Republika e Kosovës
Republika Kosova
Republic of Kosovo

ZKA
ZYRA KOMBËTARE E AUDITIMIT
NACIONALNA KANCELARIJA REVIZIJE
NATIONAL AUDIT OFFICE

IZVEŠTAJA REVIZIJE ZA POSEBNE NAMENE FINANSIJSKI ZA PROJEKAT REFORME U SISTEMU SOCIJALNE POMOĆI ZA PERIOD OD 1. JANUARA 2025. DO 31. DECEMBRA 2025. GODINE.

Priština, juli 2026.

SADRŽAJ IZVEŠTAJA

1 Mišljenje revizije

Ovaj izveštaj rezimira ključna pitanja iz revizije Godišnjih finansijskih izveštaja za posebne namene za projekat 'Reforma u sistemu socijalne pomoći' za period od 01. januara 2025. do 31. decembra 2025. godine, kojim se utvrđuje mišljenje koje daje Generalni revizor. Revizija godišnjih finansijskih izveštaja za posebne namene za predmetni period izvršena je u skladu sa Međunarodnim standardima vrhovnih revizorskih institucija (MSVIR). Naš pristup obuhvatio je testove i procedure koje su bile neophodne za donošenje mišljenja u vezi sa godišnjim finansijskim izveštajima.

Za menadžerski izveštaj, kontrole i sprovođenje preporuka nemamo pitanja za isticanje.

1.1 Mišljenje revizije o Godišnjim finansijskim izveštajima projekta Reforma u sistemu socijalne pomoći

Naša revizija godišnjih finansijskih izveštaja za posebne namene razmatra usklađenost sa zahtevima izveštavanja iz sporazuma, kao i kvalitet i tačnost informacija prikazanih u finansijskim izveštajima.

Nemodifikovano mišljenje

Revidirali smo finansijske izveštaje za posebne namene projekta koji je finansirala Svetska banka za period od 1. januara 2025. do 31. decembra 2025. godine, koji uključuju rezime izvora sredstava i nastalih rashoda, izjavu o zahtevima za povlačenje sredstava i objašnjenja.

Po našem mišljenju, godišnji finansijski izveštaji za posebne namene ne u vezi sa projektom Reforma u sistemu socijalne pomoći za period od 1. januara 2025. do 31. decembra 2025. godine, prikazuju istinit i realan prikaz u svim materijalnim aspektima, u skladu sa zahtevima izveštavanja u sporazumu između stranaka, poštujući principe računovodstva zasnovanog na gotovini.

Osnova za mišljenje

Revizija je izvršena u skladu sa Međunarodnim standardima vrhovnih revizorskih institucija (MSVIR). U skladu sa ovim standardima, naše odgovornosti su dalje opisane u delu „Odgovornosti revizora za reviziju godišnjih finansijskih izveštaja“. Smatramo da su pribavljeni revizorski dokazi dovoljni i odgovarajući za obezbeđivanje osnove za naše mišljenje.

Isticanje pitanja – Računovodstvena osnova

1 Skrećemo vam pažnju na činjenicu da su finansijski izveštaji pripremljeni u skladu sa okvirom posebne namene i stoga se finansijski izveštaji ne mogu koristiti u druge svrhe.

Naše mišljenje nije modifikovano u vezi sa ovim pitanjem.

Odgovornosti menadžmenta i organa upravljanja/uprave

Menadžment je odgovoran za pravilnu i istinitu pripremu finansijskih izveštaja za posebne namene, u skladu sa sporazumom zaključenim između Republike Kosovo, koju predstavlja ministar finansija, i Međunarodnog udruženja za razvoj. Ove informacije sastoje se od Izveštaja o sredstvima i njihovom korišćenju i Izveštaja o povlačenju sredstava.

Ministar je odgovoran za obezbeđivanje nadzora nad procesom finansijskog izveštavanja

Odgovornost Generalnog revizora za reviziju

Reviziju smo izvršili u skladu sa Zakonom o Generalnom revizoru i Nacionalnoj kancelariji revizije i Okvirom profesionalnih izjava INTOSAI (IFPP). Ovaj zakon i ovi standardi zahtevaju da se pridržavamo etičkih kriterijuma i da planiramo i sprovedemo reviziju kako bismo stekli razumno uverenje da godišnji finansijski izveštaji ne sadrže materijalno značajne pogrešne prikaze.

