

Treasurer's Report

Prof. Tomris Ozben (TR)
IFCC Executive Board Treasurer

Treasurer's tasks performed in 2015

During my first year of term as the IFCC treasurer, with the valuable help and assistance of the IFCC office,

- *the annual dues of Full, Affiliate and Corporate Members have been received.*
- *the adherence of operating units of IFCC to their budgeted allocation have been monitored.*
- *detailed records of all transactions have been kept.*
- *reimbursements have been processed promptly.*
- *close contact and collaboration has been achieved with the Director and Portfolio Managers of the IFCC investment bank, (LGT) to optimise the financial return on IFCC investments.*
- *the annual accounts and financial actions have been reviewed by an external independent audit in order to finalize the actual income and expenses at 31st December 2015.*

**AUDIT REPORT
2015
BY IFCC
CONSULTANTS
H&G- MILAN (IT)**

H&G Audital

AUDIT REPORT

To: The Directors of the International Federation of Clinical Chemistry

We have audited the attached Financial Statements of the International Federation of Clinical Chemistry and Laboratory Medicine for the year ended 31st December 2014.

Respective responsibilities of directors and auditors

The directors of the Federation are responsible for the preparation of the Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

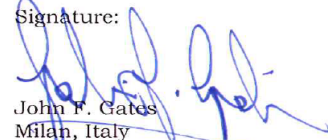
We conducted our audit in accordance with International Auditing Standards, which included examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. Our audit also took into account information independently received, which impacted directly upon the values expressed in the financial statements.

We planned and performed our audit so as to obtain all the information and explanations considered necessary to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement.

Opinion

In our opinion the Financial Statements, which have been prepared on a basis consistent with that of the previous year, give a true and fair view of the state of the Federation's affairs at 31st December 2014 and the result for the year then ended and are in accordance with the international accounting principles stated in the first of the Supplementary Notes.

Signature:


John F. Gates
Milan, Italy

Date: 13th March 2015

Partner in Humphreys & Gates Audital LLP

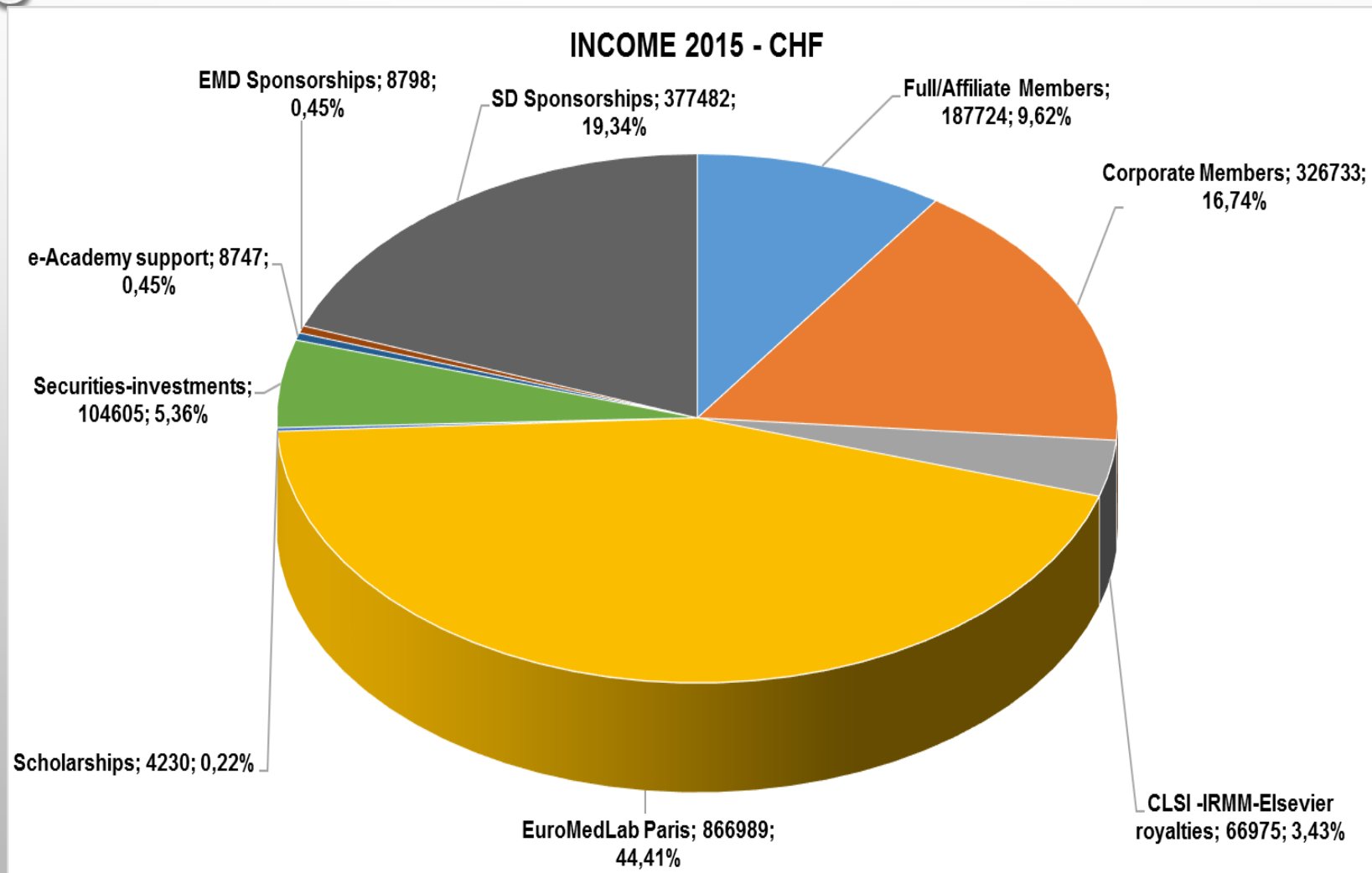
COMPARISON OF 2015 PROPOSED BUDGET WITH ACTUALS & 2016 BUDGET PROPOSAL (CHF)

IFCC NET INCOME - 2015 Budget to Actual at 31st December 2015

IFCC NET INCOME - 2015 Budget to Actual at 31 st December 2015				
	SUMMARY	Proposal 2015	Actual 2015	Proposal 2016
		CHF	CHF	CHF
	Total Operational revenues & financial income	1.388.000	1.952.283	580.000
	Total Operational costs & financial charges	1.796.461	1.797.422	1.877.341
	Profit (-loss) for the year	-408.461	154.861	-1.297.341

2015 INCOME (CHF)

2015 TOTAL INCOME BY CATEGORIES: CHF 1.952.283 (% of total income)



2015 TOTAL INCOME BY CATEGORIES: **CHF 1.952.283**

The revenue sources in 2015 are indicated in decreasing order (CHF):

- 1. Congresses (CHF 866 989)**
- 2. Sponsorships (CHF 399 257)**
- 3. Corporates members' contributions (CHF 326 733)**
- 4. Full+Affiliate Members' contributions (CHF 184 858+2 866 = 187 724)**
- 5. Royalties (CHF 66 975)**
- 6. Increase in value of investments in year (CHF 48 548)**
- 7. Realised profits on sales of investments (CHF 41 920)**
- 8. Marketable securities (CHF 14 137)**

