The financial statements of

December 31, 2012, 2011 and 2010

(In Canadian Dollars)

AYLEN CAPITAL INC.

December 31, 2012, 2011 and 2010

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Management's Responsibility for Financial Statements

The accompanying financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The integrity and objectivity of these financial statements are the responsibility of management.

Management is also responsible for establishing and maintaining adequate internal control over financial reporting. In support of this responsibility, management maintains a system of internal control to provide reasonable assurance as to the reliability of financial information and the safe-guarding of assets. The financial statements include the amounts of which are based on the best estimates and judgments of management.

The Board of Directors oversees management's responsibilities for financial reporting through the Audit Committee, which consists of three directors, two of whom are independent and not involved in the daily operations of the Company. The Audit Committee meets with management and independently with the external auditors to satisfy itself that management's responsibilities are properly discharged and to review the financial statements and the disclosures contained in the financial statements.

The external auditors conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have reviewed the internal controls over financial reporting and have full access to the Audit Committee with respect to their findings concerning the fairness of financial reporting and the adequacy of internal controls.

John Pennal	Jenifer Cho
President	Director of Finance

April 2, 2013

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Aylen Capital Inc.

We have audited the accompanying financial statements of Aylen Capital Inc. ("the Company") and Centiva Capital Inc. ("Centiva") which comprise:

- the statements of financial position of Aylen Capital Inc. as at December 31, 2012 and December 31, 2011
- the consolidated statement of financial position of Centiva Capital Inc. and its subsidiary, as at December 31, 2010;
- the statement of financial position of Centiva Capital Inc. as at January 1, 2010;
- the statements of loss, comprehensive loss, changes in equity and cash flows of Aylen Capital Inc. for the year ended December 31, 2012;
- the combined statements of loss, comprehensive loss, changes in equity and cash flows of Aylen Capital Inc. and Centiva Capital Inc. for the year ended December 31, 2011; and
- the consolidated statements of loss, comprehensive loss, changes in equity and cash flows of Centiva Capital Inc. and its subsidiary for the year ended December 31, 2010;

and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects:

- the financial position of Aylen Capital Inc. as at December 31, 2012 and December 31, 2011
- the consolidated financial position of Centiva Capital Inc. and its subsidiary as at December 31, 2010;
- the financial position of Centiva Capital Inc. as at January 1, 2010;
- the financial performance and the cash flows of Aylen Capital Inc. for the year ended December 31, 2012;
- the combined financial performance and the combined cash flows of Aylen Capital Inc. and Centiva Capital Inc. for the year ended December 31, 2011; and
- the consolidated financial performance and the consolidated cash flows of Centiva Capital Inc. and its subsidiary for the year ended December 31, 2010;

in accordance with International Financial Reporting Standards:

Other Matters

As described in Note 20 to the financial statements, certain adjustments have been made to Centiva's consolidated financial statements at December 31, 2010 and for the year then ended, Centiva's statement of financial position as at January 1, 2010, and the combined financial statements as at December 31, 2011 and for the year then ended. Accordingly, those prior period comparatives have been restated.

Collins Barrow Toronto LLP

Chartered Accountants
Licensed Public Accountants

Toronto, Canada
April 2, 2013

AYLEN CAPITAL INC.

Statements of Financial Position

(In Canadian Dollars)

	As at 31-Dec-2012	As at 31-Dec-2011 (Note 2) (restated) (Note 20)	As at 31-Dec-2010 (Note 2) (consolidated) (restated) (Note 20)	As at 1-Jan-2010 (restated) (Note 20)
ASSETS				
CURRENT				
Cash and cash equivalents (Note 4)	$ 109,924	$ 70,503	$ 192,954	$ 41,465
Marketable securities (Note 5)	361,049	453,015	561,428	518,034
Accounts receivable (Note 6)	29,317	58,380	30,598	37,126
HST recoverable	6,604	26,975	15,033	3,037
Prepaid expense and sundry assets (Note 7)	12,009	7,805	8,593	7,595
	518,903	616,678	808,606	607,257
INVESTMENTS (Note 8)	1,843,890	1,843,890	1,925,140	2,233,251
PROPERTY AND EQUIPMENT (Note 9)	3,817	3,192	4,064	16,592
	$ 2,366,610	$ 2,463,760	$ 2,737,810	$ 2,857,100
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 10)	$ 101,849	$ 136,753	$ 56,472	$ 86,258
Deferred revenue	231,702	157,452	155,502	123,782
	333,551	294,205	211,974	210,040
LONG-TERM				
Note payable (Note 11)	690,000	690,000	-	-
	1,023,551	984,205	211,974	210,040
SHAREHOLDERS' EQUITY				
Capital stock (Note 12)	1,350,570	1,350,570	3,514,327	3,514,327
Contributed surplus	286,514	280,914	291,264	277,185
Deficit	(294,025)	(151,929)	(1,035,866)	(816,452)
Accumulated other comprehensive loss	-	-	(243,889)	(328,000)
	1,343,059	1,479,555	2,525,836	2,647,060
	$ 2,366,610	$ 2,463,760	$ 2,737,810	$ 2,857,100