Revizija uključuje sprovođenje procedura za pribavljanje revizorskih dokaza u vezi sa godišnjim finansijskim izveštajima. Izabrane procedure zavise od prosuđivanja revizora, uključujući procenu rizika od materijalno značajnih pogrešnih prikaza, bilo usled prevare ili greške. Revizija takođe uključuje ocenu prikladnosti primenjenih računovodstvenih politika, razumnosti računovodstvenih procena koje je izvršio menadžment, kao i ocenu ukupnog prikaza finansijskih izveštaja.

Tokom sprovođenja postupaka procene rizika, uzimamo u obzir relevantne interne kontrole u vezi sa izjavama menadžmenta i pripremom finansijskih izveštaja za potrebe zakonskih zahteva regulatora od strane subjekta, ali ne u svrhu izražavanja mišljenja o njihovoj efikasnosti. Ipak, pismeno ćemo vas obavestiti o svim značajnim nedostacima u internim kontrolama koji su relevantni za reviziju finansijskih izveštaja, a koje identifikujemo tokom revizije.

2 Delokrug i metodologija revizije

Nacionalna kancelarija revizije (NKR) je, na osnovu sporazuma/ugovora sa Svetskom bankom, odgovorna za sprovođenje finansijske revizije. Ova revizija obuhvata ispitivanje i ocenu finansijskih izveštaja i drugih finansijskih podataka kao što sledi:

· Da li finansijski izveštaji za posebne namene pružaju istinit i pravičan prikaz računa i finansijskih pitanja za period revizije;

· Da li su sva eksterna sredstva korišćena u skladu sa uslovima odgovarajućih sporazuma o finansiranju;

· Da li su finansijski podaci, sistemi i transakcije u skladu sa važećim zakonima i propisima koji se primenjuju na sredstva dodeljena od strane Svetske banke;

· Da li su finansijski izveštaji u skladu sa zahtevima posebnog sporazuma sa Svetskom bankom; i

· Za prikladnost funkcija interne kontrole.

Revizija je zasnovana na proceni rizika. Analizirali smo aktivnosti Projekta „Reforma usistemu socijalne pomoći“, koji je funkcionisao u okviru Ministarstva finansija, rada i transfera, kao i nivo oslanjanja na upravljačke kontrole radi utvrđivanja obima detaljnih testiranja neophodnih za pribavljanje revizijskih dokaza koji podržavaju mišljenje GR-a. Revizorske procedure obuhvatile su pregled internih kontrola, računovodstvenih sistema, odgovarajuća suštinska testiranja, kao i povezana upravljačka rešenja, u meri u kojoj smo to smatrali neophodnim za efikasno sprovođenje revizije.

Vlora Spanca, Generalna revizorka

Faruk Rrahmani, Direktor revizije

Jehona Krasniqi Rexha, Vođa tima

Veton Misiri, Član tima

Dodatak I: Objašnjenja različitih vrsta mišljenja revizije primenjenih od strane NKR

(odlomak od MSVIR 200

Vrsta mišljenja

147. Revizor treba da izrazi jedno **ne-modifikovano mišljenje** revizije ukoliko se zaključi da su finansijski izveštaji pripremljeni, sa svih materijalnih gledišta u skladu sa važećim finansijskim okvirom.

Ukoliko revizor zaključi da, na osnovu prikupljenih dokaza revizije, finansijski izveštaji kao celina nisu bez materijalnih grešaka, ili nije u mogućnosti da dobije dovoljno odgovarajućih dokaza revizije da bi zaključio da su finansijski izveštaji kao celina bez materijalnih grešaka, revizor treba da izmeni mišljenje revizije na izveštaju revizora u skladu sa odeljkom “Određivanje vrste modifikacije mišljenja revizora”.

148. Ukoliko finansijski izveštaji pripremljeni u skladu sa zahtevima okvira prikazivanja, ne postignu pravično prikazivanje, revizor treba da razmotri pitanje sa menadžmentom, i na osnovu zahteva primenljivog okvira finansijskog izveštavanja i načina na koji je to pitanje rešeno, da odredi da li je neophodno da se izmeni mišljenje revizije.