TOTAL: CHF 1.952.283

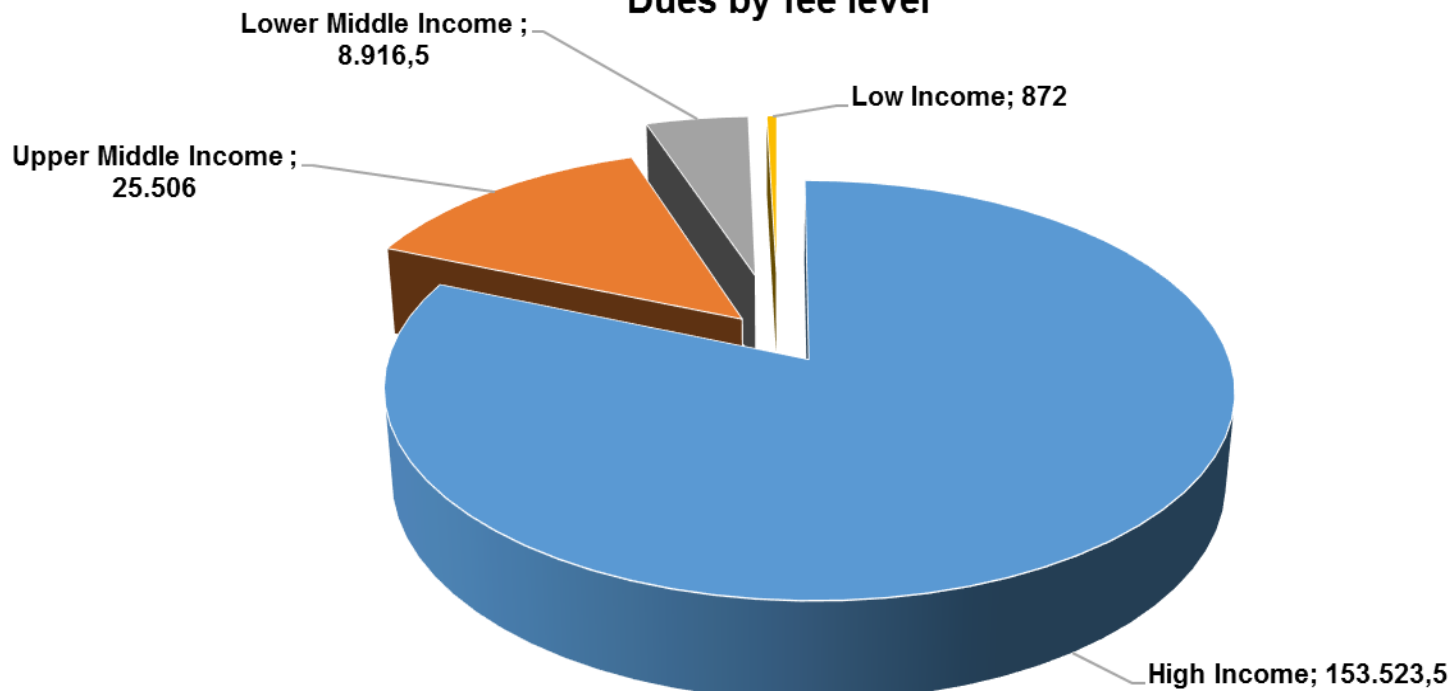
IFCC Membership Dues 2015 (total: **CHF 514 457**)

<i>Dues</i>	<i>CHF</i>
<i>Full members</i>	184 858
<i>Corporate members</i>	326 733
<i>Affiliate members</i>	2 866
<i>Total</i>	514 457

- *Thanks all the member Societies and Companies that supported IFCC throughout the years.*
- *Your continuous contribution have made possible the accomplishment of numerous IFCC tasks and projects.*
- *We thank the members for their loyalty and attention in paying dues at the start of the year, which helps the cash flow.*

Full Members 2015 expected dues by fees' levels (World Bank classification) (dues: **CHF 188.817**)

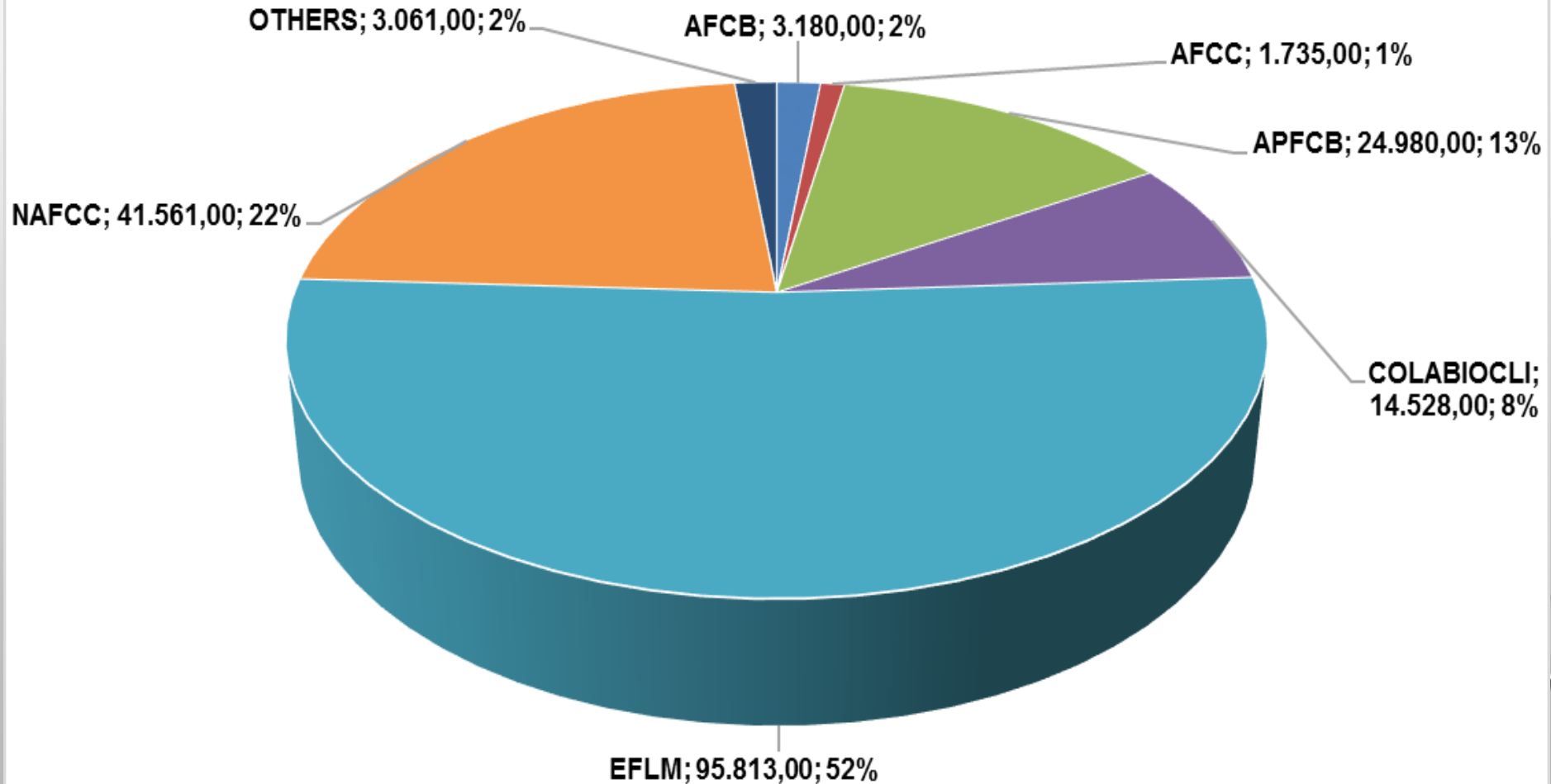
Dues by fee level



Low Income dues (CHF 5)	4 countries
Lower Middle dues (CHF 5,5)	18 countries
Upper Middle dues (CHF 6)	27 countries
High Income dues (CHF 6,5)	41 countries

