



ADVISORY BULLETIN

October 3, 2019

Annual Financial Statements for Fiscal Year 2019

The purpose of this bulletin is to announce the annual financial statements required for fiscal year 2019, pursuant to Section 701 of the Medical Marijuana Facilities Licensing Act.

Requirements for the annual financial statements are as follows:

- Only those medical marijuana facilities that were initially licensed as of August 1, 2018, must file the annual financial statement for fiscal year 2019.
- The annual financial statement must be filed with the Marijuana Regulatory Agency by December 31, 2019.
- The reporting period of the annual financial statement is August 1, 2018 through July 31, 2019.
- The annual financial statement must cover all licenses held by a licensee during the reporting period.
- The licensee may submit a single annual financial statement for the licensee. Schedules required by the procedures must be submitted as follows:
 - Procedures 1 and 2: Individual schedules must be submitted for each license held by the licensee for each procedure, except for licensees with stacked Class C licenses at a single location.
 - Procedures 1 and 2: For licensees with stacked Class C licenses at a single location, conduct procedures 1 and 2 on the stacked licenses collectively. Individual schedules for each license are not required. For licensees with stacked Class C licenses at multiple locations, conduct procedures 1 and 2 on the stacked licenses at each location collectively and submit individual schedules for each stacked Class C location.
 - Procedures 3 through 6: For all licensees, conduct procedures 3-6 for all licenses collectively. Separate schedules for each license are not required.
 - Procedure 7: Individual schedules must be submitted for each provisioning center license held by the licensee.

This advisory bulletin does not constitute legal advice and is subject to change. Licensees are encouraged to seek legal counsel to ensure their operations comply with the Medical Marijuana Facilities Licensing Act and associated Administrative Rules.



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- The annual financial statement must be an agreed-upon procedures engagement conducted by an independent CPA licensed in this state and performed in accordance with the statements on standards for attestation engagements. The CPA must communicate its procedures and findings in an agreed-upon procedures report format as prescribed by the AICPA.
- The annual financial statement must contain the [required agreed-upon procedures](#) and must be numbered as indicated. An agreed-upon procedures report [example](#) has been provided.
 - For each required procedure, indicate whether exceptions were noted and discuss all exceptions noted.
 - Where the nature of the licensee's records make conformance to the required procedures impractical or unreliable, the independent CPA may exercise professional judgment in modifying and performing the procedures as dictated by available records and in the manner most consistent with the objective to be accomplished, noting any differences between the required procedures and the procedures actually used.

The Marijuana Regulatory Agency Medical Facilities Licensing Section may be contacted via email at MRA-Applications@michigan.gov or by phone at 517-284-8599. For more information about the Marijuana Regulatory Agency, please visit www.michigan.gov/MRA