Modifikacije mišljenja revizije na revizorskom izveštaju

151. Revizor treba da modifikuje mišljenje revizije na revizorskom izveštaju ukoliko se zaključi da, na osnovu prikupljenih dokaza revizije, finansijski izveštaji kao celina nisu bez materijalnih grešaka, ili nije u mogućnosti da dobije dovoljno odgovarajućih dokaza revizije da bi zaključio da su finansijski izveštaji kao celina bez materijalno pogrešnih prikazivanja. Revizori mogu dati tri vrste modifikovanih mišljenja revizije: kvalifikovano mišljenje, protivno mišljenje i odricanje od mišljenja.

Određivanje vrste modifikacije koje se čini revizorskom mišljenju

152. Odluka o tome koja vrsta modifikovanog mišljenja je prikladna, zavisi od:

- prirode pitanja koje je dovelo do modifikacije – što podrazumeva, da li su finansijski izveštaji sadrže materijalno pogrešna prikazivanja ili, u slučaju da je bilo nemoguće prikupiti dovoljno odgovarajućih dokaza revizije, mogu sadržati materijalno pogrešna prikazivanja; i
- sud revizora o rasprostranjenosti uticaja ili mogućih uticaja pitanja na finansijskim izveštajima.

153. Revizor treba da izrazi **kvalifikovano mišljenje ukoliko**: (1) nakon dobijanja dovoljno odgovarajućih i prikladnih dokaza revizije, revizor zaključuje da netačne tvrdnje, pojedinačno ili zajednički, su materijalne, ali nisu rasprostranjene, na finansijskim izveštajima; ili (2) revizor nije bio u stanju da dobije dovoljno odgovarajućih dokaza revizije na osnovu kojih može da podrži jedno mišljenje revizije, ali zaključuje da uticaj na finansijskim izveštajima bilo kojih neotkrivenih netačnih tvrdnji mogu biti materijalne ali ne i rasprostranjene.

154. Revizor treba da izrazi **protivno mišljenje ukoliko**, nakon dobijanja dovoljno odgovarajućih dokaza revizije, revizor zaključuje da netačne tvrdnje, pojedinačno ili zajednički, su materijalne i rasprostranjene na finansijskim izveštajima.

155. Revizor treba da izrazi **odricanje od mišljenja ukoliko**, pošto nije bio u stanju da dobije dovoljno odgovarajućih dokaza revizije na osnovu kojih može da podrži mišljenje revizije, revizor zaključuje da uticaj na finansijskim izveštajima bilo kojih neotkrivenih netačnih tvrdnji mogu biti materijalne i rasprostranjene. Ukoliko nakon prihvatanja angažovanja, revizor postaje svestan da je menadžment nametnuo ograničenje na delokrug revizije za koju revizor smatra da će verovatno dovesti do potrebe izražavanja kvalifikovanog mišljenja ili odricanje od mišljenja o finansijskim izveštajima, revizor treba da zahteva od menadžmenta da ukloni to ograničenje.

156. Ukoliko revizor daje modifikovano mišljenje, revizor će takođe modifikovati naslov kako bi odgovarao vrsti izraženog mišljenja revizije. MSVIR 1705 pruža dodatna uputstva o specifičnom jezičnom izražavanju koje će se koristiti kada se izdaje mišljenje i kada se opisuje odgovornost revizora. Takođe sadrži ilustrovane primere izveštaja.

Paragrafi Isticanja Pitanja i paragrafi Ostalih Pitanja na revizorskom izveštaju

157. Ukoliko revizor smatra potrebnim da skrene pažnju na pitanje prikazano ili obelodanjeno na finansijskim izveštajima koja je od velikog značaja za njihovo

razumevanje finansijskih izveštaja, ali postoje dovoljno prikladnih dokaza da to pitanje nije materijalno pogrešno prikazano na finansijskim izveštajima, revizor će u revizorskom izveštaju uključiti jedan paragraf o Isticanju Pitanja. Isticanje Pitanja se treba odražavati samo na informaciju prikazanu ili obelodanjenu na finansijskim izveštajima.

158. Paragraf o isticanju pitanja treba:

- da se uključi odmah nakon mišljenja revizije;
- da koristi naslov “Isticanje Pitanja” ili neki drugi prikladni naslov;
- da uključi jasnu referencu na pitanje koje se ističe i da naznači gde se mogu naći relevantna obelodanjivanja na finansijskim izveštajima koja u potpunosti opisuju to pitanje; i
- ukazati da revizorsko mišljenje nije modifikovano u odnosu na istaknuto pitanje.