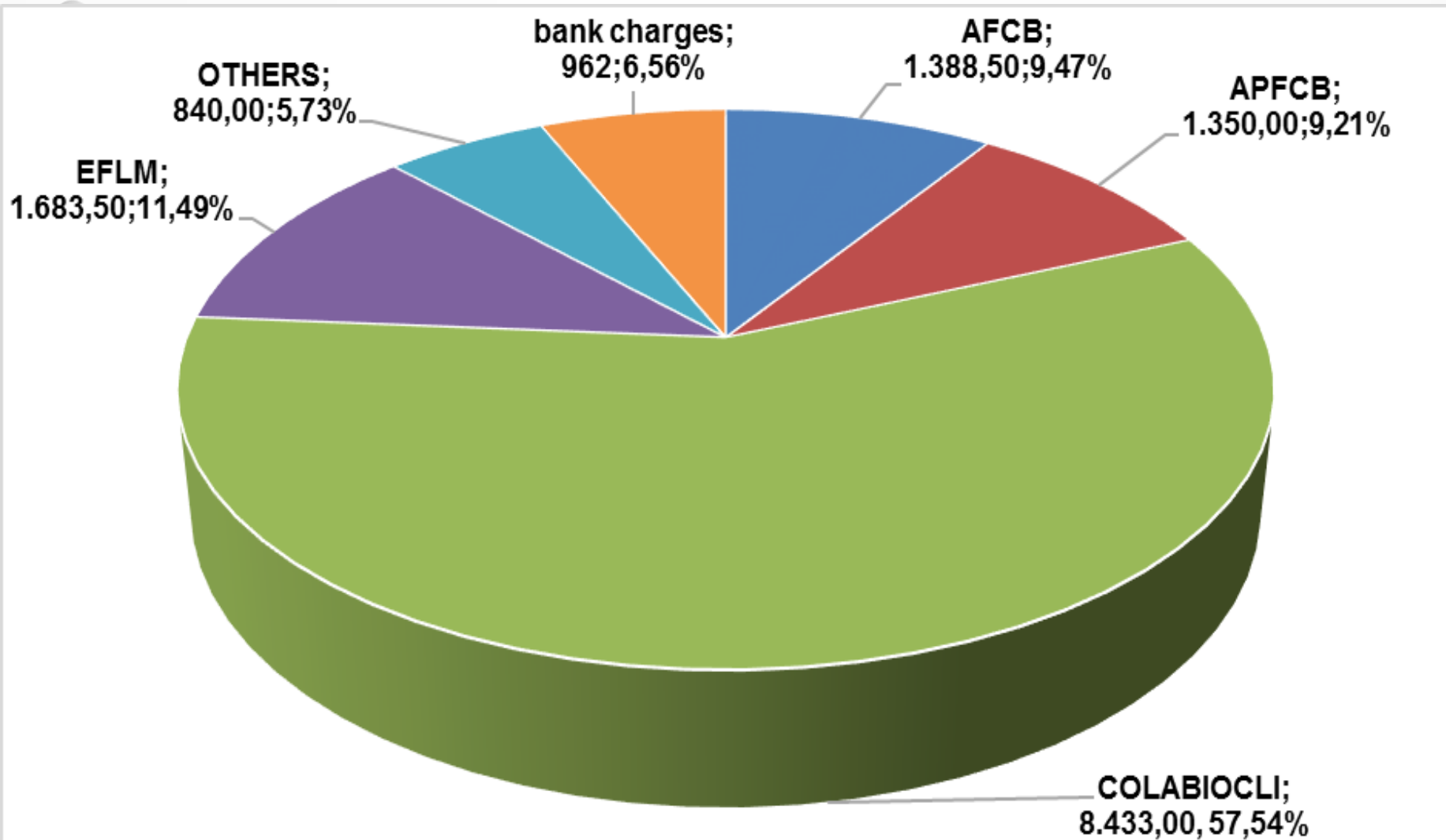
Full Members 2015 Received Dues by Regions (total: **CHF 184.858**)

ACTUAL RECEIVED DUES BY REGIONS



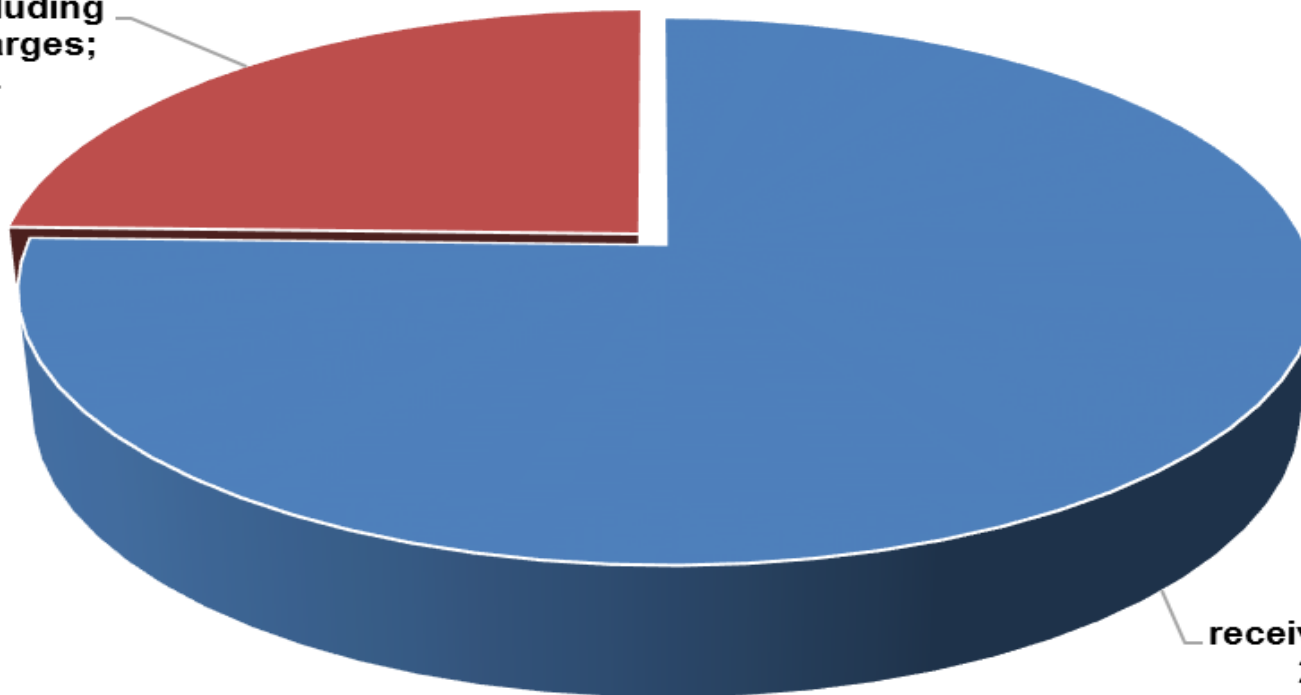
Full Members' Outstanding Dues 2014-2015 by Region

