

References to GST issue in club documents (issued to members)

Date	Document	Extract
2009-10-02	Board Minutes	The Board received an update on the GST issue from the Club Manager.
2010-02-03	Board Minutes	The Board reviewed a memorandum from McCarthy Tétrault concerning a GST assessment for Club Intrawest
2010-04-08	Board Minutes	The Board received a report from the finance committee (Cardinal, Smith and Orr) who met on Wednesday, April 7, 2010. The finance committee reviewed the Club's investment policy and reserve expenditure reporting and approval policy. The Board also discussed the funding of workers compensation payments for Club Intrawest employees in California and received a report from McCarthy Tétrault concerning the GST appeal undertaken by Club Intrawest.
2010-09-24	Board Minutes	The Board received an update on the G.S.T. issue affecting Club Intrawest from Rene Cardinal
2011-02-03	Board Minutes	(no reference)
2011-04-20	Board Minutes	Sandra Ruff updated the Board of Directors on the ongoing GST litigation
2011-09-19	Board Minutes	The Board received an update on the G.S.T issue affecting Club Intrawest from Sandra Ruff. Discussions continue but the Board is not anticipating any further discussions or updates until next year (2012).
2012-04-13	Board Minutes	The Board approved a resolution in the form attached as Schedule "D" concerning all monies reserved by the Club with respect to a GST/HST dispute with Canada Revenue Agency and to confirm that any surplus funds retained by Club Intrawest following the resolution or other settlement of the GST/HST dispute with Canada Revenue Agency be retained by Club Intrawest as a capital contribution for reserves and the reserve account for Club Intrawest shall be adjusted accordingly. (GE NOTE: resolution was not included in the meeting minutes)
2012-09-24	Board Minutes	(no reference)
2013-01-17	Board Minutes	The Board received a verbal report from Sandra Ruff concerning the status of the GST ruling appeal.
2013-04-17	Board Minutes	(no reference)
2013-09-26	Board Minutes	The Manager updated the Board on the status of the GST court proceedings
2014-02-05	Board Minutes	GST appeal update
2014-04-22	Board Minutes	Kenneth Smith also requested that "in 2012" be added to the third sentence of the Operating Fund paragraph on page 5, so that the beginning of this sentence reads: "The method for accruing for the potential tax issue was changed in 2012 resulting in"
2014-07-16	Board Minutes	(no reference)
2014-09-23	Board Minutes	Sandra Ruff updated the Board on the status of the GST claims made by Canada Revenue Agency. Sandra indicated that the Manager and its lawyers had not been able to reach a settlement with Canada Revenue Agency at this time, and so the lawyers were now preparing for trial, which has been set for November 24-26, 2014.

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2014-12-05	Special Meeting	<p>Sandra Ruff (representing the manager), and Chia-yi Chua (McCarthy Tetrault LLP) attended at the invitation of the Directors. The meeting was called to order at 11:00amPST. A quorum of the Board of Directors was determined to be present. The purpose of the special meeting was to inform the Directors on the status of the legal complaint brought by the Canada Revenue Agency against Club Intrawest regarding the Club's treatment of GST on resort fees charged to members for the period beginning on October 31, 2002 and ending on October 31, 2008. Mr. Chua confirmed that the case was heard by the Tax Court of Canada on November 24, 25, and 26, 2014 and proceeded to brief the Directors on the status of the case. Mr. Chua explained that, on the issue of the principle/agent relationship between the members of Club Intrawest and Intrawest, the arguments for both sides have concluded. On the issue regarding the allocation method for GST, Mr. Chua informed the Directors that the Crown asked for and was granted a continuance and therefore, arguments on that issue will begin on January 27, 2015 in Ottawa, ON. Mr. Chua opened the conversation for questions and a discussion of the case ensued among the Directors. There being no further business the meeting was adjourned at 11:45amPST.</p>
2015-01-30	Board Minutes	The Board of Directors received a report on the status of the GST Appeal
2015-04-17	Board Minutes	(no reference)
2015-07-29	Board Minutes	(no reference)
2015-09-22	Board Minutes	Sandra Ruff gave an update to the Board on the status of the GST hearing. Sandra indicated that the court's decision was expected in the near future.
2016-02-04	Board Minutes	(no reference)
2016-04-20	Board Minutes	(no reference)
2009-04-20 2008 Financials		
<p>Provision for GST expense \$1.4M Note 9 Contingencies The Club has received notification that the CRA is currently preparing an assessment for GST against Club Intrawest. GST will be assessed against the Club for amounts billed to members as resort fees related to Canadian operations. The assessment is expected to cover the period from February 1, 2002 to current. The Club has and continues to oppose the CRA's position. The Club has accrued \$1.4M as an estimate of the potential impact of this assessment. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will not have a material effect on the Club's financial position or results of operation in future fiscal years.</p>		
2010-04-14 2009 Financials		
<p>Provision for GST expense \$179,311 Note 10 Contingencies In 2008, the Club received notification that the CRA was preparing an assessment for GST against Club Intrawest. The CRA stated that it intended to assess the Club for amounts billed to members as resort fees related to Canadian operations. In 2008, the Club accrued \$1.4M as an estimate of the potential impact of this assessment. This estimate was increased by \$179,311 in the current year to reflect additional penalties and interest which had accrued.</p>		

