

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE – QUESTIONS ON NOTICE 2003-2004 SUPPLEMENTARY ESTIMATES HEARING

Outcome: CSIRO
Output Group: - CSIRO

DEST Question No. E609_04

Senator Carr asked on 5 November 2003.

Question:

- a) Note 26 says:
“CSIRO has a 62% interest in any repayments that may, under certain circumstances, be made by the company to CSIRO and Strategic Industry Research Foundation.” Can you decode that statement for us?
- b) What are the certain circumstances?
- c) Has BMI ever made any repayments to CSIRO or SIRF?
- d) Is it likely to?
- e) Does SIRF hold the remaining 38% entitlement to repayments?

Answer:

CSIRO has provided the following response.

Joint Ventures – Biomolecular Research Institute (BRI) and SIRF

[Please note that we have taken the reference to BMI as meaning BRI.]

- a) Pursuant to the conditions of the Funding Agreement, CSIRO’s support of BRI was provided as a grant. The Funding Agreement executed in 1996 has a provision that under certain limited circumstances, BRI Ltd may be liable to make repayment of the grant contributions provided by CSIRO and the funding provided by SIRF during the period 1996 – 2000, together with interest, to the extent BRI can make such repayments from its available funds.
- b) Currently, the circumstances would include either the windup or insolvency of BRI Ltd.
- c) No, and to date the conditions under which BRI Ltd would be required to do so under the conditions of the Funding Agreement have not occurred.
- d) The conditions under which BRI Ltd would be required to make repayments to CSIRO and SIRF are limited. However if the Board and members of BRI Ltd were to make any decision for BRI Ltd to wind up the company, then an obligation to make repayments (to the extent that BRI could make such repayments from available funds) would occur. This is a possible circumstance at some stage in the future, and it is for this reason that the note was included in the CSIRO accounts.
- e) Yes.