TOTAL CHF 14.657



Affiliate Members 2015 Received and Outstanding Dues

outstanding
dues, including
bank charges;
934

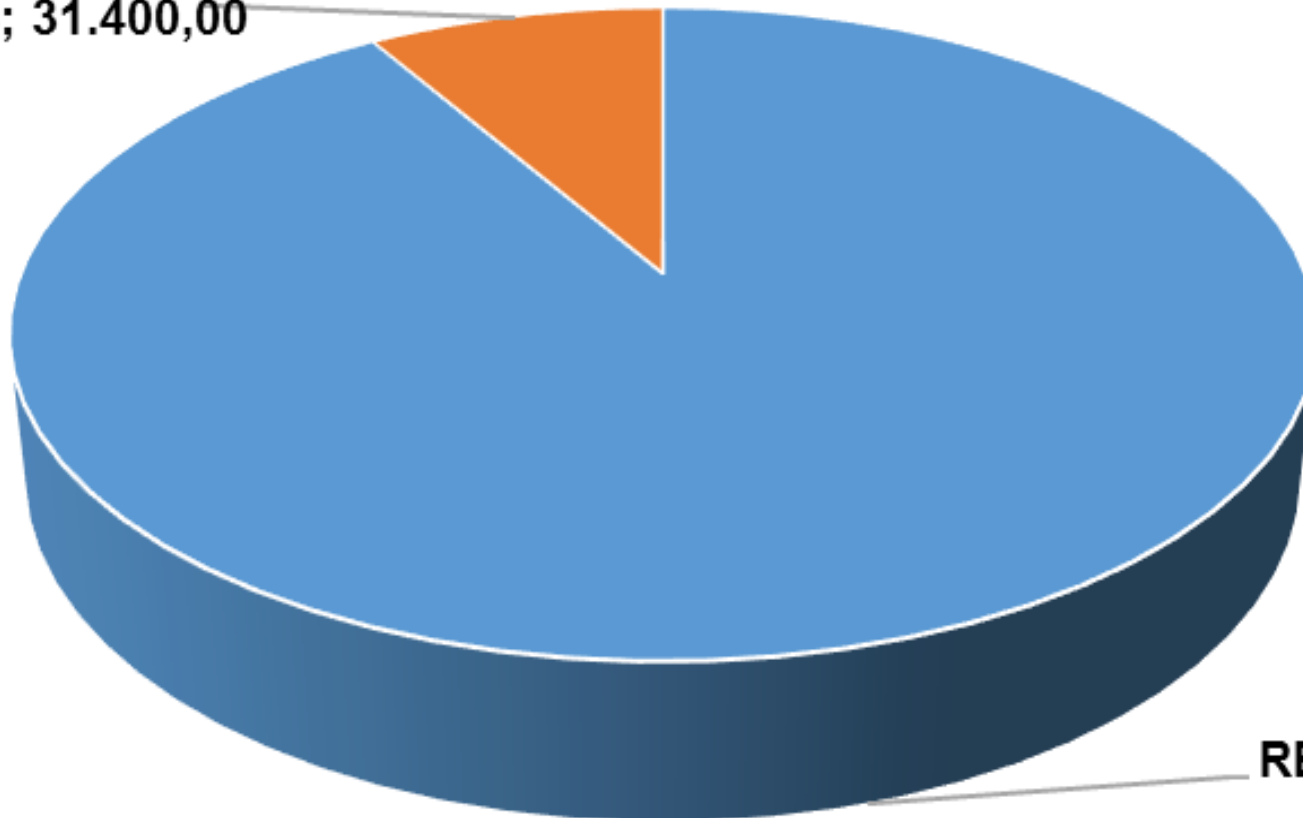


received dues;
2866

Total 2015 Affiliate Members dues: CHF 3.800

CORPORATE MEMBERS 2015 DUES (CHF)

**OUTSTANDING
DUES; 31.400,00**



**RECEIVED
DUES;
326.733,00**

IFCC is grateful to the IVD industry for their support and active participation in the IFCC scientific events.

Corporate Members' dues scheme

Corporate membership dues (CHF)

Annual Turnover in the field of Clinical Chemistry:

Up to	US \$ 3 Million	CHF 2.250
Up to	US \$ 20 Million	CHF 5.600
Up to	US \$ 100 Million	CHF 8.950
Up to	US\$ 400 Million	CHF 10.100
Up to	US\$ 600 Million	CHF 11.200
More than	US\$ 600 Million	CHF 13.500

CORPORATE Members: 2014 outstanding dues

Total outstanding dues 2014	8.950,00
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CORPORATE Members: 2015 outstanding dues

CORPORATE MEMBERS	Dues
Total outstanding dues 2015	31.400,00

IFCC-EFLM EUROMEDLAB PARIS 2015 CONGRESS

FINAL BUDGET DATA

FROM FINAL BUDGET BUDGET	INCOME	EXPENSES	BALANCE
COMPANIES	€ 3.317.202,52		
REGISTRATIONS	€ 1.681.950,00		
SOCIAL EVENING FEES	€ 25.440,00		
TOTAL	€ 5.024.592,52		€ 5.024.592,52
CONGRESS EXPENSES		€ 1.853.229,67	
TOTAL		€ 1.853.229,67	€ 1.853.229,67
GROSS PROFIT			€ 3.171.362,85
to IFCC/EFLM (15% of income)		€ 749.872,88	
TOTAL PROFIT			€ 2.421.489,97

IFCC expenses extra-agreement (paid in advance by MZC)		- € 50.302,00	
FINAL AMOUNT TO IFCC/EFLM		€ 699.570,88	

IFCC MEETINGS INCOME PARTITION BY YEARS (CHF)

<i>income</i>	<i>partition</i>	<i>year availability</i>
WordLab (Istanbul) 2014 ~€ 500,000	3 years	~€ 167,000
EuroMedLab (Paris) 2015 ~€ 500,000	2 years	~€ 250,000
Total: ~€ 1,000,000		~€ 417,000 (~CHF 451,820)

THE INCOME FROM THE MEMBERSHIP DUES AND ANNUAL MEETINGS IN 2015 (CHF)

CHF 514 457

(dues)

CHF 451 820

(annual meetings income)

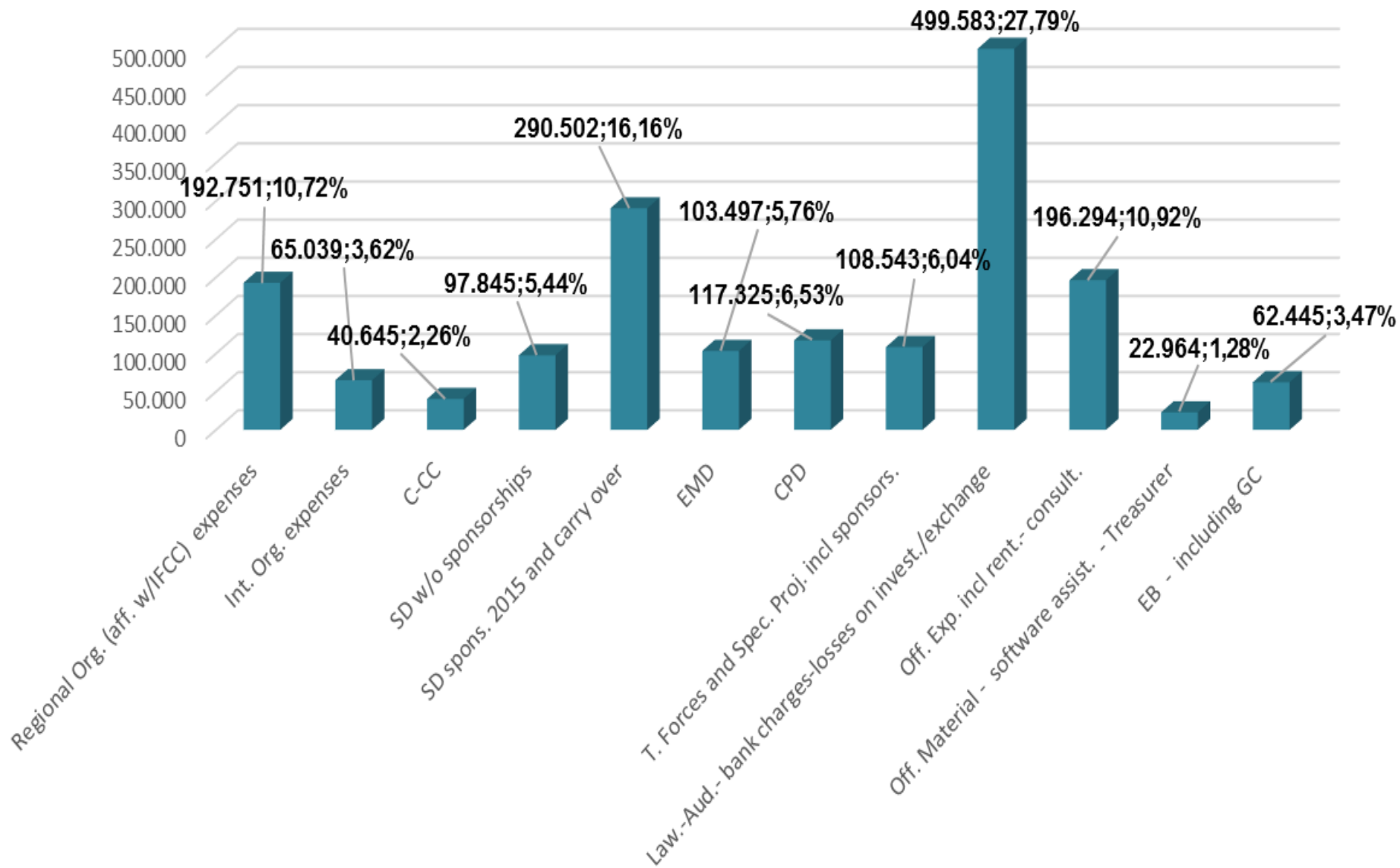
CHF 966 277

SPONSORSHIP FUNDS RAISED IN 2015 (CHF)

