



Non-Consolidated Financial Statements

Year Ended March 31, 2021

LOUIS RIEL CAPITAL CORPORATION
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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Louis Riel Capital Corporation

Opinion

We have audited the non-consolidated financial statements of Louis Riel Capital Corporation (the organization), which comprise the non-consolidated statement of financial position as at March 31, 2021, and the non-consolidated statements of revenues and expenses, changes in net assets and cash flow for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the organization as at March 31, 2021, and the non-consolidated results of its operations and non-consolidated cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements* section of our report. We are independent of the organization in accordance with ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

(continues)

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Winnipeg, MB
June 30, 2021

CHARTERED PROFESSIONAL ACCOUNTANTS

LOUIS RIEL CAPITAL CORPORATION
Non-Consolidated Statement of Financial Position
March 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 5,959,995	\$ 1,205,771
Accounts receivable (Note 7)	1,711,066	276,942
Interest receivable (Note 5)	31,780	54,297
Prepaid expenses	15,344	15,643
	7,718,185	1,552,653
CAPITAL ASSETS (Note 4)	10,401	1,636
LOANS RECEIVABLE (Note 5)	11,795,648	6,650,564
LONG TERM INVESTMENTS (Note 6)	260	260
DUE FROM RELATED PARTIES (Note 7)	3,125,798	3,148,744
PROPERTY HELD FOR RESALE (Note 8)	328,690	316,375
RESTRICTED CASH (Note 9)	3,775,832	2,593,352
	\$ 26,754,814	\$ 14,263,584
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 158,754	\$ 180,165
Undisbursed contributions (Note 10)	3,156,262	2,675,164
Current portion of long term debt (Note 11)	713,551	-
	4,028,567	2,855,329
LONG TERM DEBT (Note 11)	4,270,699	-
LOAN PAYABLE (Note 12)	500,000	500,000
DEFERRED REVENUE (Note 13)	1,105,480	-
DUE TO RELATED PARTIES (Note 7)	287,472	300,000
	10,192,218	3,655,329
NET ASSETS	16,562,596	10,608,255
	\$ 26,754,814	\$ 14,263,584

CONTINGENT LIABILITY (Note 15)

LEASE COMMITMENTS (Note 16)

SUBSEQUENT EVENTS (Note 17)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

LOUIS RIEL CAPITAL CORPORATION
Non-Consolidated Statement of Revenues and Expenses
Year Ended March 31, 2021

	2021	2020
REVENUES		
Indigenous Services Canada	\$ 11,714,482	\$ 1,568,131
Interest (Note 5)	606,178	594,259
National Aboriginal Capital Corporations Association	-	407,333
Manitoba Metis Federation	240,544	-
Loan fees	51,025	92,759
Rental	14,673	20,934
Management fees (Note 7)	17,250	17,250
Expense recovery (Note 7)	18,000	18,000
Legal settlement	7,000	10,000
Other	31,815	3,510
Deferred to subsequent year	(1,105,480)	-
	11,595,487	2,732,176
EXPENSES		
Administration	60,178	12,000
Advertising and promotion	27,109	54,273
Amortization	2,415	900
Bad debts	62,630	82,879
Computer software and equipment	21,078	6,981
Credit searches	6,656	3,842
Directors honoraria	16,000	18,950
Directors travel	1,713	8,299
Insurance	8,591	13,666
Interest and bank charges	5,051	3,193
Land title searches and equifax	4,075	1,647
Management oversight	51,000	26,000
Memberships	1,226	3,680
National Aboriginal Capital Corporations Association costs	-	17,429
Office	35,389	28,804
Professional fees	17,092	17,295
Project disbursements and non-repayable business contributions	8,380,147	1,342,240
Rent (Note 7)	27,624	27,633
Repairs and maintenance	31,672	20,286
Sponsorships	10,050	9,000
Staff travel	5,723	14,534
Telephone	12,356	5,935
Training	452	1,302
Wages and employee benefits	592,919	419,898
	9,381,146	2,140,666
EXCESS OF REVENUES OVER EXPENSES BEFORE UNDISBURSED CONTRIBUTIONS	2,214,341	591,510
Undisbursed contributions	(1,660,000)	-
EXCESS OF REVENUES OVER EXPENSES	\$ 554,341	\$ 591,510

LOUIS RIEL CAPITAL CORPORATION
Non-Consolidated Statement of Changes in Net Assets
Year Ended March 31, 2021