159. Ukoliko revizor smatra neophodnim da komunicira određeno pitanje, osim onih koje su predstavljene ili obelodanjene u finansijskim izveštajima, koja po prosudi revizora je važna za korisniku cilju shvatanja revizije, a pod uslovom da to nije zabranjeno zakonom ili pravilima, treba da se pripremi paragraf sa naslovom "Ostala Pitanja", ili nekim drugim pogodnim naslovom. Ovaj paragraf treba da se pojavi odmah iza mišljenja i nakon svakog pasusa kod Isticanja Pitanja.

Dodatak II: Potvrdno pismo

REPUBLIKA E KOSOVËS
REPUBLIKA KOSOVA-REPUBLIC OF KOSOVA
Qeveria-Vlada-Government
MINISTRIA PËR PUNË, FAMILJE DHE VLERAT E LUFTËS ÇLIRIMTARE
MINISTARSTVO ZA RAD, PORODICU I VREDNOSTI OSLABODILAČKOG BORBE
MINISTRY OF LABOUR, FAMILY AND VALUE OF THE LIBERATION WAR

Arkiva/Arhiva/Archive: SP — Nr./Br./No. 852/2026
Datë/Datum/Date: 16.07.26
PRISHTINË/PRIŠTINA/PRISTINA

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government
Ministria për Punë, Familje dhe Vlerat e Luftës Çlirimtare
Ministarstvo za Rad, Porodicu i Vrednosti Oslobodilačkog Borbe
Ministry of Labour, Family and Values of the Liberation War

LETËR E KONFIRMIMIT

Për pajtueshmërinë me draft raportin Auditorit të Përgjithshëm për vitin 2025

Për: Zyrën e Kombëtare të Auditimit

Të nderuar,

Përmes kësaj shkrese, konfirmoj se:

- kam pranuar draft raportin e Zyrës Kombëtare të Auditimit për auditimin e Pasqyrave Financiare për qëllime të veçanta për Projektin **"Reforma në Sistemin e Asistencës Sociale të Kosovës"**, për vitin 2025 (në tekstin e mëtejmë "Raporti"); dhe
- pajtohem me përmbajtjen e Raportit.

Ministria për Punë, Familje dhe Vlerat e Luftës Çlirimtare,

Z Bujar Sadiku, Sekretar i Përgjithshëm

Prishtinë, 16.07.2026

Kosovo Social Assistance System Reform Project

(IDA Credit number 6988 - XK)

(P171098)

Financial Statements

for the year ended on December 31, 2025

Content

Financial Statements of the project

Statement of Sources and Uses of Funds
for the year ended on December 31, 2025
(in EUR unless otherwise stated)

	Notes	Year ended on December 31, 2025	Year ended on December 31, 2024	Cumulative since January 1, 2021, to December 31, 2025
Sources of Funds:				
IDA Credit No. 6988 - XK funding	4	7,574,581	925,172	23,499,753
Temporary advances by Government of Kosovo	5	460,877	460,765	964,015
Total Sources of Funds		**8,035,458**	**1,385,937**	**24,463,768**
Uses of Funds:				
Cash Transfers under Part 2.A of the Project		-	-	(15,000,000)
Cash Transfers under Part 1.B of the Project	6	(4,225)	-	(4,225)
Cash Transfers under Part 2.B of the Project SAS Pilot payments		(7,022,596)	(1,084,385)	(8,106,981)
Project management expenditure	7	(1,008,638)	(301,552)	(1,352,562)
Total Uses of Funds		**(8,035,458)**	**(1,385,937)**	**(24,463,768)**

The Statement of Sources and Uses of Funds is to be read in conjunction with the notes set out on pages 3 to 9, which form an integral part of the financial statements.

The financial statements of the Kosovo Social Assistance System Reform Project (IDA Credit 6988 - XK) were authorised for issue by the management of the Project under the Ministry of Labour, Family and Values of the Liberation War (MLFVLW), on May 29, 2026, and signed on its behalf by:

Mentor MORINA
Director of Department for Social Schemes in MLFVLW

Ilire Daija
SAS Financial Management Specialist

Statement of Expenditure (Withdrawal Schedule)
for the year ended on December 31, 2024
(in EUR unless otherwise stated)