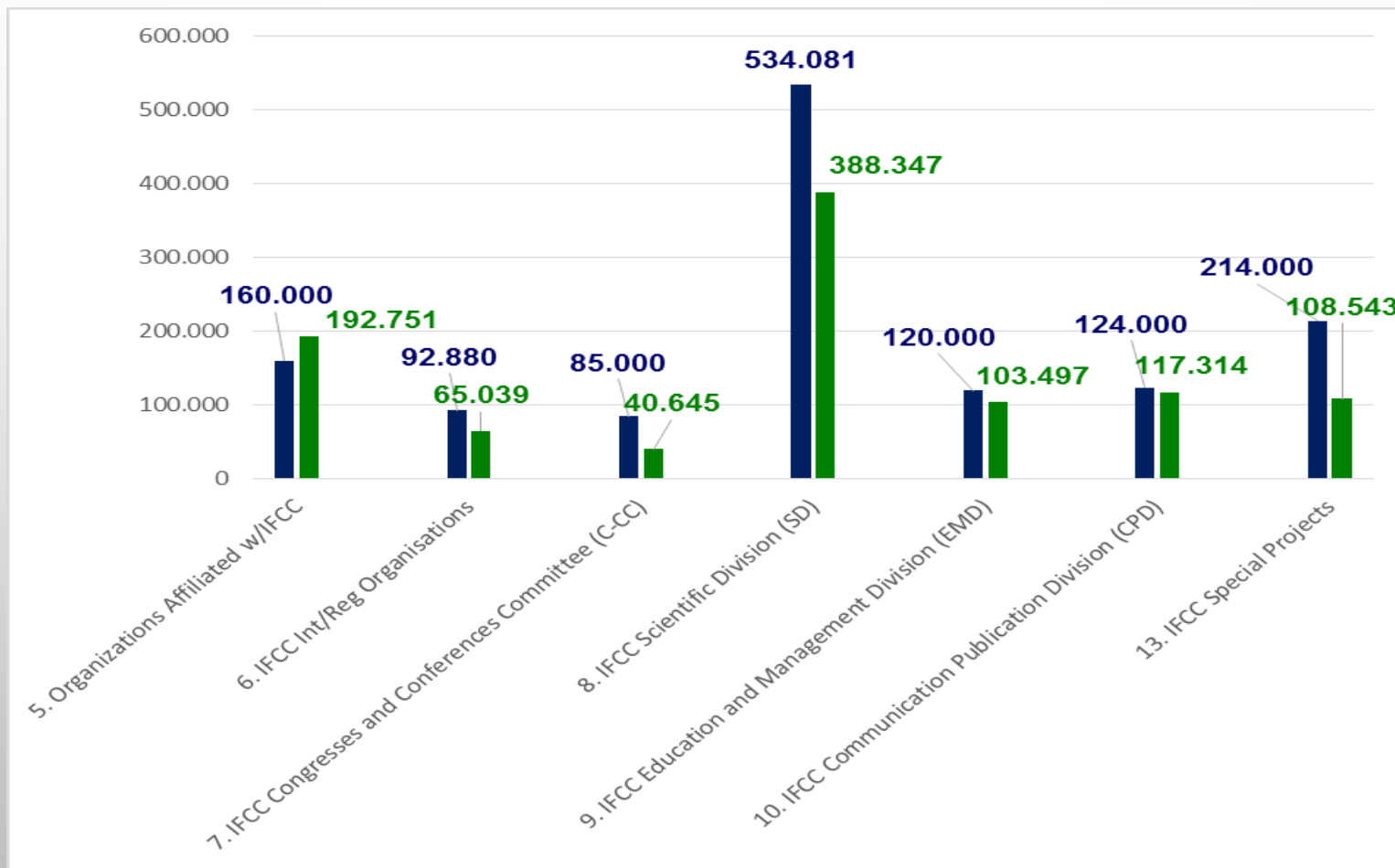
CHF	SPONSORSHIP
CHF 377 482	<i>SD</i> received sponsorships
CHF 13 028	<i>EMD</i> received sponsorship
CHF 8 747	<i>CPD</i> received sponsorship
CHF 399 257	TOTAL

2015 EXPENSES

2015 expenses per functional units (percentages in the total expenditure) **(CHF 1.797.433)**



