

ADVISORY BULLETIN

May 5, 2021

Annual Financial Statements for Medical Facilities Fiscal Year 2021

The purpose of this bulletin is to announce the annual financial statements required for medical facilities for fiscal year 2021, pursuant to Section 701 of the Medical Marijuana Facilities Licensing Act.

Requirements for the annual financial statements are as follows:

An [annual financial statement form report](#) has been created that contains the required procedures and schedules for fiscal year 2021 and instructions for proper completion of the report.

- The report is an agreed-upon procedures engagement that must be conducted by an independent certified public accountant (CPA) licensed or authorized to practice in this state and performed in accordance with the statements on standards for attestation engagements.
- The CPA **must** communicate his or her findings in the report. No other report will be accepted. The licensee is responsible for filing the report with the Cannabis Regulatory Agency (CRA).
- **All medical marijuana licensees that were initially licensed as a medical facility as of December 31, 2020, must file the report for fiscal year 2021.** The report must cover all medical facility licenses held by the licensee at any time during the reporting period. Adult-Use establishment licenses held by the licensee are reported on the adult-use annual financial statement and should be excluded from the medical annual financial report.
- The report **must** be received by CRA by the due date. Licensees filing a late report will be forwarded to CRA Enforcement Division for possible disciplinary action.
- Licensees must also submit the following forms with the completed AFS form report:

- [Medical AFS Contact Authorization Form](#)
- [CPA Attestation of Practice Authority Form](#)
- [Attestation of Section 701 Compliance Form](#)

The reporting period for each report is determined by the month the licensee received its **first** medical facility license. The due date has been extended for some reports due to the ending date of the reporting period. Refer to the chart below for these details:

| Initial Licensure Month | Reporting Period | AFS Report Due |
|---------------------------------|--------------------------------------|------------------|
| January February March | January 1, 2020 – December 31, 2020 | October 31, 2021 |
| April May June | April 1, 2020 – March 31, 2021 | October 31, 2021 |
| July August September | July 1, 2020 – June 30, 2021 | October 31, 2021 |
| October November December | October 1, 2020 – September 30, 2021 | January 31, 2022 |

Licensees required to file an AFS report will receive a notice via email from accela@noreply.com approximately six months before their required AFS report is due, to remind them of their filing requirement. The notice will specify the due date, reporting period, and licenses that are to be included in the report. The CRA strongly recommends licensees engage a Certified Public Accountant (CPA) immediately upon receipt of the notice to allow sufficient time for the AFS report to be completed prior to the deadline. The AFS report must be filed by the due date indicated above or the licensee may face disciplinary action.

The AFS report must be uploaded to the licensee’s ERG (entity) or IRG (sole proprietor) record in [Accela Citizens Access Portal](#) (ACA) or sent via email to CRA-AFS@michigan.gov. If sending via email, include the licensee’s name and ERG # or IRG # in the subject line.

For questions regarding the AFS requirements, please email CRA-AFS@michigan.gov or contact the CRA by phone at 517-284-8599. For more information about the CRA, please visit www.michigan.gov/CRA.