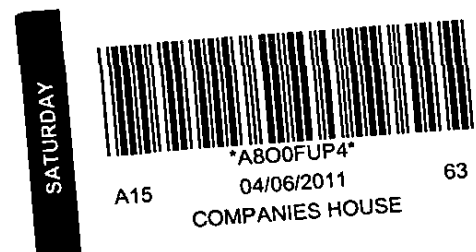

APPLIED WAVE RESEARCH LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2011



APPLIED WAVE RESEARCH LIMITED

INDEPENDENT AUDITORS' REPORT TO APPLIED WAVE RESEARCH LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of Applied Wave Research Limited for the year ended 31 March 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 16 May 2011 we reported as auditors to the company on the financial statements prepared under section 396 of the Companies Act 2006 and included the following statement:

Fundamental Uncertainty

In forming our opinion we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's financial position. In view of the significance of the reliance on the continued financial support of its ultimate parent undertaking we consider that this should be drawn to your attention but our opinion is not qualified in this respect.

APPLIED WAVE RESEARCH LIMITED

**INDEPENDENT AUDITORS' REPORT TO APPLIED WAVE RESEARCH LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

R D C Guthrie (Senior statutory auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

16 May 2011

APPLIED WAVE RESEARCH LIMITED
REGISTERED NUMBER 04561127

ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	2		10,849		11,180
CURRENT ASSETS					
Debtors		124,319		72,397	
Cash at bank and in hand		368,156		472,513	
		<u>492,475</u>		<u>544,910</u>	
CREDITORS: amounts falling due within one year		<u>(645,211)</u>		<u>(753,603)</u>	
NET CURRENT LIABILITIES			<u>(152,736)</u>		<u>(208,693)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(141,887)</u>		<u>(197,513)</u>
CAPITAL AND RESERVES					
Called up share capital	3		10,000		10,000
Profit and loss account			<u>(151,887)</u>		<u>(207,513)</u>
SHAREHOLDERS' DEFICIT			<u>(141,887)</u>		<u>(197,513)</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 13 May 2011.



D Collins
 Director

The notes on pages 4 to 6 form part of these financial statements

APPLIED WAVE RESEARCH LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Fixtures & fittings	-	3 years on cost
Computer and other equipment	-	3 to 5 years on cost

1.4 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.5 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

APPLIED WAVE RESEARCH LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES (continued)

1.6 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.7 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.8 GOING CONCERN

The financial statements have been prepared on the going concern basis as the parent company has agreed to provide the company with adequate funds to meet its liabilities as they fall due. The directors have no reason to believe that this financial support will not continue in the future. Therefore they consider it appropriate to adopt a going concern basis.

2. TANGIBLE FIXED ASSETS

	£
COST	
At 1 April 2010	33,846
Additions	4,913
Disposals	(14,882)
	<hr/>
At 31 March 2011	23,877
	<hr/>
DEPRECIATION	
At 1 April 2010	22,666
Charge for the year	4,050
On disposals	(13,688)
	<hr/>
At 31 March 2011	13,028
	<hr/>
NET BOOK VALUE	
At 31 March 2011	10,849
	<hr/>
At 31 March 2010	11,180
	<hr/>

APPLIED WAVE RESEARCH LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

3. SHARE CAPITAL

	2011	2010
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
10,000 Ordinary shares of £1 each	10,000	10,000

4. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate and ultimate parent undertaking is Applied Wave Research Inc, a company registered in the United States of America