On 25 August 2022 NPS MedicineWise received the result of the incoming Government's Rapid Review, finding that the policy intention of the 2022-23 Budget Measure was appropriate for the delivery of the Quality Use of Diagnostics, Therapeutics and Pathology Program. In light of this decision, on 6 September 2022, the Directors resolved to liquidate NPS MedicineWise by 31 December 2022. Planning for the transition of functions to the Australian Commission on Safety and Quality in Health Care is now underway.

### 24 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:  
Pitcher Partners  
Level 16, Tower 2 Darling Park  
201 Sussex Street  
Sydney NSW 2000, Australia

The principal places of business of the Group are:

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

Canberra:  
National Prescribing Service Limited (NPS MedicineWise)  
C/O Regus, 15 Moore Street  
Canberra ACT 2601

Melbourne:  
National Prescribing Service Limited (NPS MedicineWise)  
C/O Inspire9, Level 1, 41-43 Stewart Street  
Richmond VIC 3121

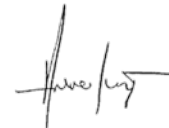
## RESPONSIBLE PERSONS' DECLARATION

The Directors declare that:

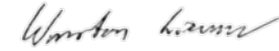
- (a) in the Directors' opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the Australian Charities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

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

On behalf of the Directors



**Andrew Knight**  
Chair of National Prescribing Service Limited



**Winston Liauw**  
Director & Chair of the Board Audit and Risk Committee

Dated at Sydney: 23 September 2022



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**Independent Auditor's Report  
To National Prescribing Service Limited  
ABN 61 082 034 393**

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of National Prescribing Service Limited, "the Registered Entity" and its subsidiaries "the Group", which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of National Prescribing Service Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Emphasis of Matter Regarding the Non-Going Concern Basis of Preparation

We draw attention to Note 1(c) of the financial report, which describes that the financial report has been prepared on a non-going concern basis, as the Registered Entity intends to cease operations and go into liquidation by 31 December 2022. Our opinion is not modified in respect of this matter.

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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**Independent Auditor's Report  
To National Prescribing Service Limited  
ABN 61 082 034 393**



#### Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Directors' Report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### Responsibilities of Responsible Persons for the Financial Report

The responsible persons of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible persons determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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**Independent Auditor's Report  
To National Prescribing Service Limited  
ABN 61 082 034 393**



- Conclude on the appropriateness of the responsible persons' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Melissa Alexander  
Partner

23 September 2022

Pitcher Partners  
Sydney

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To all of you we say  
**THANK YOU**



# Working together

The impact that has been made in QUM over the last 24 years has only been possible through the many partnerships and collaborations that NPS MedicineWise has had with health professionals, consumers, health sector organisations, industry and government. These partnerships have enabled us to work together in synergistic, connected and collaborative ways to improve health outcomes.

Our 46 member organisations have been an important and valued asset to our work, and important partners in our programs over the years. They represent GPs, pharmacists, specialists, nurses, other health professionals, the pharmaceutical industry, government and the Australian community (see Page 30 for full list). However, there are also many other organisations and individuals who have provided their time, insights, guidance and resources to enable the design and delivery of better, more impactful QUM programs.

This year, we particularly wish to acknowledge:

- ▶ Our “Working Together” partners with whom we have had formal working together agreements to drive quality use of medicines programs and activities:
  - ◊ Australian Commission on Safety and Quality in Health Care
  - ◊ Consumers’ Health Forum of Australia
  - ◊ National Aboriginal Community Controlled Health Organisation
  - ◊ Pharmaceutical Society of Australia
  - ◊ Royal Australian College of General Practitioners
  - ◊ Society of Hospital Pharmacists of Australia
  - ◊ Therapeutic Guidelines Ltd

- ▶ Our program partners that have supported our delivery on specific programs and activities.
- ▶ Our Advisory and Governance Group members who have provided robust governance and ensured that our programs and interventions have been appropriately designed, targeted and contextualised to address priority QUM issues and meet the needs of different audiences.
- ▶ Our delivery partners who have supported us operationally
- ▶ The health professionals and consumers who have participated in our programs, subscribed to our content, and trusted us with their information and stories.

In this final Annual Report, we would like to say a big thank you to everyone who has worked with us over the last 24 years and has contributed to making a positive difference to QUM in Australia.

## OUR MEMBERS

## PROGRAM SPECIFIC PARTNERS

- ▶ Aged Care Quality and Safety Commission
- ▶ Arthritis Australia
- ▶ Australasian College of Dermatologists
- ▶ Australasian Society of Clinical Immunology and Allergy (ASCI A)
- ▶ Australian Association of Consultant Pharmacy (AACP)
- ▶ Australian and New Zealand Musculoskeletal (ANZMUSC) Clinical Trials Network
- ▶ Australian College of Rural and Remote Medicine (ACRRM)
- ▶ Australian Commission on Safety and Quality in Health Care (ACSQHC)
- ▶ Australian and New Zealand Society for Geriatric Medicine (ANZSGM)
- ▶ Australian Deprescribing Network
- ▶ Australian Medicines Handbook
- ▶ Australian Psychological Society (APS)
- ▶ Australian Rheumatology Association
- ▶ Beyond Blue
- ▶ Black Dog Institute
- ▶ Choosing Wisely Australia member and supporter organisations representing health professional colleges, societies and associations, champion health services and consumer supporter organisations (see [www.choosingwisely.org.au](http://www.choosingwisely.org.au) for full details).
- ▶ Cochrane Musculoskeletal
- ▶ Council of Australian Therapeutic Advisory Groups (CATAG)
- ▶ Crohn's and Colitis Australia
- ▶ Gastroenterological Society of Australia
- ▶ Headspace
- ▶ Hepatitis NSW
- ▶ Kidney Health Australia
- ▶ Mental Health Division | Health Systems Policy and Primary Care Group, Australian Government Department of Health and Aged Care
- ▶ National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners (NAATSIHWP)
- ▶ National Blood Authority
- ▶ National Rural Health Alliance
- ▶ Older Persons Advocacy Network (OPAN)
- ▶ Online Pain Education Network
- ▶ Orygen Health
- ▶ Pharmacy Program Section - Pharmacy Branch, Australian Government Department of Health and Aged Care
- ▶ Primary Health Networks (PHN)
- ▶ Primary Health Network Gold Coast
- ▶ Psoriasis Australia
- ▶ Quality Use of Medicines & Pharmacy Research Centre, University of South Australia
- ▶ Reach Out
- ▶ Reconnexion
- ▶ Quit Victoria
- ▶ Twenty10
- ▶ Wiser Healthcare

## ADVISORY GROUPS AND EXTERNAL CHAIRS

- ▶ Clinical Intervention Advisory Group – Co-Chairs Prof Tim Underwood and Darlene Cox
- ▶ Data Development Advisory Group
- ▶ General Practice (GP) Advisory Group
- ▶ Independent Data Governance Committee – Professor Nigel Stocks
- ▶ Consumer Advisory Group - Michael Cousins
- ▶ Choosing Wisely Advisory Group – Dr David Rosengren
- ▶ Good Medicines Better Health Advisory Group

## DELIVERY PARTNERS

- ▶ Synogize Pty Limited
- ▶ Precedence Health Care Pty Limited
- ▶ Health and Biomedical Informatics Centre at the University of Melbourne
- ▶ The Drug and Therapeutic Information Service
- ▶ Cubesys

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