

ECA

**EUROPEAN CONSORTIUM FOR ACCREDITATION
IN HIGHER EDUCATION**

The Hague – The Netherlands

Annual Report, 31 December 2011



KPMG Audit
Document to which our report dated

- 7 MAY 2012

also refers.
Initials for identification purposes
KPMG Accountants N.V.

Annual Report 31 December 2011

Annual accounts

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1. Balance sheet as at 31 December 2011

(after appropriation of net result)

	31 December 2011	31 December 2010
	€	€
<i>Current assets</i>		
Other current assets:	2.085	4.000
Cash at bank	71.461	53.661
Total assets	73.546	57.661
 <i>Equity</i>	 59.247	 42.866
 <i>Current liabilities</i>		
Accounts Payable	2.398	4.710
Current accounts	11.901	9.085
Prepaid income	-	1.000
	14.299	14.795
Total liabilities	73.546	57.661



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2. Statement of income and expenditure 2011

	Actual 2011 €	budget 2011 €	Actual 2010 €
Income			
Contribution members	51.000	51.000	48.000
Contribution observers	2.000	2.000	2.000
Other	-	500	874
Total income	53.000	53.500	50.874
Expenditure			
Cost of Coordination	15.000	15.000	15.000
Information and communication	479	14.000	1.359
Meetings Management and Working groups	2.498	5.000	4.730
Contributions ECA Events	9.416	12.000	9.000
Travel expenses	5.054	6.000	3.016
Other	4.172	4.500	4.100
Total expenses	36.619	56.500	37.205
Net result	16.381	(3.000)	13.669



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3. Summary of Significant Accounting Policies

a. 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.

b. Termination of current ECA Agreement of Cooperation

The Agreement of Cooperation between member agencies on which ECA is based ends on 31 December 2011. At the General meeting in June 2011 in Barcelona members decided that the work of ECA should be continued. The Agreement of Cooperation will be renewed and a new Agreement ending on 30 June 2015 will be circulated among the agencies and signed by them. The content of the agreement will stay the same.

Therefore, the compilation of the annual accounts 2011 is based on the principle of going concern.

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c. Summary of Significant Accounting Principles

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.

Assets

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

Cash at bank

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

Current liabilities

Current liabilities are stated at nominal value.

Income and expenses recognition

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



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4. Notes to the balance sheet as at 31 December 2011

a. Current Assets

The current assets comprise an amount receivable from INQAAHE (current account) and cash at bank.

b. Equity (reserves)

Statement of movements

	2011	2010
	€	€
As at January 1	42.866	29.197
Net result reporting year	16.381	13.669
As at December 31	59.247	42.866

c. Current Liabilities

The current liabilities comprise of accounts payable and an amount due to NVAO.

5. Notes to the statement of income and expenditure 2011

a. Income

In 2011 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. Slovenian Quality Assurance Agency, Slovenia
17. The Accreditation Institution, Denmark

In 2011 an observer fee of € 1.000 was invoiced to:

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



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b. Expenses

Cost of coordination

	Actual 2011 €	budget 2011 €	Actual 2010 €
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:

- 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.

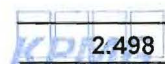
Information and communication

	Actual 2011 €	budget 2011 €	Actual 2010 €
Website	479	12.000	1.359
Logo, letters, envelopes, etc.	-	2.000	-
Total	479	14.000	1.359

Budgeted in 2011 were cost for the maintenance and improvement of the ECA and Crossroads websites. These plans have not been executed.

Meetings management and working groups

	Actual 2011 €	budget 2011 €	Actual 2010 €
Management meetings	845	4.000	671
Working groups	1.653	1.000	4.059
Total	2.498	5.000	4.730



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Contribution workshops

In June 2011, the general meeting was held in Barcelona for which a maximum contribution of 9,000 euro was allocated.

The ECA seminar planned for December 2011 was held in The Hague in January 2012. Consequently this item in the budget 2011 was not spent.

	Actual 2011	budget 2011	Actual 2010
	€	€	€
ECA Workshop	9.416	9.000	6.000
ECA Seminar (NVAO)	-	3.000	3.000
Total	9.416	12.000	9.000

Travel expenses

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

Other

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

On behalf of the management group: 7 May 2012

Rolf Heusser, Chairperson

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Other information

1. Result appropriation

The net result is added to the reserves.

2. 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 2011 of the European Consortium for Accreditation in higher education, The Hague, which comprise the balance sheet as at 31 December 2011, 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 2011 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, 7 May 2012

KPMG ACCOUNTANTS N.V.

W.A. Touw RA

KPMG

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