



Unaudited Financial Statements of

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS
(a registered charitable organization, operating as HYTES)

Year ended April 30, 2011

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS

Statement of Financial Position
April 30, 2011, with comparative figures for 2010
(Unaudited)

	2011	2010
Assets		
Current assets:		
Cash and cash equivalents	\$ 51,063	\$ 57,843
Accounts receivable and other	0	30
	<u>51,063</u>	<u>57,873</u>
	<u>\$ 51,063</u>	<u>\$ 57,873</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 11,135	\$ 1,891
Net assets	39,928	55,982
	<u>\$ 51,063</u>	<u>\$ 57,873</u>

See accompanying notes to unaudited financial statements.

Approved on behalf of the Board:

<signed Harold Pliszka> President

<signed Scott Muzychka> Treasurer

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS

Statement of Operations and Net Assets
April 30, 2011, with comparative figures for 2010
(Unaudited)

	2011	2010
Revenue:		
Donations - regular	\$ 14,350	\$ 33,135
Donations - at fundraising events	8,982	5,775
Fundraising	1,140	11,355
Government assistance (note 3)	-	25,000
Interest	400	272
	<hr/> 24,872	<hr/> 75,537
Expenses:		
Scholarships awarded (note 4)	36,626	36,272
Program costs	2,889	3,954
Fundraising costs (note 5)	1,411	3,178
General and administration	-	100
	<hr/> 40,926	<hr/> 43,504
Excess (deficiency) of revenues over expenses	<hr/> (16,054)	<hr/> 32,033
Net assets, beginning of year	55,982	23,949
Net assets, end of year	<hr/> \$ 39,928	<hr/> \$ 55,982

See accompanying notes to unaudited financial statements.

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS

Statement of Cash Flows

April 30, 2011, with comparative figures for 2010

(Unaudited)

	2011	2010
Cash flows provided by (used in):		
Operations:		
Excess (deficiency) of revenues over expenses	\$ (16,054)	\$ 32,033
Change in non-cash operating working capital:		
Accounts receivable and other	30	834
Accounts payable and accrued liabilities	9,244	(374)
	(6,780)	32,493
Increase (decrease) in cash and cash equivalents	(6,780)	32,493
Cash and cash equivalents, beginning of year	57,843	25,350
Cash and cash equivalents, end of year	\$ 51,063	\$ 57,843

See accompanying notes to unaudited financial statements.

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS

Notes to Financial Statements

April 30, 2011, with comparative figures for 2010

(Unaudited)

Purpose of the organization:

Helping Youth Through Educational Scholarships ("HYTES") was formed on May 1, 2005 and is a not-for-profit organization which is a registered charity under the Canadian Income Tax Act and therefore is exempt from income taxes. The objects of the HYTES are; 1) to provide educational scholarships to youth in developing countries to empower themselves, their families and their communities, 2) to increase awareness in Canadian schools and the Canadian public on the need for educational support in developing countries, and 3) to cooperate with other organizations or Canadian government agencies to establish a reciprocal referral network.

1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and those applicable to not-for profit entities prepared within the framework of the accounting policies summarized as follows:

a) Fund accounting:

HYTES currently has only one fund, the Operating Fund, which is unrestricted and accounts for the HYTES program delivery and administrative activities.

b) Cash and cash equivalents:

Cash and cash equivalents are comprised of cash and all investments that are highly liquid in nature and have a maturity date of three months or less.

c) Revenue recognition:

HYTES follows the deferral method of accounting for contributions, which include donations. Revenue is recognized when collection is reasonably assured. Externally restricted contributions related to general operations are recognized as revenue in the Operating Fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

d) Donated services:

The work of HYTES is dependent upon voluntary services of members. The value of donated services are not recorded in these statements.

e) Foreign currency translation:

Monetary assets and liabilities in foreign currencies are translated to Canadian dollars at rates of exchange in effect at the end of the period. Other assets and liabilities, revenues and expenses are translated at rates of exchange in effect at the respective transaction dates. The resulting gains and losses are included in earnings.

f) Measurement uncertainty:

Management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable. Consequently, actual results could differ from these estimates.

