



Republika e Kosovës
Republika Kosova
Republic of Kosovo



Zyra Kombëtare e Auditimit
Nacionalna Kancelarija Revizije
National Audit Office

Document No: 21.7.1-2017-08

AUDIT REPORT
ON THE ANNUAL FINANCIAL STATEMENTS OF THE MINSITRY
OF LABOUR AND SOCIAL WELFARE FOR
THE YEAR ENDED 31 DECEMBER 2017

Prishtina, June 2018

The National Audit Office of the Republic of Kosovo is the highest institution of economic and financial control which, according to the Constitution and domestic laws, enjoys functional, financial and operational independence. The National Audit Office undertakes regularity and performance audits and is accountable to the Assembly of Kosovo.

Our Mission is through quality audits strengthen accountability in public administration for an effective, efficient and economic use of national resources.

We perform audits in line with internationally recognized public sector auditing standards and good European practices.

The reports of the National Audit Office directly promote accountability of public institutions as they provide a base for holding managers' of individual budget organisations to account. We are thus building confidence in the spending of public funds and playing an active role in securing taxpayers' and other stakeholders' interests in enhancing public accountability.

The Auditor General has decided on the audit opinion on the Annual Financial Statements of the Ministry of Labour and Social Welfare in consultation with the Assistant Auditor General, Emine Fazliu, who supervised the audit.

The report issued is a result of the audit carried out by Blerina Krasniqi (team leader), Alban Shatri, Vjosë Boku and Veton Misri (team members), under the management of the Head of Audit Department Astrit Bllaca.

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Executive Summary

Introduction

This report summarises the key issues arising from our audit of the 2017 Annual Financial Statements of the Ministry of Labour and Social Welfare, which determines the Opinion given by the Auditor General. The examination of the 2017 financial statements was undertaken in accordance with the International Standards on Supreme Audit Institutions (ISSAIs). Our approach included such tests and procedures as we deemed necessary to arrive at an opinion on the financial statements. The applied audit approach is set out in our External Audit Plan dated 29.09.2017

Our audit focus has been on:



The level of work undertaken by the National Audit Office to complete the 2017 audit is determined depending of the quality of internal controls implemented by the Management of the MLSW.

The National Audit Office acknowledges the Ministry's Senior Management and Staff for cooperation during the audit process.

Opinion of the Auditor General

Unmodified Opinion with Emphasis of Matter

The Annual Financial Statements for 2017 *present a true and fair view* in all material aspects.

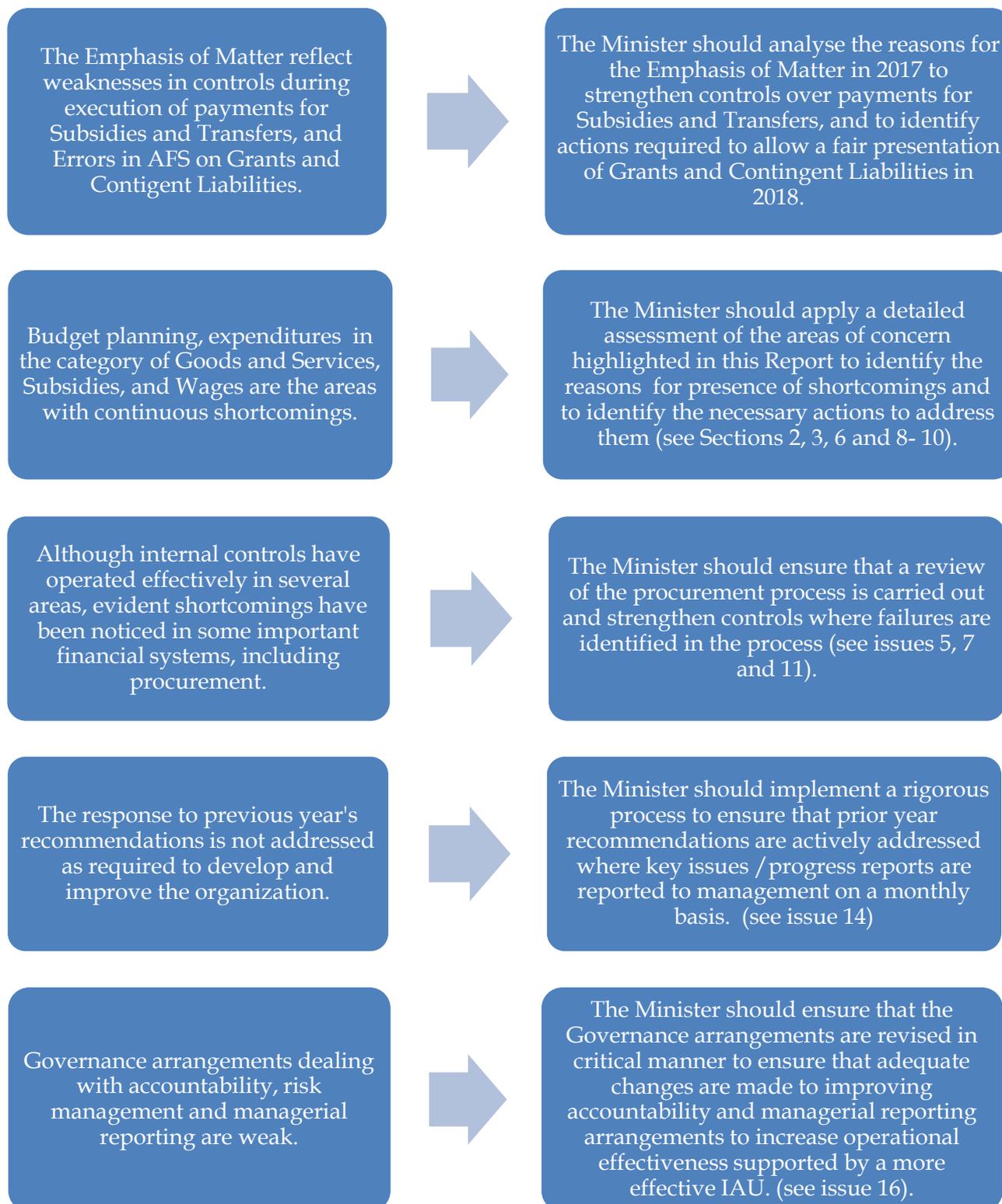
Emphasis of Matter

We draw your attention to the fact that improper payments were executed from the category of Subsidies and Transfers in total amount of €1,913,630.

For more, please refer to Section 2.1 of this report.

Annex I explains the different types of Opinions applied by the National Audit Office.

Key Conclusions and Recommendations



Minister's response – audit 2017

The Minister has considered and agreed on detailed audit findings and conclusions and committed to implement the recommendations given.