2015 Functional Units actual expenses compared to their allocated budget (CHF)



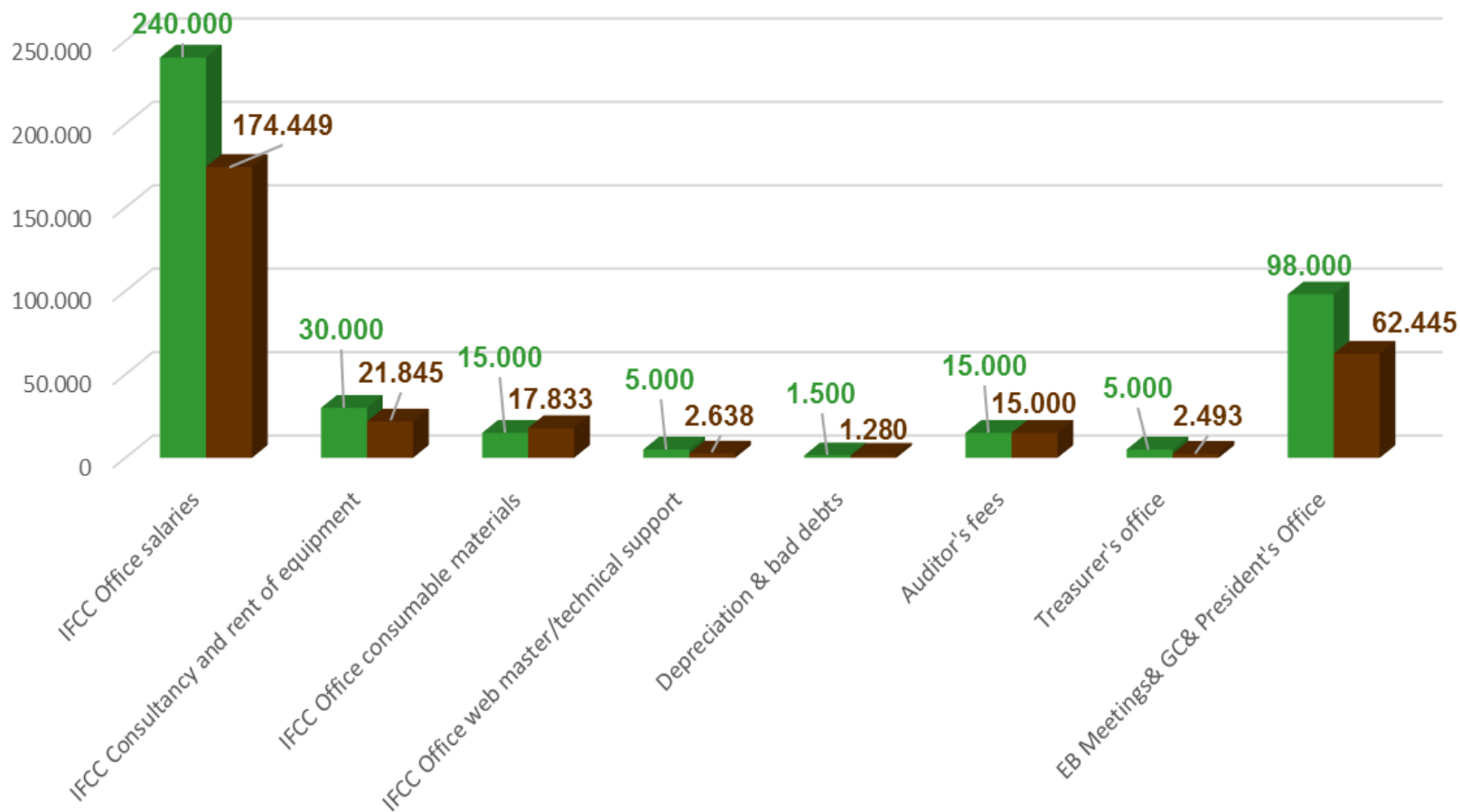
PROPOSED

ACTUAL

2015 Functional Units actual expenses compared to their allocated budget (CHF)

	proposal	actual
IFCC Regional Organisations	160.000	192.751
Organizations Affiliated with FCC	92.880	65.039
IFCC Congresses and Conferences Committee (C-CC)	85.000	40.645
IFCC Scientific Division (SD)	534.081	388.347
IFCC Education and Management Division (EMD)	120.000	103.497
IFCC Communication Publication Division (CPD)	124.000	117.314
IFCC Special Projects	214.000	108.543
TOTAL	1.329.961	1.016.136

2015 Organizational Matters actual expenses compared to their allocated budget (CHF)



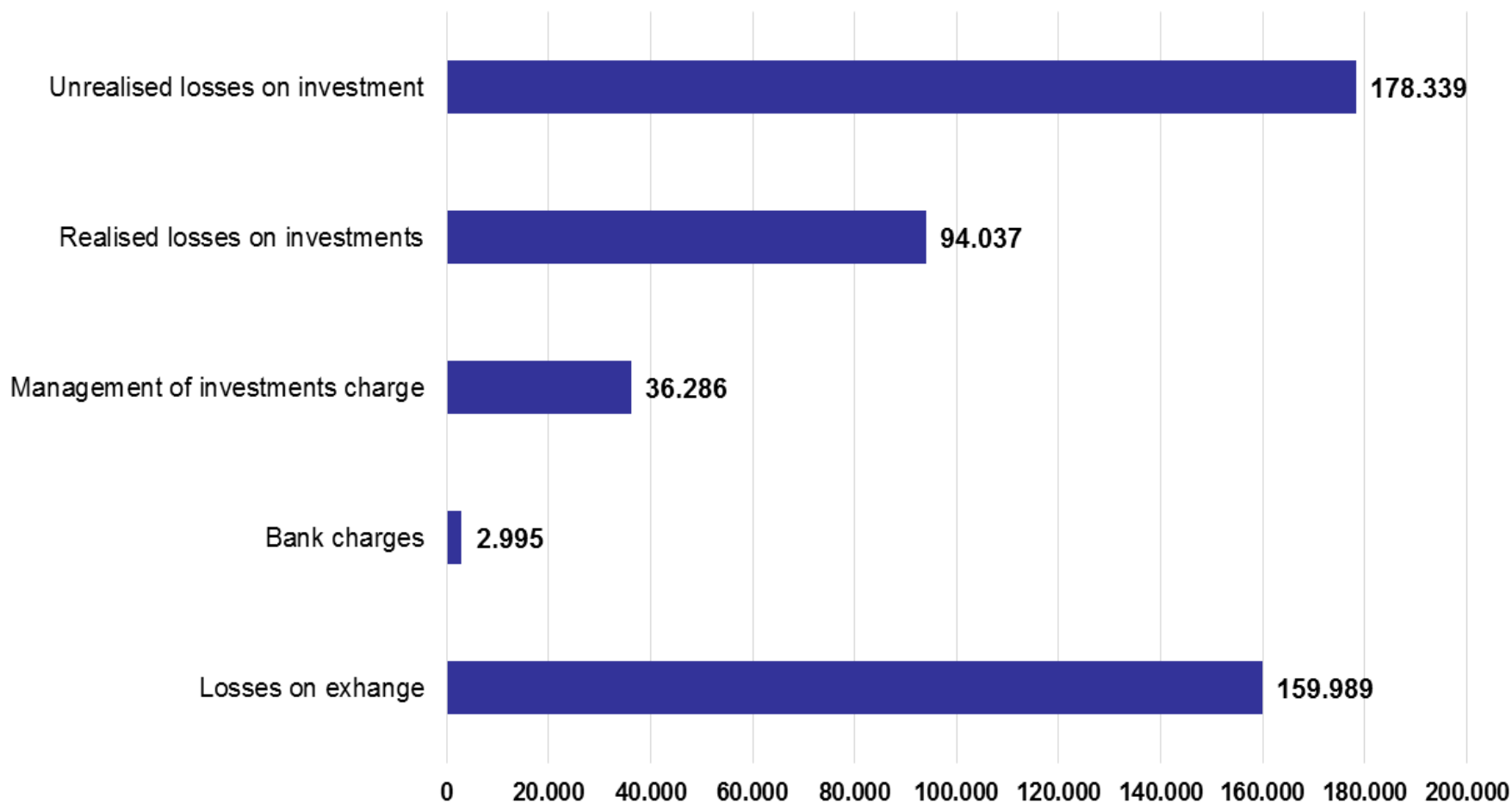
PROPOSED

ACTUAL

2015 Organizational Matters actual expenses compared to their allocated budget (CHF)

EXPENSES	Proposal 2015	Actual 2015
	CHF	CHF
IFCC Office salaries	240.000	174.449
IFCC Consultancy and rent of equipment	30.000	21.845
IFCC Office consumable materials	15.000	17.833
IFCC Office web master/technical support	5.000	2.638
Depreciation & bad debts	1.500	1.280
Auditor's fees	15.000	15.000
Treasurer's office	5.000	2.493
EB Meetings & GC & President's Office	98.000	62.445
TOTAL	409.500	297.983

2015 actual expenses: exchange, bank charges, and investment (CHF)



2015 actual expenses of exchange, bank charges, and investment (CHF)

<i>EXPENSES</i>	<i>Actual 2015</i>
<i>Losses on exchange</i>	<i>159.989</i>
<i>Bank charges</i>	<i>2.995</i>
<i>Management of investments charge</i>	<i>36.286</i>
<i>Realised losses on investments</i>	<i>94.037</i>
<i>Unrealised losses on investment</i>	<i>178.339</i>

Effects of Parity Change **CHF vs EUR**

Losses on exchange in 2015 CHF 159 989

CHF per 1 EUR

9 Mar 2014 00:00 UTC - 8 Mar 2016 21:17 UTC

EUR/CHF close: **1.09593** low: **0.98207** high: **1.22327**



LGT BANK PORTFOLIO

LIECHTENSTEIN GLOBAL TRUST

LGT Bank (Switzerland) Ltd.
Rue du Rhône 21, CH-1204 Geneva

Phone +41 22 318 65 00, Fax +41 22 318 65 11
lgt.ch@lgt.com, www.lgt.ch, BIC BLFLCHBB
CHE-116.267.756 VAT

statement of assets as of 21.01.2015



Statement of assets

December 31st, 2015

statement of assets as of 31.12.2015

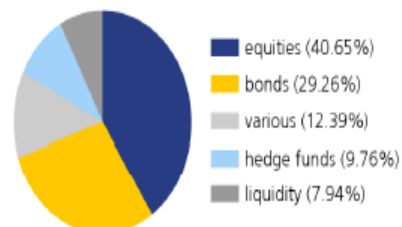
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asset allocation overview

