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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

SEC FILE NUMBER
8- 66540

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/2008 AND ENDING 12/31/2008
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Helvea, Inc.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
1800 McGill College Avenue, Suite 1020

OFFICIAL USE ONLY
<u>132007</u>
FIRM I.D. NO.

(No. and Street)

Montreal

Quebec

H3A 3J6

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Felix Weibel 514-288-3556
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PricewaterhouseCoopers, LLP

(Name - if individual, state last, first, middle name)

1250 René-Lévesque Blvd. West, Suite 2800, Montreal

Quebec

H3B 2G4

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, Felix Weibel, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Helvea Inc. of December 31, 2008, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Not applicable

[Handwritten Signature]
Signature

President, Secretary, ER, CCO
Title

[Handwritten Signature]
Notary Public



This report ** contains (check all applicable)

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
(o) Audit attestation to the firm's exemption from SEC Rule 15c3-3, paragraph (k)(2)(i)

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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Helvea Inc.

Financial Statements
December 31, 2008
(expressed in US dollars)

February 26, 2009

Auditors' Report

**To the Shareholder of
Helvea Inc.**

We have audited the balance sheet of **Helvea Inc.** as at December 31, 2008 and the statements of earnings, changes in shareholder's equity and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles in the United States of America.

We have also audited the schedule of computation of net capital as at December 31, 2008, which is presented for the purpose of meeting the requirements of Rule 17a-5 of the Securities Exchange Act of 1934 and is not a required part of the basic financial statements. In our opinion, this schedule presents fairly the information contained therein, in all material respects, in relation to the financial statements taken as a whole.

PricewaterhouseCoopers LLP¹

¹ Chartered accountant auditor permit No. 22923

"PricewaterhouseCoopers" refers to PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., an Ontario limited liability partnership, or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate and independent legal entity.

Helvea Inc.

Balance Sheet

As at December 31, 2008

(expressed in US dollars)

	2008 \$	2007 \$
Assets		
Current assets		
Cash and cash equivalents	7,524,271	8,330,339
Accounts receivable	15,125	29,728
Prepaid expenses	78,275	51,042
Income taxes recoverable	91,472	-
	<u>7,709,143</u>	<u>8,411,109</u>
Property and equipment (note 3)	<u>780,800</u>	<u>859,725</u>
	<u>8,489,943</u>	<u>9,270,834</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	1,036,271	1,728,336
Income taxes payable	226,209	106,973
	<u>1,262,480</u>	<u>1,835,309</u>
Loan payable to Helvea S.A. (note 5)	<u>-</u>	<u>1,760,600</u>
	<u>1,262,480</u>	<u>3,595,909</u>
Shareholder's Equity		
Capital stock (note 6)	2,614,950	2,614,950
Retained earnings	4,175,647	2,623,109
Cumulative translation adjustment	436,866	436,866
	<u>7,227,463</u>	<u>5,674,925</u>
	<u>8,489,943</u>	<u>9,270,834</u>

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors

_____ Director

_____ Director

Helvea Inc.

Statement of Changes in Shareholder's Equity For the year ended December 31, 2008

(expressed in US dollars)

	<u>Common stock</u>				
	Number of Class A common shares	Amount \$	Retained earnings \$	Cumulative translation adjustment \$	Total \$
Balance at December 31, 2006	330,000	2,614,950	238,028	94,479	2,947,457
Net earnings	-	-	2,385,081	-	2,385,081
Cumulative translation adjustment	-	-	-	342,387	342,387
Balance at December 31, 2007	330,000	2,614,950	2,623,109	436,866	5,674,925
Net earnings	-	-	1,552,538	-	1,552,538
Balance at December 31, 2008	<u>330,000</u>	<u>2,614,950</u>	<u>4,175,647</u>	<u>436,866</u>	<u>7,227,463</u>

The accompanying notes are an integral part of these financial statements.

Helvea Inc.