1 Audit Scope and Methodology

Introduction

The National Audit (NAO) is responsible for carrying out a Regularity Audit which involves the examination and evaluation of Financial Statements and other financial records and expression of opinions on:

- Whether the financial statements give a true and fair view of the accounts and financial affairs for the audit period;
- Whether the financial records, systems and transactions comply with applicable laws and regulations;
- The appropriateness of internal controls and internal audit functions; and
- All matters arising from or relating to the audit.

Audit work undertaken reflected our audit risk assessment for MLSW. We have analysed the Ministry's business to the extent to which management controls can be relied upon when determining the overall testing required to provide the necessary level of evidence to support the AG's opinion.

The following sections provide a more detailed summary of our audit finding with emphasis on observations and recommendations in each area of review.

Our procedures included a review of the internal controls, accounting systems and related substantive tests and related governance arrangements to the extent considered necessary for the effective performance of the audit. Audit findings should not be regarded as representing a comprehensive statement of all the weaknesses which exist, or all improvements which could be made to the systems and procedures operated.

2 Annual Financial Statements and other External Reporting Obligations

Introduction

Our audit of the Annual Financial Statements (AFS) considers both compliance with the reporting framework and the quality and accuracy of information recorded in the AFS. We also consider the Declaration made by the Chief Administrative Officer and Chief Financial Officer when the draft AFS are submitted to the Ministry of Finance.

The declaration regarding presentation of the AFS incorporates a number of assertions relating to compliance with the reporting framework and the quality of information within the AFS. These assertions are intended to provide the Government with the assurance that all relevant information has been provided to ensure that an audit process can be undertaken.

2.1 Audit Opinion

Unmodified Opinion

We have audited the AFS of the Ministry of Labour and Social Welfare for the year ended on 31st of December 2017 which comprise of the Statement of Cash Receipts and Payments, Budget Execution Statement, Disclosure and other accompanying reports.

In our opinion, the Annual Financial Statements for the year ended on 31st of December 2017 present a true and fair view in all material respects in accordance with International Public Sector Accounting Standards (according to cash based accounting), Law no.03/L-048 on Public Financial Management and Accountability (as amended and supplemented) and Regulation MoF no.01/2017 on Annual Financial Reporting by Budget Organisations.

Basis for the opinion

The audit is carried out in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the AFS' section of our report. We believe that the obtained audit evidence is sufficient and appropriate to provide a basis for the opinion.

Emphasis of Matter

We draw your attention to the fact that during 2017, MLSW executed improper payments from the category of Subsidies and Transfers in the total amount of €1,913,630. These relate to the pensions paid after the death of beneficiaries in the amount of €111,935, to pension beneficiaries by the persons who work or who generate personal income in the amount of €921,022, beneficiaries of more than one pension scheme funded by MLSW in the amount of €701,211 and beneficiaries benefiting from more than one category within the same scheme in the amount of €179,462.

The audit opinion is not qualified for this matter since the value of the error does not exceed the materiality determined by the NAO. For more details refer to Chapter 3.6 Subsidies and Transfers.

Responsibility of Management and Persons Charged with Governance for AFS

The Secretary General of the MLSW is responsible for the preparation and fair presentation of financial statements in accordance with International Public Sector Accounting Standards – Financial Reporting under the Modified Cash based Accounting and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. This includes the application of Law no. 03/L-048 on Public Financial Management and Accountability (as amended and supplemented).

The Minister is responsible to ensure the oversight of the Ministry’s financial reporting process.

Auditor General’s Responsibility for the audit of the AFS

Our responsibility is to express an opinion on the AFS based on our audit. We conducted our audit in accordance with ISSAIs. These standards require 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 misstatements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will detect every material misstatement that might exist. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could influence the decisions taken on the basis of these AFS.

An audit involves performing procedures to obtain evidence about the financial records and disclosures in the AFS. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement in the AFS, 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 entity’s 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 the Management, as well as evaluating the presentation of the financial statements.

2.2 Compliance with AFS and other reporting requirements

The MLSW is required to comply with a specified reporting framework and other reporting requirements. We considered:

- Compliance with MoF Regulation no.01/2017 on the Annual Financial Reporting of Budget Organisations;
- Requirements of LPFMA no. 03/ L-048, (as amended and supplemented);
- Compliance with Financial Rule no.01/2013 and 02/2013;
- Action Plan on implementation of recommendations; and
- Requirements of Financial Management and Control (FMC) procedures. and
- Other requirements (budget requirements, quarterly reports, including nine- month statements and procurement plan.

We identified the following non-compliance related to the AFSs of the MLSW:

- The Table on Budget Execution, Note 12, Grants and Assistance in the column of Budget Execution, presented the expenditures of the year in the amount of €276,603, instead of presenting in the AFSs only the value of the execution in 2017 in the amount of €258,930, (there is an overstatement by €17,673); and
- Two disputes as Contingent Liabilities in the amount of €13,304 were presented in the AFSs, while according to the MLSW register of Contingent Liabilities, the number of disputes by the end of 2017 was 667, which do not have the estimated amounts.

DECLARATION MADE BY THE MANAGEMENT OF THE MINISTRY

Given the above - the Declaration made by the Chief Administrative Officer and Chief Financial Officer when the draft AFS are submitted to the Ministry of Finance can be considered to be correct, except nonmaterial mistakes in PFV presented above and the finding at the emphasis of the matter, which is presented in sub chapter 2.1 Audit Opinion.

In the context of other external reporting requirements, we have no issues to raise.

2.3 Recommendations related to Annual Financial Statements

In relation to the abovementioned issues we give the following recommendations:

- Recommendation 1** The Minister should ensure that an analysis is undertaken to determine the causes for Emphasis of Matter. Further on, he should ensure strengthening of internal controls through real-time communication between registers and civil registers, systematic comparison of the list of the beneficiaries with information provided by TAK, and to set up a better communication between databases and pension scheme.
- Recommendation 2** The Minister should ensure that effective processes are in place to confirm that the 2018 AFS production plan formally addresses all compliance issues related to grants and contingent liabilities according to the assessed value. The Declaration made by the Chief Administrative Officer and Chief Financial Officer should not be signed unless all necessary checks have been applied to the draft AFS.

3 Financial Management and Control

Introduction

Our work related to Financial Management and Control (FMC) reflects the detailed audit activities undertaken on Revenue and Expenditure Systems within Budget Organisations. Specifically, the focus of the audit was Budget management, Procurement issues, Human Resources as well as Assets and Liabilities.

Financial Management and Control Conclusion

In general, the Ministry has established control in financial management and control, but the procurement field continues to be the most concerning area resulting in poor value for money and delays in initiation of procurement procedures. In the context of financial systems, controls over revenues are generally appropriate and are being implemented effectively – but controls over a range of expenditure areas require further enhancement to prevent irregularity of expenditures and non-rational expenditures. The main areas where most improvements are required are in Budget planning and Management of Subsidies.