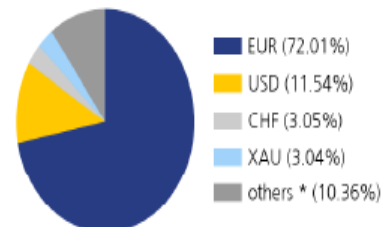
asset allocation/ currency	amount in EUR	EUR	USD	CHF	XAU	others *	% of portfolio
liquidity	229,481.13	24.62 %	-13.49 %	0.02 %		-3.20 %	7.94 %
short-term investments	2,029.07	3.48 %	-2.45 %	0.00 %		-0.95 %	0.07 %
bonds	845,267.70	19.48 %	7.04 %	0.00 %		2.74 %	29.26 %
equities	1,174,421.11	12.26 %	13.99 %	3.01 %		11.38 %	40.65 %
hedge funds	281,868.53	9.76 %					9.76 %
private equity	58,025.44	0.67 %	0.93 %	0.02 %		0.39 %	2.01 %
real estate participations	150,420.88		5.21 %				5.21 %
commodities/metals	138,332.50	1.75 %			3.04 %		4.79 %
Derivatives	9,040.29		0.31 %				0.31 %
		72.01 %	11.54 %	3.05 %	3.04 %	10.36 %	100.00 %
total	2,888,886.65	2,080,182.76	333,322.92	88,222.23	87,892.00	299,266.74	

LGT funds allocation considered.

asset allocation

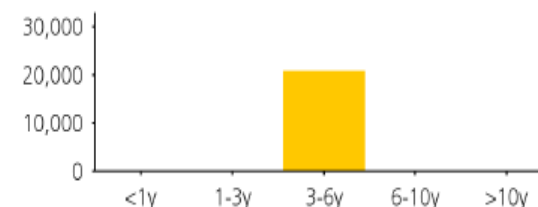


currency allocation



* others JPY, GBP, NOK, XAG

overview of final maturities in EUR



modified duration 1.51

Monthly return of investments

December 31st, 2015



client: International Federation of Clinical Chemistry and Laboratory Medicine (IFCC)
client number: 2824533.014
reference currency: EUR

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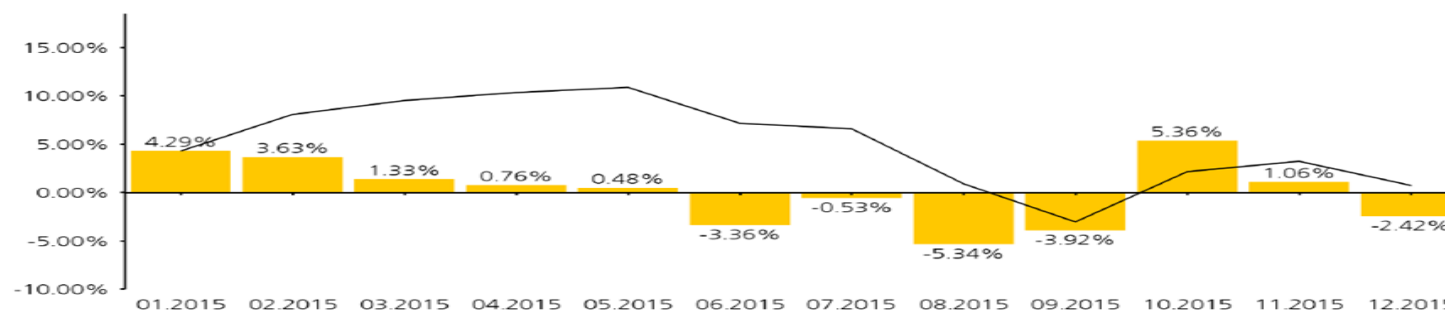
statement of assets as of 31.12.2015

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monthly return in the above mentioned period

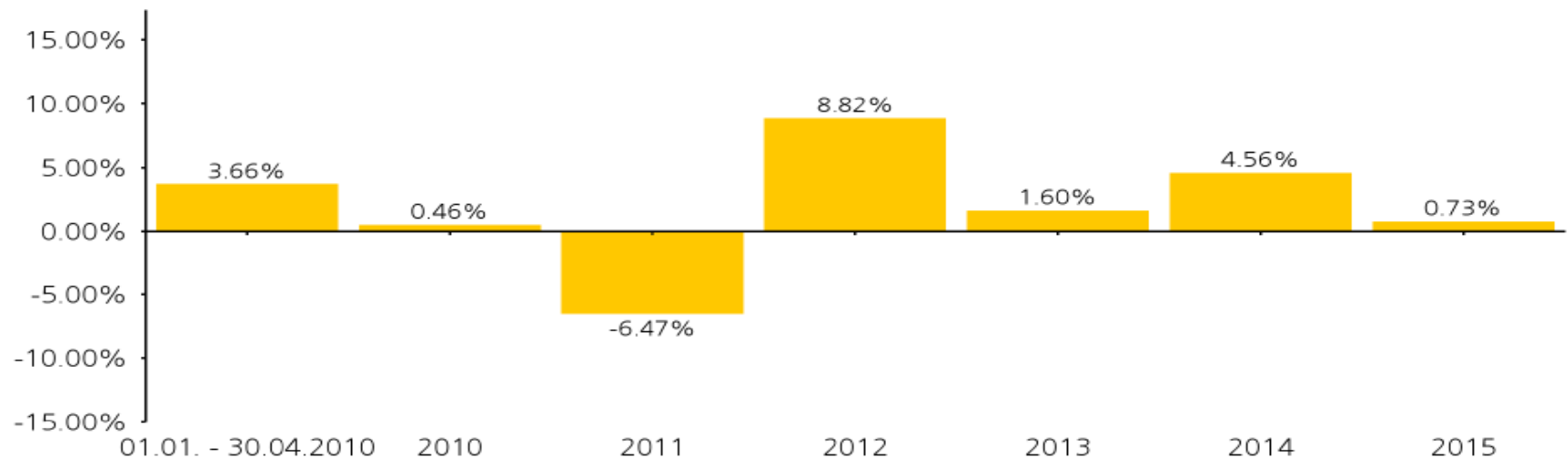
month	value end of month	change in net value	average capital	performance net per month	performance net per quarter	performance net per semester	performance net cumulative
01.2015	2,991,071.77	123,140.63	2,867,931.14	4.29 %			4.29 %
02.2015	3,099,726.79	108,655.02	2,991,071.77	3.63 %			8.08 %
03.2015	3,140,970.12	41,243.33	3,099,726.79	1.33 %	9.52 %		9.52 %
04.2015	3,164,712.12	23,742.00	3,140,970.12	0.76 %			10.35 %
05.2015	3,179,948.55	15,236.43	3,164,712.12	0.48 %			10.88 %
06.2015	3,073,214.60	-106,733.95	3,179,948.55	-3.36 %	-2.16 %	7.16 %	7.16 %
07.2015	3,056,966.56	-16,248.04	3,073,214.60	-0.53 %			6.59 %
08.2015	2,893,848.56	-163,118.00	3,056,966.56	-5.34 %			0.90 %
09.2015	2,780,455.77	-113,392.79	2,893,848.56	-3.92 %	-9.53 %		-3.05 %
10.2015	2,929,591.57	149,135.80	2,780,455.77	5.36 %			2.15 %
11.2015	2,960,659.72	31,068.15	2,929,591.57	1.06 %			3.23 %
12.2015	2,888,886.65	-71,773.07	2,960,659.72	-2.42 %	3.90 %	-6.00 %	0.73 %

monthly return



Historic Performance of IFCC LGT Bank Portfolio (2010-2015)

historic performance



- The revenues of IFCC investments at LGT in the previous four years (**2012-2015; $8.82+1.60+4.56+0.73 = 15.71\%$**).
- The sudden devaluation of EUR in 2015 (15-20%) is more than the revenues of the last four years' investment at the LGT Bank.

