



BANKA QENDRORE E REPUBLIKËS SË KOSOVËS
CENTRALNA BANKA REPUBLIKE KOSOVA
CENTRAL BANK OF THE REPUBLIC OF KOSOVO

THE CBK FINANCIAL STATEMENT
/for/up to the third quarter 2019/
-unaudited interim report-

Department of Financial Planning and Reporting

CBK’s Financial Statements for the third quarter 2019

As defined by Law 03/L-209 “On Central Bank of the Republic of Kosovo” (CBK), as a reporting framework for the preparation of financial statement are International Financial Reporting Standards, respectively Article 58 of the law mentioned above. Financial Statements for the third quarter include *statement of financial position, statement of comprehensive income, statement of changes in capital and reserves (equity)*. CBK financial year coincides with calendar year and reporting date for financial statement for the third quarter is September 30, 2019.

Abbreviations used in this Report:

CBK – Central Bank of the Republic of Kosovo

IMF – International Monetary Found

SDR – Special Drawing Rights

ICS –Interbank Clearing and Settlement

ECB – European Central Bank

USD – American Dollar

Statement of financial position

as per

	Note	30 September 2019	31 December 2018
Assets			
Cash on hand	5	332,029,782.03	285,376,364.49
Current accounts with non-resident banks	6	263,230,505.31	34,797,033.53
Securities	7	593,909,297.82	758,889,559.97
Placements in money market	8	249,367,251.34	183,734,361.96
In accounts related with IMF	9	311,727,100.86	326,051,143.81
Properties and equipment's	10	4,853,339.86	5,015,903.52
Intangible assets	11	1,770,367.06	1,790,110.48
Other assets	12	1,484,246.19	1,410,439.92
Total assets		1,758,371,890.47	1,597,064,917.68
Liabilities			
Due to domestic commercial banks	13	425,935,262.74	343,393,712.93
Due to IMF related accounts	14	309,914,659.70	321,854,091.99
Due to Governmental Institutions	15	913,094,488.59	762,900,887.21
Due to public and commercial entities	16	49,567,303.10	110,862,984.73
Borrowings	17	2,266,259.07	2,266,259.07
Other domestic liabilities	18	1,436,164.60	1,797,522.58
Total liabilities		1,702,214,137.80	1,543,075,458.51
Capital and reserves			
Authorized capital	19	30,000,000.00	30,000,000.00
Reserve fund	20	23,989,459.17	21,801,120.78
Net result of the period		2,168,293.50	2,188,338.39
Total capital and reserve		56,157,752.67	53,989,459.17
Total liability capital and reserve		1,758,371,890.47	1,597,064,917.68

Notes from page 6 up to 17 are integral parts of these financial statements

Financial Statements set out on pages below were approved by management of CBK on November, 29 2019 and signed on its behalf by:


 Fehmi Mehmeti
 Governor


 Faton Ahmetaj
 Director of Financial Planning
 and Reporting Directorate

Statement of comprehensive income

	Note	30 September 2019	30 September 2018
Net interest income			
Interest income		2,539,436.43	1,996,568.24
Interest expense		(1,075,799.53)	(711,236.92)
Net interest income	21	1,463,636.90	1,285,331.32
Fee and commission income			
Fee and commission income		2,032,056.35	1,626,503.84
Fee and commission expenses		(367,724.39)	(226,686.05)
Net fee and commission income	22	1,664,331.96	1,399,817.79
Other operating Income			
Income from regulatory activity	23	3,357,184.16	3,162,559.06
Grant revenues	24	86,356.87	73,587.11
Other operating Income	25	2,927.55	7,473.66
Total Operating Income		6,574,437.44	5,928,768.94
Administrative (operative) expenses			
Personnel expenses	26	(3,286,820.91)	(3,020,530.54)
Depreciation and amortization	10,11	(771,498.58)	(770,729.12)
General and administrative expenses	27	(911,237.20)	(785,559.08)
Total administrative (operative) expenses		(4,969,556.69)	(4,576,818.74)
Net result without exchange rate effect		1,604,880.75	1,351,950.20
Net profit/loss on exchange rate	28	563,412.75	392,713.79
Net result of the period		2,168,293.50	1,744,663.99

