

# Treasurer's report

## IFCC General Conference 2018

Prof. Tomris Ozben  
IFCC Executive Board, Treasurer

10-11 November  
Hotel Novotel Budapest City, Hungary





# Treasurer's tasks performed between 2016-2018

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- The IFCC budgets have been prepared taking into account the income and budget requests of the functional units and fixed expenses.
- 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 has been kept with the Director and Portfolio Managers of the IFCC investment banks (LGT & Credit Swiss) to follow the IFCC investments.
- the annual accounts and financial actions have been reviewed by an external independent auditor in order to finalize the actual income and expenses.



# Audit Reports prepared by H&G Consultants Milan (IT)



IFCC GENERAL CONFERENCE  
BUDAPEST NOVEMBER 9-11, 2018

Advancing excellence in laboratory medicine

# 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 31<sup>st</sup> December 2017.

### 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 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 31<sup>st</sup> December 2017 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: 16<sup>th</sup> February 2018

Partner in Humphreys & Gates Audital LLP



# IFCC BUDGETS (2015-2018) (CHF)



## IFCC Summary budgets

	Actual 2015	Actual 2016	Actual 2017	Actual 1 Jan-30 Sep 2018
<b>Total Income</b>	1.952.283	979.147	2.027.641	877.945
<b>Total Expenses</b>	1.797.422	1.442.503	1.549.017	666.441
<b>Net Income</b>	<b>154.861</b>	<b>-463.356</b>	<b>478.624</b>	<b>211,504</b>



# 2018 Total Income by categories: CHF 877 945



The revenue sources in 2018 are indicated in decreasing order (CHF):

1. Sponsorships: CHF 356 047
2. Corporates members' contributions: CHF 210 490
3. Full + Affiliate Members' contributions: 172 256 + 2 760
4. Royalties: CHF 100 577
5. Marketable securities: CHF 29 237
6. Realised profits on sales of investments: CHF 3 955
7. Congresses: CHF 2 623

**TOTAL: CHF 877 945**



## Sponsorship funds raised for specific projects 1 Jan - 30 Sep 2018



				Total CHF
	carry over to 2018	2018 received sponsorship	2018 Expenses out of sponsorship budget	available at September 30 2018
Sponsorships (SD/JCTLM)	253.649	17.250	9.289	261.610
C-CB	83.382	42.275	14.289	111.368
e-Academy	63.400	0	874	62.526
Scholarship	0	27.193	14.598	12.595
VLP	0	45.425	14.786	30.639
Other (TF-PLM/TF-POCT surplus - C-CLM Durban)	13.266	3.345	0	16.611
ICHCLR	0	220.559	5.952	214.607
<b>TOTAL</b>	<b>413.697</b>	<b>356.047</b>	<b>59.788</b>	<b>709.956</b>



# Sponsorship funds raised for specific project overview

## 1 Jan-30 Sep 2018



Budget line	activity	CARRY OVER from prev. years to 2018	RECEIVED SPONSORSHIP FUNDS IN 2018	2018 EXPENSES	AVAILABLE FUNDS at September 30, 2018
06 02 02	JCTLM web support	5.547	0	0	5.547
08 05 02	Thyroid Function Tests (C-STFT) - Phase IV Sponsor.	88.869	17.250	5.509	100.610
08 05 03	Standard of Carbo-Deficient Trans. (WG-SCDT) - Sponsor.	32.224	0	1.673	30.551
08 05 04	Standard of PAPP A (WG-PAPP A) - Sponsor.	45.000	0	2.107	42.893
08 05 05	Standard. of Insulin (WG- SIA) - Sponsorship	9.000	0	0	9.000
08 05 07	WG-PTH Project - Sponsor.	42.363	0	0	42.363
08 05 08	WG-TNI Project - Sponsor.	15.000	0	0	15.000
08 05 09	WG-SBMA Project - Sponsor.	4.159	0	0	4.159
08 05 10	WG-FIT Sponsorship (WG-FIT)	10.527	0	0	10.527
08 05 11	WG-C Sponsorship (WG-C)	960	0	0	960
09 02 12	C Clinical Cadiac Bio-Markers (C-CB) Sponsor	83.382	42.275	14.289	111.368
10 00 03	e-Academy	63.400	0	874	62.526
13 05 03	Income for Roche travel scholarships	0	27.193	14.598	12.595
09 05 01	Abbott VLP sponsorship (EMD)	0	45.425	14.786	30.639
09 02 09	Income for C-CLM Symposium Durban	0	3.345	0	3.345
13 05 02	Income for TF-PLM Satellite meeting Durban surplus	8.471	0	0	8.471
13 05 04	Income for TF-POCT Satellite meeting Durban surplus	4.795	0	0	4.795
06 39 01	ICHCLR	0	220.559	5.952	214.607
	<b>Total</b>	<b>413.697</b>	<b>356.047</b>	<b>59.788</b>	<b>709.956</b>