5 different LGT investment portfolios with and without alternative investments

Name	% of equities	Risk tolerance	Base currencies offered	Duration	returns year to date (30.6.2015)
Income	0%	Very low	CHF, EUR, USD,GBP,		
Conservative	20% (5-35%)	Low	CHF, EUR, USD,GBP,	Min. 4 years	2.90%
Balanced	40% (25-55%)	Average	CHF, EUR, USD,GBP,	Min. 5 years	4.28%
Growth	70% (55-85%)	High	CHF, EUR, USD,GBP,	Min. 8 years	6.06%
Equities	79% (70-100)	Very High	CHF, EUR, USD,GBP,		

- IFCC had chosen the "**Growth**" portfolio containing alternative investments among the five portfolios as shown above. The reference currency was chosen as "**Euro**", the duration of investment as "**min. 8 years**" and the risk tolerance "**High**".
- The risk tolerance of these five portfolios ranges from Very low to Low, Average, High, and Very High. The very low risk brings low income and mostly depends on interest income, and does not include equities (0% of equities).
- The risk increase is proportional to the inclusion of the equities in the portfolio from average of 20% to 79%.
- Each of the five portfolio classifications have two different types of investments based on the inclusion or not of alternative investments on a fixed 20% proportion (oil, gold etc.). The liquidity of all five portfolios is fixed at a proportion of 2%.

IFCC portfolio chosen till October 2015

Growth incl. Alternative Investments (EUR)

Mandate data

Investment objective	Predominantly capital gains
Investment horizon	Min. 8 years
Risk tolerance	High
Reference currency	EUR
Minimum investment	EUR 500'000

Note:

No capital guarantee; Major part of the investments is being hedged in the reference currency.

Strategic asset allocation (SAA) and ranges



IFCC portfolio chosen till October 2015

- The LGT Director and Portfolio Manager confirm that the volatility of the profile chosen by IFCC with this exposition in equities (average 70%; range 55-85%) is around 14%.
- It means that the historical performances have been between +14% to -14% indicating a high-risk tolerance.
- There is no guarantee even that the worst scenario will not happen which is EUR losing value against CHF again and the negative income of IFCC portfolio up to -14% occurring at the same time leading to a big loss of IFCC capital.
- Taking into consideration the current and future financial trends in economy, IFCC Executive Board in September 2015 decided to move from the **“GROWTH”** to **“BALANCED”** portfolio with less risks.

“GROWTH” to “BALANCED” portfolio

IFCC portfolio after October 2015

IFCC portfolio until October 2015

LGT Bandwidth Mandate

LGT Bandwidth Mandate with and without alternative investments



	Income	Conservative	Balanced	Growth	Equities
Investment aims	Interest income	Heavily weighted to interest income	Balanced strategy	Heavily weighted to capital gains	Capital gains
Risk tolerance	Very low	Low	Average	High	Very high

Mandates with alternative investments (Plus): strategic allocation and bandwidths

	Income	Conservative	Balanced	Growth	Equities
Nominal values	78% (70-95%)	58% (50-90%)	38% (30-70%)	8% (0-40%)	0% (0%)
Equities	0% (0%)	20% (5-35%)	40% (25-55%)	70% (55-85%)	79% (70-100%)
Alternatives	20% (5-30%)	20% (5-25%)	20% (5-25%)	20% (5-25%)	20% (0-30%)
Liquidity	2% (0-25%)	2% (0-40%)	2% (0-40%)	2% (0-40%)	1% (0-30%)

Mandates without alternative investments: strategic allocation and bandwidths

	Income	Conservative	Balanced	Growth	Equities
Nominal values	98% (70-100%)	73% (60-90%)	53% (40-70%)	23% (10-40%)	0% (0%)
Equities	0% (0%)	25% (10-40%)	45% (30-60%)	75% (60-90%)	99% (70-100%)
Liquidity	2% (0-30%)	2% (0-30%)	2% (0-30%)	2% (0-30%)	1% (0-30%)

Base currencies offered	CHF, EUR, USD, GBP, others on request
Minimum volume	CHF 500,000 or equivalent value

CREDIT SUISSE ACCOUNTS

Credit Suisse accounts' Actual available cash (March 15, 2016)

List of Accounts

List of Accounts with Balances

CREDIT SUISSE AG

Account Number IBAN	Description	Holder	Curr.	Balance
340399-81 CH39 0483 5034 0399 8100 0	Current account	International Federation of Clini RET20	CHF	751,643.17
340399-82-13 CH42 0483 5034 0399 8201 3	Current account	International Federation of Clini RET20	USD	57,022.44
340399-82-15 CH85 0483 5034 0399 8201 5	Current account	International Federation of Clini RET20	EUR	558,437.19

Total Balance by Currency

Currency	Total	Total in CHF
CHF	751,643.17	751,643.17
EUR	558,437.19	612,010.85
USD	57,022.44	56,208.73
Total		1,419,862.75

Total cash available at Credit Suisse: CHF 1 419 862.75

Future trends & proposed actions

- In the recent years, the scientific, and educational activities of IFCC have increased significantly leading to a significant growth in its expenditure. The income of IFCC has not increased proportionally.
- Financial difficulties are anticipated in 2016 due shortage of income as no major conferences will be held in 2016 and increase expenditure (i.e.General Conference).
- In 2016, IFCC activities and meetings can be kept as planned spending all the cash available at Credit Suisse which includes meeting revenues to be spared for 2017 and sponsorship funds for specific projects.

Future trends & proposed actions

- Under these circumstances though, it will not be easy to hold the IFCC activities in 2017 at the same level since the sole income of IFCC will be confined to the dues to be collected.
- The meeting incomes from Athens and Durban will be available 6 months after these meetings (earliest end of 2017, most probably in 2018).
- There might be a need to transfer the missing amount from the capital invested at LGT bank.
- It should be noted that transferring the investment into liquidity in a short time might result in big losses. So, the right time and price need to be waited to avoid losses before selling the assets.

Future trends & proposed actions

- Income of IFCC from meetings is in EUR and dues in CHF. IFCC budget and expenses are in CHF. The IFCC budget should be adjusted according to the percentage of the IFCC income in two currencies in order not to be affected from the parity changes.
- IFCC investment at LGT bank is in EUR. The currency of the IFCC investment should be chosen according to the percentage of the IFCC income in two currencies in order not to be affected from the parity changes.
- Against the background of the observed performance of the LGT bank investments, a better deal should be asked from LGT, else change the investment bank.

Future trends & proposed actions

- Strategy to increase the efficiency of the IFCC activities while decreasing the cost.
- Financial stability & robustness of income stream including cutting costs with minimal impact on services delivered.
- Set-up a cost-reduction task force.
- Adaptation to the recently adopted “Med Tech Europe Code of Ethical Business Practice”.
- Dealing with new technology in different areas of laboratory medicine.
- Increasing demand for e-learning and distant education.

Future trends & proposed actions

- More specialized conferences, workshops, courses stimulating interests in new and emerging areas of laboratory medicine.
- Joint activities with corporate members to introduce their new technologies and products.
- Paying attention to the following relevant issues:
 - *transparent and responsible financial affairs.*
 - *engage in proactive revenue and cost management.*
 - *engage in professional performance management.*
 - *international ethical codes pertaining to activities.*

**THANK YOU FOR YOUR ATTENTION
&
JOINING THE GENERAL CONFERENCE!**

