LEADING INNOVATION.
TRANSFORMING TALENT.
INSPIRING RESULTS.
Through their early engagement, investors access validated and de-risked opportunities with proven product/market fit.

With their IP, knowhow and expertise, researchers work with NDRC to transform research outputs into high impact technologies and ventures.

Bringing their domain knowledge and market channels, industry partners share the risk and reward of building game-changing products and developing technologies for market.
NDRC’s mission is to create market capital by building high-impact new ventures out of opportunities in the research base.
Chairman’s Statement

I am delighted to present NDRC’s Annual Report for 2011–12. Although I have taken the role of interim Chair only recently, I have been involved with NDRC as both a Board Member and Member of NDRC’s Strategic Review Committee, selecting and monitoring NDRC’s projects, since the organisation started operations in 2007.

The reason for my involvement is simple. I am committed to transitioning technologies out of universities, and developing the environment for creating strong science and technology enabled companies. This is exactly what the focused work of NDRC is all about.

The landscape was very different when we began in 2007, but our goal for the organisation remains the same: to build on prior research investments, creating viable new ventures that will grow wealth and create jobs. This goal has become even more pertinent over the last four years, and we have sharpened our mission to contribute to a strong sustainable recovery for Ireland.

There are many ways to create impact from investment in science and technology. At NDRC we are specialists in bridging the gap between science and venture in one critical way: our team contributes the high-touch support needed in a dedicated and neutral space.

Although NDRC is a young organisation, we have made a significant contribution to the ecosystem and we have learned a lot. The job we do is specialist and complex, but core to our approach is having the right people in place to achieve our goals. In the pages that follow you will meet some of the NDRC team, along with examples of the successful ventures that are being created and launched through the support of NDRC.

It is through the hard work and dedication of the NDRC team that we are able to announce here the creation of 221 new high skilled knowledge jobs of the type that this country needs for the basis of a new economy.

MESSAGE FROM OUTGOING CHAIRMAN

This annual report marks the fourth year of successful investing for NDRC. Together, we have grown a unique enterprise in Ireland, with a singular dedication to the creation of new ventures based on science. During my time as Chair it has been a pleasure to work with a board and leadership team that brought real expertise to the challenge, and to see the successes emerge from the portfolio we began to build back in 2008.

These successes come in the form of viable new ventures that are creating impacts in the Irish economy that are so badly needed. NDRC’s hands-on approach means that researchers, entrepreneurs and venture teams are better equipped to succeed, and build global businesses for Ireland.

For all growing enterprises, change is essential. NDRC continues to innovate and develop, applying the learnings from its experiences to improvements in its processes.

It is therefore fitting at this point in NDRC’s development – with significant successes achieved – that I hand over the baton. In these challenging economic times, it is now more important than ever that we back proven approaches to creating ventures and jobs.

There is something unique and special about the performance and impact of NDRC that is testament to the work of its board and senior leadership, and I wish them every success in the future development of NDRC.

PAUL MCCAMBRIDGE
OUTGOING CHAIRMAN
These jobs are made possible by the creation of new companies and products that are attracting commercial venture investment. Through their investment commitments, commercial investors are demonstrating their confidence in the technologies and teams emerging in NDRC, believing that they will grow and scale to achieve significant returns. For the venture teams, the investment attracts demonstrates that the gap has been bridged, and this tells us that our goal is fulfilled.

This is important work, and now more than ever it is commendable that our Government continues to recognise the role of the specialist support required to transform national investments in science and technology into growth in the economy.

As Chairman of the Board, I wish to congratulate the NDRC team on these impressive results. I also wish to express my thanks to the Board of Directors of NDRC, all of whom fulfil their directorial duties on a pro bono basis, and commit considerable time and diverse expertise to lead and govern the enterprise.

Most importantly, I wish to express appreciation to our primary funding partner, the Department of Communications, Energy and Natural Resources, which continues to support the work and vision of our unique enterprise. The Department provides continued support for NDRC at both Ministerial and Senior Management level, and we look forward to continuing our work together.

I invite you to discover more about our work within these pages.

“I am certainly persuaded that NDRC is an important component in Ireland’s knowledge economy infrastructure, combining as it does the knowledge, the skillsets, and the assets of both academia on the one hand and the commercial sector to produce commercially successful products and services ... It’s clear that NDRC’s multifaceted support is in ensuring that many excellent ideas are being brought from the conceptual stage through to commercial reality.”

Pat Rabbitte TD MINISTER FOR COMMUNICATIONS, ENERGY & NATURAL RESOURCES
NOVEMBER 2011

NEW JOBS

To date, ventures emerging from NDRC have created 155 new full time jobs and 66 part time jobs.

These ventures are planning to recruit a further 70 new jobs in the next six months.

500% growth in jobs year-on-year
Leading innovation. Transforming talent. Inspiring results.

NDRC is Ireland’s first and only company that is exclusively focused on repeatedly transforming innovative ideas – particularly from the science base – into viable, investment-attracting new ventures.

As such, NDRC plays a key role in bridging the gap between the State’s research investments and their potential impact for the economy in the form of jobs, economic growth, and an enhanced ecosystem. NDRC fosters and leverages Ireland’s underlying capability to innovate in both business and technology, thereby playing a crucial part in raising Ireland’s game in the internationally competitive space of technology innovation. The results announced in this report demonstrate that our unique approach continues to work, and is getting better.

Since we began investing from a greenfield start four years ago we have applied a variety of approaches, all of which entail a high level of our hands-on involvement in emerging science and technology ventures. By last year, our overall approach was validated by significant follow-on investments (FoI) from commercially motivated third parties who wished to participate in the future growth of these opportunities. In short, the effectiveness our hybrid investment model was proven.

Today, over 70 projects and budding businesses have emerged from our portfolio, and results are flowing at confidence inspiring rates (55% of NDRC ventures attract FoI) to impressive levels. Cumulative FoI has doubled to just under €10m (from €4.8m in last year’s report to €9.6m in this report), having grown to €5.7m in financial year 2011. The market capital value of ventures emerging from NDRC has nearly trebled to close to €30m (from €10.1m in last year’s report to €28.8m in this report), having grown to €14.9m by the end of financial year 2011.

Within these results are some inspiring stories of success. This year we have seen LogEntries raise $1m in a round led by Polaris Ventures. We have seen SilverCloud Health being voted ‘Most Investable Startup in Ireland’ by the IVCA and ISA. And we have seen Redeem&Get voted ‘Spark of Genius’ at the Dublin Web Summit, by a panel that included renowned US investor Dave McClure.

Cumulative FoI and market capital are key metrics that indicate excellent progress and performance, but the immediacy of NDRC’s impact is best evidenced by new jobs. The number of jobs created in the ventures that have emerged from NDRC has grown to over 200, the significant majority of which are full time jobs in the high value sectors of, among others, healthcare, mobile, and enterprise applications. Moreover, these jobs are themselves job-creating jobs, driving further growth and development in the ventures.

These results show that NDRC continues to punch above its weight in attracting investment and creating employment. We are tapping promising science-inspired opportunities, and creating companies worthy of commercial investment. We are recognised as the ‘go to’ partner for stimulating innovation. Our results are clear evidence of NDRC’s contribution to the competitiveness of the Irish economy and our ability to create jobs.

NDRC’s financial performance is similarly noteworthy. NDRC operates a fund of €25m that is modest in overall terms, and yet delivers solid financial efficiency and striking value for money. We ensure that maximum capital is invested into generating value. Well over 80% of capital is invested directly into innovation activities, with less than 20% going on overheads and administration. This is effectively best in class efficiency among peers.