3.1 Budget Planning and Execution

We have considered the sources of budget funds, spending of funds and revenues collected by economic categories. This is highlighted in the following tables.

Table 1. Sources of budgetary Funds (in €)

Description	Initial Budget	Final Budget ¹	2017 Outturn	2016 Outturn	2015 Outturn
Sources of Funds	375,749,474	401,277,547	400,156,325	376,550,042	315,278,581
Government Grant -Budget	375,749,474	400,958,625	399,879,722	376,407,020	315,275,283
External Donations	-	318,922	276,603	143,022	3,298

The final budget is higher than the initial budget by €25,528,073. This increase is a result of external donations in the amount of €318,922, the increase applied after budget review in the amount of €23,049,518, and by Government decisions in the amount of €2,159,634. This increase was affected by allocation of funds to cover liabilities from the war veterans' scheme.

MLSW used 99.7% of the final budget in 2017 or €400,156,325, similar to 2016. Explanations for the current position are detailed below.

¹ Final budget – the budget approved by the assembly which was subsequently adjusted for by the Ministry of Finance.

Table 2. Spending of funds by economic categories - (in €)

Description	Initial Budget	Final Budget	2017 Outturn	2016 Outturn	2015 Outturn
Spending of funds by economic categories	375,749,474	401,277,547	400,156,325	376,550,042	315,278,581
Wages and Salaries	4,970,177	4,950,177	4,872,972	4,848,167	5,104,701
Goods and Services	1,772,538	2,146,694	1,926,237	3,058,654	2,304,590
Utilities	377,085	377,085	316,560	342,875	379,254
Subsidies and Transfers	367,191,674	392,985,005	392,236,724	367,754,672	305,718,653
Capital Investments	1,438,000	818,587	803,832	545,674	1,771,383

Explanations for changes in budget categories are given below:

- The final budget compared to the initial budget for Wages and Salaries was reduced by €20,000, as a result of budget cuts. Budget execution in this category was 98%;
- The final budget for Goods and Services was higher than the initial one by €374,156. This includes a transfer in the amount of €165,000 from Capital Investments category, the increase by Government decision €285,484, and incorporation of external donations in the amount of €31,900. On the other hand, it was reduced by budget cuts-savings in the amount of €108,228. There was a surplus of €220,457 in this category at the end of the year, while there were also outstanding liabilities with reasoning that there was a lack of funds;
- There is no change between the final and initial budget for Utilities, while the execution was 84%;
- The final budget compared to the initial one for Subsidies and Transfers was higher by €25,793,331. Such a big difference resulted by allocation of €26,189,518 with a budget review to cover liabilities from the war veterans' scheme, and the budget cuts in the amount of €3,000,000 to the pension scheme of the police members, followed by a Government decision in the amount of €2,364,663, and external donations in the amount of €239,150; and
- There was a significant difference between the final and the initial budget in the category of Capital Investments, where the final budget was reduced by €619,413. Initially there was a reduce by review in the amount of €120,000, then with Government decision there were cuts for this category in the amount of €547,285. Meanwhile, there was an increase by €47,872 from external donations. Budget execution was 98%.

Issue 3 – Budget Execution**Finding**

Although the budget was executed at 100%, there is room for improvement in budget planning, especially in Subsidies and Transfers, and in Capital Investments. This is because Subsidies and Transfers required additional substantial amounts of funds for the budget, while Capital Investments required multiple adjustments throughout the year. The significant difference between the initial and final budget on Capital Investments is due to inadequate planning of projects and delays in execution of the procedures.

Further on, the main challenges faced by MLSW during 2017 were the lack of budget to pay liabilities to war veterans, and failure to plan budget for payment of family pensions, and work disability pensions. The payment for the last two should have started from the moment of receipt of applications for these schemes, since the beneficiaries are entitled to the payment right from the moment of application. In spite of budgetary difficulties, by the end of 2017, the Ministry has managed to secure funds to settle the liabilities of war veterans. As for family pensions and disability pensions, they are beginning to be paid in 2018 in form one plus one (1 + 1), which means a pension of the respective month and a retroactive retirement pension for debt settlement.

Risk

Inadequate budget planning may put the Ministry into budget difficulties, due to the lack of financial capacities to meet legal liabilities for pension and social schemes. This can also lead to various lawsuits against the Ministry for failure to meet liabilities, resulting in contingent liabilities, and subsequently affecting the budget of the following years.

Recommendation 3

The Minister should undertake a systematic assessment of the reasons for inadequate planning of projects, and delays in implementation of Capital Investment procedures in 2017 and earlier, and to determine practical options for improving its execution in 2018. Further on, should ensure intensification of discussion with the MoF on budget planning, with particular emphasis on social and pension schemes, in order to avoid constant difficulties in accomplishment of legal liabilities and pre-determined goals.

3.2 Revenues

Revenues generated by the MLSW in 2017 were in the amount of €329,374. Compared with last year, there is an increase of 33%. They relate to revenues from the Labour Inspectorate Authority (LIA) and the Department of Labour and Employment (DLE).

Table 3. Own Source Revenues (in €)

Description	Initial Budget	Final Budget	2017 Receipts	2016 Receipts	2015 Receipts
Own source revenues	-	-	329,374	247,958	200,126

Collected revenues are deposited in Kosovo Budget and used by the Ministry.

Recommendations

We have no recommendations in this area.

3.3 Wages and Salaries

Wages and Salaries are paid through a centralised system managed by MPA and MoF. Although, there are a range of controls that operate within the MLSW, which are related to the authorization of the payroll list such as: the verification of changes, budget review for this category, reconciliation with the Treasury etc. It is therefore important to have effective controls to ensure that these actions are in line with the general rules.

Issue 4 - Application of different coefficients for the same positions

Finding From the review of the list of MLSW employees we found that in many cases were applied compensations with different coefficients for the same² positions. Moreover, in one of these cases for the position "Pension and Benefits Officer" six types of coefficients were applied, ranging from 5.5, 6, 6.5, 7.5, 8 and 10.

² Advisor - Coefficient 5.5, 6 and 6.5, Recruitment Advisor - Coefficient 6 and 6.5, Information Officer - Coefficient 5, 5.5 and 6, Trainer - Coefficient 6.5 and 7, Chef - Coefficient 6.5 and 7, Head of the Recruitment Office - Coefficient 7.5 and 8, Registration Officer - Coefficient 5.5 and 6, Logistic Officer - Coefficient 5 and 6, Administrative Officer - Coefficient 6, 6.5 and 7, Coordinator - Coefficient 6, 6.5 and 7, Pensions and Benefits Official- Coefficient 5.5, 6 and 6.5, Pension and Benefits Officer - coefficient 5.5, 6, 6.5, 7.5, 8 and 10. Officer for External Pensions - Coefficient 5.5 and 6.5, Database Officer - Coefficient 7 and 8, Decision and Payment Officer - Coefficient 5.5 and 6.5, Administrative Assistant - Coefficient 5 and 5.5, - Coefficient 4, 5 and 5.5, Resident Victim Advocate - Coefficient 5.5 and 6.5, Medical Assistant - Coefficient 4 and 5, Therapist - Coefficient 5 and 6,, Coefficient 5 and 6, Financial Officers - Coefficient 6 and 7, Head of Division - Coefficient 9 and 10, Head of the Institution - Coefficient 8 and 9, Head of Department - Coefficient 9 and 10.

