

Note 3—Income taxes

The components of the provision for income taxes are as follows:

	Years ended December 31,	
	2013	2014
	(in thousands of CAD)	
Current income tax provision:		
Canadian federal	\$ 3,658	\$ 5,024
Provincial	2,814	3,843
Foreign	314	234
Current income tax provision	6,786	9,101
Deferred income tax (benefit) provision:		
Canadian federal	(5)	3
Provincial	—	3
Deferred income tax (benefit) provision	(5)	6
Income tax provision	\$ 6,781	\$ 9,107

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The tax effects of cumulative temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below.

	December 31,	
	2013	2014
	(in thousands of CAD)	
Deferred tax assets:		
Losses carryforward	\$ 486	\$ 508
Total deferred tax assets	486	508
Deferred tax liabilities:		
Property and equipment	(316)	(324)
Total deferred tax liabilities	(316)	(324)
Net deferred tax assets	\$ 170	\$ 184

At December 31, 2014, the Company has \$1.9 million of non-capital losses for income tax purposes which can be carried forward to be applied against future taxable income. These losses will expire at various times between 2031 and 2034.

A reconciliation of the income tax provision to the amounts computed by applying the Canadian statutory federal income tax rate to earnings before income taxes is shown as follows:

	Years ended December 31,	
	2013	2014
	(in thousands of CAD)	
Income tax provision at the Canadian federal statutory rate of 15%	\$ 3,911	\$ 5,215
Provincial taxes	2,810	3,840
Non-deductible expense	9	21
Other, net	51	31
Income tax provision	\$ 6,781	\$ 9,107

A reconciliation of the beginning and ending amount of unrecognized tax benefits, excluding interest, is as follows:

	December 31,	
	2013	2014
	(in thousands of CAD)	
Balance at January 1	\$ —	\$ 296
Additions based on tax positions related to the current year	296	322
Balance at December 31	\$ 296	\$ 618

The Company recognizes interest and, if applicable, penalties related to unrecognized tax benefits in the income tax provision. At December 31, 2013 and 2014, the Company has accrued less than \$0.1 million, respectively, for the payment of interest.

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