Withdrawal application	Type of application	Application payment amount	Cash Transfers under Part 1.B of the Project	Cash Transfers under Part 2.B of the Project	Project management expenditure	Total	SoE	Date received	Value date
MOFLT07B	Reimbursement	1,496,976	-	1,295,443	201,533	1,496,976	1,496,976	10.Apr.25	24.Apr.2
MOFLT08	Reimbursement	2,114,141	-	1,646,941	467,200	2,114,141	2,114,141	28.Jul.25	04.Aug.2
MOFLT09	Reimbursement	2,195,492	-	2,013,642	181,850	2,195,492	2,195,492	30.Oct.25	19.Nov.2
MOFLT10	Reimbursement	878,586	-	824,140	54,446	878,586	878,586	18.Nov.25	02.Dec.2
MOFLT11	Reimbursement	889,386	-	825,949	63,438	889,386	889,386	18.Dec.25	29.Dec.2
Total		**7,574,581**	**-**	**6,606,114**	**968,467**	**7,574,581**	**7,574,581**		

Mentor MORINA

Director of Department for
Social Schemes in MLFVLW

Ilire DAIJA

SAS Financial Management
Specialist

1. General

The Financing Agreement for the Kosovo Social Assistance System Reform Project (IDA Credit number 6988 - XK)- (the "Project'), was signed between the International Development Association ("Association") and the Republic of Kosovo on October 26, 2021. The Project became effective on April 27, 2023, and its closing date is June 30, 2027. The total financing amount will not exceed Euro 47,000,000.

Pursuant to the Financing Agreement, the Ministry of Labour, Family and Values of the Liberation War ("MLFVLW"), formerly the Ministry of Finance, Labour and Transfers ("MFLT"), through the Department for Social Schemes ("DSS"), is responsible for overall Project implementation with due diligence and efficiency, in conformity with appropriate administrative, technical, financial, economic, environmental and social standards and practices and in accordance with the provisions of the Financing Agreement. A Project Coordination Unit ("PCU") within MLFVLW is established to implement, monitor, control and complete the Project activities.

Project Description

The objective of the Project is to improve the equity and adaptability of Kosovo's social safety net. The Project consists of the following parts:

Part 1. Strengthening social protection delivery systems

A. Strengthening the social protection delivery systems:
(i) Development of the (a) Social Registry Management System ("SRMS") to provide tools designed to allow for the assessment of households' socioeconomic status; and (b) the Social Welfare Information System ("SWIS") to provide harmonized tools for the administration of fully integrated social protection delivery chain to be used by the Social Assistance Scheme ("SAS") and other social assistance and pension programs in Kosovo;
(ii) Modernization of the SAS delivery systems through, inter alia: (a) assessing the digital payment options suitable for SAS' target population; (b) supporting the review of SAS and other related legislation; (c) providing financial assistance to the MFLT strategy for implementation of technological solutions; and (d) promoting financial literacy with a focus on vulnerable communities;
(iii) Preparation and dissemination of a communications strategy including citizen engagement activities to create awareness of the SAS reforms.

Part B. Supporting the activation of SAS Beneficiaries

(i) Developing activation procedures and activities for SAS Beneficiaries and Qualifying Households, including, *inter alia*, outreach and communication regarding these activation procedures and profiling and referral of SAS Beneficiaries and Qualifying Households to suitable services and programs; and
(ii) Piloting procedures to enable eventual graduation of beneficiaries out of the SAS, including the financing of Subsidies under the Wage Subsidy Program and the financing of Vouchers, Allowances, and Incentives under the Voucher Training Program."

Part 2. Improving the performance of SAS Provision of:
(i)income support in the form of Cash Transfers to poor and vulnerable households through the SAS; and
(ii) any reasonable and directly associated fees of Payment Service Providers in the form of Payment Service Providers Fees, including:

A. Responding to COVID-19 through SAS:
Financing (i) the 100% increase in SAS payments for SAS Beneficiaries that meet the Current SAS Eligibility Criteria during January, February, and March 2021; and
(ii) the 30% increase in SAS payments for SAS Beneficiaries that meet the Current SAS Eligibility Criteria starting in April 2021, for an approximate period of nine months.

B. Supporting the introduction of new eligibility criteria for SAS: Financing SAS payments to Qualifying Households that meet the Eligibility Criteria for Qualifying Households for an approximate period of twelve (12) months.

Part 3. Project Implementation and Management
Support for Project implementation and management activities, including carrying out the following:
(i) financial management and procurement:
(ii) monitoring and evaluation; and
(iii) other tasks related to overall administration, environmental and social aspects, and communication and outreach, including through Incremental Operating Costs and Training.