Notes from page 6 up to 17 are integral parts of these financial statements

Statement of changes in equity (capital and reserve)

	Statutory fund	Reserve fund	Retained earnings	Total
<i>Balance at 01 January 2018</i>	30,000,000.00	22,682,588.69	(881,467.91)	51,801,120.78
<i>Profit for the period</i>	-	-	2,188,338.39	2,188,338.39
<i>Transfer to reserve fund</i>	-	(881,467.91)	881,467.91	-
<i>Transfer to statutory fund</i>	-	-	-	-
<i>Balance at 31 December 2018</i>	30,000,000.00	21,801,120.78	2,188,338.39	53,989,459.17
<i>Balance at 01 January 2019</i>	30,000,000.00	21,801,120.78	2,188,338.39	53,989,459.17
<i>Profit for the period</i>	-	-	2,168,293.50	2,168,293.50
<i>Transfer to reserve fund</i>	-	2,188,338.39	(2,188,338.39)	-
<i>Transfer to statutory fund</i>	-	-	-	-
<i>Balance at 30 September 2019</i>	30,000,000.00	23,989,459.17	2,168,293.50	56,157,752.67

Notes from page 6 up to 17 are integral parts of these financial statements

Financial statements of the Central Bank of the Republic of Kosovo

1. Reporting Institution

Central Bank of the Republic of Kosovo – CBK, which operates under the Law no. 03/L-209 “On Central Bank of the Republic of Kosovo” approved in July 2010.

2. Basis for preparation of Financial Statements

Reporting Framework

Financial statements are in accordance with International Financial Reporting Standards (IFRS) for interim reporting.

Basis of measurements

Financial Statements have been prepared on the bases of historical cost.

Functional and presentation currency

These financial statements are presented in euro, EUR, which is CBK’s functional currency. In case when financial information is presented in other currency it will be indicated. All financial information presented are rounded to zero (decimal values not shown).

3. Accounting Policies

Financial statements are prepared by using consistency of accounting policies, and emphasize that there were no new policy or change in accounting policies applied.

4. Financial Risk Management

Financial risk in CBK is presented as; liquidity risk, operational risk, credit risk and market risk. Financial risk in CBK is mostly related to asset management activity and is mainly managed from Asset Management Department in accordance with the policy of asset investment and management approved by the Board. Assets exposed as the result of their financial management activity are mainly within European Union Countries with very good credit rating (from AAA till BBB+/ Aaa till A3).

