Republika e Kosovës
Republika Kosova
Republic of Kosovo

ZKA
ZYRA KOMBËTARE E AUDITIMIT
NACIONALNA KANCELARIJA REVIZIJE
NATIONAL AUDIT OFFICE

AUDIT REPORT ON THE SPECIAL-PURPOSE ANNUAL FINANCIAL STATEMENTS OF THE REFORM PROJECT IN THE SOCIAL ASSISTANCE SYSTEM FOR THE PERIOD 1 JANUARY 2025 - 31 DECEMBER 2025

Prishtina, July 2026

TABLE OF CONTENT

1 Audit Opinion

This report summarises the key issues arising from the audit of the special-purpose annual financial statements of the Social Assistance System Reform Project for the period from 1 January 2025 to 31 December 2025, which sets out the Opinion of the Auditor General. The examination of the special-purpose financial statements for the audit period was carried out in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Our approach included tests and procedures which were necessary to obtain an opinion on the financial report.

We have no matters to report regarding management reporting, controls, or the implementation of prior audit recommendations.

1.1 Audit Opinion on the annual financial statements of the Social Assistance System Reform Project

Our audit of the special-purpose annual financial statements considers compliance with reporting requirements under the agreement and the quality and accuracy of the information presented in the financial statements.

Unmodified opinion

We have audited the special-purpose financial statements of the project funded by the World Bank for the period 1 January 2025 to 31 December 2025, which involves a summary of funds resources and expenditures incurred, statement of applications for withdrawal of funds and the disclosures.

In our opinion, the special-purpose annual financial statements of the Social Assistance System Reform Project for the period from 1 January 2025 to 31 December 2025, give a true and fair view in all material respects, in accordance with reporting requirements agreed by both parties and in accordance with the principles of cash-based accounting.

Basis for opinion

We conducted our audit 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 Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of accounting

1 We would like to draw your attention to the fact that the special-purpose financial statements have been prepared in compliance with special purpose framework. As a result, they cannot be used for any other purpose.

Our audit opinion was not modified in this respect

Responsibilities of Management and Those Charged with Governance

The Management is responsible for the true and fair preparation of special-purpose financial statements in accordance with the Agreement entered into between the Government of Kosovo, represented by the Minister of Finance, and the International Development Association. This information consists of the Statement of Funds and their Use and the Statement of Funds Withdrawal.

The Minister is responsible to ensure the oversight of the financial reporting process

Auditor General's Responsibility for the audit

We conducted our audit in accordance with the Law on National Audit Office and INTOSAI Framework of Professional Pronouncements (IFPP). This law and these standards require that we honour the ethical criteria and plan and carry out the audit to obtain reasonable assurance that the financial statements are free from material misstatements.

The audit involves performing procedures to obtain evidence about the financial records and disclosures in the special-purpose financial statements. 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. The audit also includes assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as assessing the overall presentation of the financial statements.

In carrying out the risk assessment procedure we consider the relevant internal control regarding the entity's preparation of the financial statements but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate, in written, any significant shortcoming in internal control relevant to the audit of the financial statements, which we identify during the audit.

2 Audit Scope and Methodology

Based on the agreement/contract entered into with the World Bank, the National Audit Office (NAO) is responsible for carrying out the financial audit. This audit includes the examination and assessment of the financial statements and other financial records as the following:

- Whether the financial statements give a true and fair view of the accounts and financial affairs for the audit period;
- Whether all external funds have been used in accordance with respective terms of funding agreements;
- Whether the financial records, systems and transactions comply with laws and regulations applicable for funds allocated by the World Bank;
- Whether financial statements comply with the requirements of the agreement concluded between the Republic of Kosovo and the World Bank; and
- Compliance of internal control functions.

Our audit was based on risk assessment. We have analysed the operations of the Social Assistance System Reform Project, which operates within the Ministry of Finance, Labour and Transfers and the extent the management controls could be relied to in order to determine the level of in-depth testing required to obtain evidence supporting the Auditor General’s opinion. Our procedures have included a review of internal controls, accounting systems and interrelated substantive tests, as well as related governance arrangements to the extent considered necessary for the effective conduct of audit.

Vlora Spanca, Auditor General

Faruk Rrahmani, Audit Director

Jehona Krasniqi Rexha, Team Leader

Veton Misiri, Team Member

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.

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 VALUES OF THE LIBERATION WAR
Arkiva/Arhiva/Archive SP Nr/Br/No. 852/2026
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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 MLEVLW

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.

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

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

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SAS Financial Management
Specialist