	Operating Equity	Contributed Equity	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 9,408,255	\$ 1,200,000	\$ 10,608,255	\$ 9,816,745
Excess of revenues over expenses	554,341	-	554,341	591,510
Contributions during year <i>(Note 14)</i>	-	5,400,000	5,400,000	200,000
NET ASSETS - END OF YEAR	\$ 9,962,596	\$ 6,600,000	\$ 16,562,596	\$ 10,608,255

LOUIS RIEL CAPITAL CORPORATION
Non-Consolidated Statement of Cash Flow
Year Ended March 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 554,341	\$ 591,510
Item not affecting cash:		
Amortization	2,415	900
	556,756	592,410
Changes in non-cash working capital:		
Accounts receivable	(1,434,124)	(105,201)
Interest receivable	22,517	(26,968)
Accounts payable and accrued liabilities	(21,410)	7,900
Prepaid expenses	299	(3,803)
Undisbursed contributions	481,098	(2,675,319)
Deferred revenue	1,105,480	-
	153,860	(2,803,391)
Cash flow from (used by) operating activities	710,616	(2,210,981)
INVESTING ACTIVITIES		
Purchase of capital assets	(11,182)	-
Repayment of loans and notes receivable	3,153,102	2,412,473
Addition to loans and notes receivable	(8,298,185)	(5,083,247)
Advances from (to) related parties	22,946	(50,370)
Increase in property for resale	(12,315)	(4,165)
(Increase) decrease in restricted cash	(1,182,480)	2,669,110
Cash flow used by investing activities	(6,328,114)	(56,199)
FINANCING ACTIVITIES		
Capital contributions	5,400,000	200,000
Advances from (to) related parties	(12,528)	300,000
Proceeds from long term financing	4,984,250	-
Cash flow from financing activities	10,371,722	500,000
INCREASE (DECREASE) IN CASH	4,754,224	(1,767,180)
Cash - beginning of year	1,205,771	2,972,951
CASH - END OF YEAR	\$ 5,959,995	\$ 1,205,771

LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

1. DESCRIPTION OF BUSINESS

The organization was incorporated without share capital August 21, 1992 under the laws of the Province of Manitoba, and commenced operations October 1, 1992 as a not-for-profit Corporation. The Corporation was initially funded by the Government of Canada under its Canadian Aboriginal Economic Development Strategy (CAEDS). The mandate is to make certain loans and guarantees for the start-up, acquisition, or expansion of commercial businesses owned and controlled by the Metis people of Manitoba.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The non-consolidated financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

Provision for potentially uncollectible loans

Management initially determines a 5% provision for potentially uncollectible loans for every loan balance. Subsequently, management individually identifies loans that should be allocated an additional provision. Provisions are reviewed and approved at every board meeting for the most recent month-end period. Management has justified all provision calculations which can actually range between 5% and 100% for any given loan.

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LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Furniture and fixtures	20% declining balance method
Leasehold improvements	10% declining balance method
Office equipment	3 years straight-line method

The organization regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

One-half the normal rate of amortization is recorded in the year of acquisition.

Revenue recognition

The organization follows the deferral method of accounting for grants. Grants and contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.

Loan interest, fees and other revenues are recognized when the amount to be received can be reasonably estimated and collection is reasonably assured.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers, funders and other related sources, undisbursed contributions, long-term debt, deferred revenue, related party advances, and accounts payable and accrued liabilities.

LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

4. CAPITAL ASSETS

	2021		2020	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Furniture and fixtures	\$ 45,990	\$ 44,906	\$ 45,990	\$ 44,635
Leasehold improvements	15,374	15,374	15,374	15,093
Office equipment	73,629	64,312	62,448	62,448
	\$ 134,993	\$ 124,592	\$ 123,812	\$ 122,176
Net book value	\$ 10,401		\$ 1,636	

5. LOANS RECEIVABLE

	2021	2020
Loans receivable - profit oriented businesses	\$ 11,966,122	\$ 6,805,699
Loans receivable - non-profit enterprises	287,972	300,500
	12,254,094	7,106,199
Allowance for doubtful loans receivable	(458,446)	(455,635)
	\$ 11,795,648	\$ 6,650,564

The above loans were made at the normal terms and rates (5 to 14 1/4%) of the organization.

As at March 31, 2020, the loans receivable include loans to entities that are related through common directors in the amount of \$783,256 (2020 - \$827,201). The loans to entities that are related through common directors were made at the normal terms and rates of the organization.

As at March 31, 2020 interest receivable from entities that are related through common directors totaled \$2,219 (2019 - \$1,455).

During the year ended March 31, 2020, the entity recognized interest income from entities that are related through common directors in the amount of \$46,030 (2019 - \$40,782).