With investments of over €14.6m now flowing through the portfolio, it is notable as a signal of effectiveness and future returns potential that NDRC reports a financial asset on its balance sheet for the first time. Furthermore, NDRC’s equity holdings in many of our other portfolio companies, as listed inside the back cover, will in time also lead to revenues on exit.

Results of this order do not arise of their own accord. The challenge of executing commercially on a promising yet nonetheless early stage opportunity is sometimes difficult to appreciate until you’ve been that entrepreneur yourself. Uncertainty looms large. Help is essential. Standing still is not an option. NDRC’s value proposition is the people we embed into early stage ventures, namely core members of the NDRC team working collaboratively with venture teams. NDRC comprises people with the requisite experience, initiative, skills and risk tolerance to compel momentum through a combination of mentoring and hands-on action. These people are the essence of our high touch approach, and you will see insightful examples throughout this report.

NDRC’s team effort is bound together by our passion to accomplish our mission. The challenge of creating high impact new ventures by bridging the gap between upstream research investments and downstream return-seeking capital is one that needs balanced resourcing. It can sometimes be confused with industry-led research prioritisation, or mistaken for...
bolted-on commercialisation. At other times it can be viewed as being simply addressable by increasing the availability of venture capital, or obliging ventures and research groups to find industry money as a de-risking proof point. While all of these are important things in their own right, the fact is that creating science-inspired high-impact new ventures is none of these. It is a unique challenge in itself; one that is positioned in the gap between a promising, well-formed idea and its successful transformation into an investable venture. It is a gap faced by all new ventures with great ideas and passion but with limited resources and capabilities. It is a gap in which industry will only play within the confines of its own company walls, and where the risks are too high for venture capital. In a constantly changing world, this gap will never be closed, but with an appropriately expert entity like NDRC, it can be bridged with ever increasing effectiveness and scale.

For effectiveness, two things are vital: learnings-driven change and appropriate metrics. Our focus on the latter is clear from our results. Regarding learnings, the past year has been informative and encouraging for NDRC. Firstly, we performed excellently in an independent review undertaken by an international firm on behalf of the Government. Secondly, we undertook our own inaugural annual survey of all stakeholders earlier this year. Thirdly and finally, in order to leverage the deep learnings from our direct hands-on experiences, we undertook a self-examination process throughout the entire organisation. These actions amount to NDRC practicing what it preaches: iteratively validate your minimum viable proposition with your customers, understand what really works, and execute and scale accordingly. We have experimented, measured, listened and learned. Now we are effecting well-informed change by refining our activities and offerings accordingly. My message to our present and future collaborators, particularly in the realm of science research, is to watch this space.

Having proven the success of our model, NDRC is poised and ready to scale. At a policy level, we need to question whether the country is investing enough in this focused space. And we need to ensure that the level of investment in this gap is balanced in the context of investment in upstream research and downstream commercial exploitation. Only by ensuring such balance can we be confident as a country that we are maximising the impact of prior research investments in the form of jobs and economic growth in the shortest time possible.

NDRC’s team, from staff members to board members, can take pride in our team achievements and the results we have produced, and I thank them all for their tremendous contributions this year. I thank the research collaborators that have worked with us from day one. I also thank our closest collaborators, those emergent new ventures that are so important to our success, and will be vital building blocks of Ireland’s economic recovery and growth. Finally, I thank our main funding partner, the Department of Communications, Energy and Natural Resources.

The results we report this year underpin the continued success of NDRC. We take immense pride in our performance because we are in the game to do just that: deliver returns on the investments we make. We like to see the results of our endeavours and then strive for more. In this year of Olympic and Paralympic success for Ireland, the Olympic ambition is an excellent parallel for how we view our mission. Olympic successes are not based on short term strategies and endeavour, but by building consistently on successive accomplishments. NDRC has also achieved gold in our fourth year of endeavour, and we look forward with ambition and motivation to a renewed Olympic cycle and even greater success.
NDRC’s hands-on team has the expertise to bridge the gap between strong research and sustainable new ventures.

**NDRC’S HANDS-ON TEAM =**

MENTORING + VALIDATION + DESIGN

+ ENGINEERING + DEEP NETWORKS

+ FORMING VENTURE TEAMS
Research and enterprise have different shapes and different goals. By providing the people, the time, the space and the investment needed at the earliest stages of dedicated commercialisation work, NDRC is creating companies worthy of commercial investment and with the ability to scale.
Gary Leyden
Director of NDRC LaunchPad

In 2011, under Gary’s leadership, NDRC LaunchPad achieved Number One ranking in Ireland following a Kauffman Fellows study of European technology accelerators. Gary plays a critical role, supporting rigorous commercial validation for each LaunchPad startup NDRC invests in, focusing less on technology and more on business model. A key tool is the Business Model Canvas, which Gary develops with each startup making sure they focus on building the foundations of a scalable and repeatable business model. Gary’s mantra is “make sure you build a product the market wants”. 
BOSS METRICS
> SECURED ENTERPRISE IRELAND COMPETITIVE START 2012

BOSS Metrics is a social media analytics platform helping small marketing teams to report, compare and plan. This intelligent system offers personalised advice on how to improve social media performance; the more you use it, the better the advice gets. Founder Conor Lynch and his team joined NDRC in 2012 to create this online product for small marketing teams who know they should be using social media, but don’t understand how. Working with NDRC, the team built their platform, but also honed their concepts to respond to the needs of their potential customers.

TEAM ⬇️⬇️ FT
⬇️ PT

IRISH TIMES DIGITAL CHALLENGE

During the summer of 2012 NDRC helped to deliver the first Irish Times Digital Challenge. We worked with the Irish Times to run a mini-startup incubator with five early stage ventures that the newspaper brought in. The Digital Challenge saw the Irish Times opening its doors to provide startups with the opportunity to leverage the paper’s channel to customers. With NDRC’s involvement the founder teams were quickly able to validate their ideas, and keep a focus on their path to revenue.

TEAM ⬇️⬇️ FT
⬇️ PT

NEWSWHIPP
> SECURED INVESTMENT 2012

NewsWhip is a live guide to the news spreading fastest now on Facebook and Twitter. The co-founders Andrew Mullaney and Paul Quigley worked on their startup with NDRC in 2011, where they were supported to hone their customer acquisition and monetisation strategies in a more systematic way. By tracking what’s trending online, Newswhip provides a service to news providers and publishers, and their Spike product tracks the world’s stories to show what’s trending globally.

Newswhip featured in Techcrunch in July 2012.

TEAM ⬇️⬇️ FT

VIDEO ELEPHANT
> SECURED INVESTMENT 2012

Video Elephant is an online marketplace for buying and selling video content. The Video Elephant team worked with NDRC in 2011 to develop their business model. During their time at NDRC the founders concentrated on developing a deep understanding of the market for video content, and developing the functionality of their marketplace. The founders have since grown the team and are working to reach a global market of video creators and buyers.

TEAM ⬇️⬇️ FT

OTHER NDRC MEDIA & COMMUNICATION VENTURES
BSM®RK | METALABS | PICTURK | SCRAZZL | SENTINEL
Carl Power
Director of Project Operations

Carl works across all projects and startups to support their progress from concept to operating business. Carl has a background in engineering at multinational telecoms and mobile companies. At NDRC, Carl is the ‘fixer’, working with projects to change direction in response to the needs of the market; to develop IP strategies; to scale the technical plan up or down; and to transition technology into product. One of Carl’s current projects is the transition of the Heartphone technology into a commercial venture.
INSTANT OPINION

> SECURED ENTERPRISE IRELAND COMPETITIVE START 2012

The Instant Opinion team worked with NDRC to hone their proposition and secure first customers in 2012. Instant Opinion is a platform that connects organisations with their customers and staff in real time and in private. Customers can provide feedback or ask for anything they need during their service experience through their mobile phone and staff are instantly alerted. Instant Opinion founder Aidan Kenny has a background in service design and service management, and saw an opportunity to productise his expertise.

