



ASSOCIATION EUROPEAN CONSORTIUM FOR ACCREDITATION IN HIGHER EDUCATION (ECA)

The Hague – The Netherlands

Annual Report 2018

Annual Report 1 January 2018 - 31 December 2018

Annual accounts

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1. Balance sheet as at 31 December 2018
(after appropriation of net result)

	<u>31 December 2018</u>	<u>31 December 2017</u>
	€	€
<i>Current assets</i>		
Accounts receivable	-	8.000
Other current assets:	2.971	2.317
Cash at bank	<u>186.415</u>	<u>136.524</u>
	189.386	146.841
Total assets	<u>189.386</u>	<u>146.841</u>
 <i>Equity</i>	 168.462	 126.975
 <i>Current liabilities</i>		
Accounts Payable	2.317	2.976
Current accounts	6.607	4.890
Prepaid income	<u>12.000</u>	<u>12.000</u>
	20.924	19.866
Total liabilities	<u>189.386</u>	<u>146.841</u>

2. Statement of income and expenditure 2018

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
Fixed Income			
Contribution members	68.000	68.000	70.000
Contribution observers	4.000	4.000	4.000
Total income	72.000	72.000	74.000
Services & Project Income			
CeQuInt fees	4.400	6.000	8.000
Training fees	2.980	9.000	14.500
IMPACT project income	1.305	-	-
FAIR project income	-	-	3.328
CALOHEE project income	-	-	368
ImpEA project income	575	10.000	-
eQuatic project income	20.198	20.200	-
AR-NET project income	-	1.000	-
e-VALUATE project income	-	1.000	-
EQ-Arts project income	20.000	-	-
Total Services Income	49.458	47.200	26.196
Total Revenues	121.458	119.200	100.196
	Actual	Revised budget	Actual
	2018	2018	2017
	€	€	€
Fixed Expenses			
Coordination costs	35.845	35.845	35.385
Information and communication	3.911	8.000	1.043
Meetings Board and Working groups	-	-	2.914
Contributions to ECAEvents	10.400	11.000	4.015
Travel expenses	2.697	5.000	4.198
Other expenses	2.503	3.000	2.514
Total Fixed Expenses	55.356	62.845	50.069
	Actual	Revised budget	Actual
	2018	2018	2017
	€	€	€
Services & Project Expenses			
CeQuInt costs	5.571	11.000	4.903
Training costs	2.106	9.000	9.888
FAIR project costs	-	-	-
CALOHEE project costs	368	368	-
ImpEA project costs	767	10.000	627
eQuatic project costs	2.187	20.200	834
AR-NET project costs	218	1.000	-
e-VALUATE project costs	-	1.000	-
EQ-Arts project costs	13.398	-	-
Total Services Expenses	24.615	52.568	16.252
Total expenses	79.971	115.413	66.321
Net result	41.487	3.787	33.875

3. Summary of Significant Accounting Policies

a. About ECA

The Annual Report 2018 is the fifth one of the association ECA. The European Consortium for Accreditation in Higher Education (ECA) was incorporated as an association in The Hague, The Netherlands on 15 April 2014. The Annual Report 2018 covers the period from 1 January 2018 to 31 December 2018. Prior to the incorporation ECA was not a legal entity but a project consortium set up by accreditation agencies in 2003 in Córdoba. The existence of this project consortium ended with the incorporation of ECA as an association.

The membership of the association ECA consists of accreditation and QA agencies.

Eligible for Membership shall be an organisation:

- a. which has its registered office in a country which participates in the Bologna Process ("Bologna Countries");
- b. which has been established as a corporate body or is based on national and/or regional regulations and/or agreements;
- c. which has accreditation or accreditation-like practices as one of its principal functions;
- d. which contributes actively to the objectives of the Association; and
- e. which fulfils the ECA Code of Good Practice and/or the Standards and Guidelines for Quality Assurance in the European Higher Education Area.

The member organisations participating in ECA meet at least once year in a plenary General Meeting. The General Meeting will decide on the admission of a new Member. The Annual Meeting took place on 28 June 2018 in Ljubljana.