Risk Failure to correspond coefficients to the payments for the officers in the same positions affects the quality of the work performed by the respective officials, leads to budget loss, and prevents the achievement of overall organization's objectives.

Recommendation 4 The Minister should ensure that the payment of officials is made according to the job descriptions, preventing the possibility of different payments for the same positions.

3.4 Personnel Management

Personnel management includes all actions related to recruitment, contracts, training, promotion, leaves, etc. We have tested a number of samples to ensure that the actions taken in this area are in compliance with applicable regulations.

Issue 5 - Recruitment procedures

Finding MLSW had recruited 32 persons with special service agreements (SSA). According to the Law on Civil Service of Kosovo, these are subject to the Law on Obligations and for them a simplified recruitment procedure should be applied. We have seen that 25 of them have been enrolled without recruitment procedures, and for 20 of them, the contracts have been extended every 6 months from the past years. The reason for recruitment of these employees was the lack of budget for Wages and Salaries. It is worth pointing out that upon our advice in the audit memo, MLSW in 2018 has reduced the number of SSAs with two officials.

Risk Recruitment of employees with SSA without adequate recruitment procedures increases the risk of recruiting inadequate persons for respective positions, and this may result in operational inefficiency and failure to meet the organization's objectives.

Recommendation 5 The Minister should ensure that employees with special services agreements are hired through recruitment procedures, in accordance with legal requirements.

3.5 Goods and Services and Utilities

The final budget of Goods and Services, and Utilities in 201t was €2,523,779, out of which €2,242,797 was spent. Those relate to supply with expandable material, services, maintenance and utilities. From our testing we identified the following issues.

Issue 6 - Shortcomings in preparing technical specifications

Finding In the contract ‘Translation Services for the needs of MLSW’ in the amount of €62,495 we have established that there was no compliance between the request from the requesting unit for the quantity and service assessment unit with the technical specification of the tender dossier. Further on, the contract for these services does not contain the products with unit prices, and the estimated amount of services to be obtained.

In the framework contract ‘Servicing and maintenance of 86 vehicles of the MLSW’ in the amount of €41,998, in the technical specification of the tender dossier the specified quantity was only for one unit by type of vehicle, while it contained 19 types, whereas the total price of the contract does not include the total price for servicing of all units/vehicles, which for the contract was signed, for example, for seven same vehicles it has foreseen one air filter, one engine oil, one fuel filter, and so on.

Risk Non-compliance of the request by the requesting entity with technical specifications and non-inclusion of quantity and price per unit in the contract may result with financial loss, and not achieving the value for money spent. Failure to include indicative quantities in the specifications of the tender dossier may result with additional expenditures or exceeding of the allowed value of the framework contract (30%), and hindering the achievement of Ministry’s objectives.

Recommendation 6 The Minister should ensure that the requesting units perform a detailed analysis of needs, before commencing procurement procedures, ensuring that the technical specifications include only required positions. Also the contract should contain the quantity and price per unit in accordance with technical specifications of the tender dossier. Further on, should ensure that the technical specifications of the tender dossier include the indicative quantities and that the framework contract is signed in accordance with LPP.

Issue 7 – Supplies with medicines that are not part of the contract

- Finding** MLSW has signed a 24 months framework contract for supply with medicines to the Elderly Care Home in Pristina, the Special Institute in Shtime, Community Housing and Shelter House in Lipjan. The relevant institutions have made requests for supply of medicines, while the request lists also included medicines that were not part of the contract. The Committee for Receipt of Goods, appointed by a decision of the Secretary General, had received the medicines based on purchase order, and not on the basis of the contract, whereas payments for non-contracted ordered medicines were not executed by the Certifying Officer. As a result, the Treasury has executed payments in the amount of €36,101.
- Risk** The ordering and receipt of goods that were not part of the contract has led to execution of direct payments of received invoices from Treasury, and all this resulted in the budget loss and subsequently in non-fulfilment of the MLSW set objectives.
- Recommendation 7** The Minister should strengthen internal controls to ensure the regularity and efficiency of any process of expenditure, reducing the possibility for execution of payments from Treasury.

3.6 Subsidies and Transfers

The category of Subsidies and Transfers makes 98% of total expenditures of MLSW. These relate to pension and social schemes, early retirement, subsidies for individual and public beneficiaries, etc. Thanks to the cooperation with the Civil Registration Agency (ARC), the Tax Administration of Kosovo (TAK) and the Islamic Community, during 2017 the Ministry had managed to greatly reduce the payments for pensioners after death and some of the irregular payments which were identified by previous year audits, to some pension and social schemes. However, management of schemes is still a challenge, with particular emphasis on double beneficiaries and pension payments for employed persons.

The total error value for 2017 was €1,913,630. While, compared to the previous year, there is an increase of improper payments in the amount of €1,233,199. From our tests we identified the following issues:

Issue 8 – Payment of pensions to the deceased persons**Finding**

According to the relevant laws on pension schemes and applicable rules, giving of pensions after the death of the beneficiaries should be stopped. By comparison of the data between MLSW and ARC, we have established that during 2017, pensions paid after the death of beneficiaries amounted to €111,935. Compared with the last year, there has been a slight decrease of such improper payments for €3,071. This has happened because the deaths are reported with delay in the ARC, while at the time of comparison of the data from us, the error value includes also the months when the person was dead but still unregistered in the ARC. This fact does not allow the complete elimination of the error in this scheme by the ministry.

Table 4. Payment of pensions to the deceased beneficiaries

Type of pension (pension scheme)	Payments for the beneficiaries they have died before 2017		Payments for the beneficiaries they have died during 2017		Total financial error in 2017	
	Number of payments	Amount (€)	Number of payments	Amount (€)	Number of payments	Amount (€)
	a	b	c	d	(a+c)	(b+d)
Pensions for the Blind (PB)	53	13,250	10	2,375	63	15,625
Base Pensions (BP)	175	13,725	406	31,575	581	45,300
Contribution Pensions(KP)	58	10,280	143	25,250	201	35,530
Pensions for persons with disabilities (PPD)	114	8,850	55	4,950	169	13,800
Pensions Trepça	11	1,155	5	525	16	1,680
Total	411	47,260	619	64,675	1030	111,935

Risk

Keeping deceased in the lists of pension payments results in irregular payments, and budget loss.