TEAM

SOUNDWAVE

> RAISING INVESTMENT

Soundwave is a music discovery smartphone app that allows users to discover and track what songs are being listened to, and where, in real time on mobile. Soundwave founder Brendan O’Driscoll pitched to NDRC in early 2012 with a concept, and since then has worked with us to develop a prototype and a compelling business which is gaining global interest. Brendan and his team joined NDRC LaunchPad to prove their concept and access both mentoring and the structure the programme provides.

Soundwave were selected as the winners at NDRC’s Lift Off competition, May 2012, by a panel which included Ben Hurley, Debbie Rennick, Shay Garvey and Bill Liao.

TEAM

HEARTPHONE

> TRANSITIONING TECHNOLOGY

During their time at NDRC, the HeartPhone team developed a system to support the management of chronic illnesses using mobile technology in the home to measure and report on vital patient data. The goal of the system is to allow medical professionals to get real time information on their patients, and so provide timely and effective treatment. HeartPhone was a Catalyser joint venture project between NDRC, Biancamed Ltd, computer science researchers at UCD, and clinicians at the HeartBeat Trust. NDRC is now working to transition the technology into a new commercial venture.

In 2010 HeartPhone was awarded Product Innovation of the Year at the Healthcare Innovation Awards.

TEAM

INSTANT OPINION

> SECURED ENTERPRISE IRELAND COMPETITIVE START 2012

The Instant Opinion team worked with NDRC to hone their proposition and secure first customers in 2012. Instant Opinion is a platform that connects organisations with their customers and staff in real time and in private. Customers can provide feedback or ask for anything they need during their service experience through their mobile phone and staff are instantly alerted. Instant Opinion founder Aidan Kenny has a background in service design and service management, and saw an opportunity to productise his expertise.

TEAM

Other

VODAFONE MOBILE MONDAY

In August 2012 NDRC partnered with the Vodafone Foundation to deliver a Smart Accessibility workshop for developers and entrepreneurs interested in creating smartphone applications for older people and people with disabilities. NDRC’s Inventorium toolbox enabled participants to explore the challenges, problems and commercial opportunities that exist for developers and entrepreneurs when building applications that consider the needs of this significant demographic. The 50 participants developed ideas around the needs of the 80m people in Europe with disabilities.
THOUGHTBOX

> RAISING INVESTMENT

ThoughtBox is an educational startup developing learning experiences in specific subject areas, centred around gameful learning. Founder Cristina Luminea began work on the first product during her time on LaunchPad, formulating her business model and identifying her route to market as she developed. ThoughtBox’s first product Numerosity is aimed at 8 to 11-year-olds, and the focus is on maths as a game.

In 2012 ThoughtBox won the Blueface Business Elevator competition, selected from nine finalists. The prize consists in €60,000 worth of services including hardware, PR and advertising, finance and legal.

TEAM  F  P

MOBIMATHS

> LICENSED TECHNOLOGY

MobiMaths is a collaboration system and suite of smartphone applications for mobile maths learning and teaching. MobiMaths apps support context-based problem solving activities and were developed from a Catalyser joint venture project between NDRC, researchers at Trinity College Dublin, and educational company GoKnow Inc. The technologies have transitioned into a startup company and are now being brought to market by Agile Education Technologies Ltd.

TEAM  P  T

SLATESTATE

> SECURED ENTERPRISE IRELAND COMPETITIVE START 2012

SlateState is a tool for teachers using tablet and mobile devices in the classroom. The SlateState Dashboard allows teachers to see whether students are on task. Co-founders Neil Buckley and Rodhán Hickey both have e-learning backgrounds, and were inspired by the prospect of tablets in the classroom to develop SlateState. The founders worked with NDRC to hone their value proposition and to make connections with customers.

TEAM  F  T

INITIATIVE

DESIGNS FOR LEARNING

In 2011 NDRC and Science Gallery Dublin launched Designs for Learning to find Ireland’s next education entrepreneur. Five teams were chosen from a total of 60 applicants. The NDRC team used the Inventorium toolbox to work with these teams over six weeks to help them hone their ideas ahead of a public pitch to Ruari Quinn TD, Minister for Education and Skills, and a panel of commercial experts. Designs for Learning is running again for 2012.
Britta Wyatt
Commercial Development Associate

Britta works with a number of research commercialisation projects at pre-venture stage, to identify and drive the development of core value proposition, product strategy and business model. An important part of Britta’s work on projects is to develop customer leads and identify customer requirements to truly validate product and technology concepts with those who will use and pay for them. Amongst other projects, Britta worked closely with the MobiMaths team before the technology was licensed into the new spin out company.
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**NEW JOBS**

created from investment and revenue into NDRC backed ventures (155 full time; 66 part time)
NDRC is nothing without its people, who have the breadth of knowledge and expertise in technology and markets. We work side-by-side with researchers, entrepreneurs and venture teams to turn great ideas into successful new ventures.
Ronan Byrne
Commercial Development Leader

Ronan works with established academics to transform strong research-led technologies into products designed for a ready market. This involves gaining a deep understanding of the industry/sector and the potential of the emerging technology, and building relationships in the industry to open up and develop commercial opportunities. Ronan has a CEO background, having built two companies which he sold to large multinationals. Ronan has worked with companies in a number of digital/web based areas, and has developed a particular expertise in transitioning high potential medical technology projects.
CLEARSIGHT
> TRANSITIONING TECHNOLOGY

Ophthalmic surgeons Arthur Cummings and Eugene Ng approached NDRC with a concept for a disruptive technology in ophthalmic diagnostic biometry. Together NDRC, the surgeons and the Applied Optics Group at NUI Galway have worked to develop a commercially compelling technology that will allow highly accurate Intra Ocular Lens (IOL) power calculation, delivering better patient outcomes post cataract eye surgery. A full working prototype has been successfully developed and this has been validated in a clinical setting. NDRC is now working closely with the ophthalmology industry and investors to transition ClearSight into a new commercial venture.

TEAM  FT  PT

PLACEBO RESPONSE PREDICTOR
> PROJECT IN DEVELOPMENT

Placebo Response Predictor (PRP) is a novel neurocognitive test which predicts the magnitude of the placebo response in clinical trial patients prior to drug administration. Placebo Response Predictor is a Catalyser joint venture project between NDRC, Dublin City University, Trinity College Dublin and Neurosynergy Games Ltd. NDRC has worked with the researchers to develop the business proposition and carry out a pilot study in healthy subjects. Results from this study suggest that the PRP test may be able to capture a significant component of placebo-related error variance. The team are now working to build a collaboration with industry and research partners for the next phase of clinical and scientific validation.

Pilot study results indicate using PRP in a phase III trial could allow for up to $12.4m savings realised per trial.

TEAM  FT  PT

SILVERCLOUD HEALTH
> GENERATING REVENUE

SilverCloud Health is an innovative online health and wellness delivery platform that enables healthcare organisations to offer a broad range of engaging interactive healthcare programs to clients/patients, covering issues such as depression, anxiety, COPD, Asthma, and chronic illness care. The company was created out of the Technology Enhanced Therapy project, a Catalyser joint venture project between NDRC, Trinity College Dublin’s School of Computer Science & Statistics and charity Parents Plus. NDRC worked with the researchers and clinicians to develop a commercial path for their know how. NDRC’s Ken Cahill spun out the company in 2011, and has now left NDRC to become CEO of SilverCloud Health.