## IFCC Membership dues overview 2015-2018



Dues	CHF 2015	CHF 2016	CHF 2017	CHF Jan-Sep 2018
Full members	184 858	170 491	180.686	172.256
Corporate members	326 733	290 092	341.421	210.490
Affiliate members	2 866	4 377	5.068	2.760
Total	514 457	464 960	527 175	385.506





# IFCC Full Members Societies dues overview by Classification



Accordingly to the world bank classification, Full Member Societies are classified as Low, Low Middle, Upper Medium and High income economies - <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519>

Based on the above, the 92 Full Member Societies' classification is as follows:

	Classification	Total IFCC Dues – CHF	
4	<b>Low</b> income economy countries	872	0,46%
19	<b>Low Middle</b> income economy	9 771	5,19%
30	<b>Upper Middle</b> income economy	31 072	16,52%
39	<b>High</b> income economy	146 425	77,83%
	Total IFCC dues income (92 societies)	<b>188 140</b>	



# IFCC Corporate Members

## 42 Companies



**Corporate membership dues (CHF) yearly fee**  
**Annual Turnover in the field of Clinical Chemistry:**

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





# Thanks



- ❑ 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 all the members for their loyalty and attention in paying dues at the beginning of the year which helps cash flow for the important IFCC activities.**



# IFCC Congresses income; partition by year



Income	Partition	year availability
<b>WordLab (Durban) 2017</b> <b>CHF 189.428</b>	<b>3 years</b>	<b>~63.142</b>
<b>EuroMedLab (Athens) 2017</b> <b>CHF 774.318 - 155.737 (EFLM)=</b> <b>CHF 618.581</b>	<b>2 years</b>	<b>~309.290</b>
<b>Total: CHF 808.009</b>		<b>372.432</b>



# The Income from the Membership Dues and Meetings in 2017, 2018 (CHF)



<b>CHF 527.175</b> <i>(total dues)</i> <b>2017</b>	<b>CHF 372.432</b> <i>(meetings' income by year)</i>	<b>CHF 899.607</b>
<b>CHF 385.506</b> <i>(total dues)</i> <b>1 Jan-30 Sep 2018</b>	<b>CHF 372.432</b> <i>(meetings' income by year)</i>	<b>CHF 757.938</b>



## Credit Suisse cash balance Sep 30, 2018



**CHF Account:** CHF 676 001,09-

**USD Account:** USD 243 202,38- (eqv CHF 238 654-)

**EUR Account:** EUR 364 125,42- (eqv CHF 414.575)

**Total cash:** CHF 1 329 230,09-

❖ **2017 sponsorship carried to 2018:** CHF 413 697-

**2018 received sponsorship:** CHF 356 047-

**2018 expenses out of sponsorship budgets:** CHF 59 788-

**Total sponsorship available for specific projects :** CHF 709 956-

**Available cash amount for the IFCC activities and fixed expenses:** CHF 619 274,09



# IFCC INVESTMENTS and Recent Developments (2016-2018)



# IFCC portfolio chosen till 2016

LGT Portfolio (€)  
Liechtenstein Global Trust

## 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



■	Bonds
■	Equities
■	Alternatives
■	Liquidity

SAA	Range
8%	(0-40%)
70%	(55-85%)
20%	(5-25%)
2%	(0-40%)