Statement of Earnings

For the year ended December 31, 2008

(expressed in US dollars)

	2008	2007
	\$	\$
Revenue		
Commissions earned	15,458,117	13,611,556
Research services	652,369	281,280
Referral fees	8,243	4,172
Interest	121,504	109,688
Miscellaneous income	-	35,498
	<u>16,240,233</u>	<u>14,042,194</u>
Expenses (note 7)		
Salaries and related expenses	3,142,296	2,970,138
Commissions	8,370,681	6,035,094
Professional fees	212,217	216,010
Travel, meals and entertainment	777,921	609,988
Information services	374,618	231,760
EDP maintenance and development	6,548	7,312
Telecommunications	90,037	68,138
Rent and related expenses	279,837	298,905
Business and other taxes	75,573	72,321
General office expenses	56,018	61,755
Amortization	281,014	213,442
Business development and promotional activities	25,404	17,754
Memberships and registration fees	41,762	41,309
Foreign exchange loss (gain)	(303,704)	15,792
Interest on loan payable to Helvea S.A. (note 5)	6,632	70,754
Miscellaneous expenses	51,091	16,638
	<u>13,487,945</u>	<u>10,947,110</u>
Earnings before income taxes	2,752,288	3,095,084
Provision for income taxes	<u>1,199,750</u>	<u>710,003</u>
Net earnings	<u>1,552,538</u>	<u>2,385,081</u>

The accompanying notes are an integral part of these financial statements.

Helvea Inc.
Statement of Cash Flows
For the year ended December 31, 2008

(expressed in US dollars)

	2008	2007
	\$	\$
Cash flows from		
Operating activities		
Net earnings	1,552,538	2,385,081
Items not affecting cash		
Foreign exchange loss on repayment of loan to Helvea S.A.	83,800	-
Amortization	281,014	213,442
	<u>364,814</u>	<u>213,442</u>
Changes in non-cash operating working capital items		
Decrease in accounts receivable	13,001	37,244
Decrease (increase) in prepaid expenses	(27,311)	137,782
Increase in income taxes recoverable	(105,944)	-
Increase (decrease) in accounts payable and accrued liabilities	(717,401)	522,861
Increase in income taxes payable	224,126	76,416
Decrease in due to a related company	-	(8,916)
	<u>(613,529)</u>	<u>765,387</u>
	1,303,823	3,363,910
Investing activities		
Purchase of property and equipment	(202,089)	(940,291)
Financing activities		
Repayment of loan to Helvea S.A.	(1,844,400)	-
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(63,402)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents during the year	(806,068)	2,423,619
Translation adjustment on cash and cash equivalents	-	540,392
Cash and cash equivalents – Beginning of year	<u>8,330,339</u>	<u>5,366,328</u>
Cash and cash equivalents – End of year	<u>7,524,271</u>	<u>8,330,339</u>
Cash and cash equivalents consist of:		
Cash	2,720,748	1,111,879
Short-term deposits (note 9)	4,803,523	7,218,460
	<u>7,524,271</u>	<u>8,330,339</u>
Supplementary information		
Income taxes paid	1,171,986	758,738
Interest received	133,069	108,135

The accompanying notes are an integral part of these financial statements.

Helvea Inc.

Notes to Financial Statements

December 31, 2008

(expressed in US dollars)

1 Incorporation and nature of business

The company was incorporated under the Canada Business Corporations Act on January 7, 2004 and was registered with National Association of Securities Dealers, Inc. ("NASD"), now the Financial Regulatory Authority ("FINRA"), and the U.S. Securities and Exchange Commission ("SEC") on November 30, 2004. Prior to December 22, 2006, it was a member of an international group of companies whose principal entity was Pictet et Cie ("Pictet").

The company commenced its principal business activity of marketing European securities in 2005.

2 Significant accounting policies

Basis of presentation

The company records its brokerage operations and commission revenue on securities transactions on a settlement date basis.

Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and highly liquid short-term deposits. The company considers short-term deposits with original terms to maturity of three months or less to be cash equivalents.

Property and equipment

Property and equipment are recorded at cost and are amortized on a straight-line basis at the following annual rates:

Furniture and equipment	20%
Computer equipment	33%
Leasehold improvements	20%

Artworks included in furniture and equipment are considered as assets with an undefined useful life and therefore are not amortized.

Income taxes

The company provides for income taxes using the liability method of tax allocation. Under this method, future income tax assets and liabilities are determined based on deductible or taxable temporary differences between the financial statement values of assets and liabilities, using enacted income tax rates expected to be in effect for the year in which the differences are expected to reverse.

The company is eligible for various tax credits with respect to qualifying International Financial Centre of Montréal activities. These credits are accounted for as a reduction of the related costs to which they pertain.

Helvea Inc.

Notes to Financial Statements

December 31, 2008

(expressed in US dollars)

Foreign currency translation

These financial statements are presented in United States dollars which, effective January 1, 2008, became the company's functional currency. Prior to this date, the functional currency was the Swiss franc. The functional currency was changed as a result of the significant increase in operations at the company's New York branch.

Monetary assets and liabilities denominated in foreign currencies have been translated into US dollars at the rate of exchange prevailing at the balance sheet date. Revenues and expenses are translated into US dollars at the rate of exchange prevailing at the transaction date. Gains and losses on foreign exchange are included in the statement of earnings.

Management estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3 Property and equipment

			2008	2007
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Furniture and equipment	341,771	87,493	254,278	181,505
Computer equipment	184,438	117,572	66,866	133,248
Leasehold improvements	684,076	224,420	459,656	544,972
	<u>1,210,285</u>	<u>429,485</u>	<u>780,800</u>	<u>859,725</u>

4 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities comprise the following:

	2008 \$	2007 \$
Accrued compensation	754,450	1,498,098
Other	281,821	230,238
	<u>1,036,271</u>	<u>1,728,336</u>

Helvea Inc.

Notes to Financial Statements

December 31, 2008

(expressed in US dollars)

5 Loan payable to Helvea S.A.

The loan payable to Helvea S.A. in the amount of CHF2,000,000 bore interest at 4.25% per annum. The loan was subordinated by virtue of a subordination agreement entered into between the company and FINRA, on November 15, 2006, which required the agreement of FINRA prior to its repayment. The loan was repaid in February 2008.

6 Capital stock

Authorized – unlimited as to number

Class A preferred shares, voting, non-participating, without par value, ranking in priority to Class B, C and D preferred shares and Class A and B common shares, with entitlement to a non-cumulative monthly dividend of 1%, redeemable at the option of the company at their paid-in amount or the fair value of the consideration received, plus declared and unpaid dividends

Class B preferred shares, non-voting, non-participating, without par value, ranking in priority to Class C and D preferred shares and Class A and B common shares, with entitlement to a non-cumulative monthly dividend of 1%, redeemable at the option of the company at their paid-in amount or the fair value of the consideration received, plus declared and unpaid dividends

Class C preferred shares, voting, non-participating, without par value, ranking in priority to Class D preferred shares and Class A and B common shares, with entitlement to a non-cumulative monthly dividend of 1%, redeemable at the option of the company or the holder at their paid-in amount or the fair value of the consideration received, plus declared and unpaid dividends

Class D preferred shares, non-voting, non-participating, without par value, ranking in priority to Class A and B common shares, with entitlement to a non-cumulative monthly dividend of 1%, redeemable at the option of the company or the holder at their paid-in amount or the fair value of the consideration received, plus declared and unpaid dividends

Class A common shares, voting

Class B common shares, non-voting

Issued

	2008	2007
	\$	\$
330,000 Class A common shares	2,614,950	2,614,950

Helvea Inc.