In May 2012 SilverCloud Health was named Most Investable Business in Ireland by the Irish Software Association/Irish Venture Capital Association Investment Forum.

TEAM  FT  PT

LIFT OFF SHOWCASE

Twice a year NDRC holds the Lift Off investor day. We invite a room full of investors to see the latest LaunchPad startups progressing through our portfolio. At Lift Off May 2012, we had over 200 attendees, including overseas investors from Accel, Amadeus, DFJ and Silicon Valley Bank. We have measured 19 meaningful investor introductions being made for startups as a result of the event, and 10 of our portfolio startups being appointed an Enterprise Ireland Development Advisor as a direct result of the event. Lift Off is sponsored by Mason Hayes & Curran, Grant Thornton, Bank of Ireland and the Irish Internet Association.

OTHER NDRC HEALTHCARE VENTURES

CARA HEALTH  GETHEALTH  HAYSTACK  HEARTPHONE  IRIS  MUTEBUTTON  MY POWER BACK  NEUROHERO  XRAY LABS  ZINC SOFTWARE
SWEQUITY
In the summer of 2012 NDRC held the first Swequity Exchange; a programme designed to help would-be founders to create a digital technology startup based on their own business concept. The programme provided team matchmaking, workspace, workshops, experienced mentors and expert speakers. The NDRC Inventorium team issued a public call for ideas and team members, and then worked with eight teams over a five-week period to increase the likelihood of strong business ideas converting into viable startups. Seven of the teams developed enough confidence in their idea during the programme to develop their startup further, with one team going on to join NDRC LaunchPad.

BOXEVER
> SECURED INVESTMENT
Boxever has developed a big data platform to capture, analyse and interpret the torrent of customer data that companies are collecting about their customer’s journeys. The team worked with NDRC to build their service for travel industry marketers, allowing them to generate more incremental revenue quickly by leveraging data they already have. The three co-founders, Dave O’Flanagan, Dermot O’Connor and Alan Giles, are all experienced engineers with backgrounds in the travel industry, and have a team of PhDs who enable the big data goals of the company.

Boxever moved on from NDRC into DogPatch Labs in Dublin.

TEAM FT

REDEEM&GET
> SECURED INVESTMENT
Redeem&Get is a voucher redemption management platform that helps merchants manage daily deals. Using Redeem&Get, merchants increase redemption rates, keep their daily deals process online and turn one time deal customers into long term business.

Co-Founders Gene Murphy, Jade Alison O’Connor and Adrian McMahon saw the struggle for small business owners in managing their daily deals, and set about building a solution. The founding team used LaunchPad to focus entirely on their business, launching the platform and signing up first customers before the programme ended.

In October 2011 Redeem&Get won the Dublin Web Summit Spark of Genius Award.

TEAM FT PT

FIELDAWARE
> SECURED INVESTMENT
FieldAware is the next-generation cloud service that automates the workflow of businesses in the maintenance sector. The co-founders, Trinity College postdoctoral researchers Andronikos Nedos and Raymond Cunningham, joined LaunchPad to develop their concept and concluded their three months with NDRC by securing the investment they needed to scale the business. Since the product has launched the startup has gone from strength to strength, expanding its position firmly in the US.

TEAM FT
Mark Kearns
Programme Director of NDRC Inventorium

Mark works with early stage idea owners to help them make a 360° assessment of their business concepts, and to help them begin to build the team that will make their ideas a reality. A real live entrepreneur himself, Mark has a strong engineering background, and brings the technical rigour that early startups so often need. He is developing the Inventorium toolbox to help founders think more broadly about the markets they are addressing, and to focus on how they can position their products in front of their target audience to acquire customers.
Amy Neale
Communications and Programme Manager

Amy works with researchers, technologists and startup founders at the earliest stages of their commercialisation plans. Amy has a focus on communicating early stage technology opportunities, and supports marketing and communications for startups at NDRC. With a background in research and knowledge transfer, she understands academic concerns when entering the commercial space, and supports researchers to make the transition. Amy is particularly focused on opportunities relating to her own research work in the area of natural language processing and semantics.
**LINGLEONLINE**  
> SECURED INVESTMENT

LingleOnline lets teachers automatically create English language learning materials from current news sources. The startup licensed natural language processing technology, which was developed collaboratively by NDRC and researchers from Dublin Institute of Technology. The startup team are now based at NDRC, and recently partnered with the British Council to provide innovative technology to automatically generate in-context word lists and vocabulary exercises for English Language teachers. With over 300,000 articles and thousands more added every week, LingleOnline covers a huge array of subjects, from sources including The New York Times, The Guardian, China Daily, USA Today and more.

In June 2012 LingleOnline won the prize for Language Technology Innovation at the LT-Summit in Brussels.

**METALABS**  
> TRANSITIONING TECHNOLOGY

MetaLabs develops tools for the automatic generation of rich metadata for online video. By identifying optimal mid-roll placements and associated keywords, MetaLabs allows for intelligent, contextual ad insertion into online video. MetaLabs has been developed at NDRC with technical expertise in digital video processing from the DCU Clarity research group, commercial knowhow from Moving Media Ltd, and with commercial guidance from NDRC. NDRC is now working to transition the technology into a commercial vehicle.

**SCRAZZL**  
> SECURED INVESTMENT

Scrazzl is a search and marketing platform for science researchers and manufacturers. The Scrazzl technology uses semantic processing technology to provide interactive information on materials referenced in research papers, helping scientists to identify the most popular and relevant science materials. Founders David Kavanagh and Desmond O’Shea developed the concept for Scrazzl during their PhD research. With co-founder Paul Phillips the team of three joined LaunchPad and received support structuring their customer acquisition strategy before going on to secure investment from angel investors in the science materials sector.

In June 2012 Scrazzl were selected to pitch at LeWeb’s Tech All Star event.

**BUSINESS MODEL CANVAS WORKSHOPS**

This year NDRC has delivered ‘lean startup’ training for a number of partners in Ireland. Over the course of the year, we worked with our partners ThousandSeeds to deliver public workshops from Ash Maurya and Rob Fitzpatrick. We have also delivered Business Model Canvas Workshops to both academic partners (UCD’s Electricity Research Centre, and PhDs at the TCD/UCD Innovation Academy), and the open data community in Dublin (Dublinked). Our objective is to use the lean approach as a tool for researchers and entrepreneurs to convert technology-inspired ideas to market-led products and services.
We’re committed to learning and iterating. Over the last four years the NDRC team has learned an enormous amount about what it takes to translate great ideas into new products and ventures, and – like any good startup – we are committed to continuously ploughing these learnings back into what we do.
PLAN  IMPLEMENT  MEASURE

LEARN  DATA/FEEDBACK
**OPEN MIC IDEA JAM**

Throughout 2011/2012, the NDRC Inventorium team held Open Mic Idea Jams in Dublin, Waterford and Kilkenny. These Open Mic nights were a chance for anyone with a bright idea to stand up and pitch it to an audience that included everyone from venture capitalist to curious passers-by. The sessions were a huge success, with over 250 people coming along to five separate events.

**COMMUTABLE**

> GENERATING REVENUE

Commutable is a transport software and services startup founded by three UCD PhD’s. The team began building their first consumer product, Hit The Road, as a public transport journey planner for Dublin which is freely available at www.hittheroad.ie. During and following LaunchPad, NDRC has supported the team to develop a sustainable business model for their venture. The team are also developing customised journey planners, journey analytics, and mapping solutions for clients and will soon be launching their first product for a major coach operator in the UK.