Carried amounts according to maturity left

	Note	Carried amount	< 3 months	3-6 months	6-12 months	1-5 years	more than 5 years
30 September 2019							
Assets							
Cash on hand	5	332,029,782.03	332,029,782.03		-	-	-
Current accounts with non-resident banks	6	263,230,505.31	263,230,505.31	-	-	-	-
Treasury bills	7	593,909,297.82	17,709,998.43	250,153.96	23,864,246.43	548,866,748.71	3,218,150.29
Deposit accounts with non-resident banks	8	249,367,251.34	9,367,251.34	-	240,000,000.00		-
In accounts related with IMF	9	311,727,100.86	177,387,156.86	8,795,323.00	42,380,308.00	83,164,313.00	-
		1,750,263,937.36	799,724,693.97	9,045,476.96	306,244,554.43	632,031,061.71	3,218,150.29
Liabilities							
Due to domestic banks	13	(425,935,262.74)	(425,935,262.74)	-	-	-	-
Due to accounts related to IMF	14	(309,914,659.70)	(175,574,715.70)	(8,795,323.00)	(42,380,308.00)	(83,164,313.00)	-
Due to local governmental institutions	15	(913,094,488.59)	(913,094,488.59)	-	-	-	-
Due to public and commercial entities	16	(49,567,303.10)	(49,567,303.10)	-	-	-	-
Borrowings	17	(2,266,259.07)	-	-	-	(793,190.67)	(1,473,068.40)
Other domestic liabilities	18	(1,436,164.60)	(1,436,164.60)	-	-	-	-
		(1,702,214,137.80)	(1,565,607,934.73)	(8,795,323.00)	(42,380,308.00)	(83,957,503.67)	(1,473,068.40)
		48,049,799.56	(765,883,240.76)	250,153.96	263,864,246.43	548,073,558.04	1,745,081.89
31 December 2018							
Assets							
Cash on hand	5	285,376,364.49	285,376,364.49	-	-	-	-
Current accounts with non-resident banks	6	34,797,033.53	34,797,033.53	-	-	-	-
Treasury bills	7	758,889,559.97	(0.00)	-	227,220,601.98	531,668,957.99	-
Deposit accounts with non-resident banks	8	183,734,361.96	163,734,361.96	-	20,000,000.00	-	-
In accounts related with IMF	9	326,051,143.81	170,173,004.81	8,530,040.00	17,060,081.00	130,288,018.00	-
		1,588,848,463.76	654,080,764.79	8,530,040.00	264,280,682.98	661,956,975.99	-
Liabilities							
Due to domestic banks	13	(343,393,712.93)	(343,393,712.93)	-	-	-	-
Due to accounts related to IMF	14	(321,854,091.99)	(165,975,952.99)	(8,530,040.00)	(17,060,081.00)	(130,288,018.00)	-
Due to local governmental institutions	15	(762,900,887.21)	(762,900,887.21)	-	-	-	-
Due to public and commercial entities	16	(110,862,984.73)	(110,862,984.73)	-	-	-	-
Borrowings	17	(2,266,259.07)	-	-	-	(679,877.72)	(1,586,381.35)
Other domestic liabilities	18	(1,797,522.58)	(1,797,522.58)	-	-	-	-
		(1,543,075,458.51)	(1,384,931,060.44)	(8,530,040.00)	(17,060,081.00)	(130,967,895.72)	(1,586,381.35)
		45,773,005.25	(730,850,295.65)	-	247,220,601.98	530,989,080.27	(1,586,381.35)

5. Cash on hand

	30 September 2019	31 December 2018
Cash on hand	332,029,782.03	285,376,364.49
Total	332,029,782.03	285,376,364.49

It noted growth of a position cash on hand September 30, 2019. This stems from the impossibility of placing (term deposit) of funds in the financial markets as a result of very low rates and negative. So it was decided that more funds are held as cash due to negative rates that correspondent banks charge us over certain limits.

6. Current accounts with non-resident banks

Composition of current accounts with non-residential banks is as follows:

	30 September 2019	31 December 2018
Deutsche Bundesbank	39,999,999.00	500,000.00
Raiffeisen Zentralbank	9,900,003.64	9,919,971.54
Banque centrale du Luxembourg	343.36	343.36
Deutsche Bank	211,628,546.45	24,133,499.52
Nostro Acc. Commerzbank AG	494,650.00	9,844.00
Nostro Acc. Bayerische Landesbank	989,992.72	9,998.02
Nostro acc. with FED	216,970.14	223,377.09
Total	263,230,505.31	34,797,033.53

The current account position compared to December 31, 2018 has been increased significantly, the change being the normal course of the activity of these accounts and the asset portfolio management (i.e. notes 6, 7 and 8 that are closely related to each other referred to asset management). Growth in this group may have an effect on the increase in interest¹ expense from the negative rates that correspondent banks (excluding the FED - Federal Reserve account) apply to the accounts disclosed above.

7. Securities (Treasury Bills and Bonds)

The two categories that fall within the group under note 7 are debt securities, they have geographical distribution according to the list below (in the table by country). Treasury bills shown on table according to type have a maturity of up to one year. While bonds mature for up to five years. All are in Euro and have effective interest rates moving from 0.019% deri 3.021% in 2019 (in 2018: 0.008% deri në 3.021% per annum).