# “GROWTH” to “BALANCED” portfolio

**IFCC portfolio after 2016**

**IFCC portfolio until 2016**

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
<b>Mandates with alternative investments (Plus): strategic allocation and bandwidths</b>					
<ul style="list-style-type: none"> <li>Nominal values</li> <li>Equities</li> <li>Alternatives</li> <li>Liquidity</li> </ul>	78% (70-95%) 0% (0%) 20% (5-30%) 2% (0-25%)	58% (50-90%) 20% (5-35%) 20% (5-25%) 2% (0-40%)	38% (30-70%) 40% (25-55%) 20% (5-25%) 2% (0-40%)	3% (0-40%) 70% (55-85%) 20% (5-25%) 2% (0-40%)	0% (0%) 79% (70-100%) 20% (0-30%) 1% (0-30%)
<b>Mandates without alternative investments: strategic allocation and bandwidths</b>					
<ul style="list-style-type: none"> <li>Nominal values</li> <li>Equities</li> <li>Liquidity</li> </ul>	98% (70-100%) 0% (0%) 2% (0-30%)	73% (60-90%) 25% (10-40%) 2% (0-30%)	53% (40-70%) 45% (30-60%) 2% (0-30%)	23% (10-40%) 75% (60-90%) 2% (0-30%)	0% (0%) 99% (70-100%) 1% (0-30%)
Base currencies offered	CHF, EUR, USD, GBP, others on request				
Minimum volume	CHF 500,000 or equivalent value				

The LGT Director and Portfolio Manager confirmed that the volatility of the profile chosen by IFCC with this exposition in equities (**average 70%; range 55-85%**) is around 14%. Taking into consideration the current and future financial trends in economy, IFCC Executive Board decided to move from the **“GROWTH”** to **“BALANCED”** portfolio with less risks.



**LGT**

«BALANCED PROFILE with Alternative Investments»

**BASIC FEE WITH BROKERAGE FEE**

(selected model from January 2016 till the end of 2016)

## **BASIC FEE**

**1.05%** is a fixed investment charge paid to LGT.

## **BROKERAGE FEE**

- In addition to the basic fee (1.05%), all transactions are charged separately depending on the volume and type of transactions.
- Transaction expenses are taken by the bank at the moment of buying/selling, while basic fee is taken quarterly.
- The clients have no role on the number and type of transaction decisions **if no specific choice was indicated in the agreement.**

## 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
01.2016	2,785,586.67	-103,299.98	2,888,886.65	-3.58 %			-3.58 %
02.2016	2,776,972.33	-8,614.34	2,785,586.67	-0.31 %			-3.87 %
03.2016	2,820,503.50	43,531.17	2,776,972.33	1.57 %	-2.37 %		-2.37 %
04.2016	2,826,696.34	6,192.84	2,820,503.50	0.22 %			-2.15 %
05.2016	2,847,004.41	20,308.07	2,826,696.34	0.72 %			-1.45 %
06.2016	2,829,858.57	-17,145.84	2,847,004.41	-0.60 %	0.33 %	-2.04 %	-2.04 %
07.2016	2,910,350.52	80,491.95	2,829,858.57	2.84 %			0.74 %
08.2016	2,919,888.76	9,538.24	2,910,350.52	0.33 %			1.07 %
09.2016	2,907,785.61	-12,103.15	2,919,888.76	-0.41 %	2.75 %		0.65 %
10.2016	2,888,863.11	-18,922.50	2,907,785.61	-0.65 %			0.00 %
11.2016	2,880,440.42	-8,422.69	2,888,863.11	-0.29 %			-0.29 %

## monthly return



***In spite of moving to a lower risk portfolio, the performance of IFCC portfolio mandate at the LGT Bank was not satisfactory and the investment charges applied (basic fee, and brokerage fees) were high.***



## Statement of revenues 01.01.2016 - 09.11.2016

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### Overview fees, commissions and taxes