Approved on behalf of the board:

"John Pennal" Director

"Brian Hemming" Director

AYLEN CAPITAL INC.
Statements of Loss
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	2012	2011 (Note 2) (combined) (restated) (Note 20)	2010 (Note 2) (consolidated) (restated) (Note 20)
Revenues			
Sales revenue	$ 645,797	$ 480,656	$ 450,337
Interest and other income	12,311	15,128	16,646
Gain on sale of marketable securities	-	-	76,236
Unrealized gain on value of marketable securities	20,645	128,890	64,965
	678,753	624,674	608,184
Expenses			
General and administrative	390,369	570,189	318,821
Selling expenses	422,300	406,742	393,221
Stock-based compensation (Note 12(c))	5,600	39,628	14,079
Amortization	1,904	2,677	12,527
Loss on sale of publicly traded investments	-	274,165	79,323
Loss on sale of marketable securities	676	189,298	9,627
	820,849	1,482,699	827,598
Net loss for the year	$ (142,096)	$ (858,025)	$ (219,414)
Net loss per share - basic and fully diluted	$ (0.01)	(0.05)	$ (0.01)
Weighted average number of shares	16,856,632	16,856,632	16,856,632
Net loss comprised of:			
Centiva	$ -	$ (706,096)	$ (219,414)
Aylen	$ (142,096)	$ (151,929)	$ -

AYLEN CAPITAL INC.

Statements of Comprehensive Loss
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	2012	2011 (Note 2) (combined) restated (Note 20)	2010 (Note 2) (consolidated) restated (Note 20)
Net loss for the year	$ (142,096)	$ (858,025)	$ (219,414)
Other comprehensive income (loss) for the year - Disposal of investment (Note 8)	-	243,889	84,111
Net comprehensive loss for the year	$ (142,096)	$ (614,136)	$ (135,303)

AYLEN CAPITAL INC.

Statements of Changes in Equity
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	Common shares	Capital stock	Contributed surplus (restated) (Note 20)	Deficit (restated) (Note 20)	Accumulated other comprehensive loss (restated) (Note 20)	Total shareholders' equity
CENTIVA						
Balance, 1-Jan-2010	16,856,632	$ 3,514,327	$ 277,185	$ (816,452)	$ (328,000)	$ 2,647,060
Net loss for the year	-	-	-	(219,414)	-	(219,414)
Disposal of investment	-	-	-	-	84,111	84,111
Options granted to officers	-	-	14,079	-	-	14,079
Balance, 31-Dec-2010	16,856,632	$ 3,514,327	$ 291,264	$ (1,035,866)	$ (243,889)	$ 2,525,836
Disposal of investment	-	-	-	-	243,889	243,889
Net loss for the period	-	-	-	(706,096)	-	(706,096)
Balance, 31-Oct-2011	16,856,632	$ 3,514,327	$ 291,264	$ (1,741,962)	$ -	$ 2,063,629
AYLEN						
Balance, 31-Oct-2011	100	$ 100	$ -	$ -	$ -	$ 100
Transfer of net assets from Centiva (Note 2)	16,856,532	1,350,470	241,286	-	-	1,591,756
Net loss for the period	-	-	-	(151,929)	-	(151,929)
Options granted to officers	-	-	39,628	-	-	39,628
Balance, 31-Dec-2011	16,856,632	$ 1,350,570	$ 280,914	$ (151,929)	$ -	$ 1,479,555
Net loss for the year	-	-	-	(142,096)	-	(142,096)
Options granted to the directors	-	-	5,600	-	-	5,600
Balance, 31-Dec-2012	16,856,632	$ 1,350,570	$ 286,514	$ (294,025)	$ -	$ 1,343,059

AYLEN CAPITAL INC.