¹ For the period January - September we have paid EUR 517 thousand interest from the current account balances with correspondent banks or on average about EUR 57 thousand per month (all foreseen in the budget 2019).

Securities according to geographic distribution and type (continued):**Disclosure by countries:**

	30 September 2019	31 December 2018
Germany	66,637,454.18	67,125,782.03
France	10,021,779.48	10,029,732.20
The Netherland	12,560,747.62	12,772,324.34
Italy	-	176,834,343.28
Slovenia	21,426,333.02	22,137,623.18
Luxemburg	89,283,400.78	90,243,505.98
EuroFima-Switzerland	6,042,269.50	6,039,989.48
KommuneKredit (Denmark)	6,051,399.91	-
Austria	79,475,419.67	79,463,267.63
Ireland	104,305,794.39	105,389,752.07
Kosovo	198,104,699.26	188,853,239.79
Total	593,909,297.82	758,889,559.97

According to type:

	30 September 2019	31 December 2018
Treasury Bills	1,148,799.05	5,998,422.16
Bonds	592,760,498.77	752,891,137.81
Total	593,909,297.82	758,889,559.97

To this group there was a lower position compare to the period ended December 31, 2018 which is the normal flow of portfolio management, mainly based on the optimal rate of return.

8. Deposits with non-residential banks

Within this group includes placements in the money market in non-domestic banks. The interest rate for these placements until the third quarter of 2019 average is around 0.366% (min. 0.00% and max. 5.37%), whereas in 2018: min. 0.00% to 3.040% with an average of 0.659%). These placements mainly contracted maturity up to one year. Analytics by banks is disclosed in the table as bellow:

Money market placements	30 September 2019	31 December 2018
Deutsche Bank	240,000,000.00	175,000,000.00
FED New York	9,367,251.34	8,734,361.96
Total	249,367,251.34	183,734,361.96

Just as it is easy to see if we compare 31 December 2018 and 30 September 2019 there is a increase in the position (i.e. item) in the group under note 8. The active placements in Euro at the reporting date are 240 million of which 220 million are in the form of Call Deposits with indefinite maturity. Whereas, 10.2 million are active time deposits placements in USD.

9. Assets related to IMF

	30 September 2019	31 December 2018
IMF Quota	103,415,464.74	100,296,274.71
SDR holdings	64,579,156.65	64,890,248.43
Accrued Interest	597,213.04	721,461.70
Use of IMF funds (SBA)	143,135,266.43	160,143,158.97
Total	311,727,100.86	326,051,143.81

Above items arise from Kosovo membership in IMF. Item IMF Quota represents the value of the mandatory quota (86,000,000 SDR from February 2016, where at the beginning has been 59,000,000 SDR) set to Kosovo by IMF in Euros.

Item SDR Holdings represents the value deposited in SDR (Special Drawing rights) on behalf of the Republic of Kosovo according to the decisions of the Executive Board of IMF on 28 August (43,737,278 SDR) and 9 September 2009 (11,631,135 SDR) in euros in the table above.

Special Drawing Rights – SDR deposits are deposits that bring an interest of 1.063% on average for the reporting period (while for the period January - September 2018, 0.892%).

Item use of IMF funds, represents use of IMF funds according the agreement for use of credit line by Kosovo Government (SBA). Changes are derived mainly from new disbursement and payments for all active SBA and partially from changes on foreign exchange.

10, 11 Tangible and Intangible Assets

Category of main assets	Historical cost	Depreciation/ Amortization accumulated up to 31 December 2018	Total Depreciation/ Amortization for period 30 September 2019	Total Depreciation/ Amortization accumulated till 30 September 2019	Net Value as 30 September 2019
Property, plant and equipment	10,431,257.61	5,101,935.38	475,982.37	5,577,917.75	4,853,339.86
Equipment's, offices and other	2,465,287.14	1,907,382.85	122,258.58	2,029,641.43	435,645.71
Vehicles	389,349.16	290,593.50	22,873.12	313,466.62	75,882.54
Premises	5,306,554.44	1,153,434.48	196,890.48	1,350,324.96	3,956,229.48
Computer hardware	2,201,511.57	1,750,524.55	133,960.19	1,884,484.74	317,026.83
Work in process	68,555.30	-	-	-	-
Intangible assets	4,246,837.87	2,180,954.60	295,516.21	2,476,470.81	1,770,367.06
Intangible assets	4,013,794.87	2,180,954.60	295,516.21	2,476,470.81	1,537,324.06
Intangible assets– work in process	233,043.00	-	-	-	233,043.00
Total	14,678,095.48	7,282,889.98	771,498.58	8,054,388.56	6,623,706.92