Portfolio: 2824533.014

Designation	Order number	Value date	Amount in Debit currency	Exchange rate	Commissions / Fees in EUR	Taxes in EUR
Foreign charges	57596315	25.08.2016	USD -0.34	1.128000	-0.30	
Brokerage fee	58561025	13.09.2016	USD -102.83	1.124400	-91.45	
Brokerage fee	58761384	21.09.2016	USD -546.09	1.114200	-490.12	
Swiss Stamp Tax duty	59119668	29.09.2016	EUR -90.00			-90.00
Brokerage fee	59119668	29.09.2016	EUR -900.00		-900.00	
Remunerations by third parties	58906428	30.09.2016	CHF 297.00	1.092289	271.91	
Costs for remunerations by third parties	58906428	30.09.2016	CHF -69.44	1.092289	-63.57	
Quarterly Fee	58906428	30.09.2016	CHF -8,228.95	1.092289	-7,533.67	
VAT	58906428	30.09.2016	CHF -647.42	1.092289		-592.72
Swiss Stamp Tax duty	60177785	26.10.2016	EUR -89.86			-89.86
Brokerage fee	60177785	26.10.2016	EUR -1,048.43		-1,048.43	
Brokerage fee	60216875	27.10.2016	EUR -456.01		-456.01	
Foreign charges	60218312	27.10.2016	USD -4.37	1.092300	-4.00	
Foreign charges	60177800	28.10.2016	EUR -0.72		-0.72	
<b>Total Swiss Stamp Tax duty in EUR</b>						<b>-2,073.90</b>
<b>Total VAT in EUR</b>						<b>-1,700.09</b>
<b>Total Brokerage fee in EUR</b>					<b>-21,031.85</b>	
<b>Total Foreign charges in EUR</b>					<b>-04.28</b>	
<b>Total SIX Reporting Fee in EUR</b>					<b>-0.92</b>	
<b>Total Stock Exchange Charges in EUR</b>					<b>-11.09</b>	
<b>Total Quarterly Fee in EUR</b>					<b>-22,395.09</b>	
<b>Total Commissions / Fees as per Advice in EUR</b>					<b>-30.46</b>	
<b>Total Remunerations by third parties in EUR</b>					<b>582.09</b>	
<b>Total Costs for remunerations by third parties in EUR</b>					<b>-127.30</b>	

# TRANSFER OF THE IFCC PORTFOLIO FROM LGT BANK TO CREDIT SWISS

- IFCC Executive Board (EB) agreed that the performance of investments at the LGT Bank could not be considered good, over the past couple of years and considered the investment charges too high especially in periods when the returns on investment are low.
- **The high investment charge fees (Basic & Brokerage fees)** tempted IFCC EB to look at alternative ways to manage our investments with the result that a more competitive fee structure has been identified.
- It is this reduced fee structure from another reputable investment bank (**Credit Swiss in Geneva**) that has prompted the IFCC EB to move its investment portfolio from the LGT bank to Credit Swiss (Suisse) both in Geneva on November 24<sup>th</sup>, 2016.
- Agreement was signed with the Credit Swiss on January 12, 2017 in Geneva.
- The transfer of the securities from LGT to Credit Swiss was completed on **January 12, 2017** (35 assets). Transfer expenses were paid by the CS Bank.



# Comparison of the LGT versus CS



	LGT	Credit Suisse
Basic fee with brokerage fee not included	1.05%	0.20% (safekeeping fee) + 0.20% (Investment fee) Only 0.20% safe keeping fee if invested in CS funds
"all-in fee"	1.52%	1.00% Min. CHF 30'000
Payment of the fees	Brokerage fees and similar fees are charged per transaction (buying and selling). Basic fees are debited four times a year at the end of each quarter	Brokerage fees and similar fees are charged per transaction. Basic fees are debited four times a year at the end of each quarter.

**Investment strategy:** Income oriented

**Risk Profile:** Moderate

**Risk Budget:** Moderate

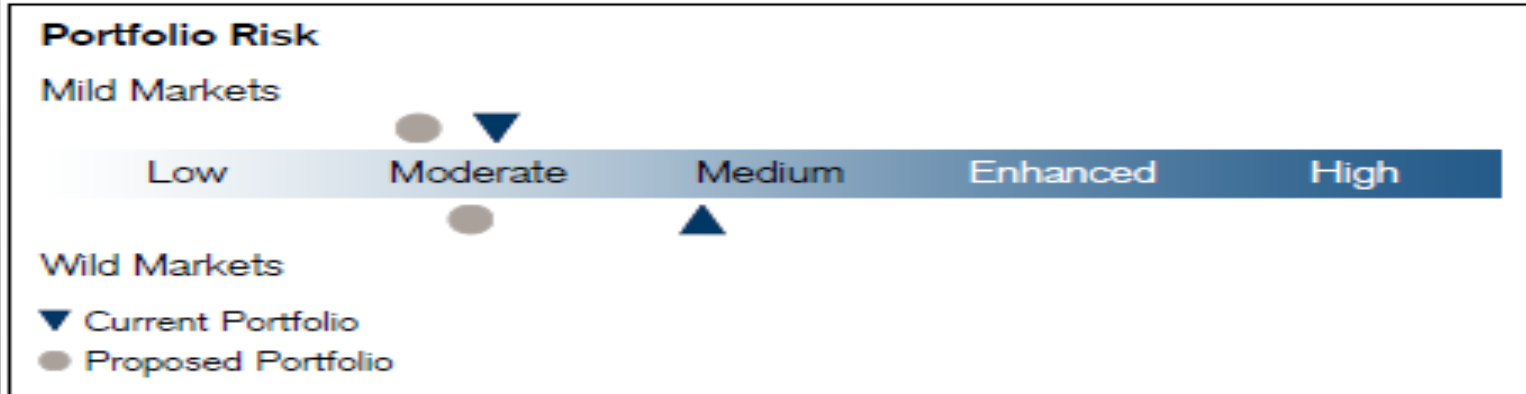
**Reporting currency:** CHF (with investments in three currencies: CHF, EUR, USD)