Notes to Financial Statements December 31, 2008

(expressed in US dollars)

7 Related party transactions and balances

The statement of earnings includes the following related party transactions:

	2008	2007
	\$	\$
Expenses		
Commissions	8,370,681	5,990,066

Commissions earned are collected by Helvea S.A. and remitted to the company.

All balances with related companies are disclosed separately in these financial statements. Unless otherwise disclosed, all related party transactions occurred in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties and the company.

8 Commitments

Minimum annual lease payments under operating leases are as follows:

	\$
2009	318,141
2010	318,141
2011	318,148
2012	318,233
2013	318,233
2014 and thereafter	832,931

9 Financial instruments

Fair value of financial instruments

The company has estimated the fair market values of its financial instruments based on the current interest rate environment, related market values and current pricing of financial instruments with comparable terms. The carrying values of its financial instruments approximate their fair market values, unless otherwise indicated.

Helvea Inc.

Notes to Financial Statements December 31, 2008

(expressed in US dollars)

Position risk

Position risk corresponds to the risk that the fluctuations in foreign exchange rates and interest rates could result in losses. Unless otherwise disclosed in the financial statements, the company may enter into financial instruments consisting primarily of short-term deposits and related party balances that may be denominated in foreign currencies and bear interest at short-term market rates.

As at December 31, 2008, the short-term deposits consist of a call deposit in the amount of CHF5,122,850 (US\$4,803,523) (2007 – CHF8,200,000 (US\$7,218,460)).

Credit risk

Credit risk is the risk of financial loss as a result of default by a counterparty with respect to its obligations towards the company. The company's financial instruments are primarily with major financial institutions. Consequently, management considers the risk of counterparties defaulting on their obligation to be remote.

Interest rate risk

The company's exposure to interest rate risk as at December 31, 2008 is as follows:

Cash	Non-interest bearing
Short-term deposits	Fixed at 0.10%
Accounts receivable	Non-interest bearing
Accounts payable and accrued liabilities	Non-interest bearing
Income taxes payable	Non-interest bearing

10 Capital requirements

The company is a member of FINRA and therefore is subject to the capital requirements (Rule 15c3-1) of the Securities and Exchange Act of 1934. This Rule provides, among other things, that a member firm's "aggregate indebtedness" may not exceed 1,500% (800% for the initial 12 months) of its "net capital", as those terms are defined by the Act.

As at December 31, 2008, the company's aggregate indebtedness and net capital were \$1,262,480 and \$5,957,780 respectively (2007 – \$1,835,309 and \$6,025,051 respectively), giving a ratio of 21.19% (2007 – 30.46%).

The company does not hold client funds or securities nor owe money or securities to customers. However, if inadvertently received, the company promptly forwards all funds and securities received. Accordingly, the company is exempt from Rule 15c3-3 of the Act, under paragraph (k)(2)(i) of that Rule.

Helvea Inc.

Schedule of Computation of Net Capital As at December 31, 2008

(expressed in US dollars)

	2008 \$	2007 \$
Net Capital		
Capital stock – Common shares	2,614,950	2,614,950
Retained earnings	4,175,647	2,623,109
Cumulative translation adjustment	436,866	436,866
Loan payable to Helvea S.A.	-	1,760,600
	<u>7,227,463</u>	<u>7,435,525</u>
Accounts receivable	15,125	19,442
Prepaid expenses	78,275	51,042
Income taxes recoverable	91,472	-
Property and equipment	780,800	859,725
Haircut on foreign currency	304,011	480,265
	<u>1,269,683</u>	<u>1,410,474</u>
	<u>5,957,780</u>	<u>6,025,051</u>
Aggregate indebtedness		
Accounts payable and accrued liabilities	1,036,271	1,728,336
Income taxes payable	226,209	106,973
	<u>1,262,480</u>	<u>1,835,309</u>
Ratio of aggregate indebtedness to net capital	<u>21.19%</u>	<u>30.46%</u>