**BITSMITH GAMES**

> SECURED ENTERPRISE IRELAND COMPETITIVE START 2012

BitSmith Games is a game development startup, focused on games for tablets. The co-founders met while studying for their Masters degree, and began working on their first title Kú. The team have an amazing set of game development skills between them, but worked with NDRC to focus their revenue model and develop a business sensibility that is now seeing them grow into a sustainable games development house.

In April 2012 bitSmith Games closed a fundit campaign which has contributed to their ongoing development.

**ICABBI**

> SECURED INVESTMENT

The iCabbi taxi dispatch service offers a world class taxi dispatch system to integrate with websites and taxi booking apps. The service allows consumers to book taxis in their area via an app on their smartphone. During their time on LaunchPad, founders Gavan Walsh and Bob Nixon not only built and launched the product, but secured commercial partners to provide channels to market. The iCabbi team are now on their way to realising their dream of seeing the iCabbi app on smartphones across the globe.

**TEAM**

<table>
<thead>
<tr>
<th>COMMUTABLE</th>
<th>BITSMITH GAMES</th>
<th>ICABBI</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEAM FT</td>
<td>TEAM FT</td>
<td>TEAM FT</td>
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</tbody>
</table>
Emma Wilson In-House Designer

Emma works with all our ventures to help them with all aspects of design, including product design, brand and visual identity, and marketing collateral. Emma’s work instills a sense of design into all startups and projects, helping the most technical of founders to develop a design thinking mindset, and a deep understanding of the needs of the people who will use their product or service. The design thinking approach is critical for consumer focused products, but is also important to applications in all sectors where an end user will interact with a service.
John Geoghegan
Senior Commercial Development Associate

John works across projects and startups to continuously refine their business propositions, and – most crucially – to get them out of the building, capturing sales and carrying out the trials that lead to sales. John works to ensure new technologies and startups are responsive to market signals, in order to increase the number of fully qualified and de-risked prospects emerging from NDRC. With a background in telco multinationals and startups, John has a particular focus on Green Tech and Smart Grid.
Haystack developed a hapto-visual simulator for training in and assessment of ultrasound guided regional anaesthesia. Medical simulators provide safe, effective and realistic learning experiences for clinical professionals. This Catalyser joint venture project between NDRC, clinicians at Cork University Hospital, and UK-based company Medaphor Ltd built on research in the area of visuo-haptics to develop a commercial system to support continuing professional development for doctors. NDRC is now working to transition the technology into a commercial venture.

**Von Bismark**
> **SECURED INVESTMENT**

Von Bismark is creating virtual mirrors that allow consumers to physically try on digital clothing using augmented reality and a gesture based interface. Founder Eoghan O’Sullivan has a background in multimedia; in 2011 he saw the opportunity in interactive marketing and started building the Von Bismark product as an augmented reality platform that will revolutionise online retailing. Before joining LaunchPad, Eoghan’s concept was just an idea. During the programme he was able to really develop the platform and figure out the best channels to the retail market.

Von Bismark Wardrobe was unveiled at Hugo Boss in Dundrum Town Centre in April 2012.

**Fixational**
> **SECURED ENTERPRISE IRELAND COMPETITIVE START 2012**

Fixational has created the Wink Camera which provides hands free gesture control, and lets users take photographs on their smartphones with the blink of an eye. Founder Ronan O’Malley is a computer vision engineer at NUI Galway and developed the idea for his startup because of the new types of control system for touch screens that are now finally reaching the market. LaunchPad enabled Ronan to move from an idea based on his computer vision expertise to a focused product for developers to enhance their apps through eye control.

**Smart Grid Innovation Hub**

Throughout 2011 & 2012 NDRC has been developing a focus on Smart Grid. In February 2012, with our partners EirGrid, we provided a day-long open innovation workshop for the three disciplines that otherwise might not meet: the power industry; the ICT industry; and academia. As an outcome of this workshop, NDRC and EirGrid are now working together to launch the Smart Grid Innovation Hub as a unique approach to the development of innovative Smart Grid solutions, facilitating, supporting and enabling entrepreneurial initiatives by companies, academics and entrepreneurs.
Majella Murphy
Commercial Development Leader

Majella works with startup founders and academics to make sure the venture being created is fit for next stage investment. An important part of Majella’s role is to build and shape the team, whether that entails recruiting an appropriate CEO, drafting in consultants with deep industry knowledge, or preparing academics for the next stage. Majella also worked on the Swequity Programme, bringing together idea owners with the engineering, design, marketing and commercial people they needed to complete their team. Majella has a background in strategic consulting, and has worked with multinationals, universities and startups to focus strategy.
**OPEN DATA AWARD**

In September 2011, NDRC won a Net Visionary Award for the Open Data 18-Hour Challenge. Working with Dublin City Council and Fingal County Council, NDRC developed an Inventorium-style approach to the challenges and opportunities presented by the new era of Open Data. The Challenge was an opportunity for developers, designers, and open data experts to come up with viable propositions for citizen and business-oriented apps that make use of openly available public data. Over the 18 hours ten teams formed and three winners were chosen; two of which are in active development.

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**BUILDINGEYE**

**SECURED ENTERPRISE IRELAND COMPETITIVE START 2012**

Buildingeye visualises planning and building permit data to allow users to see what projects are being planned in their area or city. Founder Ciaran Gilsenan is a civil engineer by profession, and was frustrated by a lack of centralised planning information, so set about solving the problem with the Buildingeye service. The Buildingeye system collates planning and building data, and visualises this data using their mapping software. Ciaran joined NDRC Launchpad and was supported in validating and stress testing his business proposal, and exploring alternative revenue models to assist in the acceleration of the business to overseas markets.

Buildingeye won second place at NDRC’s Lift Off competition in May 2012.

---

**LOGENTRIES**

**SECURED INVESTMENT**

LogEntries provides a log management service in the cloud. The founders, Viliam Holub and Trevor Parsons, developed the startup on the back of a decade of research at UCD’s Performance Engineering Laboratory. Viliam and Trevor worked with NDRC through LaunchPad and during that time moved from a strong technology to a big data product with a concrete value proposition for customers.

LogEntries announced a $1.1m investment round led by Polaris Venture Partners in July 2012.

---

**SENTINEL**

**TRANSITIONING TECHNOLOGY**

Sentinel developed a sophisticated approach to detecting SMS spam, with innovative machine-learning techniques that overcome the problem of ‘concept drift’, i.e. the phenomenon whereby spammers continuously alter spam messages to evade filters. A Catalyst joint venture project between NDRC, computer science researchers at DIT, and Sentry Wireless, the Sentinel team developed the world’s first SMS spam detector that handles concept drift, and is also language agnostic. NDRC is now working with an established SMS spam filter vendor to license the Sentinel technology.
NDRC has developed a toolbox of programmes designed to support the creation of high impact viable new ventures. In 2011/2012, our toolbox has included the programmes Inventorium, Catalyser and LaunchPad. The core principles that run through these programmes are problem-solution design; people with the right skill sets; and support to get to the right commercial milestone.

**INVENTORIUM**

Inventorium provides methods and processes for building collaborations, generating ideas, and turning these ideas into business propositions.

Using this toolkit, NDRC works with startups, existing businesses, social enterprises, institutions and individuals who want to turn innovative ideas into profitable ones.

Inventorium works through workshops, symposia and other events that encourage creative thinking and new partnerships.

In 2011/2012, Inventorium delivered the Open Mic Idea Jams; Designs for Learning; Smart Grid Digital workshop; the Swequity Exchange; and the Vodafone Smart Accessibility workshop, as well as providing one-to-one sessions for individual idea owners.