12. Other assets

Other assets are as below:

	30 September 2019	31 December 2018
Accrued income	1,136,150.76	1,278,473.28
Prepayment	348,095.43	131,966.64
Payments in process (SNP/DepoX)	-	-
Total	1,484,246.19	1,410,439.92

Payments in the process will be cleared as the DepoX system executes the payments on the first working day if their settlement date is not a working day, for example, weekend, as the case may be.

13. Due to domestic banks

	30 September 2019	31 December 2018
ProCredit Bank - Kosovë	56,793,218.82	40,597,389.47
Raiffeisen Bank - Kosovë	70,558,616.15	45,299,798.01
NLB Prishtina	70,928,402.33	69,917,264.03
Komercijalna Banka - Dega Mitrovicë	7,505,597.91	6,358,190.34
Banka Ekonomike e Prishtinës	37,776,198.20	55,869,253.21
Banka për Biznes	54,592,542.78	39,220,850.40
Banka Kombëtare Tregtare e Shqipërisë	34,818,530.09	32,538,906.01
Turk Ekonomi Bankasi Sh.A	68,753,509.06	37,462,030.03
Turkiye Is Bankasi A.S.	18,903,693.62	14,421,855.38
T.C. Zirat Bankasi A.S.Dega Kosove	5,289,094.06	1,678,865.90
Banka Kreditore e Prishtinës	15,859.72	29,310.15
Total	425,935,262.74	343,393,712.93

In this group are disclosed balances current accounts of commercial banks operating within Kosovo that have an account on the CBK. Commercial banks that operate in Kosovo are obliged to hold liquidity reserve money in CBK, in total amount as of September 30, 2019 above disclosed is around 2.66 times higher the required amount.

14. Due to accounts related to IMF

	30 September 2019	31 December 2018
Current account FMN No. 1	258,538.66	250,740.69
Expenses account FMN No. 2	6,260.02	6,071.20
IMF securities account	221,170,748.20	235,824,955.07
Part paid of IMF quota	18,553,104.96	17,816,089.91
IMF SDR allocated by IMF	69,321,430.54	67,230,575.79
Accrued Interest	604,577.32	725,659.33
Total	309,914,659.70	321,854,091.99

The above items represent positions of accounts related to IMF following Kosovo's membership in this institution.

Three first items represent opened accounts according to IMF regulation: two operational accounts and one account in trust for securities issued by Kosovo Government as payable notes.

The paid quota is held in SDR (SDR 14,160,000), which in the table above is expressed in euro.

IMF SDR are allocations mentioned before (note 9) according to allocations on 28 August and 09 September 2009 (both allocations make a total of 55,368,413 SDR).

15. Due to Governmental Domestic Institutions

Due to governmental institutions comprise of:

Current account

	30 September 2019	31 December 2018
Treasury – Ministry of Economy and Finance	647,817,903.86	374,662,826.78
Privatization Agency of Kosovo	264,880,446.21	388,115,936.82
Interim Administrative Institutions	396,138.52	122,123.61
Total	913,094,488.59	762,900,887.21

Deposits on current accounts benefit interest of 0.00% (both for the reporting period and the comparative period). There are no active term deposits in the reporting period, as well as for 2018 and 31 December 2018 there were no term deposits. Change is the flow of the operational activity of the institutions that make up the group.