Statements of Cash Flows
For the years ended December 31, 2012, 2011 and 2010
(In Canadian Dollars)

	2012	2011 Combined	2010 Consolidated
Net Inflow (Outflow) of Cash Related to the Following Activities:			
Operating			
Net loss for the year	$ (142,096)	$ (858,025)	$ (219,414)
Items not affecting cash:			
Unrealized loss (gain) on value of marketable securities	(20,645)	(128,890)	(64,965)
Loss on sale of marketable securities	-	189,298	9,627
Loss on sale of publicly traded investments	-	274,165	79,323
Gain on sale of marketable securities	-	-	(76,236)
Stock-based compensation (Note 12(c))	5,600	39,628	14,079
Amortization	1,904	2,677	12,527
	(155,237)	(481,147)	(245,059)
Net changes in non-cash working capital balances:			
Accounts receivable	29,063	(27,782)	6,529
Prepaid and sundry assets	(4,204)	9,380	(998)
Accounts payable and accrued liabilities	(34,903)	157,442	(29,788)
Deferred revenue	74,249	27,093	31,720
HST recoverable	20,370	(1,030)	(11,996)
	(70,662)	(316,044)	(249,592)
Investing			
Proceeds from sale of marketable securities, net of purchases	112,612	153,810	401,081
Purchase of office equipment	(2,529)	(1,805)	-
Proceeds from sale of publicly traded investments	-	50,835	-
Acquisition of long-term investment(i)	-	(1,775,000)	-
	110,083	(1,572,160)	401,081
Financing activities			
Issuance of common shares(i)	-	3,086,000	-
Common share issue costs(i)	-	(179,438)	-
Cash flows Used in Financing Activities	-	2,906,562	-
Increase in cash position during the year	39,421	1,018,358	151,489
Cash and cash equivalents, beginning of year	70,503	192,954	41,465
Cash and cash equivalents, end of year (Note 4)	$ 109,924	$ 1,211,312	$ 192,954

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	2012	2011	2010
Centiva	$ -	$ 1,140,809	$ 192,954
Aylen	109,924	70,503	-
Total cash and cash equivalents	$ 109,924	$ 1,211,312	$ 192,954

No cash paid for interest and taxes during all fiscal years.

(i) The net cash proceeds from these activities were not transferred to Aylen, as they relate to Centiva's ongoing activities operating as Spackman Equities Group Inc.

The accompanying notes are an integral part of these financial statements

1. NATURE OF BUSINESS

Aylen Capital Inc. ("Aylen" or the "Company") was incorporated on October 28, 2010 as a wholly-owned subsidiary of Centiva Capital Inc. ("Centiva"). The Company's registered head office is located at Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street, Toronto, Ontario, M5J 2Z4, Canada. Aylen remained inactive from the date of incorporation to October 31, 2011.

On September 30, 2011, a plan of arrangement (the "Arrangement") was completed pursuant to Section 192 of the Canada Business Corporations Act, whereby Centiva and Aylen entered into an agreement to distribute the existing assets of Centiva to shareholders by way of the Arrangement. Under the terms of the Arrangement, all of the existing assets and liabilities of Centiva were transferred to Aylen in exchange for 16,856,532 shares of Aylen and a promissory note in an amount representing $0.05 per issued and outstanding common share of Centiva immediately prior to the Arrangement. The Arrangement was approved by Centiva shareholders at a special meeting held on September 23, 2011 and by the Ontario Superior Court of Justice on September 27, 2011. The effective date of the transaction was October 31, 2011. On the same date, Centiva changed its name to Spackman Equities Group Inc ("SEGI").

Centiva transferred all of its then existing assets and liabilities, except those relating to the new equity investments and tax losses, to Aylen in exchange for common shares and a promissory note of Aylen. The assets which were transferred to Aylen from Centiva consist primarily of an equity interest in a technology-based company, VFM Leonardo Inc., a technology-based business, Grapevine Solutions, and a portfolio of marketable securities. Grapevine Solutions ("Grapevine"), an unincorporated division of Aylen, operates a web-based survey and data collection business. Aylen took over Grapevine's operations effective November 1, 2011.