Recommendation 8

The Minister should ensure further strengthening of internal controls and clearing of the lists, by doing continuous monthly systematic comparisons of registers with the civil registry, exchange of information between them in real time, prior to pay pensions. In addition, all necessary measures should be taken to get back the pensions that were given not on based grounds.

Issue 9 - Pensions given to employed individuals**Finding**

By comparing registers between the MLSW and TAK, we have found that there are cases of pension beneficiaries that also receive personal income. The amount of error was €921,022, which compared to the previous year is increased by €515,570. This was because the ministry at the moment of payment did not have the information that the beneficiary worked in the respective month, as the declaration of employees in TAK is made until the 15th of the following month.

Table 5. Pensions given to employed individuals

Type of pension scheme	Number of payments	Financial error
Pensions for persons with disabilities (PPD)	2,393	201,675
Pensions Trepça	509	53,550
DFMWI Veteran	3,382	593,820
Social Assistance	788	71,977
Total	7,072	921,022

Risk

The fact that employed persons benefit from social assistance is in disagreement with the law, results in improper payments, and results with the budget loss.

Recommendation 9

The Minister should ensure further strengthening of internal controls in order to clear the lists, so that the employed persons do not benefit the pensions they are not entitled to. Should ensure systematic comparisons of beneficiaries' lists with information received by TAK, and real-time communication, prior to carrying out payments. Further on, all necessary measures should be taken against the beneficiaries so that the funds obtained without a legal basis are returned to the Ministry's budget.

Issue 10 - Double beneficiaries of pension schemes

Finding There are still beneficiaries of more than one pension scheme funded by the MLSW. In most of the cases beneficiaries belong to the category of KPC and KSF. The amount of error for this year was €701,211, which compared to the previous year has increased by € 541,238.

Table 6. Double beneficiaries of pension schemes

Beneficiaries	Number of payments	Financial error
Pensions of The Kosovo Security Force (KSF)	378	106,998
Base Pensions (BP)	256	22,350
Contributing Pensions (CP)	27	4,801
Pensions for persons with disabilities (PPD)	5	375
Pensions of the Kosovo Protection Corps (KPC)	2,466	556,829
DFMWI Family	2	256
DFMWI Veteran	96	9,602
Total	3,230	701,211

In addition to the findings presented in the table, in the Department of Families of Martyrs and War Invalids (DFMWI), we identified 82 cases of beneficiaries benefiting from more than one category within the same scheme. The amount of financial error for 2017 for these cases is €179,462.

Risk Paying double pensions to same persons is in disagreement with the law, and results with budget loss.

Recommendation 10 The Minister should ensure further strengthening of internal controls by creating a more effective communication between the pension schemes databases. Further on, should review the possibilities of creating an integrated software of all pension schemes, in order to eliminate the possibility of double benefits. In addition, legal measures should be taken so that the beneficiaries who have received funds unlawfully return them to the budget of the Ministry.

3.7 Capital Investments

The final budget of Capital Investments was €818,587, out of which €803,832 was spent in 2017. Those mainly relate to construction of objects for social cases. From our testing we identified the following issues:

Issue 11 – Selection of non-eligible EO

Finding In two³ cases, MLSW awarded with contract the EO who did not meet all the criteria as set out in the tender dossier. The winning EO did not have evidence on ownership of the listed machinery and work tools required for execution of the works.

Risk The selection of EOs that do not meet all the criteria, will diminish the reliability of the process and may result in poor quality service from the lack of machinery and tools, as well as with delays in execution of the contract.

Recommendation 11 The Minister should ensure that all contracts are signed with EO that meet all the criteria set out in the tender dossier.

3.8 Capital and Non-Capital Assets

The net value of capital assets over €1,000 in the accounting register was €19,008,812, while the net value of non-capital assets under €1,000 was €758,990. We have reviewed whether the registration process and the manner of keeping records is in compliance with the requirements of the MoF Regulation No. 02/2013 on management of non-capital assets of budget organizations.

Issue 12 – Poor Asset Management

Finding Our audit identified several non-compliances related to Ministry's Asset Management, and that as follows:

- Although the committee for asset inventory was established by the end of the year, it had not completed its work on time, and its work was not performed in compliance with the requirements of the MoF Regulation No. 02/2013 on management of non-capital assets. There was no correlation/comparison of records from the inventory report and asset officer.

³ "Construction of VEC Podujeva" - €149,614 and "Repairing of roof at KPA -Gjakova"- €14,885

- The Ministry had signed a Memorandum of Understanding with different Municipalities for construction of social housing facilities. However, due to non-clarification of the ownership of these facilities in co-financing agreements with Municipalities, although it is known that these are the property of the Municipality, the ownership in value of €136,748 is yet not transferred. Some of them are listed in the MLSW assets register as on-going investment, while the rest is presented as assets in use (since the payment was equal to the value of the contract);
- In one case, property in the amount of €14,511 (residential building) is not presented in the assets register of MLSW;
- Further on, in five cases in the amount of €35,908, the renovation of the property was registered as a new property (building), instead of being added to the base value of the building. The same situation is with the supervision of the projects that were not attached to the base projects, but in one case it was registered as the on-going investment, while in the other one as business building.
- Payment for the project concept document in the amount of €11,129 was recorded as on-going investment in the asset register, although the project has been concluded; and
- For 14 out of 40 requested asset samples, which are presented in the assets register, and which are registered in previous years (before 2010), the Ministry has not provided supporting documentation.

Risk

Failure to update the assets register, the lack of supporting documents for the assets presented in the register, inadequate registration, and non-harmonization of the inventory status to the status of the accounting registry increase the risk for the assets may be misused, lost or alienated, and for the value of the organization's assets disclosed in the AFS is not correct.

Recommendation 12 The Minister should ensure strengthening of controls in asset management and reporting, so that their management and reporting are made in accordance with legal requirements. Further on, should ensure that co-financing agreements with municipalities clarify the ownership of constructed objects upon completion. Also, should intensify cooperation of the Asset Officer with the Treasury, to allow registration of the new investments in existing buildings as an added value to the base building.

3.9 Receivables

The uncollected revenues of MLSW presented in the AFS were €398,253. They relate to fines imposed by the Inspectorate on Labour. Compared to the previous year, accounts receivable increased by €195,503 (2016 - €202,503), this increase was due to the increase in the number of fines imposed by the Inspectorate on Labour.

Recommendations

We have no recommendations in this area.

3.10 Outstanding Liabilities

The statement of liabilities not paid to suppliers at the end of 2017 was €422,051, which is lower by €206,323 (33%) compared to the previous year. These liabilities are carried forward to be paid in 2018. The MLSW did not have sufficient controls in place for management of outstanding liabilities.