Inventorium is part funded by the European Regional Development Fund through the Ireland-Wales Programme (INTERREG 4A), and as such is a partnership between NDRC in Dublin and the Centre for Advanced Software Technology (CAST) in Wales. The initiative is a three-year European-funded programme whose aim is to help create sustainable digital businesses and support interregional development in southeast Ireland and northwest Wales.

**TOTAL EU INVESTMENT TO SUPPORT INVENTORIUM**

€1m

**PEOPLE ATTENDING INVENTORIUM WORKSHOPS**

327

**CATALYSER**

The Catalyser investment programme has built 27 joint venture projects with research and established company partners.

Catalyser projects are based on early concepts and technologies. Teams work to understand whether a research output or an early technology concept has a fit to a target market. NDRC work as part of Catalyser teams to investigate markets, to understand where the technology might play a role, and to build minimum viable products.

Each project is designed in a series of phases with each culminating in a proof point to ensure continuous review of commercial potential. Targeted at researchers with strong academic outputs, Catalyser provides:

- A framework to continually assess prospects and allow for pivoting
- Expertise in commercialising digital innovations and product management
- Neutral space alongside other commercially focused projects
- An investment fund to pay the salary of a core team

Outputs from Catalyser projects are licensed to an established company or into a new startup company that will take the technology to market.
LaunchPad is Ireland’s first digital accelerator, supporting the next generation of digital entrepreneurs to accelerate good ideas to sound startups.

With hands-on mentoring, a workspace and micro-seed investment over a 12-week tailored programme, startups taking part in LaunchPad receive help with every aspect of their business, as well as a fast track to attracting investment.

Targeted at emerging startup promoters in the digital space, LaunchPad provides:

- 12 weeks alongside other startups, innovators, engineers and investors
- Expert mission guidance and hands-on support from experienced entrepreneurs
- Weekly workshops and meetings with the right people in the right networks
- Micro-seed investment of up to €20k per startup
- Opportunity to pitch at the Lift Off Investor Day at the end of the programme

In 2011, NDRC LaunchPad was ranked the best accelerator programme in Ireland, and sixth in Europe. The Kauffman Fellows Programme study observed tech accelerators across Europe, and ranked them based on their supports for startups.
NDRC Directors’ Report and Financial Statements
Year Ended 31 December 2011

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Board of Directors

P McCambridge *(Chairman)*

S Baker

J Callaghan

J Devine *(resigned 1 May 2011)*

C Dillon

E Hazelkorn

B Hurley

M Keane

E Kennedy

A McClean

D McGonagle

G Mooney

M O’Donovan

P Sharpe

A Doona *(appointed 1 May 2011)*

Solicitors

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Mason, Hayes & Curran
South Bank House
Barrow Street
Dublin 4

Secretary and Registered Office

JP Joyce
Digital Exchange Building
Crane Street
The Digital Hub
Dublin 8

Bankers

Bank of Ireland
85 James Street
Dublin 8

Auditors

PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Directors’ Report

The directors present herewith their report and audited financial statements for the year ended 31 December 2011.

Principal activities and review of the development of the business
The company’s principal activity in pursuit of its objective is to invest and engage in collaborative translational research and collaborative innovation, meaning the development of new ventures inspired by prior research investments in pursuit of the creation of market capital value. Further to an initial operational establishment period in 2007, its first research investment contracts signed in 2008, and significant scaling of its operations and investment platform during 2009 and 2010, the company reports herein on breakthrough progress in the development of the business. The breakthrough comes in the form of exponential growth in follow-on investment secured by new enterprises emerging or developing from the company’s investment programmes, a significant indicator of performance towards the ultimate goal of returns from the company’s activities. Other developments include further increased cumulative investment and participation in research inspired early stage ventures, and a significant increase in the number of new spinout enterprises, with one such an enterprise having matured for the first time to the point of being recognised as an asset on the company’s balance sheet. This latter development is a key developmental stage in the progressive maturing of the company’s investment and engagement activities to date.

Results for the year and state of affairs at 31 December 2011
The income and expenditure account for the year ended 31 December 2011 and the balance sheet at that date are set out on pages 36 and 37. The surplus for the year amounted to €10,331 (2010: surplus of €31,914). The company is exempt from taxation.

Results in the form of follow-on investments in the outputs of the company’s collaborations are exceptionally strong for the year. Building on modest results in the previous year, the company reports €5.7m of follow-on investment secured by new enterprises emerging or developing from the company’s investment programmes. The amount of equity released in these new enterprises to secure the follow-on investment indicates a year-end cumulative enterprise value of these enterprises of €14.9m.

Post balance sheet events
There have been no significant events since the year end.

Directors
The current directors are as listed on page 32 and unless otherwise indicated have served throughout the period.

Directors’ and secretary’s interest in shares
The company is one limited by guarantee and does not have a share capital, in the event of a winding up, the members have agreed to pay €5 each to the debts of the company.

Future development in the business
The company will continue to operate to its main objective in 2012.

Health and safety of employees
The Safety, Health and Welfare at Work Act, 2005 imposes certain obligations on employers and the directors are satisfied that the company has taken the necessary action to ensure compliance with the Act.

Charitable and political donations
The company made no political or charitable contributions during the year.

Environmental issues
The company pays particular adherence to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues.

Principal risks and uncertainties
The directors consider that the following is the principal risk factor that could materially and adversely affect the company’s operation:
• There is a dependence on the Department of Communication, Energy and Natural Resources for short, medium and long term funding. There is a reasonable expectation that short term funding is available as there is a formal agreement in place that governs cumulative funding of €25 million.

The company has controls in place to limit potential exposures and management and the directors regularly review, reassess and proactively limit the associated risks.

Tax status
The National Digital Research Centre Limited is recognised by the Revenue Commissioners as having registered charity status – registration number CHY 17664.
Books and accounting records
The directors are responsible for ensuring that proper books and accounting records, as outlined in Section 202 of the Companies Act, 1990, are kept by the company. To achieve this, the directors have appointed an experienced bookkeeper who reports to the directors and ensures that the requirements of Section 202 of the Companies Act, 1990, are complied with.

These books and accounting records are maintained at the company’s registered office, which is Digital Exchange, Crane Street, The Digital Hub, Dublin 8.

Statement of directors’ responsibilities
The directors are responsible for preparing the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the Accounting Standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;
• make judgements and estimates that are reasonable and prudent; and
• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the provisions of the Companies Acts, 1963 to 2009. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company’s website. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial information may differ from other jurisdictions.

Auditors
PricewaterhouseCoopers, the auditors, will continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the board

Aengus McClean
Declan McConagle
Board member
Board member
We have audited the company’s financial statements of National Digital Research Centre Limited for the year ended 31 December 2011 which comprise the Income and Expenditure Account, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company’s members, as a body, in accordance with section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
The directors are responsible for the preparation of the financial statements in accordance with applicable Irish law and Accounting Standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) as set out in the Statement of Directors’ Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts, 1963 to 2009. We also report to you our opinion as to: whether proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation which may require the convening of an extraordinary general meeting of the company; and whether the information given in the Directors’ Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors’ remuneration and other transactions is not disclosed and, where practicable, include such information in our report.

We read the Directors’ Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company as at 31 December 2011 and of its surplus for the year than ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the Directors’ Report is consistent with the financial statements.