2. BASIS OF PRESENTATION AND PLAN OF ARRANGEMENT

Aylen Capital (the "Company" or "Aylen"), was incorporated during 2010 as a wholly owned subsidiary of Centiva Capital Inc. ("Centiva"). On October 31, 2011, under a plan of arrangement, Centiva transferred all of its assets (except for any tax losses) and liabilities to its previously inactive subsidiary, Aylen, in exchange for 16,856,532 common shares and a note payable by Aylen in the amount of $843,832. The transfer of these assets has been recorded at the carrying amount to Centiva, immediately prior to the transaction. The note payable was considered to be contingent consideration and was fair valued using a probability adjusted discounted cash flow analysis. Any difference between the carrying amount of the net assets and the consideration received (the share capital and note payable) was recorded in equity as contributed surplus.

All Aylen common shares held by Centiva were immediately distributed out to Centiva shareholders. Any transaction costs associated with the plan of arrangement have been expensed.

The combined results of 2011 were prepared on the basis that Aylen and Centiva were under common control and accordingly, and while being two separate legal entities after October 31, 2011 without any cross ownership, the results are presented on a combined basis until that date to provide users with the necessary information to evaluate it as such. Any intercompany transactions have been eliminated in the combined results. Similarly, the consolidated results of Centiva for the year ended December 31, 2010 have also been presented.

Specifically, the results of two legal entities, Aylen and Centiva have been presented as noted below.

Financial Statement	**Entity**
January 1, 2010 Statement of Financial Position	Centiva
2010 Financial Statements	Centiva (these include Aylen which was a newly incorporated subsidiary of Centiva during the year, and had no activity or material balances)
2011 Statement of Financial Position	Aylen
2011 Statements of Loss, Comprehensive Loss and Cash Flows	Combined results of Aylen and Centiva, which included results of Centiva from January 1, 2011 to October 31, 2011
2011 Statement of Changes in Equity	Centiva – January 1 to October 31 Aylen – November 1 to December 31
2012 Financial Statements	Aylen

The following table summarizes the carrying amounts of the assets and liabilities transferred from Centiva to Aylen:

		Amount
Cash	$	10,970
Marketable securities		518,714
Prepaid and sundry assets		7,805
Other receivables		45,159
HST recoverable		29,928
Investment		1,843,890
Equipment		2,169
		2,458,635
Accounts payable and accrued liabilities		77,717
Deferred revenue		99,162
		176,879
Net assets transferred	$	2,281,756

Net assets transferred	$	2,281,756
Consideration:		
Common shares (at the legal stated capital)		1,350,470
Note payable		690,000
Contributed surplus	$	241,286

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). These financial statements were authorized for issuance by the Board of Directors of the Company on April 2, 2013.

(b) Basis of measurement and functional currency

The financial statements are presented in Canadian dollars and have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional currency is Canadian dollars.

(c) Basis of consolidation

The audited consolidated financial statements for fiscal year ended December 31, 2010 include financial statements of Centiva Capital Inc. and its wholly-owned subsidiary Aylen Capital Inc. All inter-company transactions and account balances were eliminated.

(d) Critical accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the valuation of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of financial reporting that require management's estimates and judgments are as follows:

- Allowance for doubtful accounts

The valuation of allowances for uncollectible trade receivables requires assumptions including estimated credit losses based on customer, industry concentrations and the Company's knowledge of the financial conditions of its customers. Uncertainty relates to the actual collectibility of customer balances that can vary from management's estimates and judgment.

- Share-based payments

In calculating the share-based compensation expense, key estimates such as the rate of forfeiture of options granted, the expected life of the option, stock price, the volatility of the Company's stock price and the risk-free interest rate are used.

- Impairment of long-term assets

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

- Impairment of privately held investments

The impairment of privately held investments is an area of significant judgment. Management will evaluate other sources of information to determine whether there is an objective evidence of possible impairment. In such cases, management will review recent equity transactions, discounted cash flows, or comparative transactions to estimate the fair value.

- Common control transactions and presentation of prior periods

As described in Note 2, these financial statements incorporate two legal entities, and these require exercise of judgment regarding the accounting for the transfer of assets between the entities as well as the presentation of the appropriate financial statements and related comparative information.

- Measurement of contingent consideration

The fair value of the contingent consideration was determined using various estimates relating to specific cash outflow probabilities and a appropriate discount rate.