The association has a Board appointed by the General Meeting and consisting of three to seven members, including a Chair, Vice-Chair and Treasurer. The members who are not Chair or Vice-Chair need to represent five different Bologna member countries. The Board had the following composition in 2018:

- Jürgen Petersen (ZEvA, Germany), Chair, from 1 January till 28 June 2018.
- Maciej Markowski (PKA, Poland), Chair, from 28 June 2018.
- Ivan Leban (SQAA, Slovenia), Vice-Chair, from 1 January till 28 June 2018.
- Ann Verreth (NVAO, The Netherlands and Flanders), Board member from 1 January till 28 June 2018; Vice-Chair from 28 June 2018.
- Izabela Kwiatkowska-Sujka (PKA, Poland), Treasurer, from 1 January till 28 June 2018.
- Loulou Von Ravensberg (UKÄ, Sweden), Board member from 28 June 2018 and Treasurer from 24 September 2018.
- Madalena Fonseca (A3ES, Portugal), Board member from 1 January till 15 May 2018.
- François Pernot (HCERES, France), Board member from 1 January till 28 June 2018.
- Luis Carlos Velón Sixto (ACSUG, Spain), Board member from 1 January till 28 June 2018.
- Eva Fernandez de Labastida (Unibasq, Spain), Board member from 28 June 2018.
- Ronny Heintze (AQAS, Germany), Board member from 28 June 2018.
- Solange Pisarz (Hcerés, France), Board member from 28 June 2018.
- Klemen Subic (SQAA, Slovenia), Board member from 28 June 2018.

The Board met five times in 2018: on 31 January in Brussels, on 12 April in Bilbao, on 28 June in Ljubljana, on 24-25 September in Warsaw, and on 30 November in Prague.

The Secretariat is responsible for the day-to-day operations of the Association, under the supervision of the Board. The memorandum of understanding between ECA and NVAO was in 2018 renewed for 1 year (until 30 June 2019, after which NVAO will cease to host the Secretariat). The Secretariat is led by the Coordinator who is appointed by the General Meeting and operates under the responsibility of the Board. Mark Frederiks (NVAO, The Netherlands and Flanders) was reappointed by the members as Coordinator on 28 June for the duration of one year (until 30 June 2019). Monique Knoester (NVAO) provided the secretarial support.

The objectives of the association ECA are:

- 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 practises;
- to provide transparent information on quality;
- to facilitate the internationalisation of institutions and students;
- and, furthermore, to perform any and all acts relating to the foregoing in the broadest sense.

The Association does not have the objective to make a profit. The Association cooperates with other relevant networks.

To achieve the objectives of ECA the Members agree to undertake activities in Working Groups. The following Working Groups were in place in 2018:

1. Mutual recognition and joint programmes
2. Innovation in QA and accreditation
3. Information strategies; this working group was dissolved at the end of 2018 and to be replaced in 2019 by a Communications Committee as an ad-hoc committee installed by the Board.

In addition, the members have appointed two standing committees of ECA:

- The Certification Group is responsible for the methodology and due process to award ECA's Certificate for Quality in Internationalisation.
- The Appeals Committee has the task of handling appeals regarding the ECA Certificate for Quality in Internationalisation, as specified in the Appeals Procedure CeQuInt.

The topics of the activities of the Working Groups and Certification Group are determined in Annual Work Plans. All working groups (WG) and the Certification Group (CG) met in the reporting period:

- WG 1, 2 and 3 met on 2 February in Brussels, 12 April in Bilbao, 28 June in Ljubljana, and 29 November in Prague.
- CG met on 2 February in Brussels, 13 April in Bilbao, 28 June in Ljubljana, and 29 November in Prague.

The strategy of the association is defined in the ECA strategic management plan. On 28 June the members adopted the "ECA Strategic Update 2018-2023".

The strategic vision of ECA is to act as an internationally recognised driver of innovation in quality assurance. With its expertise, networking and services ECA contributes to the implementation of the European Higher Education Area (EHEA), promotes internationalisation of higher education and assures "state of the art" activities of its members. ECA contributes to the EHEA implementation and to international QA developments through innovative project work. Projects in which ECA participates are discussed in the working groups and/or the Board. In 2018 ECA was involved as project partner or expert in:

- Measuring and Comparing Achievements of Learning Outcomes in Higher Education in Europe (CALOHEE; 2015-2018)
- Quality and Impact of the Recognition Networks (IMPACT; 2016-2018)
- Facilitating implementation of the European Approach for Quality Assurance of Joint Programmes (ImpEA; October 2017-August 2020)
- Assessing quality of partnerships amongst Higher Education Institutions (eQuatic; November 2017-October 2019)
- Automatic Recognition in the Networks in 2020 (AR-Net; 2018-2020)
- 'Evaluating e-learning for academic recognition (E-Valuate; March 2018-February 2020).