Paul O’Connor
For and on behalf of
PricewaterhouseCoopers Chartered Accountants and Statutory Audit Firm
Dublin
21 June 2012
Income And Expenditure Account
Year Ended 31 December 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011 €</th>
<th>2010 €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government subvention</td>
<td>2</td>
<td>5,507,968</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>3</td>
<td>311,319</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td></td>
<td><strong>5,819,287</strong></td>
</tr>
<tr>
<td>Research investment &amp; fund management</td>
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<td>-(4,724,249)</td>
</tr>
<tr>
<td>General overheads and fund administration</td>
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<td>-(1,095,038)</td>
</tr>
<tr>
<td><strong>Operating surplus for year</strong></td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Interest receivable</td>
<td></td>
<td>10,331</td>
</tr>
<tr>
<td><strong>Surplus for year</strong></td>
<td></td>
<td><strong>10,331</strong></td>
</tr>
</tbody>
</table>

There are no gains or losses in either year other than the surplus for the year.

On behalf of the board

Aengus McClean  Declan McGonagle
Board member  Board member
# Balance Sheet

As at 31 December 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011 €</th>
<th>2010 €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial fixed assets</td>
<td>8</td>
<td>60,000</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>7</td>
<td>79,623</td>
</tr>
<tr>
<td></td>
<td></td>
<td>139,623</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>9</td>
<td>470,700</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>1,197,526</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,668,226</td>
</tr>
<tr>
<td>Creditors (amounts falling due within one year)</td>
<td>10</td>
<td>(1,086,915)</td>
</tr>
<tr>
<td>Net current assets</td>
<td></td>
<td>581,311</td>
</tr>
<tr>
<td>Total assets less current liabilities</td>
<td></td>
<td>720,934</td>
</tr>
<tr>
<td>Financed by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income and expenditure account</td>
<td>12</td>
<td>720,934</td>
</tr>
</tbody>
</table>

On behalf of the board

Aengus McClean
Board member
Declan McGonagle
Board member
Notes to the Financial Statements

1  Statement of accounting policies

Accounting convention and basis of preparation
The financial statements are prepared under the historical cost convention and in accordance with generally accepted accounting principles in Ireland.

Certain prior year amounts have been reclassified to confirm with current year presentation.

Income
Income from the Department of Communication, Energy and Natural Resources is recognised when costs are incurred.

Grant income from EU sources is recognised when costs are incurred.

Other sources of income are accounted for on a cash receipts basis.

Depreciation
Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives as follows:

- Industrial equipment: 4 years straight line
- Computer equipment: 3 years straight line
- Fixtures and fittings: 5 years straight line

Project related fixed assets
Capital equipment purchased by research partners and funded by NDRC, most of which is computer equipment, is written off to the Income and Expenditure account at time of purchase.

Investment in research activities
The company invests in the early stages of research driven technology development through partnership and continuous assessment projects. Investment in these projects are expensed to the Income and Expenditure account as the directors believe that given the stage of development of these entities and the underlying research projects, there is not an appropriate level of certainty as to the recoverability of the investment.

Follow-on investment in the shares of companies to commercialise intellectual property generated by an entity’s research activities is recognised on the balance sheet at cost, less allowance for impairment losses.

Cash flow statement
Financial Reporting Standard Number 1 (Revised 1996), ‘Cash Flow Statements’ exempts ‘small’ companies from the requirement to prepare cash flow statement. The company has availed of this exemption.

Pension schemes
The company operates an employer sponsored defined contribution pension scheme.
The company’s annual contributions are charged to the income and expenditure account in the year to which they relate.
Taxation
Under the Taxes Consolidation Act, 1997, the company is exempted from corporation tax due to its status as a registered charity.

Organisation and status
The company was founded in 2006 and began operational establishment in 2007, for the charitable purpose of education, including promotion of innovation, research, development and education in the arts and sciences.

2 Income

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government subvention income</td>
<td>5,507,968</td>
<td>6,406,358</td>
</tr>
</tbody>
</table>

3 Miscellaneous income

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syndicated investment income</td>
<td>25,000</td>
<td>30,000</td>
</tr>
<tr>
<td>EU Grant income</td>
<td>286,319</td>
<td>229,674</td>
</tr>
<tr>
<td></td>
<td>311,319</td>
<td>259,674</td>
</tr>
</tbody>
</table>

4 Employees
The average number of persons employed by the company (including directors) during the year was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>Management</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Administration</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>31</td>
<td>23</td>
</tr>
</tbody>
</table>

The staff costs (including executive directors) comprise:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>2,056,323</td>
<td>1,519,873</td>
</tr>
<tr>
<td>Social welfare costs</td>
<td>211,167</td>
<td>162,020</td>
</tr>
<tr>
<td>Pension</td>
<td>99,012</td>
<td>84,426</td>
</tr>
<tr>
<td></td>
<td>2,366,502</td>
<td>1,766,319</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements continued

5 Operating surplus for year

<table>
<thead>
<tr>
<th></th>
<th>2011 €</th>
<th>2010 €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit remuneration - audit services</td>
<td>10,000</td>
<td>9,500</td>
</tr>
<tr>
<td>Depreciation</td>
<td>74,035</td>
<td>67,309</td>
</tr>
</tbody>
</table>

Director emoluments:

- services as director — —
- management services 179,256 160,050
- pension and other benefits 27,751 27,301

Loss on disposal of fixed assets 1,213 –

The surplus for the year is stated after charging the following:

In accordance with its approval by the Revenue Authorities as a charitable entity, directors’ emoluments are not paid in respect of services as directors. Directors’ emoluments relate to the services of the Chief Executive Officer, whose remuneration is determined by the Remuneration Committee and ratified by the Board.

6 Taxation

The service is exempt from company taxation on the basis that it is an eligible tax exempt charity for the purposes of Section 45 of the Finance Act, 2001.
### Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Industrial equipment</th>
<th>Computer equipment</th>
<th>Fixtures and fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>€</td>
<td>€</td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>At 31 December 2010</td>
<td>69,830</td>
<td>209,688</td>
<td>63,149</td>
<td>342,667</td>
</tr>
<tr>
<td>Additions during year</td>
<td>–</td>
<td>13,180</td>
<td>1,230</td>
<td>14,410</td>
</tr>
<tr>
<td>Disposals during year</td>
<td>–</td>
<td>(4,285)</td>
<td>–</td>
<td>(4,285)</td>
</tr>
<tr>
<td>At 31 December 2011</td>
<td>69,830</td>
<td>218,582</td>
<td>64,379</td>
<td>352,791</td>
</tr>
</tbody>
</table>

### Depreciation

<table>
<thead>
<tr>
<th></th>
<th>€</th>
<th>€</th>
<th>€</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December 2010</td>
<td>69,830</td>
<td>84,833</td>
<td>46,981</td>
<td>201,644</td>
</tr>
<tr>
<td>Charge in year</td>
<td>–</td>
<td>69,019</td>
<td>5,016</td>
<td>74,035</td>
</tr>
<tr>
<td>Disposals during year</td>
<td>–</td>
<td>(2,511)</td>
<td>–</td>
<td>(2,511)</td>
</tr>
<tr>
<td>At 31 December 2011</td>
<td>69,830</td>
<td>151,341</td>
<td>51,997</td>
<td>273,168</td>
</tr>
</tbody>
</table>

### Net book amounts

<table>
<thead>
<tr>
<th></th>
<th>€</th>
<th>€</th>
<th>€</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December 2011</td>
<td>–</td>
<td>67,241</td>
<td>12,382</td>
<td>79,623</td>
</tr>
<tr>
<td>At 31 December 2010</td>
<td>–</td>
<td>124,855</td>
<td>16,168</td>
<td>141,023</td>
</tr>
</tbody>
</table>
During the year, as part of a collaborative translational research investment, the company invested €60,000 in LingleOnline Limited, a spinout created for the commercial exploitation of intellectual property developed.

The company’s LaunchPad accelerator investment programme provides micro-seed investment and other support to startup projects. The company receives a financial interest in the share capital of the recipient companies. As noted in the accounting policies set out on page 38, investment in LaunchPad projects is expensed in the Income and Expenditure account. During the year the company invested €402,953 (2010: €448,229) through this programme.