- Deferred income tax assets

The key estimate used in the valuation of deferred tax assets is the probability that some portion or all of the deferred tax assets will be realized. The ultimate realization of the deferred tax assets is dependent on the generation of future taxable income during the years in which the temporary differences are deductible.

- Useful lives of depreciable assets

The management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utilization of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utilization of certain software and equipment.

- Accrued liabilities

The Company uses estimates to record the expenses that have been incurred but payments have not been made.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The policies applied in these financial statements are based upon IFRS issued and outstanding as of December 31, 2012.

(a) Revenue recognition

Revenue is recognized to the extent that it is probable that future economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are measured at the fair value of the consideration received or to be received.

The Company generates revenue primarily from subscription fees and consulting income from Grapevine's on-line surveys and data collection. The Company records revenue and associated unearned revenue based on the contract price. Revenues from subscription fees are recognized on a straight-line basis over the term of the contract. Revenues from consulting services are recognized on a stage of completion basis with reference to the hours incurred to date compared to total estimated hours to complete. The unearned component of subscription fees and consulting income collected are recorded as deferred revenue.

Investment and other income include interest earned on invested funds and gains on disposal on marketable securities and available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit and loss. Any such transactions are recorded on the trade date.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends received from public companies are recognized at the ex-dividend date. Dividends declared from a privately-held company are not recognized unless payment of such dividends is received by the Company.

(b) Provision

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of the discount is recognized as a finance cost.

(c) Financial instruments

(i) Non-derivative financial assets

Loans and receivables are recognized at the date of acquisition. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

A financial asset is derecognized when the rights to receive cash flows from the asset have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit or loss when incurred.

Financial assets at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss. Financial assets at fair value through profit or loss comprise cash and cash

equivalents and marketable securities.

Available-for-sale

Available-for-sale financial assets comprised of long term investments are generally carried at fair value with unrealized gains and losses included in other comprehensive income until the financial asset is derecognized and any cumulative gain or loss is then recognized in profit or loss or until an impairment is recognized. Available-for-sale investments that have no quoted value, and for which fair value is not reasonably determinable are measured at cost. Such investments are recorded at cost unless there is an objective evidence of impairment. The Company had classified certain investments as available-for-sale which were disposed off in prior years.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The Company classifies its financial assets which consisted of accounts receivables as loans and receivables.

(ii) Non-derivative financial liabilities

Financial liabilities are recognized initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

A financial liability is derecognized when its contractual obligations are discharged, cancelled or expired.

The Company has the following non-derivative financial liabilities: accounts payable and accrued liabilities and note payable.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities other than the note payable which is at fair value, are measured at amortized cost using the effective interest method.

(iii) Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and in banks currently held by financial institutions with high credit worthiness with maturities of three months or less.

(e) Marketable securities

Marketable securities consist of investments in mutual fund securities and shares of publicly traded companies. Marketable securities are measured at fair value and recognized on the trade date. Mutual fund securities are valued using the net asset value per unit of each fund. The fair value of publicly traded securities is determined using quoted market prices. Realized and unrealized gains and losses are recognized using average cost. Gains and losses in the changes on fair value of marketable securities are charged to profit and loss.

(f) Prepaid and sundry assets

Prepaids and other sundry assets consist of advance payments for goods and services applicable to future periods.

(g) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss in the period in which they are incurred.

Any gain and loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in statement of income (loss).

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or revalued amount, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows

Equipment	3 years straight-line
Office equipment	3 years straight-line
Software	4 years straight-line

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Changes to amortization rates are accounted for on a prospective basis.

Property and equipment are reviewed for impairment whenever changes in circumstances would indicate that the carrying amount of the assets might not be recoverable. Conditions that would necessitate an impairment assessment include a significant decline in the observable market value of an asset, a significant change in the extent or manner in which an asset is used, or any other significant adverse change that would indicate that the carrying value of an asset is not recoverable. An impairment loss, if any, is recognized if the carrying value of the asset exceeds its recoverable amount and is charged to profit and loss.

(h) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or to items recognized directly in equity or in other comprehensive income. In this case, the tax is also recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the reporting date in the countries in which the Company operates, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

In the ordinary course of business, there are many transactions for which the ultimate tax outcome is uncertain. The final tax outcome of these matters may be different from the estimates originally made by management in determining income tax provisions. Management periodically evaluates the positions taken in the Company's tax returns with respect to situations in which applicable tax rules are subject to interpretation. A provision is established related to tax uncertainties where appropriate based on management's best estimate of the amount that will ultimately be paid to or received from tax authorities. Accrued interest and penalties relating to tax uncertainties are recognized in current income tax expense.