Issue 13 – Incomplete reporting and shortcomings in management of liabilities

Finding

From the invoices paid in 2018 (January-March period) which were liabilities of 2017, we have found that in one case, the invoice in the amount of €2,586 was not presented in the report of liabilities of 2017. Also in five cases the legal deadline (30 days) has been exceeded for payment of liabilities presented in the AFS. Such delays vary from 13 to 103 days. This happened because MLSW did not apply internal control procedures when receiving invoices, because in seven samples tested the received invoices were not protocolled as required by the Financial Regulation 01/2013 on Expenditure of Public Money. Further on, the reporting of liabilities was not done according to the format set out in the Financial Regulation 02/2013 on reporting of liabilities, because these reports were not signed.

Risk

The incomplete report of outstanding liabilities and exceeding the legal deadline for payment of liabilities may result in loss of invoices, and subsequently MLSW will have a lack of proper and timely information regarding prior obligations, and the ministry may be subject of direct executions by MoF and court decisions.

Recommendation 13 The Minister should ensure that payment of invoices is made in accordance with the deadlines set by the regulation, and to correctly present all in the report of liabilities. Further on, should ensure protocoling of all received invoices.

4 Progress in implementing recommendations

MLSW has received our 2016 audit recommendations in June 2017, and an action plan has been drafted stating how all recommendations will be implemented.

At the end of our 2017 audit, five out of 15 recommendations given in 2016 have been implemented; one is under the implementation and nine have not been addressed yet. Also, from the year 2015, 15 recommendations were carried forward too, out of which eight have been implemented and seven have not been addressed yet. While the recommendations of 2016 and those of previous years have not been implemented, the shortcomings in key systems are still not addressed. For a more thorough description of the recommendations and how they are addressed, see Annex II.

Issue 13 - Implementing Prior and Earlier Year Recommendations

Finding Only a portion prior year's recommendations and those previously carried forward have been implemented. We have not noticed that MLSW applies responsibility measures for non-implementation of the recommendations.

Risk The continued weakness of management and other controls in key financial systems has resulted in:

- Poor budget planning in the area of subsidies and capital investments; and
- Shortcomings in asset management, personnel and procurement.

Recommendation 14 The Minister should ensure implementation of the Action Plan, and that it clearly sets out a timetable for addressing the recommendations made by the AG with accountable staff members identified and with initial focus on those of greatest significance.

5 Good Governance

Introduction

Good Governance implies basic principles of accountability, effectiveness of controls, risk management, independence of internal audit, and coordination of NAO with internal audit and good governance with public assets.

A key tool supporting effective governance is the implementation of audit recommendations as this demonstrates that Management are seeking to develop existing processes and controls. The level of compliance with FMC requirements by Budget Organizations is monitored by the self-assessment checklists completed by all BOs, which are submitted at the end of the year to the Ministry of Finance.

Specific areas of our governance-related reviews have been the accountability and risk management process, while the other components are handled within the chapters or subchapters above.

Overall Governance Conclusion

There is a number of governance weaknesses within MLSW particularly related to accountability, risk management and the quality of management reporting. Other arrangements that would support the development of governance, as an effective response to audit recommendations, were not fully set. Internal Audit has provided a clear picture of the level of assurance of internal controls, and the Audit Committee is operational.

All Budget Organisations are obliged to prepare and submit organisation level strategic plans. The comprehensive development strategy is considered to be partially set by the MLSW, because the strategy is a draft strategy, which was not approved by the Government, and in such capacity could not be implemented by the Ministry.

Although the MLSW has drafted a risk register, it does not cover all activities and its content is not actively managed in terms of up-dating and ensuring that actions are taken to mitigate the risks.

In relation to the self-assessment report, MLSW has submitted it to the Ministry of Finance within the deadline.

It is worth pointing out that during 2017, the Ministry has purchased software for integration of the DFMWI pension fund (war pensions) and DSPF (social pensions) pension database, which will help to better manage these schemes.

5.1 Internal Audit System

The Internal Audit Unit (IAU) operates with three members of staff - the Head of IAU and two auditors. IAU has carried out 20 planned audits, and extra audit upon request of the management.

Issue 15 - Poor functioning of IAU

Finding We have reviewed the IAU audit report file “for the home care of elderly persons and those without family care, Prishtina” and we have found that in the audit file was not accompanied by the evidence and supporting documents for the audit findings.

Risk Failure to document the IAU audit reports with the necessary supporting evidence will undermine the effectiveness of the IAU's work and will reduce the possibility for the NAO to obtain assurance of the IAU work, despite the volume and quality of work undertaken.

Recommendation 15 The Minister should ensure that a quality control review is applied by the Director of the IAU to each audit file, and that the AC annual report reviews the quality of the audit files applied by the IAU.

5.2 Management Reporting, Accountability and Risk Management

There are seven regional centres of the Pension Administration Department, seven regional employment centres and eight vocational training centres under the management of the MLSW. Financial and operational reporting is done through relevant departments. To ensure effective financial management, an effective consolidation and timely reporting is required. Executive Authority of the Inspectorate on Labour also operates within the MLSW, and from 2018 the Employment Agency of the Republic of Kosovo has started to function as an agency. Although the Management have implemented a range of internal controls to ensure that systems work properly, we have noticed that the measures applied are poor and ineffective, and do not provide an effective and timely response to the identified operational problems.

Issue 16 – Weaknesses in High Level Management Controls and Risk Management**Finding**

Although the reporting process by the departments in the Ministry is performed on regular weekly basis, apart from not being comprehensive, they are not reviewed and considered by the senior management in order to ensure effective accountability. The reports do not contain the amount of information that would allow effective management of activities, because there is no standard reporting. This has happened because the relative accountability between the MLSW and its offices/centres and the subsequent reporting responsibilities are limited and not implemented effectively. Further on, the meetings held by the Secretary General with the Heads of the Departments are not followed by the minutes.

According to the Rules on Financial Management and Control, MLSW should have a risk register in place. But, although the risk register has been drafted, it does not cover all activities, and its content is not actively managed in terms of updating, and ensuring that actions are taken to mitigate the risks. Effective risk management requires clear actions that should be applied to all significant risks affecting the organization.

Risk

Poor accountability requirements and poor quality financial reporting reduce the effectiveness of financial management. This results in weaknesses within the budget process and reduces Management's ability to respond to financial challenges in time. It also reduces the effect of budget controls, and increases the risk of improper spending. Subsequently, this may also result in providing poor quality services.

Recommendation 16 The Minister should ensure that a review has been carried through to determine the form of financial and operational reporting to senior management. Budgetary performance, including revenues and expenditures, and procurement plan should be subject to regular reporting and review by the Management. Further on, in order to reduce the impact of risks to acceptable levels, the MLSW should update risk register with all appropriate measures/actions to put the exposed threats under control.