IDA Credit No. 6988 – XK

The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category, as stated in the amended Financing Agreement:

Category	**Amount of the Credit allocated** (expressed in Euro)	**Percentage of the expenditure to be financed** (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Training, and Incremental Operating Costs for the Project (except Part 1.1B (ii) and Cash Transfers, Payments of Service Provider Fees under Part 2 of the Project)	5,000,000	100%
(2) Consulting services, Training, and Incremental Operating Costs for Part 1.B (ii) of the Project	0	100%
(3) Cash Transfers and Payment Service Provider Fees under Part 2.A of the Project	15,000,000	100%
(4) Cash Transfers and Payment Service Provider Fees under Part 2.B of the Project	25,000,000	100%
(5) Cash Transfers and Payment Service Provider Fees under Part 2.C of the Project	0	100%
(6) Consulting services, Training, Incremental Operating Costs, Allowances, Subsidies, Vouchers and Incentives under Part 1.B (ii) of the Project	2,000,000	100%
TOTAL AMOUNT	**47,000,000**	

Pursuant to the Financing Agreement, withdrawals up to an aggregate amount not to exceed Euro 15,000,000 could be made for payments made prior to the date of the signature of the financing agreement (October 26, 2021) but on or after January 1, 2021 (retroactive financing period), for eligible expenditures under Category (3) of the project. The commitment and payment currency are EUR.

2. Basis of preparation

The financial statements of the project for the year ended on December 31, 2025, have been prepared for the purpose of complying with the provisions of the Project's objectives, the World Bank guidelines and terms and conditions of the IDA Credit no. 6988 - XK.

The financial statements comprise the Statement of Sources (Cash Receipts) and Uses (Payments); the Statement of Expenditure used as the basis for the submission of withdrawal applications for the year ended on December 31, 2025, and a summary of significant accounting policies and other explanatory notes to the financial statements.

The financial statements have been prepared in accordance with cash basis IPSAS - Financial Reporting under the Cash Basis of Accounting. On this basis, income is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred. Accordingly, direct and indirect payments of the Project's expenses, which are made from the proceeds of the Financing, are recognised as sources and uses of funds at the time the payment is made.

The financial statements are presented in Euros ("EUR"), unless otherwise stated and the amounts in the notes have been rounded to the nearest whole number. As a result, minor differences may occur due to rounding.

3. Summary of significant accounting policies

A summary of significant accounting policies underlying the preparation of the Project's financial statements is presented below.

3.1 Foreign currency transactions

The project accounts are maintained in Euros ("EUR") the legal currency of Kosovo. The Project deals predominantly in EUR, while the foreign currencies the Project deals with Euro ("EUR")

3.2 Recognition of income and expenses

Project income is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

3.3 Taxation

The Project is not exempt from Value Added Tax (VAT) and Custom Duties for the credits part. The local employees of the project are liable for personal income tax and pension contributions in accordance with the legislation of the Republic of Kosovo.

4. IDA Credit No. 6988 - XK funding

IDA funding recognised during the year ended 31 December 2025 amounted to EUR 7,574,581 (2024: EUR 925,172) and consisted entirely of reimbursements made by the International Development Association in respect of eligible expenditures incurred under the Project.

The increase in reimbursements during the reporting period reflects the expansion of Project implementation activities, particularly expenditures associated with the SAS Pilot under Part 2.B and project implementation expenditures incurred under Part 3 of the Project.

All withdrawal applications submitted during the reporting year were processed under the reimbursement disbursement method and were supported by Statements of Expenditure in accordance with World Bank disbursement procedures.

IDA funding is composed of the disbursement methods as follows:

Disbursement method	Year ended on December 31, 2025	Year ended on December 31, 2024
Reimbursement	7,574,581	925,172
Total	**7,574,581**	**925,172**

5. Temporary advances received by Government of Kosovo

Project expenditures continued to be initially financed through temporary advances provided by the Government of Kosovo and subsequently reimbursed through IDA disbursements.

During the year ended 31 December 2025, eligible Project expenditures amounting to EUR 8,035,458 were financed through Government resources. Reimbursements received from IDA during the same reporting period totalled EUR 7,574,581, resulting in a net movement of EUR 460,877.

The balance of Government funds at the end of the reporting period amounted to EUR 964,015 and represents expenditures financed in advance by the Government pending reimbursement through future withdrawal applications to IDA.