(i) Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. Certain gains and losses are recorded as part of net earnings to be presented in other "comprehensive income (loss)" until it is considered appropriate to recognize them into net earnings.

(j) Foreign currency translation

Transactions in foreign currencies are translated to Canadian dollars at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency of which is the Canadian dollar at the exchange rate at that date. Foreign currency differences arising on retranslation are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(k) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with other components of the entity. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(l) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

(m) Stock-based payment

The Company issues share-based awards to its officers and directors. The awards are comprised of equity-settled stock options. Fair values of share options are calculated using the Black-Scholes option pricing model at the date of the grant and adjusted for estimated forfeitures. For awards with graded vesting, the fair value of each tranche is calculated separately and recognized over its respective vesting period. Non-market vesting conditions are considered in making assumptions about the number of awards that are expected to vest. At each reporting date, the Company will reassess its estimates of the number of awards that are expected to vest and recognize the impact of any revision in the statement of income with a corresponding adjustment to contributed surplus.

Any consideration paid on exercise of share options or purchase of shares, together with the amount initially recorded in contributed surplus, is credited to share capital.

(n) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income (loss) attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share is computed by dividing net income (loss) attributable to equity holders of the Company by the weighted average number of shares outstanding, adjusted for the effects of all dilutive potential common shares. The effect of stock options was anti-dilutive and, hence, diluted loss per share equals basic loss per share.

(o) New standards and interpretations not yet adopted

The following is a summary of recent accounting pronouncements that may affect the Company. The Company is currently assessing the impact of adoption of these pronouncements.

(i) Financial instruments

IFRS 9, Financial Instruments, replaces IAS 39, Financial Instruments: Recognition and Measurement. The new standard requires entities to classify financial assets as being measured either at amortized cost or fair value depending on the business model and contractual cash flow characteristics of the asset. For financial liabilities, IFRS 9 requires an entity choosing to measure a liability at fair value to present the portion of the change in its fair value due to change in the entity's own credit risk in the other comprehensive income rather than in the statement of profit or loss. The new standard applies to annual periods beginning on or after January 1, 2015.

(ii) Investment entities

IFRS 10, Consolidated Financial Statements, is amended to introduce an exception for investment entities to the principle that all subsidiaries are consolidated. An investment entity is required to measure subsidiaries at fair value through profit or loss. IFRS 12, Disclosure of Interests in Other Entities, is amended to add disclosure requirements for investment entities. IAS 27, Separate Financial Statements, is amended to require an investment entity to measure its investments in subsidiaries at fair value through profit or loss when it presents separate financial statements. These amendments are effective for annual periods beginning on or after January 1, 2013.

(iii) Employee benefits

IAS 19, Employee Benefits, is revised to eliminate the option to defer the recognition of actuarial gains and losses, enhance the guidance around measurement of plan assets and defined benefit obligations, streamline the presentation of changes in assets and liabilities arising from defined benefit plans and enhance disclosure requirements for defined benefit plans. The amendments are effective for annual periods beginning on or after January 1, 2013.

(iv) Fair value measurements

IFRS 13, Fair Value Measurements, provides a single source of guidance on how to measure fair value where its use is already required or permitted by other IFRS and enhances disclosure requirements for information about fair value measurements. The new standard is effective for annual periods beginning on or after January 1, 2013.

(v) Consolidated financial statements

IFRS 10, Consolidated Financial Statements, replaces SIC 12, Consolidation – Special Purpose Entities, and the guidance on control and consolidation in IAS 27, Consolidated and Separate Financial Statements. IFRS 10 includes a new definition of control that determines which entities are consolidated, and requires control

of an investee to be reassessed when the facts and circumstances indicate that there have been changes to one or more of the criteria for determining control. This standard is effective for annual periods beginning on or after January 1, 2013.

(vi) Financial instruments: disclosures

IFRS 7, Financial Instruments: Disclosures, is amended to require additional disclosures on offsetting of financial assets and financial liabilities. The amendment is effective for annual periods beginning on or after January 1, 2013 and interim periods within those annual periods.