Issue This report is a translation from the Albanian original version. In case of discrepancies, Albanian version shall prevail.

Annex I: Explanation of the different types of opinion applied by NAO

(extract from ISSAI 200)

Form of opinion

147. The auditor should express **an unmodified opinion** if it is concluded that the financial statements are prepared, in all material respects, in accordance with the applicable financial framework.

If the auditor concludes that, based on the audit evidence obtained, the financial statements as a whole are not free from material misstatement, or is unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement, the auditor should modify the opinion in the auditor's report in accordance with the section on "Determining the type of modification to the auditor's opinion".

148. If financial statements prepared in accordance with the requirements of a fair presentation framework do not achieve fair presentation, the auditor should discuss the matter with the management and, depending on the requirements of the applicable financial reporting framework and how the matter is resolved, determine whether it is necessary to modify the audit opinion.

Modifications to the opinion in the auditor's report

151. The auditor should modify the opinion in the auditor's report if it is concluded that, based on the audit evidence obtained, the financial statements as a whole are not free from material misstatement, or if the auditor was unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement. Auditors may issue three types of modified opinions: a qualified opinion, an adverse opinion and a disclaimer of opinion.

Determining the type of modification to the auditor's opinion

152. The decision regarding which type of modified opinion is appropriate depends upon:

- The nature of the matter giving rise to the modification – that is, whether the financial statements are materially misstated or, in the event that it was impossible to obtain sufficient appropriate audit evidence, may be materially misstated; and
- The auditor's judgment about the pervasiveness of the effects or possible effects of the matter on the financial statements.

153. The auditor should express a **qualified opinion if**: (1) having obtained sufficient appropriate audit evidence, the auditor concludes that misstatements, individually or in the aggregate, are material, but not pervasive, to the financial statements; or (2) the auditor was unable to obtain sufficient appropriate audit evidence on which to base an opinion, but concludes that the effects on the financial statements of any undetected misstatements could be material but not pervasive.

154. The auditor should express an **adverse opinion if**, having obtained sufficient appropriate audit evidence, the auditor concludes that misstatements, individually or in the aggregate, are both material and pervasive to the financial statements.

155. The auditor should **disclaim an opinion if**, having been unable to obtain sufficient appropriate audit evidence on which to base the opinion, the auditor concludes that the effects on the financial statements of any undetected misstatements could be both material and pervasive. If, after accepting the engagement, the auditor becomes aware that management has imposed a limitation on the audit scope that the auditor considers likely to result in the need to express a qualified opinion or to disclaim an opinion on the financial statements, the auditor should request that management remove the limitation.

156. If expressing a modified audit opinion, the auditor should also modify the heading to correspond with the type of opinion expressed. ISSAI 1705¹⁹ provides additional guidance on the specific language to use when expressing a modified opinion and describing the auditor's responsibility. It also includes illustrative examples of reports.

Emphasis of Matter paragraphs and Other Matters paragraphs in the auditor's report

157. If the auditor considers it necessary to draw users' attention to a matter presented or disclosed in the financial statements that is of such importance that it is fundamental to their understanding of the financial statements, but there is sufficient appropriate evidence that the matter is not materially misstated in the financial statements, the auditor should include an Emphasis of Matter paragraph in the auditor's report. Emphasis of Matter paragraphs should only refer to information presented or disclosed in the financial statements.

158. An Emphasis of Matter paragraph should:

- be included immediately after the opinion;
- use the Heading “Emphasis of Matter” or another appropriate heading;
- include a clear reference to the matter being emphasised and indicate where the relevant disclosures that fully describe the matter can be found in the financial statements; and
- indicate that the auditor’s opinion is not modified in respect of the matter emphasised.

159. If the auditor considers it necessary to communicate a matter, other than those that are presented or disclosed in the financial statements, which, in the auditor’s judgement, is relevant to users’ understanding of the audit, the auditor’s responsibilities or the auditor’s report, and provided this is not prohibited by law or regulation, this should be done in a paragraph with the heading “Other Matter,” or another appropriate heading. This paragraph should appear immediately after the opinion and any Emphasis of Matter paragraph.

Annex II: Progress in implementing Prior and Earlier Year Recommendations

Audit Component	Recommendation carried forward from 2015	Implemented during 2017	Under implementation during 2017	Not implemented
2.5.2 Management Reporting	The Minister has to ensure that is undertaken a review of the current format of financial and operational reporting to senior management, and to ensure that reporting by departments is standardised and completed with necessary information, in order to support effective business management.			Recommendation was not implemented, since similar issues were identified by 2017 Audit.
3.3 Budget Planning and Execution	The Minister has to ensure deepening of the dialogue with the Ministry of Finance regarding budget planning with particular emphasis on social and pension schemes, so that are avoided continued difficulties in meeting legal obligations and targets set beforehand.			Recommendation was not implemented, since similar issues were identified by 2017 Audit.
3.5.3 Subsidies and Transfers	The Minister has to ensure that appropriate actions will be taken to ensure strengthening of internal controls and clearing of the lists, by doing continuous monthly systematic comparisons of registers in the civil registry, on basis, prior to paying pensions. In addition, should be taken all necessary measures to return pensions that were given without a base.			Recommendation was not implemented, since similar issues were identified by 2017 Audit.

3.5.3	The Minister has to ensure that there will be appropriate actions to ensure strengthening of internal controls to clear pension lists from employed persons, by making systematic comparisons with TAK data, prior to carrying out payments. In addition, should be taken all necessary measures to return pensions that were given without a base.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.5.3	The Minister has to ensure that will continue strengthening internal controls by creating a more effective communication between the pension schemes databases. Furthermore, should review the possibilities of creating an integrated software of all pension schemes, in order to eliminate the possibility of double benefits. In addition, legal measures should be taken so that the beneficiaries who have received funds unlawfully return funds to the budget of the ministry.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.7 Assets and Liabilities	The Minister has to ensure establishment of the inventory committee in the future at the level of organisation, and carries out its duty in line with legal requirements, so that the value of assets presented in the AFS is complete and accurate. Activities should be increased in order to include all assets in the accounting registers and e-assets.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.7.2	The Minister has to ensure initiation of a review of the process of outstanding liabilities, to ensure that is carried out a systematic assessment of debts, and that adequate measures will be taken to improve current situation.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.