The temporary advances received by the Government of Kosovo are composed as follows:

	Year ended on December 31, 2025	Year ended on December 31, 2024
Government funds at the beginning of the period	503,138	42,372
Project eligible expenditures paid from Governments Funds	8,035,458	1,385,937
Reimbursements from IDA Credit (note 4)	7,574,581	925,172
Movement during the period	460,877	460,765
Government funds at the end of the period	**964,015**	**503,138**

6. Cash transfers

Cash transfers constitute the largest expenditure category during the year and represent the principal mechanism through which Project objectives relating to social protection delivery are implemented. Cash transfer expenditures during the year comprised payments under Part 1.B and Part 2.B of the Project as follows.

	Year ended on December 31, 2025	Year ended on December 31, 2024
Cash Transfers under Part 1.B of the Project	4,225	-
Cash Transfers under Part 2.B of the Project SAS Pilot payments	7,022,596	1,084,385
Total	**7,026,821**	**1,084,385**

Cash transfers under part 1B during the year amounted to EUR 4,225 which pertain to payments for Subsidies under the Wage Subsidy Program for eligible beneficiaries as per the Activation Manual approved with the Minister Decision no.23/2025.

Cash transfers under part 2B during the reporting period amounted to EUR 7,022,596 which are related to the payments for SAS Pilot beneficiaries as per the Operational Manual for SAS Pilot implementation approved with the Minister Decision no. 29/2004 amended with the decision no. 29-1/2025. The application for SAS Pilot was opened on 18 May 2024, while first benefits were paid in November 2024 and continued throughout 2025.

7. Other project expenditure

Other Project expenditure for the year ended 31 December 2025 amounted to EUR 1,008,638 and primarily comprised consultant services, goods, training activities, and operating costs incurred under Project implementation and management arrangements. Project expenditures incurred under category 1 of the project include project expenditure except for Part 1.1B (ii) and Cash Transfers, Payments of Service Provider Fees under Part 2 of the Project.

The increase in expenditure compared to the prior reporting period reflects the scaling-up of implementation activities.

		Year ended on December 31, 2025	Year ended on December 31, 2024
Goods	7.1	294,420	8,138
Training	7.2	2,109	13,016
Consultant services	7.3	666,991	257,547
Incremental operating costs	7.4	45,117	22,851
Total		**1,008,638**	**301,552**

7.1 Goods

Expenditure for goods are detailed as follows.

	Year ended on December 31, 2025	Year ended on December 31, 2024
Purchase of IT Equipment (laptops, other)		8,138
Purchase of vehicles	294,420	
Total	**294,420**	**8,138**

Notes to the Statement of Sources and Uses of Funds
for the year ended on December 31, 2025
(in EUR unless otherwise stated)

7.2 Consultant services

The Consultant Services are detailed as follows:

	Year ended on December 31, 2025	Year ended on December 31, 2024
Project Coordination Unit (PCU) costs	55,835	75,732
Pension contribution (Employer)	3,112	4,089
Pension contribution (Employee)	3,112	4,089
Taxes	4,637	6,514
Total PCU staff cost	66,696	**90,425**
Other individual consultant net salaries	521,645	138,501
Pension contribution (Employer)	26,620	5,692
Pension contribution (Employee)	26,620	5,962
Taxes	20,139	3,917
Total other consultants' cost	**595,025**	**153,802**
Other short-term consultants	**5,270**	**13,320**
Total Consultant services	666,991	**257,547**

Other individual consultants include social workers, employment counsellors, analytical support consultants, VTC trainers and short-term specialists engaged to support implementation of the SAS Pilot and related reform activities. The increase in consultant expenditures reflects the transition from initial Project establishment activities toward full-scale implementation and operational support requirements.

7.3 Training

Training activities primarily supported implementation of activation measures and SAS Pilot operational activities. Expenditures included workshops and technical training designed to strengthen institutional capacity and support effective implementation of project arrangements.