In addition, ECA carried out a ESG review of the agency EQ-Arts.

b. Summary of Significant Accounting Principles

Basis of Preparation

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

The net result is added to the reserves.

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.

4. Notes to the balance sheet as at 31 December 2018

a. Current Assets

The current assets comprise other current assets and cash at bank. These items are amounts still to be received and a prepaid invoice.

b. Equity (reserves)

Statement of movements

	31 December 2018	31 December 2017
	€	€
As at January 1	126.975	93.100
Net result reporting year	41.487	33.875
As at December 31	<u>168.462</u>	<u>126.975</u>

The net result was higher than in 2017 and significantly higher than in the budget 2018 due to more revenues and less expenses than expected. Services and projects income and expenses are difficult to forecast as it is highly dependent on project selection and participation opportunities, as well as fluctuating demand for services. Higher reserves give the possibility of participating in EU funded projects where an own contribution is required. It is also possible to allocate in future years some funding for "internal" projects depending on the strategy and preferences of the members.

c. Current Liabilities

The current liabilities comprise of accounts payable, prepaid income and an amount due to NVAO. These items are membership invoices 2019 and some costs that are not paid yet.

5. Notes to the statement of income and expenditure 2018

a. Income

In 2018 a membership contribution of € 4.000 was invoiced to:

1. Agency for Science and Higher Education (ASHE), Croatia
2. Commission des Titres d'Ingénieurs (CTI), France
3. Akkreditierungsagentur für Studiengänge im Bereich Gesundheit und Soziales (AHPGS), Germany
4. Agentur für Qualitätssicherung durch Akkreditierung von Studiengängen (AQAS), Germany
5. Zentrale Evaluations- und Akkreditierungsagentur (ZEvA), Germany
6. Accreditation Organisation of the Netherlands and Flanders (NVAO), the Netherlands and Flanders
7. Bureau of the Polish Accreditation Committee (PKA), Poland
8. Agencia Nacional de Evaluación de la Calidad y Acreditación (ANECA), Spain
9. Aragon Agency for Quality Assurance and Strategic Foresight in Higher Education (ACPUA), Spain
10. Slovenian Quality Assurance Agency (SQAA), Slovenia
11. The Danish Accreditation Institution (AI), Denmark
12. Agency for Quality Assurance in the Galician University (ACSUG), Spain
13. Swedish Higher Education Authority (UKÄ), Sweden
14. Higher Council for the Evaluation of Research and Higher Education (Hcerés), France

15. Agency for the Quality of the Basque University System (Unibasq), Spain
16. Agencia para la Calidad del Sistema Universitario de Castilla y León (ACSUCYL), Spain
17. Academic Information Centre / Latvian Quality Agency for Higher Education (AIKA), Latvia.

An observer fee of € 2.000 was invoiced to:

1. Council for Higher Education (CHE), Israel
2. International Centre of Excellence in Tourism & Hospitality Education (THE-ICE), Australia.

CeQulnt fees were received for one Dutch university and for three programmes (two Dutch and one French). The Training fees were collected for a CeQulnt training provided by ECA on 31 May and 1 June in The Hague. For the IMPACT, ImpEA and eQuatic projects contributions were received to the travel and staff costs of ECA members participating in these projects. EQ-Arts project income refers to the ECA coordination of the ESG review of EQ-Arts.

b. Expenses

Cost of coordination

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
Coordination: NVAO	35.845	35.845	35.385
Total	35.845	35.845	35.385

The cost of coordination is the contribution from ECA that member agency NVAO receives to carry out the tasks of Coordinator and Secretariat for the Association. These costs include staff costs for the Coordinator and secretarial support (with a maximum of 0.4 FTE per year). Travel expenses of the Coordinator for attending ECA related meetings are excluded from the contribution (these costs are included in the budget under Travel Expenses). From 2017 onwards the contribution has been annually increased with the inflation of last year.

Services & Project Expenses

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
CeQuInt costs	5.571	11.000	4.903
Training costs	2.106	9.000	9.888
FAIR project costs	-	-	-
CALOHEE project costs	368	368	-
ImpEA project costs	767	10.000	627
eQuatic project costs	2.187	20.200	834
AR-NET project costs	218	1.000	-
e-VALUATE project costs	-	1.000	-
EQ-Arts project costs	13.398	-	-
Total Services Expenses	24.615	52.568	16.252

The CeQuInt costs consisted of the first payment for the new CeQuInt website and one day accommodation for a researcher to work on an overview publication of CeQuInt procedures. The training costs cover the accommodation and subsistence expenses for the participants in the CeQuInt training (31 May and 1 June in The Hague). The other project costs are related to the expenses for the CALOHEE, ImpEA, eQuatic, AR-Net, E-Valuate and EQ-Arts projects mentioned in section 3.a.