(vii) Annual improvements to IFRS 2009–2011 cycle

The annual improvements consist of non-urgent but necessary amendments to IFRS issued between 2009 and 2011. Amendments are made to IFRS 1 First-time Adoption of International Financial Reporting Standards related to borrowing costs and to permit repeat application of IFRS 1, IAS 1 Presentation of Financial Statements to clarify the requirements for comparative information, IAS 16 Property, Plant and Equipment for the classification of servicing equipment, IAS 32 Financial Instruments: Presentation to clarify that the tax effect of a distribution to holders of equity instruments should be accounted for in accordance with IAS 12 Income Taxes, and IAS 34 Interim Financial Reporting to clarify interim reporting of segment information for total assets in order to enhance consistency with the requirements in IFRS 8 Operating Segments. These amendments are effective for annual periods beginning on or after January 1, 2013.

(viii) Presentation of items of other comprehensive income ("OCI")

IAS 1, Presentation of Financial Statements, is amended to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. This amendment is effective for annual periods beginning on or after July 1, 2012.

4. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents consist of the following:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Cash in banks	$ 86,708	$ 48,447	$ 161,313	$ 9,499
Cash held with broker	23,216	22,056	31,641	31,966
	$ 109,924	$ 70,503	$ 192,954	$ 41,465

5. MARKETABLE SECURITIES

The Company has the following marketable securities:

	31-Dec-2012		31-Dec-2011		31-Dec-2010		1-Jan-2010	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Investment in equities	$ 356,635	$ 361,049	$ 469,245	$ 453,015	$ 706,419	$ 561,428	$ 780,851	$ 518,034

Investment in equities are publicly-traded investments on a recognized securities exchange and for which no sales restrictions apply. The fair value of these securities is based on quoted closing prices at the year end date or the closing bid price on the last day the security traded if there were no trades at the year end date. The fair value of mutual funds is determined using the net value per unit of each fund. The decline in the value of marketable securities was recognized in the statement of loss and comprehensive loss.

6. ACCOUNTS RECEIVABLE

Details of the Company's trade and other receivables are as follows:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Canadian and U.S. customers	$ 29,317	$ 58,380	$ 30,598	$ 37,126

Accounts receivable are amounts due from subscriptions that remain uncollected at year end. These amounts are classified as current because collection is expected in one year or less. Accounts receivable are recognized initially at the amount expected to be received less any discount to reduce the recoverable amount to fair value. Subsequently, accounts receivable are measured at amortized cost using the effective interest method less a provision for impairment.

The Company's exposure to credit risk related to trade and other receivables is disclosed in Note 14.

7. PREPAID EXPENSE AND SUNDRY ASSETS

The following table shows the details of prepaid expense and sundry assets:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Hosting services	$ 8,500	$ 3,915	$ 3,915	$ 3,915
Conference fee	2,050	3,890	4,678	3,680
Service fees	1,009	-	-	-
Lawyer's trust	450	-	-	-
	$ 12,009	$ 7,805	$ 8,593	$ 7,595

8. INVESTMENTS

The Company has the following venture investments:

	No. of shares	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
(a) Privately held investments:					
(i)VFM Leonardo Inc.					
Common shares	3,075,359	$1,156,000	$1,156,000	$1,156,000	$1,156,000
Class A Preferred shares	2,436,685	687,890	687,890	687,890	687,890
		$1,843,890	$1,843,890	$1,843,890	$1,843,890
(ii) 411 Local Search Corporation					
Common shares and warrants	694,443	-	-	-	267,361
(b) Publicly-traded investments:					
Biorem Inc.					
Common shares	162,500	-	-	81,250	122,000
		$1,843,890	$1,843,890	$1,925,140	$2,233,251

(a) (i) As at December 31, 2012, the Company owns an equity interest of 4.4% in VFM Leonardo Inc. ("VFM") representing approximately 11.6% on a fully-diluted basis, should all warrants be exercised.

The Company also owns Class A Preferred Shares representing approximately 2.6% of all outstanding Class A and Class B preference shares. Class A Preferred Shares Series 1 were entitled to a cumulative dividend of 8% per annum and are convertible into common shares at a conversion price of $0.2811 per share. Preferred shares are redeemable at the option of the holders, at any time after April 22, 2013 for an amount equal to the purchase price plus all accrued and unpaid dividends.