Notes to the Statement of Sources and Uses of Funds
for the year ended on December 31, 2025
(in EUR unless otherwise stated)

Training expenditures are detailed as follows

	Year ended on December 31, 2025	Year ended on December 31, 2024
Training- induction for employment counselors	43	48
Focus group Monitoring and evaluation SAS Project	331	-
Training on Financial Literacy	122	-
SAS Lessons Learned	408	-
Training on Disability inclusive social protection	955	-
Training on Activation Manual	252	-
Workshop on SAS Manual	-	12,968
Total	**2,109**	**13,016**

7.4 Incremental Operating Cost

The Incremental Operating Costs are detailed as follows:

	Year ended on December 31, 2025	Year ended on December 31, 2024
Supply with leaflet and posters SAS Pilot	179	870
E-views licenses for analyses	-	12,410
Subscription to Survey CTO for interview analyses	-	590
Publication of advertisements	100	431
Cell phone packages for SAS Piloting – verification visits	12,318	5,620
Translation services	-	2,145
Car Rent for the SAS Pilot implementation	29,082	-
Registration of vehicles	3,030	-
Flight tickets	408	-
Other expenditures related to supply for the office	-	785
Total	**45,117**	**22,851**

Notes to the Statement of Sources and Uses of Funds
for the year ended on December 31, 2025
(in EUR unless otherwise stated)

8 Expenditures by components:

Project Parts/ Type of expenditure	Cash transfers	Consultant services	Incremental Operating Costs	Training	Goods	Total Year ended on December 31, 2025	Total Year ended on December 31, 2024
Part 1. Strengthening social protection delivery systems	-	-	-	-	-	**4,225**	-
A. Strengthening social protection delivery systems	-						-
B. Supporting the activation of SAS beneficiaries	4,225	-	-	-	-	4,225	-
Part 2. Improving the performance of SAS Provisions	-	-	-	-	-	**7,022,596**	**1,084,385**
A. Responding to COVID-19 through SAS:	-	-	-	-	-	-	-
B. Supporting the introduction of new eligibility criteria for SAS:	7,022,596	-	-	-	-	7,022,596	1,084,385
Part 3. Project management and Implementation	-	666,991	45,117	2,109	294,420	1,008,638	301,552
Total	7,026,821	666,991	45,117	2,109	294,420	8,035,458	1,385,937

8) Un-drown loan facilities

As at 31 December 2025, a substantial portion of the IDA Credit remained available for future Project implementation activities. The remaining available financing is expected to support Project implementation through the scheduled closing date of 30 June 2027.

The balance of the undrawn funds under loan no.6988-XK as of December 31, 2025, is EUR 23,500,247.07.

Kosovo Social Assistance System Reform Project

(IDA Credit number 6988 - XK)

(P171098)

Statement of Cumulative Expenditures Withdrawal Schedule

(Supplementary schedule
to the Annual Financial Statements)

Financial Statements

for the year ended on December 31, 2025

Notes to the Statement of Sources and Uses of Funds
for the year ended on December 31, 2025
(in EUR unless otherwise stated)

Withdrawal application	Type of application	Application payment amount	Cash Transfers under Part 2.A of the Project	Cash Transfers under Part 1.B of the Project	Cash Transfers under Part 2.B of the Project	Project management expenditure	Total	SoE	Date received	Value date
MOFLT11	Reimbursement	889,386		-	825,949	63,438	889,386	889,386	18.Dec.25	29.Dec.25
MOFLT10	Reimbursement	878,586		-	824,140	54,446	878,586	878,586	18.Nov.25	02.Dec.25
MOFLT09	Reimbursement	2,195,492		-	2,013,642	181,850	2,195,492	2,195,492	30.Oct.25	19.Nov.25
MOFLT08	Reimbursement	2,114,141		-	1,646,941	467,200	2,114,141	2,114,141	28.Jul.25	04.Aug.25
MOFLT07B	Reimbursement	1,496,976		-	1,295,443	201,533	1,496,976	1,496,976	10.Apr.25	24.Apr.25
MOFLT05	Reimbursement	813,590			663,482	150,108	813,590	813,590	16.Dec.24	23.Dec.24
MOFLT04	Reimbursement	111,582				111,582	111,582	111,582	13.Jun.24	25.Jun.24
MOFLT03	Reimbursement	904,762	904,762				904,762	904,762	27.Jul.23	02.Aug.23
MOFLT01	Reimbursement	11,893,856	11,893,856				11,893,856	11,893,856	26.May.23	02.Jun.23
MOFLT02	Reimbursement	2,201,382	2,201,382				2,201,382	2,201,382	26.May.23	01.Jun.23
Total		**23,499,753**	**15,000,000**	**-**	**7,269,596**	**1,230,157**	**23,499,753**	**23,499,753**		

Mentor MORINA

Director of Department for
Social Schemes in MLFVLW

REPUBLIKA E KOSOVËS - REPUBLIC OF KOSOVO - REPUBLIKA KOSOVA

Ilire DAIJA

SAS Financial Management
Specialist