6. LONG TERM INVESTMENTS

	2021	2020
5785066 Manitoba Ltd. (100 Class A voting common shares)	\$ 100	\$ 100
6106111 Manitoba Ltd. (50 Class A voting common shares)	50	50
Louis Riel Capital Investments Inc. (100 Class A voting common shares)	10	10
LRCC Metis N4 Investment Inc. (100 Class III voting common shares)	100	100
	\$ 260	\$ 260

LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

7. RELATED PARTIES

	2021	2020
<u>Related party transactions</u>		
5785066 Manitoba Ltd. <i>(a wholly owned subsidiary)</i>		
Accounts receivable	\$ 205,926	\$ 189,910
Expense recoveries	203,829	173,768
6106111 Manitoba Ltd. <i>(a company jointly and equally owned by the organization and another entity)</i>		
Accounts receivable	\$ 34,348	\$ 33,722
Management fee income	17,250	17,250
Expense recoveries	17,099	16,472
Louis Riel Capital Investments Inc. <i>(a wholly owned subsidiary)</i>		
Accounts receivable	\$ 23,941	\$ 15,962
Expense recoveries	23,021	14,812
LRCC Metis N4 Investment Inc. <i>(a company jointly and equally owned by the organization and another entity)</i>		
Accounts receivable	\$ 7,699	\$ 12,745
Expense recoveries	7,699	7,491
Manitoba Metis Federation Inc. <i>(an entity related through common directors)</i>		
Accounts receivable	\$ 638,550	\$ -
Program operating revenue	270,970	-
Rent and common area expenses	44,033	44,033

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

As at March 31, 2021, accounts receivable due from related parties are subject to normal trade terms.

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LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

7. RELATED PARTIES *(continued)*

Due from related parties

	2021	2020
Long term portion due from related party		
5785066 Manitoba Ltd. (a wholly owned subsidiary)	\$ 2,273,771	\$ 2,273,771
6106111 Manitoba Ltd. (a company jointly and equally owned by the organization and another entity)	196,817	196,817
Louis Riel Capital Investments Inc. (a wholly owned subsidiary)	246,515	191,455
LRCC Metis N4 Investment Inc. (a company jointly and equally owned by the organization and another entity)	408,695	486,701
	\$ 3,125,798	\$ 3,148,744

Advances to related parties are unsecured and have no specified interest or repayment terms. The organization has postponed the right to demand repayment in the next year and accordingly the advances have been classified as long-term.

	2021	2020
Long term portion due to related party		
Manitoba Metis Federation (an entity related through common directors)	\$ 287,472	\$ 300,000

Manitoba Metis Federation provided a working capital advance to fund loans issued to non-profit entities. This advance is unsecured and has no specified interest terms. Repayment of the advance will coincide with the principal repayment of the loans issued to non-profit entities.

8. PROPERTY HELD FOR RESALE

The organization has possession and legal title of two properties held as security on two loans receivable. It is management's intention to sell the property.

9. RESTRICTED CASH

The organization administers programs for a specific use and the cash in bank is restricted for that use. They consist of the following:

	2021	2020
Business Equity Contribution Fund	\$ 436,342	\$ 524,566
First Time Home Purchase Program	1,000,133	2,068,786
Metis Emergency Business Loan Fund	2,338,889	-
Code Red Program	468	-
	\$ 3,775,832	\$ 2,593,352

LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

10. UNDISBURSED CONTRIBUTIONS

BUSINESS EQUITY CONTRIBUTION FUND

Louis Riel Capital Corporation entered into an agreement with Indigenous Services Canada under a program delivery approach called Business Equity Contribution Fund (BECF). Under the program Louis Riel Capital Corporation will receive funds and make non-refundable contributions to eligible Aboriginal businesses that have viable business activities in a defined geographic area. Indigenous Services Canada also provides funding to cover expenses to operate the program.

The organization has committed \$521,625 (2020 - \$621,474) in contributions which have not been disbursed by year end. These amounts are subject to revision and may or may not be disbursed in their entirety by the end of the subsequent year.

FIRST TIME HOME PURCHASE PROGRAM (FTHPP)

Louis Riel Capital Corporation entered into an agreement with the Manitoba Metis Federation under a program called Metis Urban & Rural Housing First Time Home Purchase Program (FTHPP). Under the program Louis Riel Capital Corporation received funds to provide assistance for down payments and closing costs to make home ownership a reality for those Metis citizens unable to save up the required funds to purchase a home. LRCC is directly responsible for delivering the services and administering the funding of the MMF FTHPP.