16. Due to Public and Commercial Entities

Dues to commercial and public entities are as below and are all assets in current accounts:

	30 September 2019	31 December 2018
Insurance Companies	4,737,244.28	4,536,787.25
Public Institutions	44,828,326.99	106,324,447.65
Pension Funds and other	1,731.83	1,749.83
Total	49,567,303.10	110,862,984.73

There is a decrease compared to 2018, which is entirely attributable to the group of public institutions and companies respectively the withdrawal of assets worth approximately 63 million from the Kosovo Energy Corporation (KEK) trust account.

17. Borrowings

	30 September 2019	31 December 2018
Borrowings from World Bank	2,266,259.07	2,266,259.07
Total	2,266,259.07	2,266,259.07

We have two projects that have been financed by the World Bank through the loan: the project for the Business Continuity and the project for the real-time payments system (RTGS). The Real Time Payment System Project is in operation since July 2016, while the Business Continuity has been inaugurated at the end of 2016.

18. Other liabilities

	30 September 2019	31 December 2018
Escrow account	756,036.51	756,036.51
Deferred income	423,885.92	497,810.68
Payables and Accrued expenses	256,212.17	543,675.39
Total	1,436,134.60	1,797,522.58

Within the group is a slight reduction in the total balance of the group compared with 31 December 2018. Mainly influenced by the reduction of accounts payable balance to September 30, 2019, compared to 31 December 2018.

19,20 Regulatory capital and reserves**Capital and general reserve**

	30 September 2019	31 December 2018
Authorized capital	30,000,000.00	30,000,000.00
Reserve fund	23,989,459.17	21,801,120.78
Net result for the period	2,168,293.50	2,188,338.39
Total	56,157,752.67	53,989,459.17

The financial result is positive for about EUR 2.168 million, mainly due to satisfactory performance of revenues and maintenance of expenditures according to budget planning for the reporting period. The foreign currency revaluation item at the reporting date is in the amount of approximately EUR 563 thousand (as unrealized gain), even if we exclude this financial result remains positive of some EUR 1.605 million.

21. Net interest income

	30 September 2019	30 September 2018
Interest Income		
From placements	159,312.83	105,836.50
From securities	1,398,483.53	1,119,693.43
From deposit current accounts	516,721.91	436,696.38
From negative rates on deposits ²	464,918.16	334,341.93
	2,539,436.43	1,996,568.24
Interest expense		
From IMF Account (SDR Allocation)	547,476.67	441,864.49
From correspondent banks	516,644.42	268,101.95
From Borrowing	11,678.44	1,270.48
	1,075,799.53	711,236.92
Net interest income	1,463,636.90	1,285,331.32

As you can be seen from the table under note 21, revenues from interest rates are higher compared with the same period of last year. As well interest expenses are higher compared with the same period of last year. But net interest revenues are higher than the same period of last year.

Average interest rates on net interest revenues (taking into consideration only committed portfolio) brought in about 0.23% (in the same period of 2018 0.17%).

22. Net fee and commission income

	30 September 2019	30 September 2018
Net fee and commission income		
From cash deposits	659,844.44	486,681.31
From incoming transfer	58,115.32	57,772.99
From outgoing transfers	248,235.14	213,451.54
From domestic transfers (Domestic payment system)	894,029.15	724,374.30
From credit registry system	150,877.30	116,116.70
Other fees	20,955.00	28,107.00
	2,032,056.35	1,626,503.84
Fee and commission expense		
From cash transportation	357,443.59	191,378.47
From correspondent bank transactions	10,280.80	35,307.58
From payment services (IPS)	-	-
	367,724.39	226,686.05
Net fee and commission position	1,664,331.96	1,399,817.79

An increase compared to same period 2018, it derived from normal volume of activities.

² Referring to the negative rates that are being followed by the financial markets of the euro currency, based also on ECB reference rates, the CBK has set negative rates on some of its depositors since September 2016.