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS

Notes to Financial Statements, page 2
April 30, 2011, with comparative figures for 2010
(Unaudited)

1. Significant accounting policies (continued):

g) Financial instruments:

All financial instruments must be initially recognized at fair value on the balance sheet date. HYTES has classified each financial instrument into the following categories; held for trading financial assets and liabilities, loans or receivables, held to maturity investments, available for sale financial assets and other financial liabilities. Subsequent measurement of the financial instruments is based on their classification. Unrealized gains and losses on held for trading financial instruments are recognized in earnings. Gains and losses on available for sale financial assets are recognized as changes in net assets and transferred to earnings when the asset is derecognized. The other categories of financial instruments are recognized at amortized costs using the effective interest rate method.

HYTES has classified cash and cash equivalents as held for trading, accounts receivable as loans and receivables and accounts payable and accrued liabilities as other liabilities.

h) Capital disclosures:

HYTES is required to disclose its objectives, policies and processes for managing capital. In addition, disclosures are to include whether entities have complied with externally imposed requirements.

2. Financial instruments:

a) Fair value of financial assets and financial liabilities:

Financial instruments include cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities and approximate their carrying value due to the short term nature of these instruments.

b) HYTES has exposed to the following risks from its use of financial instruments:

(i) Credit risk:

HYTES' exposure to credit risk is on cash and cash equivalents and accounts receivable.

Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. Cash and cash equivalents consists of cash bank balances and term deposits. Credit risk for accounts receivable is the risk that the obligation will fail to be discharged causing HYTES to incur a financial loss. Credit risk is minimized by ensuring that term deposits are limited to amounts covered by insurance limits, that credit is only extended to those entities that management believes has the financial capacity to pay obligations due to HYTES.

(ii) Liquidity risk:

Liquidity is the risk that HYTES will encounter difficulty in raising donations to meet commitments associated with financial instruments. Management controls liquidity risk through cash flow projections used to forecast funding requirements for its financial instruments.

(iii) Market risk:

Fluctuations in general market interest rates have an impact on investment returns for the term deposits. HYTES delivers programs in foreign countries denominated in foreign currencies. Fluctuations in the exchange rates between the Canadian dollar and these currencies could result in changes in the cash and cash equivalents and accounts receivable.

HELPING YOUTH THROUGH EDUCATIONAL SCHOLARSHIPS

Notes to Financial Statements, page 3
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3. Government assistance:

During 2010, HYTES received government assistance in the form of a grants in the amount of \$25,000 from CIP under the Alberta Government (2011 - \$nil). The grant is unrestricted and had no terms of repayment.

4. Scholarships awarded:

	2011	2010
Kenya - 8 - \$396 per student (2010 - 13 - \$441 per student)	\$ 3,169	\$ 5,735
Tanzania - 3 - \$387 per student (2010 - 12 - \$231 per student)	1,161	2,776
Mawengi, Tanzania - 47 - \$305 per student (2010 - 29 - \$238 per student)	14,339	6,900
Moshi, Tanzania - 7 - \$485 per student (2010 - 9 - \$377 per student)	3,395	3,395
Zambia - 28 - \$212 per student (2010 - 40 - \$232 per student)	5,924	9,266
Guatemala - 17 - \$400 per student (2010 - 17 - \$400 per student)	6,800	6,800
Xela, Guatemala - 9 - \$204 per student (2010 - 7 - \$200 per student)	1,838	1,400
	<u>\$ 36,626</u>	<u>\$ 36,272</u>

5. Fundraising expenses:

During the year HYTES paid \$nil (2010 - \$nil) as remuneration to employees whose duties involve fundraising.

6. Capital management:

The objectives, policies and processes for managing capital include maximizing interest earned on donation cash proceeds. All cash donations are deposited in the general account and excess funds in term deposits. HYTES does not have any externally imposed capital requirements.