Contributions in the amount of \$974,201 (2020 - \$2,053,690) have not been disbursed by year-end.

METIS EMERGENCY BUSINESS LOAN

Louis Riel Capital Corporation entered into an agreement with Indigenous Services Canada under a program delivery approach called Metis Emergency Business Loan (MEBL). Under the program, Louis Riel Capital Corporation will receive funds and make refundable and non-refundable contributions to eligible Metis businesses negatively affected by the Covid-19 Pandemic resulting in increase expenses and/or reduced revenues. Refundable amounts are to be repaid to Indigenous Services Canada when refundable amounts are repaid to LRCC. Indigenous Services Canada also provides funding to cover expenses to operate the program.

Contributions in the amount of \$920,000 (2020 - \$NIL) have not been disbursed by year-end.

METIS EMERGENCY BUSINESS LOAN - TOP UP

Louis Riel Capital Corporation entered into an agreement with Indigenous Services Canada to provide additional Metis Emergency Business Loans. Under the program, Louis Riel Capital Corporation will receive funds and make refundable and non-refundable contributions to eligible Metis businesses negatively affected by the Covid-19 Pandemic resulting in increase expenses and/or reduced revenues. Refundable amounts are to be repaid to Indigenous Services Canada when refundable amounts are repaid to LRCC.

Contributions in the amount of \$740,000 (2020 - \$NIL) have not been disbursed by year-end.

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LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

10. UNDISBURSED CONTRIBUTIONS *(continued)*

CODE RED PROGRAM

Louis Riel Capital Corporation entered into an agreement with the Manitoba Metis Federation under a program called Code Red. Under the program Louis Riel Capital Corporation received funds to provide non-repayable grants to Metis businesses suffering because of the Covid-19 Pandemic. LRCC is directly responsible for delivering the services and administering the funding of the MMF Code Red Program. Manitoba Metis Federation also provides funding to cover expenses to operate the program.

Contributions in the amount of \$436 (2020 - \$NIL) have not been disbursed by year-end.

11. LONG TERM DEBT

	2021	2020
Indigenous Services Canada non-interest bearing contributions for the Metis Emergency Business Loans repayable in monthly payments equal to the amounts repaid to Louis Riel Capital Corporation from recipients of the program. The loan matures on April 30, 2025 and is secured by the ISC Funding Agreement.	\$ 3,944,250	\$ -
Indigenous Services Canada non-interest bearing contributions for the Metis Emergency Business Loans Top Up repayable in monthly payments equal to the amounts repaid to Louis Riel Capital Corporation from recipients of the program. The loan matures on April 30, 2025 and is secured by the ISC Funding Agreement.	1,040,000	-
	4,984,250	-
Amounts payable within one year	(713,551)	-
	\$ 4,270,699	\$ -

Principal repayment terms are approximately:

2022	\$ 713,551
2023	1,423,567
2024	1,423,567
2025	1,423,565
	\$ 4,984,250

LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

12. LOAN PAYABLE

The organization received \$500,000 from Metis N4 Construction Inc. (an entity related through common directors) for purposes of future investment. The loan is unsecured, non-interest bearing and has no fixed terms of repayment.

13. DEFERRED REVENUE

As part of the funding agreement, Indigenous Services Canada provided funding in the amount of \$900,002 (2020 - \$NIL) to administer the Metis Emergency Business Loan and Top Up Programs. In addition, contingency funding was provided in the amount of \$565,480 (2020 - \$NIL) to cover interest reimbursements to clients. \$1,105,480 has been deferred to subsequent years.

14. CONTRIBUTION TO CAPITAL

In 2016 the federal government contributed \$25,000,000 to Metis provincial organizations (\$5,000,000 for each provincial jurisdiction) over a five year period toward provincial economic development institutions of which Louis Riel Capital Corporation was the beneficiary of \$400,000 (2020 - \$200,000) toward future economic development.

During the year Indigenous Services Canada provided an endowment contribution of \$5,000,000 (2020 - \$NIL) to provide funding for the delivery of loans to Metis businesses and individuals.

15. CONTINGENT LIABILITY

The organization guaranteed a mortgage taken by 6106111 Manitoba Ltd. (a company jointly and equally owned by the organization and another entity) to a maximum of \$250,000. As at March 31, 2020 the mortgage had an outstanding balance of \$637,685,115 (2020 - \$685,115).

