



## Financial Statements

(Unaudited – see Notice to Reader)

3313086 Nova Scotia Limited

March 31, 2018

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## Notice to reader

On the basis of information provided by management, we have compiled the statement of financial position of 3313086 Nova Scotia Limited as at March 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended.

We have not performed an audit or a review engagement in respect of these non-consolidated financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these non-consolidated statements may not be appropriate for their purposes.

*Grant Thornton LLP*

Halifax, Canada  
June 25, 2018

Chartered Professional Accountants  
Licensed Public Accountants

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**3313086 Nova Scotia Limited**  
**Statement of revenues and expenditures**

(Unaudited – see Notice to Reader)

Year ended March 31 (in thousands)

**2018**

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<b>Revenues</b>	<b>\$ -</b>
<b>Expenditures</b>	
Operating expenses (Note 2)	<u>789</u>
Deficiency of revenues over expenditures from operations	<u>\$ (789)</u>

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See accompanying notes to the financial statements.

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**3313086 Nova Scotia Limited****Statement of changes in net assets (deficiency)**

(Unaudited – see Notice to Reader)

Year ended March 31 (in thousands)

**2018**

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<b>Net assets – beginning of year</b>	<b>\$ -</b>
Deficiency of revenues over expenditures	<u>(789)</u>
<b>Net assets (deficiency) – end of year</b>	<b><u>\$ (789)</u></b>

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See accompanying notes to the financial statements.

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**3313086 Nova Scotia Limited**  
**Statement of financial position**

(Unaudited – see Notice to Reader)

March 31 (in thousands)

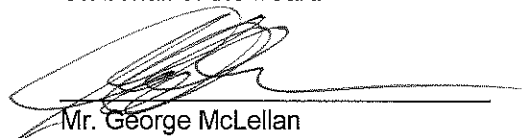
**2018**

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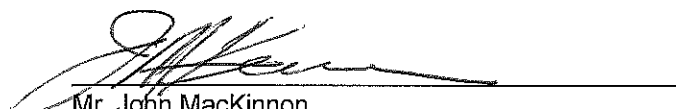
<b>Financial assets</b>	<b>\$ -</b>
<b>Non-financial assets</b>	
Assets under development	<b>567</b>
<b>Liabilities</b>	
Payable to Nova Scotia Liquor Corporation	<u><b>1,356</b></u>
<b>Net financial assets (deficiency)</b>	<u><b>\$ (789)</b></u>

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On behalf of the Board



Mr. George McLellan  
Chair, Board of Directors



Mr. John MacKinnon  
Audit Committee Chair

See accompanying notes to the financial statements.

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**3313086 Nova Scotia Limited****Statement of cash flows**

(Unaudited – see Notice to Reader)

Year ended March 31 (in thousands)

**2018**

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<b>Operating activities</b>	
Deficiency of revenues over expenditures	\$ (789)
Change in non-cash operating working capital	
Assets under development	(567)
Payable to Nova Scotia Liquor Corporation	<u>1,356</u>
Cash flow from operating activities	<u>-</u>
<b>Increase (decrease) in cash flows</b>	-
Cash, beginning of year	<u>-</u>
<b>Cash, end of year</b>	<u>\$ -</u>

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See accompanying notes to the financial statements.

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# 3313086 Nova Scotia Limited

## Notes to the financial statements

(Unaudited – see Notice to Reader)  
March 31, 2018 (in thousands)

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### 1. Description of business

On December 20, 2017, 3313086 Nova Scotia Limited was established to facilitate planning activities related to the implementation of cannabis distribution and retailing within the Province of Nova Scotia. Upon the passing of the Nova Scotia Cannabis Control Act, the Company was dissolved and responsibilities and authorities related to cannabis distribution and retailing were assigned to the Nova Scotia Liquor Corporation (NSLC).

The immediate parent and ultimate controlling party of the Company is the Province of Nova Scotia. The Company's principal place of business is 93 Chain Lake Drive, Halifax, Nova Scotia.

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### 2. Operating expenses

	<u>2018</u>
Salaries and employee benefits	\$ 611
Consulting	104
Legal	11
Meeting and travel	17
Occupancy	28
Service contracts	5
Other	13
	<u>\$ 789</u>

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### 3. Public sector compensation disclosures act

The Public Sector Compensation Disclosure Act requires the Company to disclose the amount of compensation paid to any employee earning in excess of \$100,000 per year. For the fiscal year ended March 31, 2018, the Company had no employees, and as such, no compensation above the threshold to disclose.

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### 4. Related party transactions

The immediate parent and ultimate controlling party of the Corporation is the Province of Nova Scotia.

The Company is related to all other departments, agencies, boards and commissions of the Province of Nova Scotia. Transactions with other provincial entities such as the Nova Scotia Liquor Corporation were entered into in the normal course of operations and included a payable of \$1,356,000 at March 31, 2018.

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### 5. Subsequent event

The Company has since been dissolved upon the passing of the Nova Scotia Cannabis Control Act in the Nova Scotia Legislature on April 17, 2018. This legislation provides the framework for how the legalization of cannabis will come into effect upon proclamation of the federal legislation. The Act gives the NSLC the authority to prepare for legalization, including the ability to wholesale, store, distribute and sell cannabis, while complying with federal requirements and promoting responsible consumption.