Audit Component	Recommendation given in 2016	Implemented	Under implementation	Not implemented
2. Financial Statement	The Minister should ensure that a comprehensive analysis is undertaken to determine the causes of errors presented in AFS. Actions should be taken to address the underlying causes in a systematic and pragmatic manner to ensure the regular inventory of all assets and accurate disclosure of asset value and AFS liabilities.			Recommendation was not implemented since similar issues were identified by 2017 Audit.
2.1 Progress in the Implementation of Prior Year Recommendations	The Minister should ensure the implementation of a revised action plan which sets out the deadlines for implementing the recommendations made by the Auditor General with the identified responsible staff, by focusing primarily on the most important areas.			Recommendation was not implemented, since similar issues were identified by 2017 Audit.
2.2 Self-Assessment Checklist of FMC components	The Minister should ensure the review of completing the self-assessment checklist and address in proactive manner the areas of weaknesses. A revised mechanism should be applied in order to confirm the accuracy of the checklist and ensure supporting documentation.	Recommendation is implemented.		
2.3.1 Management Reporting and Accountability	The Minister should ensure that a specific review is carried out in order to determine a more appropriate form of reporting to senior management to increase the efficiency of reporting and controls.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
2.4 Internal Audit System	The Minister should ensure the effective functioning of AC, to support IAU in meeting the objectives, and assist the management in the implementation of audit recommendations.	Recommendation is implemented.		

3.1 Budget Planning and Execution	The Minister should ensure a profound dialogue with MoF with regards to budget planning with a special emphasis on social and pension schemes in order to avoid constant difficulties in fulfilling of legal obligations and pre-determined targets.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.1.2 Wages and Salaries	The Minister should ensure meeting of legal deadlines in cases of exercising certain positions, and that all necessary measures are taken in due time for covering positions with regular staff.	Recommendation is implemented.		
3.1.2 Wages and Salaries	The Minister should ensure that employees with special services contracts are engaged only in cases when specific requirements and engagements emerge for these services, which should not go beyond six (6) months.		The Recommendation partially implemented, based on the fact that since September 2017, the ministry has not continued the existing MSO contracts and from that time there are no new entrants. This has led to the reduction of the number of MOH to 2 in 2018.	
3.1.3 Goods and Services and Utilities	The Minister prior to each procurement activity should initially confirm the availability of funds. In addition, the technical specifications must be clear towards enabling the contracting and supplying with adequate items, in compliance with the requirements of the requesting units.	Recommendation is implemented.		

3.1.4 Subsidies and Transfers	The Minister should ensure further strengthening of internal controls, for cleaning the lists, by making a systematic comparison on a monthly basis of civil registry with civil registration prior to conducting the compensation of pensions. All necessary measures should be taken for the return of pensions given without any basis.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.1.4 Subsidies and Transfers	The Minister should ensure further strengthening of internal controls, in order to clear the lists, so that the employees do not benefit pensions which they are not entitled to. Prior to the execution of payments, systematic comparisons of beneficiaries' lists should be made with the information received from TAK. All necessary measures should be taken against the beneficiaries, so that the funds obtained without legal basis be returned to the Ministry's budget.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.1.4 Subsidies and Transfers	The Minister should ensure the continuous improvement of internal controls in order to establish a more effective communication between the databases of pension schemes. Possibilities on creating integrated software for all pension schemes should be analysed in order to eliminate the possibility of double pension benefits. Legal measures should also be taken against the beneficiaries in order to return in the budget of the Ministry the illegally obtained funds.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.

3.1.4 Subsidies and Transfers	The Minister should ensure objective evaluations of the projects conducted by the evaluation committees, and that no entity will be subsidized if it does not meet the requirements foreseen with the competition and the relevant regulations on subsidies.	Recommendation is implemented.		
3.2 Assets	The Minister should ensure strengthening of controls on asset management and reporting, so that their management and reporting is made in accordance with legal requirements. It should further ensure that the process of transferring the ownership of the constructed facilities is completed upon signing the documentation by all parties involved in the process.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.
3.3 Outstanding Liabilities	The Minister should ensure that a review of the reporting process of liabilities is carried out and conduct an immediate assessment of liabilities to undertake adequate measures for the improvement of the current situation.			Recommendation was not implemented since, similar issues were identified by 2017 Audit.

Annex III: Letter of confirmation

REPUBLIKA E KOSOVËS QEVERIA E VLADE Ministria e Punës dhe Mirëqenies Sociale Ministarstvo Rada i Socijalne Zastite	
No. Prot. 256 Data 25.06.18	No. Dokumenti 02



REPUBLIKA E KOSOVËS ZYRA KOMBËTARE E AUDITIMIT NACIONALNA KANCELARIJA REVIZIJE / NATIONAL AUDIT OFFICE			
DATA E SHËNDRITURIT 25.06.2018			
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Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government
Ministria e Punës dhe Mirëqenies Sociale
Ministarstvo Rada i Socijalne Zastite/Ministry of Labour and Social Ėelfare

LETËR E KONFIRMIMIT

Për pajtueshmërinë me të gjeturat e Auditorit të Përgjithshëm në Raportin e auditimit për vitin 2017 dhe për zbatimin e rekomandimeve

Për: Zyrën Kombëtare të Auditimit

Të nderuar,

Përmes kësaj shkrese, konfirmoj se:

- Kam pranuar draft raportin e Zyrës Kombëtare të Auditimit për auditimin e Pasqyrave Financiare të Ministrisë së Punës dhe Mirëqenies Sociale për vitin e përfunduar më 31 dhjetor 2017 (në tekstin e mëtejme "Raporti");
- Pajtohem në parim me të gjeturat dhe rekomandimet dhe për përmbajtjen e Raportit;
- Megjithatë, konsideroj se është dashur të bëhet një shqyrtim i hollësishëm në lidhje me përfituesit e pensioneve nga personat e punësuar që janë në Skemën e Pensioneve për Personat me Aftësi të Kufizuar, pasi që legjislacioni aktual nuk e ndalon përfitimin e pensionit për aftësi të kufizuar për personat e punësuar në këtë skemë. Gjithashtu, edhe të çështja e përfitimit të pensionit të Veteranit nga personat që janë të punësuar, konsideroj se edhe pse është i saktë konstatimi që të njëjtit persona që kanë përfituar pension të veteranit të njëjtën kohë kanë qenë të punësuar për shkak të mosharhozimit me kohë të të dhënave me

Administratën Tatimore të Kosovës dhe me Trustin Pensional të Kosovës, mirëpo çështja e gabimit financiar duhet të rishikohet, sepse në momentin që është vërejtur që përfituesi i pensionit të veteranit ka qenë i punësuar, është bërë ndalesa e pagesës në muajin vijues.

- Brenda 30 ditëve nga pranimi i Raportit final, do t'ju dorëzoj një plan të veprimit për zbatimin e rekomandimeve, i cili do të përfshijë afatet kohore dhe stafin përgjegjës për implementimin e tyre.

z. Skender Reçica

Ministër - Ministria e Punës dhe Mirëqenies Sociale

Data: 25 Qershor 2018, Prishtinë,