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		<p>The Club has and continues to oppose the CRA's position and plans to issue a notice of objection. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will not have a material effect on the Club's financial position or results of operation in future fiscal years.</p>
2011-04-29 2010 Financials		
		<p>Provision for GST expense \$360,153 Interfund transfer for GST provision \$1,939,464 - from capital to operating fund Note 8 Contingencies In 2008, the Club received notification that the CRA was preparing an assessment for GST against Club Intrawest. The CRA stated that it intended to assess the Club for amounts billed to members as resort fees related to Canadian operations. In 2010, the Club received and paid assessments from CRA totaling \$1,939,464 (including \$360,153 in the current year provision for GST expense) relating to years 2002-2008. The funds required to make this payment were transferred from the Capital Fund to the Operating Fund (refer to note 10). The Club has and continues to oppose the CRA's position and has issued notices of objection on all assessments. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will be in favour of the club.</p> <p>Note 10 Interfund transfer During the year the Club's Board of Director's approved the transfer of \$1,939,464 from the Capital Fund to the Operating Fund in order to pay the GST assessments (refer to note 8)</p>
2012-04-27 2011 Financials		
		<p>Provision for GST expense \$0 Note 4 Change in estimate During 2011, the Club changes its tax treatment of accruals for GST/harmonized sales tax (HST). The revenues collected and the expenses accrued related to GST/HST are now treated as capital items for tax as any excess of revenue over expense upon settlement will remain in the Capital Fund. As a result, the estimate of tax expense and taxes payable reported in the 2010 and 2009 financial statements changed. This change in tax position created current future income tax benefits of \$171,106 (2010 - \$115,988; 2009 - \$55,118) and related the long-term future income tax asset of \$673,815. These tax losses have been utilized in the current year.</p> <p>Note 9 Contingencies In 2008, the Club received notification that the CRA was preparing an assessment for GST against Club Intrawest. The CRA stated that it intended to assess the Club for amounts billed to members as resort fees related to Canadian operations. In 2010, the Club received and paid assessments from CRA totaling \$1,939,464 (including \$360,153 in the prior year provision for GST expense) relating to years 2002-2008. The funds required to make this payment were transferred from the Capital Fund to the Operating Fund. The Club has and continues to oppose the CRA's position and has issued notices of objection on all assessments. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will be in favour of the club.</p>
2013-04-18 2012 Financials		
		<p>Note 3 Change in estimate</p>

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		<p>During 2011, the Club changed its tax treatment of accruals for GST/harmonized sales tax (HST). The revenues collected and the expenses accrued related to GST/HST are now treated as capital items for tax as any excess of revenue over expense upon settlement will remain in the Capital Fund.</p> <p>Note 8 Government remittances</p> <p>Government remittances consist of amounts (such as property taxes, sales taxes and payroll withholding taxes) required to be paid to government authorities and re recognized when the amounts become due. The government remittance amounts other than sales taxes for 2013 and 2012 are in a receivable I position resulting in no payable amounts at period end.</p> <p>Certain additional amounts have been accrued in the consolidated financial statements related to the GST payable (note 9). These amounts are currently in dispute and final amounts are being negotiated with the CRA.</p> <p>Note 9 Contingencies</p> <p>In 2008, the Club received notification that the CRA was preparing an assessment for GST against Club Intrawest. The CRA stated that it intended to assess the Club for amounts billed to members as resort fees related to Canadian operations.</p> <p>In 2010, the Club paid assessments from CRA totaling \$1,939,464 relating to years 2002-2008. The funds required to make this payment were transferred from the Capital Fund to the Operating Fund.</p> <p>The Club has and continues to oppose the CRA's position and has issued notices of objection on all assessments. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will be in favour of the club.</p>
2014-04-28	Financials 2013	<p>Note 3 Change in estimate</p> <p>During 2011, the Club changed its tax treatment of accruals for GST/harmonized sales tax (HST). The revenues collected and the expenses accrued related to GST/HST are now treated as capital items for tax as any excess of revenue over expense upon settlement will remain in the Capital Fund.</p> <p>Note 8 Government remittances</p> <p>Government remittances consist of amounts (such as property taxes, sales taxes and payroll withholding taxes) required to be paid to government authorities and re recognized when the amounts become due. The government remittance amounts other than sales taxes for 2013 and 2012 are in a receivable I position resulting in no payable amounts at period end.</p> <p>Certain additional amounts have been accrued in the consolidated financial statements related to the GST payable (note 9). These amounts are currently in dispute and final amounts are being negotiated with the CRA.</p> <p>Note 9 Contingencies</p> <p>In 2008, the Club received notification that the CRA was preparing an assessment for GST against Club Intrawest. The CRA stated that it intended to assess the Club for amounts billed to members as resort fees related to Canadian operations.</p> <p>In 2010, the Club paid assessments from CRA totaling \$1,939,464 relating to years 2002-2008. The funds required to make this payment were transferred from the Capital Fund to the Operating Fund.</p> <p>The Club has and continues to oppose the CRA's position and has issued notices of objection on all assessments. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will be in favour of the club.</p>
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2016-04-28	Financials 2015	<p>Note 3 Change in estimate</p> <p>During 2011, the Club changed its tax treatment of accruals for GST/harmonized sales tax (HST). The revenues collected and the expenses accrued related to GST/HST are now treated as capital items for tax as any excess of revenue over expense upon settlement will remain in the Capital Fund.</p> <p>Note 7 Government remittances</p> <p>Government remittances consist of amounts (such as property taxes, sales taxes and payroll withholding taxes) required to be paid to government authorities and re recognized when the amounts become due. The government remittance amounts other than sales taxes for 2015 and 2014 are in a receivable I position resulting in no payable amounts at period end.</p> <p>Certain additional amounts have been accrued in the consolidated financial statements related to the GST payable (note 8). These amounts are currently in dispute and final amounts are being negotiated with the CRA.</p> <p>Note 8 Contingencies</p> <p>In 2008, the Club received notification that the CRA was preparing an assessment for GST against Club Intrawest. The CRA stated that it intended to assess the Club for amounts billed to members as resort fees related to Canadian operations.</p> <p>In 2010, the Club paid assessments from CRA totaling \$1,939,464 relating to years 2002-2008. The funds required to make this payment were transferred from the Capital Fund to the Operating Fund.</p> <p>The Club has and continues to oppose the CRA's position and has issued notices of objection on all assessments. The final outcome of this matter cannot be predicted with certainty, and therefore, there can be no assurance that its final resolution will be in favour of the club.</p>
Annual Report 2008		