16. LEASE COMMITMENTS

The organization has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at March 31, 2021, are as follows:

2022	\$ 31,244
2023	<u>5,207</u>
	<u>\$ 36,451</u>

LOUIS RIEL CAPITAL CORPORATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2021

17. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

As at May 25, 2021 management is aware of changes in its operations as a result of COVID-19. Management estimates that changes to operations will result in:

- a reduction in loan revenue of approximately 30% over the next 3 months due to deferring client's principal and interest loan payments.
- there is no loss from accounts receivable for which no allowance for doubtful accounts was recorded at March 31, 2021

The overall effect of these events on the company and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.

18. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

19. SCHEDULES TO THE FINANCIAL STATEMENTS

The accompanying Schedules 1 through 8 to the financial statements are presented unaudited and are included for informational purposes only.

LOUIS RIEL CAPITAL CORPORATION
Business Equity Contribution Fund - Contributions (Schedule 1)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Indigenous Services Canada	\$ 1,050,000	\$ 1,333,044
EXPENSES		
Project disbursements and non-repayable business contributions	1,041,147	1,342,240
	\$ 8,853	\$ (9,196)

LOUIS RIEL CAPITAL CORPORATION
Business Equity Contribution Fund - Operations (Schedule 2)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Indigenous Services Canada	\$ 200,000	\$ 235,087
Interest	3,325	430
	203,325	235,517
EXPENSES		
Administration	8,500	12,000
Advertising and promotion	8,771	10,287
Computer software and equipment	21,142	6,981
Directors travel	600	1,962
Insurance	2,000	2,500
Interest and bank charges	553	122
Management oversight	19,000	26,000
Office	4,972	4,805
Professional fees	6,000	9,000
Rent	16,000	16,000
Staff travel	672	6,524
Wages and employee benefits	114,843	141,528
	203,053	237,709
	\$ 272	\$ (2,192)

LOUIS RIEL CAPITAL CORPORATION
Metis Emergency Business Loan - Contributions (Schedule 3)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Indigenous Services Canada	\$ 6,179,000	\$ -
Undisbursed contributions	(920,000)	-
	5,259,000	-
EXPENSES		
Project disbursements and non-repayable business contributions	5,259,000	-
	\$ -	\$ -

LOUIS RIEL CAPITAL CORPORATION
Metis Emergency Business Loan - Operations (Schedule 4)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Indigenous Services Canada	\$ 900,002	\$ -
Interest	13,928	-
Deferred to subsequent year	(540,000)	-
	373,930	-
EXPENSES		
Administration - MEDF	40,320	-
Advertising and promotion	1,890	-
Interest and bank charges	522	-
Management oversight	26,000	-
Office and docuSign	9,212	-
Professional fees	6,000	-
Rent	17,500	-
Wages and employee benefits	271,000	-
	372,444	-
	\$ 1,486	\$ -

LOUIS RIEL CAPITAL CORPORATION
Metis Emergency Business Loan Top Up Fund - Contributions (Schedule 5)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Indigenous Services Canada	\$ 2,820,000	\$ -
Undisbursed contributions	(740,000)	-
	2,080,000	-
EXPENSES		
Project disbursements and non-repayable business contributions	2,080,000	-
	\$ -	\$ -

LOUIS RIEL CAPITAL CORPORATION
Youth Entrepreneur Program - Operations (Schedule 6)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES	\$ -	\$ -
EXPENSES		
Administration	1,500	-
Advertising and promotion	388	-
Computer, software and office equipment	2,257	-
Office	599	-
Professional fees	2,500	-
Rent	3,000	-
Staff travel	44	-
Telephone	390	-
Wages and employee benefits	41,524	-
	52,202	-
	\$ (52,202)	\$ -

LOUIS RIEL CAPITAL CORPORATION
Code Red Program - Operations (Schedule 7)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Manitoba Metis Federation	\$ 140,544	\$ -
Interest	91	-
	140,635	-
EXPENSES		
Interest and bank charges	59	-
Office	5,906	-
Wages and employee benefits	134,638	-
	140,603	-
	\$ 32	\$ -

LOUIS RIEL CAPITAL CORPORATION
First Time Home Purchase Program - Operations (Schedule 8)

Year Ended March 31, 2021

	(Unaudited) 2021	(Unaudited) 2020
REVENUES		
Manitoba Metis Federation	\$ 100,000	\$ -
EXPENSES		
Administration	9,858	-
Advertising and promotion	73	-
Directors honoraria	750	-
Interest and bank charges	1,451	858
Land title searches and equifax	1,500	-
Management oversight	6,000	-
Office	156	-
Professional fees	2,500	-
Rent	6,000	-
Telephone	203	-
Wages and employee benefits	71,509	-
	100,000	858
	\$ -	\$ (858)