## 1. Analysis

The portfolio risk will decrease with the CS Investment proposal, especially with wild markets decreasing from:

- Medium at LGT to
- Moderate at Credit Suisse

Having less risk is important for IFCC



**Lowering the overall risk of the portfolio is important for IFCC.**

# EXPECTED OUTCOMES

- The risk profile of the portfolio at Credit Swiss (**Moderate**) is lower than the risk profile at the LGT Bank (**Balanced in 2016 and Growth in 2015**).
- The total amount of the fees to be paid to the Credit Swiss is expected to be less than paid to the LGT. This will be followed.
- The performances of the investments will be followed closely.

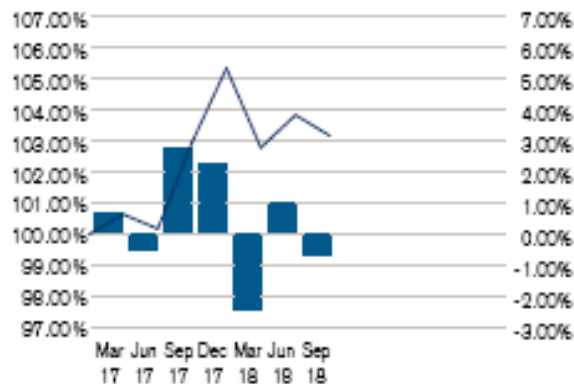


## 1. Overview

## Return since inception

Period 31.12.2016 - 30.9.2018

	CHF	CHF
Market value as of 30.09.2018		3'142'277
Market value as of 31.12.2016		2'953'191
Cash flows		698'582
thereof customer orders	728'223	
thereof fees	-15'260	
thereof withholding tax	-14'361	
Adjusted asset value		90'604
Return (TWR)		3.17%
Annualized return		1.80%
gross of fees and taxes		

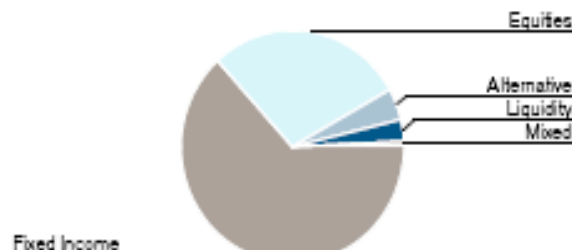


## Portfolio structure by investment category

as of 30.9.2018 (with fund unbundling)

	CHF	Prop.
Liquidity & Similar	94'508	3.01%
Fixed Income & Similar	1'998'446	63.28%
Equities & Similar	897'540	28.58%
AI, Commodities & Real Estate	138'024	4.39%
Mixed & Other Investments	29'759	0.76%
<b>Total Assets</b>	<b>3'142'277</b>	<b>100.00%</b>

Return (TWR)		3.17%
Annualized return		1.80%
gross of fees and taxes		



## Portfolio structure by currency

as of 30.9.2018 (with fund unbundling)

	CHF	Prop.
CHF - Swiss francs	1'035'644	32.96%
USD - US dollars	987'977	31.44%
EUR - Euro	785'763	25.01%
JPY - Yen	42'282	1.35%
HKD - Hongkong dollars	33'692	1.07%
KRW - South Korea won	22'657	0.72%
GBP - Pounds sterling	19'801	0.63%
Others	214'462	6.83%
<b>Total Assets</b>	<b>3'142'277</b>	<b>100.00%</b>





# CLAIM OF TAX REFUND



Pursuant to the Swiss Federal Law on the withholding tax (VStG), a legal entity is entitled to claim refund of Swiss withholding tax, if it had its domicile in Switzerland when the taxable benefit (such as capital gain or alike) became due.

Such claim for refund must be sent to the Swiss Federal Tax Administration (SFTA). It is not possible to request refund prior to the end of the calendar year, in which the taxable benefit became due.

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Refund for withholding tax deducted in 2017 was claimed in 2018.

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

