



KPMG Audit
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The management of the European Organisation for
Accreditation in higher education
Attn.: Mr. M. Frederiks
P.O. Box 85498
2508 CD THE HAGUE

The Hague, 18 May 2010

Dear Mr Frederiks,

Auditor's report 2009

We hereby confirm that we agree to the inclusion of the below auditor's report in the 'Other information' accompanying the annual report and financial statements. The annual report and financial statements should be issued in accordance with the final draft presented to us, of which an initialed copy is enclosed. This confirmation is under restriction that the General Meeting of Participants accepts this annual report unchanged in their meeting of 9 June 2010.

"To: The management of the European Consortium for Accreditation in higher education

Auditor's report

We have audited the accompanying financial statements 2009 of the European Consortium for Accreditation in higher education, The Hague, which comprise the balance sheet as at 31 December 2008, the profit and loss account for the year then ended and the notes.

Management's responsibility

Management is responsible for the preparation of the financial statements in accordance with principles selected and disclosed by the entity. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements 2009 of the European Consortium for Accreditation in higher education are prepared, in all material aspects, in accordance with principles selected and disclosed by the entity, as defined in the notes of the financial statements.

The Hague, 18 May 2010

KPMG ACCOUNTANTS N.V.

W.A. Touw RA"

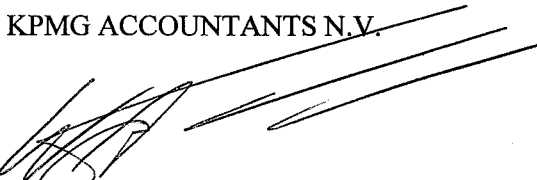
If you present the Annual report and the auditor's report on the internet, you should ensure that the Annual report is properly separated from other information on the internet site. Separation can be achieved, for example, by presenting the Annual report in an unchangeable format, stored as a separate file or by issuing a warning if the reader switches from the financial statements ("you are leaving the secured zone of the audited Annual report").

A copy of the Annual report should be signed by management and be presented to the participants. We would like to receive a copy of the undersigned Annual report and a copy of the minutes of the General Meeting of Participants.

We will be happy to provide any further information you may require.

Yours sincerely,

KPMG ACCOUNTANTS N.V.



W.A. Touw RA

Initialled for identification purposes:



Enclosure(s):
Annual report 2009

ECA
EUROPEAN CONSORTIUM FOR ACCREDITATION
IN HIGHER EDUCATION

The Hague – The Netherlands

Annual Report, 31 December 2009



KPMG Audit
Document to which our report dated

18 MAY 2010

also refers.
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Annual Report 31 December 2009

Annual accounts

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Balance sheet as at 31 December 2009

(after appropriation of net result)

	31-12-2009		31-12-2008	
	€	€	€	€
Currents assets				
Accounts receivable		-		15.000
Other current assets:		2.190		153
Cash at bank		34.596		21.592
Total assets		<u>36.786</u>		<u>36.745</u>
Equity		29.197		26.273
Current liabilities				
Accounts Payable	2.021		4.500	
Current accounts	4.568		5.972	
Prepaid income	<u>1.000</u>		-	
		7.589		10.472
Total liabilities		<u>36.786</u>		<u>36.745</u>



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Profit and loss account 2009

	outcome 2009	budget 2009	outcome 2008
	€	€	€
Income			
Contribution members	45.000	45.000	45.000
Contribution observers	1.000	-	-
Other	-	500	957
Total income	<u>46.000</u>	<u>45.500</u>	<u>45.957</u>
Expenses			
Cost of Coordination	15.000	15.000	15.000
Information and communication	751	8.000	4.694
Meetings Management and Working groups	5.994	5.000	2.199
Contributions ECA Events	9.000	9.000	7.961
Travel expenses	8.540	8.000	5.925
Other	3.790	4.000	2.915
Total expenses	<u>43.076</u>	<u>49.000</u>	<u>38.694</u>
Net result	<u>2.924</u>	<u>(3.500)</u>	<u>7.263</u>



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Summary of Significant Accounting Policies

1. About ECA

The European Consortium for Accreditation in higher education (ECA) has been established in Cordoba in November 2003 and renewed in Kraków in June 2008. The first activities with financial impact on the ECA budget took place in 2004. The aim of the Consortium is threefold:

- to achieve mutual recognition of accreditation and quality assurance decisions; to enhance the conditions for such mutual recognition, especially for joint programmes
- to provide a platform for mutual learning and disseminating experiences with accreditation and accreditation-like practices
- to provide transparent information on quality and to facilitate the internationalisation of institutions and students.

The members of ECA believe that mutual recognition of accreditation decisions will contribute to the recognition of qualifications and the mobility of students in Europe. It will also make life easier for institutions and programmes operating across borders. When the mutual recognition agreements will be established institutions only need to apply for accreditation in one of the ECA member countries instead of obtaining accreditation in each country separately. Thus, by undertaking the necessary activities for mutual recognition ECA contributes to the achievement of the European Higher Education Area. The consortium will also work to provide transparent information on quality and to support the internationalisation of institutions and students. In addition, the organisations in ECA want to learn from each other and promote good practices in accreditation.

