

Northstar Financial Consulting Group

..... Guiding Cannabis Companies Forward

The Cannabis Challenge

Discrimination against the developing cannabis marketplace makes this industry one of the most complex to navigate from a financial standpoint. **With one out of five cannabis businesses facing audits**, fatal losses are all too common.

The cannabis industry has massive regulatory hurdles. From **280E, minimal banking options, and no bankruptcy protection**, mitigating complex regulations and liabilities professionally while operating in this space is essential for success.

Limited funding sources, high competition, and limited exit options have also contributed to cannabis's challenging investment climate. Many cannabis businesses are forced to operate in a **perpetual negative cash-flow** that results from high non-deductible expenses and poor budgeting.

As cannabis operations grow, avoidable operational inefficiencies become more pronounced. Many of these businesses **lack data analytics, industry KPIs, and tech solutions**, all of which are crucial to the success of any expanding canna-enterprise.

High Audit Risk

1/5 cannabis businesses are audited & can face fatal losses

Difficult Investment Climate

Limited funding sources, high competition & limited exit options

Massive Regulatory

280E, no banking options & no bankruptcy protection

Perpetual Negative Cash-flow

High non-deductible expenses & poor budgeting process

Avoidable Operational Inefficiencies

Lack of data analytics, industry KPI's & technology solutions

Lack of Core Cannabis Competencies

Highly complex regulations, but very few cannabis specialists





About

Northstar leads the financial management of cannabis companies by handling all CFO and accounting functions from seed to exit.

Our collective experience spans the entire spectrum of cannabis company growth. We function as an expert, dedicated, fully-integrated finance team without the burdens and costs of hiring and training internally.

Services

Northstar has helped hundreds of cannabis companies across the vertical overcome their most pressing challenges:

CFO & Executive Leadership

- Formulate and execute strategic plan
- Lead and manage entire financial department
- Drive cash flow and budgeting efficiency

Controllership

- Create efficient financial policies and procedures
- Establish KPIs and financial dashboards
- Perform financial modeling and forecasting

Bookkeeping & Accounting

- Provide 280E optimized financial statements
- Cleanup historical financial records
- Prepare monthly reconciliation pack ensuring audit readiness



“Head and shoulders above the competition, Northstar knows the cannabis industry inside and out, and has taken our entire accounting and finance structure to the next level while saving us lots of headache, time and money.” - Jamie Warm, CEO, Henry’s Original