The company financially supported activities to further develop the output of a project post the project end date of 31 July 2011. The product developed out of the project and further supported by the company up to 4 May 2012 is being developed in a spin out vehicle (Silvercloud Health Limited). The company has negotiated a share interest in the spin out vehicle as consideration for this support on foot of a Shareholders’ Agreement between the company and Silvercloud Health Limited signed on 4 May 2012. As a result, the post project funding has been treated as a prepayment for the subsequently allotted share interest.
10  **Creditors (amounts falling due within one year)**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>119,918</td>
<td>198,502</td>
</tr>
<tr>
<td>Deferred income</td>
<td>399,160</td>
<td>1,906,927</td>
</tr>
<tr>
<td>Accruals</td>
<td>507,259</td>
<td>607,031</td>
</tr>
<tr>
<td>PAYE and PRSI</td>
<td>60,578</td>
<td>62,475</td>
</tr>
<tr>
<td></td>
<td><strong>1,086,915</strong></td>
<td><strong>2,774,935</strong></td>
</tr>
</tbody>
</table>

11  **Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to €99,012 (2010: €84,426).

Contributions payable to the fund at the year end have been included in accruals and amount to €19,353 (2010: €21,205).

12  **Income and expenditure account**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>710,603</td>
<td>678,689</td>
</tr>
<tr>
<td>Surplus for year</td>
<td>10,331</td>
<td>31,914</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td><strong>720,934</strong></td>
<td><strong>710,603</strong></td>
</tr>
</tbody>
</table>

13  **Companies (Amendment) act, 1986**

The company is a company limited by guarantee without a share capital. In the opinion of the directors, the company is exempt from the disclosure requirements of the companies (Amendment) Act, 1986 by virtue of Section 2 (1) (a) of that Act.

14  **Related party transactions**

Further to its main object, the company entered into a number of collaborative research agreements with University College Dublin (UCD), a member of the company. These agreements arose from open competitive tendering processes. In the period under review, services provided by UCD under these agreements amounted to a refund by UCD of €11,371 (2010: charge €412,926), of which €nil (2010: €86,854) was outstanding at 31 December 2011.

Further to its main object, the company entered into a collaborative research agreement with Dublin City University (DCU), a member of the company. This agreement arose from an open competitive tendering process. In the period under review, services provided by DCU under this agreement amounted to €nil (2010: €34,709), of which €4,000 (2010: €27,620) was outstanding at 31 December 2011.
Notes to the Financial Statements continued

14 Related party transactions continued
Further to its main object, the company entered into collaborative research agreements with Trinity College Dublin (TCD), a member of the company. These agreements arose from open competitive tendering processes. In the period under review, services provided by TCD under these agreements amounted to €223,297 (2010: €725,720), of which €119,469 (2010: €115,840) was outstanding at 31 December 2011.

Further to its main object, the company entered into a collaborative research agreement with Institute of Art Design and Technology (IADT), a member of the company. This agreement arose from an open competitive tendering process. In the period under review, services provided by IADT under this agreement amounted to €64,480 (2010: €385,949), of which €nil (2010: €nil) was outstanding at 31 December 2011.

Further to its main object, the company entered into a collaborative research agreement with Dublin Institute of Technology (DIT). Dr Ellen Hazelkorn, a director of the company is also Director of Research and Enterprise and Dean of the Graduate Research School at DIT. This agreement arose from an open competitive tendering process. In the period under review, services provided by DIT under this agreement amounted to €64,231 (2010: €221,490), of which €8,636 (2010: €nil) was due to be repaid from DIT at 31 December 2011.

Dr Sean Baker, a director of the company, provided services to the company outside of his role as a director. During the year, he provided services amounting to €11,580 (2010: €16,249), of which €5,819 (2010: €6,770) was outstanding at 31 December 2011.

Philip Sharpe, appointed a director of the company during the year, provided services to the company outside of his role as a director. During the year, he provided services amounting to €11,580 (2010: €8,000), of which €4,480 (2010: €8,000) was outstanding at 31 December 2011.

15 Commitments and related funding
As at 31 December 2011 the company had entered into contractual research commitments with a total future value of €478,775 (2010: €4,415,012), of which €478,775 (2010: €3,619,050) is due within one year and €nil (2010: €795,962) is due between two and five years.

The company has entered into a management operation and maintenance agreement with the Department of Communications, Energy and Natural Resources which provides for cumulative funding of €25 million over a multi year period. The contractual agreement, signed in November 2006, is governed by the contractual commitment of €25 million funding, the original expectation being the funding be fully drawn down within five years. This drawdown period has now been extended to June 2013 and the full €25 million is expected to be drawn down by that date. At 31 December 2011, cumulative funding of €18.3 million had been received under this agreement (2010: €14.3 million).

16 Approval of financial statements
The financial statements were approved on 20 June 2012.
**NDRC PORTFOLIO COMPANIES**

NDRC has an equity interest in the following companies:

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adaptics Ltd</td>
<td></td>
</tr>
<tr>
<td>Adjuno Ireland Ltd</td>
<td></td>
</tr>
<tr>
<td>Agile Education Technologies Ltd</td>
<td></td>
</tr>
<tr>
<td>bitSmith Ltd</td>
<td></td>
</tr>
<tr>
<td>Bizimply <em>(registered as Catering Mentor Ltd)</em></td>
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<tr>
<td>BOSS Metrics Ltd</td>
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<tr>
<td>Boxever Ltd</td>
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<tr>
<td>BragBet Ltd</td>
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<tr>
<td>B-sm@rk Ltd</td>
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<tr>
<td>BuildingEye <em>(registered as Myp Media Ltd)</em></td>
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<tr>
<td>Commutable Ltd</td>
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<tr>
<td>ExRayLab Ltd</td>
<td></td>
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<tr>
<td>LogEntries <em>(registered as JLizard Ltd)</em></td>
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<tr>
<td>Media for Buyers Ltd</td>
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<tr>
<td>MuteButton Ltd</td>
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<tr>
<td>Neuro Hero Ltd</td>
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<tr>
<td>Neurosynergy Games Ltd</td>
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<tr>
<td>NewsWhip Ltd</td>
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<tr>
<td>Pharmapod Ltd</td>
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<tr>
<td>Picturk Ltd</td>
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<tr>
<td>Point The Way GPS Ltd</td>
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<tr>
<td>Popdeem <em>(registered as Sommium Ltd)</em></td>
<td></td>
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<tr>
<td>redeem&amp;Get <em>(registered as SarSol Ltd)</em></td>
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<tr>
<td>Scrazzl Ltd</td>
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<tr>
<td>SilverCloud Health Ltd</td>
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<td>Slate State Ltd</td>
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<tr>
<td>Smarttrip Technologies Ltd</td>
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<tr>
<td>Sneaky Vegetables Ltd</td>
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<tr>
<td>Soundwave Analytics Ltd</td>
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<tr>
<td>The Turning Institute Ltd</td>
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<tr>
<td>ThoughtBox Ltd</td>
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<tr>
<td>TruePivot Ltd</td>
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<td>Uvoice Ltd</td>
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<tr>
<td>VideoElephant Ltd</td>
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<tr>
<td>Von Bismark Ltd</td>
<td></td>
</tr>
<tr>
<td>Zinc Software Ltd</td>
<td></td>
</tr>
</tbody>
</table>

**NDRC FOUNDER MEMBERS**

**NDRC FUNDING PARTNER**

Roinn Cumarsáide, Fuinimm agus Armhainn Nádúrtha
Department of Communications, Energy and Natural Resources