23. Incomes from regulatory activity

	30 September 2019	30 September 2018
Banks licenses renewal fees	2,120,307.55	2,003,468.73
Bank licenses fees	31,700.00	22,500.00
Insurance Companies licenses renewal fees	918,744.87	867,284.64
Insurance Companies licenses fees	69,200.00	64,700.00
Pension funds renewal fees	19,442.25	18,972.58
Other financial institution fees	197,789.49	185,633.11
Total	3,357,184.16	3,162,559.06

The change as a rise is mainly based on the growth of the base (volume of activity) compared with the same period 2018.

24. Grant revenue

	30 September 2019	30 September 2018
Grant revenue	86,356.87	73,587.11

There are two grants that effect note 24 grant revenues. They are grant for application of management of whole process of *issuing the government securities* (which in fact the complete application was granted to us) and partial financing from grant for the application of *credit registry also the grant on supervision financial reporting application*.

25. Other operational incomes

	30 September 2019	30 September 2018
Other income	2,927.55	7,473.66

Incomes from other activity are not regular ones and which could not be part of any regular items of incomes listed in previous notes.

26. Personnel expenses

	30 September 2019	30 September 2018
Wages and salary expenses	2,459,657.97	2,280,239.28
Social security and health insurance	541,825.95	494,066.25
Staff training costs	80,775.35	53,171.27
Board expenses	85,047.96	80,603.15
Daily meal	101,059.50	93,414.00
Other	18,454.18	19,036.59
Total	3,286,820.91	3,020,530.54

The total number of employees who were active on the payroll during January-September 2019 is 232 (January-September 2018, 216).

The other category include the staff costs include additional pension compensation (2019, 8,100.39euro; 2018, 8,840.29euro), fees for the internship program for students (2019, 4,571.50euro, 2018, 4,317.50euro) and financial support for housing (2019, 5,782.29euro; 2018, 5,878.80euro).

27. General and administrative expenses

	30 September 2019	30 September 2018
Insurance expenses	234,361.49	212,149.37
Repairs and maintenance	49,198.70	39,481.78
Application maintenance	241,865.67	220,594.81
Communication expenses (telephone, fax, and internet)	18,036.97	11,849.20
Public utility expenses	54,086.06	54,946.55
Consulting and auditing expenses	9,379.80	6,151.93
Security (guard and transportation)	55,310.40	47,736.00
Travel and transportation	108,359.82	76,838.51
Vehicle operating expenses	11,865.20	10,510.39
Consumable administrative material	15,762.85	5,314.54
Cafeteria expenses	27,812.31	25,092.11
Consumable expenses (IT and non-IT equipment supply)	14,789.97	14,887.56
Publishing and literature	8,483.06	7,005.65
Representation expenses	23,124.91	15,353.04
Membership to professional institutions	20,811.88	21,475.95
Other	17,988.11	16,171.69
Total	911,237.20	785,559.08

The change is mainly derived by any activity that did not have the same periodicity in comparative periods.

28. Net result of changes in exchange rates

Exchange Rate Revaluation	30 September 2019	30 September 2018
From USD Position	467,224.71	306,031.86
From SDR Position	96,188.04	86,681.93
Net unrealized profit/loss from exchange rate	563,412.75	392,713.79

The result presented above is temporary (specifically only to reporting date) and can change depending on the movement of exchange rates EUR / SDR and EUR/USD.

29. Cash and cash equivalents

	Note	30 September 2019	30 December 2018
Cash in hand	5	332,029,782.03	285,376,364.49
Cash accounts with non-resident banks	6	263,230,505.31	34,797,033.53
Treasury bill with maturity up to three months		-	-
Placements with non-resident banks with maturity up to three months		9,367,251.34	8,734,619.64
Total		604,627,538.68	328,908,017.66

30. Commitment and contingencies**Membership in the World Bank**

After the accession of the Republic of Kosovo in the World Bank and its sub-agencies Kosovo Government has issued notes payable (upon request), pledging that it will pay at the request of the World Bank (her sub-agencies) for the membership fee. The value of their September 30, 2019 is approximately 645.152 euros, CBK acts as financial intermediary (bank guarantee) and funds held in safe-custody account.