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Date	Document	Extract
		<p>Operating Fund The fund has a current year loss of (\$1,486,449), primarily due to a provision for Goods and Services Tax (“GST”) assessment. Canada Revenue Agency (“CRA”) is preparing an assessment for GST for amounts billed to Members as Resort Fees related to Canadian Operations. Our position is that the Resort Fees are incurred by the Club, as agent for the Members, and therefore should not be subject to GST. The Club has retained legal counsel to assess the merits of our position and they advise us that we have strong arguments with respect to certain components of the Resort Fees while other elements are more challenging. Therefore the Club is required to estimate and record a provision for this contingency in the event that we are unsuccessful in our appeal. The operating fund loss includes an estimate of \$1,400,000 (\$924,000 net of tax) for this contingency.</p> <p>Outlook In light of the current economic situation, our 2008 operating results and the GST issue, management is implementing a number of cost savings initiatives. The Club is executing on these plans to ensure that 2009 will have an excess of revenue over expenses.</p>
	Annual Report 2009	
		<p>Operating Fund The fund has a current year income of \$744,818. Due to the economic climate and the deficits suffered last year due to GST, the operations group worked hard this year to cut costs without compromising quality or service to the Members. Despite some uncontrollable cost increases almost every location was able to report positive results to budget.</p>
	Annual Report 2010	
		<p>Operating Fund The fund has a current year income of \$465,278. This includes an additional expense for the GST provision of \$360,153. The operations group worked very hard again this year to cut costs without compromising quality or service to the Members, with almost every location reporting positive results to budget.</p> <p>Capital Fund The capital fund reported an excess of revenue over expenses of \$1,545,239 which includes a non cash loss on foreign exchange of \$434,916 due to the translation of the U.S. cash holdings into Canadian Dollars for reporting purposes. During the year the Club spent \$2,386,428 on capital projects. Some of the projects are outlined in the Vacation Home Upgrade section of this report. During 2010 the capital fund loaned the operating fund \$1,939,464 for the payment of the disputed GST assessment from the CRA. The Club has filed notices of objection on all assessments. When this issue is settled repayment will be made to the capital fund.</p>
	Annual Report 2011	
		NO REFERENCE TO GST
	Annual Report 2012	
		NO REFERENCE TO GST
	Annual Report 2013	
		NO REFERENCE TO GST
	Annual Report 2014	

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		<p>OPERATING FUND</p> <p>The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. The operating fund has a current year deficit of \$304,234 which includes foreign currency gains of \$791,250. This current year deficit was partially due to legal expenditures in 2014 which were budgeted in prior years related to the ongoing GST tax dispute. This dispute with the Canada Revenue Agency was in court in late 2014 and early 2015 and we are awaiting the outcome. Additional projects were also undertaken this year to maintain and improve the quality of the Club, contributing to the loss from operations. Some of these additional projects included new alarm clocks with integrated charging stations, design work for an update to the member web site, resurfaced hot tubs in Tremblant and additions to kitchen utensils to bring consistency across all Club locations. These projects were identified as items that would improve the Member experience and while not budgeted to be completed in 2014, they were undertaken with the support of the Board of Directors.</p>
	Annual Report 2015	
		No annual report on file -UPDATED - no annual report issued, as per email from Kasey on Oct 14, 2016