

ECA
EUROPEAN CONSORTIUM FOR ACCREDITATION
IN HIGHER EDUCATION

The Hague – The Netherlands

Annual Report, 31 December 2010



KPMG Audit
Document to which our report dated

18 MAY 2011

A handwritten signature in blue ink, appearing to be 'SJB'.

also refers.
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Annual Report 31 December 2010

Annual accounts

Balance sheet as at 31 December 2010	3
Profit and loss account 2010	4
Summary of significant accounting policies	5
Notes to the balance sheet	7
Notes to the profit and loss account	7

Other information

Result appropriation	10
Auditor's Report	10



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Balance sheet as at 31 December 2010

(after appropriation of net result)

	31-12-2010		31-12-2009	
	€	€	€	€
Currents assets				
Other current assets:		4.000		2.190
Cash at bank		53.661		34.596
Total assets		<u>57.661</u>		<u>36.786</u>
Equity		42.867		29.197
Current liabilities				
Accounts Payable	4.710		2.021	
Current accounts	9.085		4.568	
Prepaid income	<u>1.000</u>		<u>1.000</u>	
		14.795		7.589
Total liabilities		<u>57.662</u>		<u>36.786</u>



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Profit and loss account 2010

	outcome 2010 €	budget 2010 €	outcome 2009 €
Income			
Contribution members	48.000	48.000	45.000
Contribution observers	2.000	2.000	1.000
Other	874	-	-
Total income	50.874	50.000	46.000
Expenses			
Cost of Coordination	15.000	15.000	15.000
Information and communication	1.359	8.000	751
Meetings Management and Working groups	4.730	5.000	5.994
Contributions ECA Events	9.000	9.000	9.000
Travel expenses	3.016	8.000	8.540
Other	4.100	4.000	3.790
Total expenses	37.205	49.000	43.076
Net result	13.669	1.000	2.924



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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 2010 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.

B. Assets

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

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- 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 2010

1 Current Assets

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

2 Reserves

Statement of Movements

	2010	2009
	€	€
As at January 1	29.197	26.273
Net result reporting year	13.669	2.924
As at December 31	42.866	29.197

3 Current Liabilities

The current liabilities comprise accounts payable, an amount due to NVAO and prepaid income by observers regarding 2011.

Notes to the profit and loss account 2010

4 Income

In 2010 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. Foundation for International Business Administration Accreditation (FIBAA), Germany
9. Zentrale Evaluations- und Akkreditierungsagentur (ZEvA), Germany
10. Nederlands-Vlaamse Accreditatieorganisatie (NVAO), the Netherlands and Flanders
11. Nasjonalt organ for kvalitet i utdanningen (NOKUT), Norway
12. Państwowa Komisja Akredytacyjna (PKA), Poland
13. Agencia Nacional de Evaluación de la Calidad y Acreditación (ANECA), Spain
14. AQU Catalunya, Spain
15. Organ für Akkreditierung und Qualitätssicherung der Schweizerischen Hochschulen (OAQ), Switzerland
16. Council for Higher Education of the Republic of Slovenia, Slovenia

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In 2010 an observer fee of € 1.000 was invoiced to:

1. Högskoleverket, Sweden
2. Council for Higher Education, Israel

5. Expenses

Cost of coordination

	outcome 2010	budget 2010	outcome 2009
	€	€	€
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 2010	budget 2010	outcome 2009
	€	€	€
Website	1.359	7 000	314
Logo, letters, envelopes etc.	-	1.000	437
Total	1.359	8.000	751



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Meetings management and working groups

	outcome 2010 €	budget 2010 €	outcome 2009 €
Management meetings	671	3 000	2 752
Working groups	4 059	2 000	3 242
Total	4.730	5.000	5.994

Contribution workshops

In June 2010, the general meeting was held in Graz for which a maximum contribution of 6,000 euro was allocated. In December 2010, 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: 4 May 2011

Rolf Heusser, Chairperson

Other information

Profit Appropriation

The net result is added to the reserves.



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Independent auditor's report

To: The General Meeting of Participants of the European Consortium for Accreditation in higher education

We have audited the accompanying financial statements 2010 of the European Consortium for Accreditation in higher education, The Hague, which comprise the balance sheet as at 31 December 2010, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation of the financial statements in accordance with the accounting policies selected and disclosed by the entity, as set out in the notes to the financial statements. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 are prepared, in all material respects, in accordance with the accounting policies selected and disclosed by the entity, as set out in the notes to the financial statements.

Basis of accounting and restriction on distribution and use

We draw attention to notes to the financial statements, which describes the basis of accounting. The accounting policies used are selected and disclosed by the entity. Our opinion is not qualified in this respect. The financial statements as at 31 December 2010 and our auditor's report thereon are intended solely for the General Meeting of Participants and should not be used for other purposes.

The Hague, 18 May 2011

KPMG ACCOUNTANTS N.V.
W.A. Touw RA

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