The organisations participating in ECA meet once year in a plenary general meeting. There will also be annual seminars or conferences with a special theme and participation of stakeholders such as institutions, students, recognition bodies, government representatives and employers.

The Consortium is a project organisation with the legal seat of the secretariat in The Hague, the Netherlands.

2. Termination of current ECA Agreement of Cooperation

The Agreement of Cooperation between member agencies on which ECA is based ends on 31 December 2011. However, the compilation of the annual accounts 2009 is based on the principle of going concern.

3. Summary of Significant Accounting Principles

A. Basis of Preparation

These financial statements, which are expressed in Euro's, are prepared in accordance with accounting principles mentioned below.

Invoices received related to the following year and which have not been paid yet in the current year are presented off-balance.

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B. Assets

Assets are stated at nominal value net of a provision for doubtful debts.

C. Cash at bank

Cash at bank are at the disposal of the consortium and are interest bearing at prevailing market rates.

D. Current liabilities

Current liabilities are stated at nominal value.

E. Income and expenses recognition

Income and expenses are accounted for in the period to which they relate.



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Notes to the balance sheet as at 31 December 2009

1 Current Assets

The current assets comprise an amount receivable to INQAAHE, the interest receivable and cash at bank.

2 Reserves

Statement of Movements

	2009	2008
	€	€
As at January 1	26.273	19.010
Net result reporting year	2.924	7.263
As at December 31	<u>29.197</u>	<u>26.273</u>

3 Current Liabilities

The current liabilities comprise accounts payable, an amount due to NVAO and prepaid income by observers regarding 2010.

Notes to the profit and loss account 2009

4 Income

In 2009 a membership contribution of € 3.000 was invoiced to:

1. Österreichischer Akkreditierungsrat (ÖAR), Austria
2. Fachhochschulrat, Austria
3. Danmarks Evalueringsinstitut (EVA), Denmark
4. Commission des Titres d'Ingénieurs (CTI), France
5. Stiftung zur Akkreditierung von Studiengängen in Deutschland (AR), Germany
6. Akkreditierungsagentur für Studiengänge im Bereich Gesundheit und Soziales (AHPGS), Germany
7. Agentur für Qualitätssicherung durch Akkreditierung von Studiengängen (AQAS), Germany
8. Akkreditierungsagentur für Studiengänge der Ingenieurwissenschaften, der Informatik, der Naturwissenschaften und der Mathematik (ASIIN), Germany
9. Foundation for International Business Administration Accreditation (FIBAA), Germany
10. Zentrale Evaluations- und Akkreditierungsagentur (ZEVA), Germany
11. Nederlands-Vlaamse Accreditatieorganisatie (NVAO), the Netherlands and Flanders
12. Nasjonalt organ for kvalitet i utdanningen (NOKUT), Norway
13. Państwowa Komisja Akredytacyjna (PKA), Poland
14. Agencia Nacional de Evaluación de la Calidad y Acreditación (ANECA), Spain
15. Organ für Akkreditierung und Qualitätssicherung der Schweizerischen Hochschulen (OAQ), Switzerland

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16. Council for Higher Education of the Republic of Slovenia, Slovenia
In 2009 a observer fee of € 1.000 was invoiced to:

1. Höskoleverket, Sweden

5. Expenses

Cost of coordination

	outcome 2009 €	budget 2009 €	outcome 2008 €
Coordination: NVAO	14.000	14.000	14.000
Secretarial costs	1.000	1.000	1.000
Total	15.000	15.000	15.000

The coordinator/treasurer:

The Coordinator:

- Prepares and convenes the meetings of the Consortium and the Management Group
- Prepares the reports and publications of ECA, and administers the websites
- Prepares the financial statements; administers the finances; collects the annual subscriptions and any other financial contributions to the activities of ECA
- Supports the Management Group and encourages the Working Groups.

Information and communication

	outcome 2009 €	budget 2009 €	outcome 2008 €
Website	314	7.000	4.182
Logo, letters, envelopes, etc.	437	1.000	512
Total	751	8.000	4.694



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9 JULI 2010

Meetings management and working groups

	outcome 2009 €	budget 2009 €	outcome 2008 €
Management meetings	2.752	3.000	1.985
Working groups	3.242	2.000	214
Total	<u>5.994</u>	<u>5.000</u>	<u>2.199</u>

Contribution workshops

In June 2009, the general meeting was held in Zürich for which a maximum contribution of 6,000 euro was allocated. In December 2009, the seminar was held in The Hague for which a maximum contribution of 3,000 euro was allocated.

Travel expenses

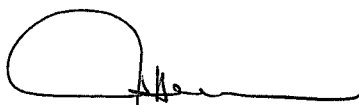
These are the travel expenses of the coordinator, the chairperson and experts.

Other

These costs comprise the affiliated membership of ENQA and the costs of the auditor.

On behalf of the management group: 18 May 2010

Rolf Heusser, Chairperson



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Profit Appropriation

The net result is added to the reserves.

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