

CROATIA LAW ON FOUNDATIONS

Article 31

Foundation property should be managed in a manner provided by the act on establishment or by the foundation's statute. Substantiated and document reports on the actions taken with regard to the foundation property (financial investments, handling of securities) is submitted to the Ministry of Administration and Ministry of Finance.

Changes in the way of using foundation property are permitted under conditions of paragraph 1 of the present article provided that they do not decrease the value of the foundation property. The Ministry should be notified of any such changes in the way of using foundation property without delay, but if it concerns legal matters encumbering or alienating real estate or some particularly valuable movables being a part of the foundation property, the Ministry's consent must first be obtained for them to be legally valid. The Ministry shall grant its permission, respectively agree in case only if particular legal matters guarantee future fulfillment of the foundation purpose.

Foundation bodies are under obligation of submitting each year, at the same time when legal entities are bound to submit such reports to the financial control bodies, an annual balance sheet for a previous calendar year to the Ministry of Administration, Ministry of Finance and the State Office for Revision. The balance sheet must contain, among other, a review of the foundation incomes and expenditures during the previous accounting period and the state of foundation property.

The Ministry of Administration, the Ministry of Finance and the State Officer for Revision may at any time require an insight into the disposition of foundation property and its management.