Information and communication

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
Website ECA/Qrossroads/EEEP	3.304	7.500	1.043
Logo, letters, envelopes, etc.	607	500	-
Total	3.911	8.000	1.043

The information and communication costs amounted to 3,911 euro which included the hosting, support and annual registration of the website domains, as well as maintenance and solving bugs for EEEP and Qrossroads. Other information and communication costs included the production of ECA beach flags that were used for the ECA-NVAO seminar in Brussels on 1 February.

Meetings Board and Working Groups

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
Board meetings	-	-	999
Working groups meetings	-	-	1.915
Total	-	-	2.914

These expenses consisted of the costs for the meetings of the Board and working groups/Certification Group, including the meeting rooms and catering for the participants. For 2018 these expenses are included in the ECA events.

Contributions to ECA events

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
ECA Events	10.400	11.000	4.015
Total	10.400	11.000	4.015

ECA has contributed to the ECA events that were organised by NVAO in Brussels on 1-2 February, by Unibasq in Bilbao on 12-13 April, by SQAA in Ljubljana on 28-29 June, and by the National Accreditation Bureau for Higher Education of the Czech Republic in Prague on 29-30 November. During these events the Board, working groups and committees of ECA met as well. In addition, the Board met on 24-25 September in Warsaw for which the dinner and lunch costs are also included in the budget item ECA events.

Travel expenses

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
Travel Expenses Board	364	500	-
Travel Expenses Secretariat	2.333	4.000	4.198
Travel Expenses Others	-	500	-
Total	2.697	5.000	4.198

Travel Expenses Board consists of a flight ticket to Dublin for the Chair to discuss a possible ECA event.

Travel Expenses Secretariat include travel and accommodation costs of the Coordinator for the ECA events and Board meetings, and a ECA-INQAAHE workshop.

Report of the Financial Committee

To: The Annual Meeting of Members of the European Consortium for Accreditation in Higher Education (ECA)

Each year, the General Meeting will appoint a Financial Committee consisting of at least two members, who may not be Members of the Board. The Financial Committee will audit the Annual Report and will report to the General Meeting on its findings.

We have audited the accompanying financial statements 2018 of the association European Consortium for Accreditation in Higher Education (ECA), The Hague, which comprise the balance sheet as at 31 December 2018, the profit and loss account for the year from 1 January 2018 to 31 December 2018 and the notes, comprising a summary of the accounting policies and other explanatory information.

Responsibility of the Board

The Board is required to provide the Financial Committee with all of the information requested by it for the benefit of its audit, to show it the cash and assets if it so wishes, and to make the books, records and other data carriers of the Association available to it for its inspection.

Responsibility of the Financial Committee

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Our audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, 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. However, the FC is worried about the persistence of high financial surpluses in the subsequent years, as well as its significant increase in 2018.

Therefore, FC recommends the following actions to the ECA Board: First, take corrective actions to bring the budget into compliance with financial goals of ECA, as a non-profit organisation. Second, provide members with the results of the analysis of the effects and possible financial risks of the Secretariat's takeover by ACSUCYL. Third, be more transparent (as in an analytical overview) in the way expenditures and revenues are presented in detail in the ledger.

We advise the General Meeting of ECA to discharge the members of the ECA Board from liability for their activities during the year 2018.

Other expenses

	Actual 2018	Revised budget 2018	Actual 2017
	€	€	€
Affiliated memberships	2.317	2.400	2.317
Bank Charges	186	200	197
Other general expenses	-	400	-
Total	2.503	3.000	2.514

These expenses comprise the affiliate membership fee of ENQA and bank charges.

Riga, 6 June 2019

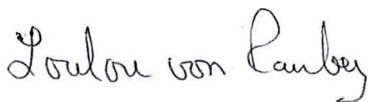
Signatures of ECA Board members:



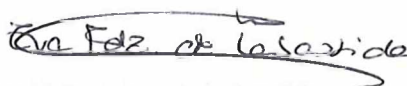
Maciej Markowski
Chair



Solange Pisarz
Vice-Chair



Loulou von Ravensberg
Treasurer



Eva Fernandez de Labastida
Board member



Ronny Heintze
Board member




Klemen Šubic
Board member

Riga, 6 June 2019

Signatures of the members of the Financial Committee:



Mieczysław Socha



Jasper Delanoy