The Company also held 12,000,000 warrants with expiry date of March 1, 2014 and an exercise price of $0.001 per share. As the warrants are linked to an equity instrument that does not have a quoted price in an active market and whose fair value cannot be reliably measured, they have been recorded at cost which is nil.

VFM is a provider of interactive content solutions to the lodging and travel industry. VFM uses the latest technology, some proprietary, to produce, host, manage, distribute and track rich media advertising platform and distribution network on many different travel websites. VFM is a producer and distributor of online visual content for the hotel and travel industry.

Investments in VFM were recorded at cost, there being no active market in its privately-held shares and

there being no reliable estimate/measurement of fair value. The management reviewed the indicators of impairment and believed that there is no objective evidence of impairment on VFM investments as at December 31, 2012, 2011 and 2010.

The management intends to maintain the investment in the long-term to receive benefits from the operational activities of the investee company unless there is a liquidity event that generates significant value to shareholders.

(ii) Centiva acquired 694,443 common shares of 411 Local Search Corporation in 2008 for a purchase price of $267,361. The entire investment was sold in 2010.

(b) Centiva held 225,000 shares as of January 1, 2010. It disposed of 62,500 shares during 2010. During the year ended December 31, 2010, Centiva held 162,500 shares of Biorem Inc. These shares were subsequently sold in 2011. These investments were classified as available for sale and upon disposal, the amounts included in accumulated other comprehensive loss were reclassified to profit or loss. Biorem Inc. is a supplier of biofilters for air pollution control in municipal and industrial applications. Biorem's shares are listed on the TSX Venture Exchange and trade under the stock symbol "BRM".

9. PROPERTY AND EQUIPMENT

Details of property and equipment are as follows:

	Equipment	Office Equipment	Software	Total
Cost - January 1, 2010	$ 7,582	$ -	$ 80,000	$ 87,582
Accumulated amortization	(990)	-	(70,000)	(70,990)
Carrying value - January 1, 2010	$ 6,592	$ -	$ 10,000	$ 16,592
Cost - December 31, 2010	$ 7,582	-	$ 80,000	$ 87,582
Accumulated amortization	(3,518)	-	(80,000)	(83,518)
Carrying value - December 31, 2010	$ 4,064	$ -	$ -	$ 4,064
Cost - January 1, 2011	$ 7,582	$ -	$ -	$ 7,582
Additions	-	1,805	-	1,805
Accumulated amortization	(6,045)	(150)	-	(6,195)
Carrying value - December 31, 2011	$ 1,537	$ 1,655	$ -	$ 3,192
Cost - January 1, 2012	$ 7,582	$ 1,805	$ -	$ 9,387
Additions	-	2,529	-	2,529
Accumulated amortization	(6,832)	(1,267)	-	(8,099)
Carrying value - December 31, 2012	$ 750	$ 3,067	$ -	$ 3,817

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's contractual maturities were broken down as follows:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Trade payables	$ 11,178	$ 52,819	$ 35,499	$ 9,258
Accrued expenses	86,912	81,564	20,973	77,000
Credit card	3,759	2,370	-	-
	$ 101,849	$ 136,753	$ 56,472	$ 86,258

Accounts payable and accrued liabilities are current financial instruments expected to be settled in the normal course of operations.

11. NOTE PAYABLE

The Company issued a demand promissory note with a face value of $842,832 to Centiva on October 31, 2011 pursuant to the plan of arrangement (Note 2). The note is secured by a Security Agreement over the Grapevine operating assets. The note is non-interest bearing and is only repayable subject to the assets of the Company being sold (namely the marketable securities, available for sale investments (VFM Leonardo) and operating assets of Grapevine). The amount repayable is limited to the lesser of the face value of the note or the proceeds on sale.

The note has been accounted for initially as contingent consideration due to the uncertainty of the liquidity event occurring. Using IFRS 3 (Business Combinations) as a precedent, the contingent consideration has been fair valued using a probability adjusted discounted cash flow analysis based approach using likelihoods of liquidity events occurring for the key assets in question. These probabilities are adjusted at each reporting period and any changes in fair value are recorded in income. During 2011 and 2012, such fair value changes were not considered material.

A discount rate of 15% was used as part of the calculations. Key model inputs included using an adjusted book value technique to measure the operating assets of the Company, a capitalized cash flow approach to determine the fair value of any proprietary software and normalizing earnings to a maintainable level. Based on the fair value of the assets, probabilities of a liquidation event occurring were applied.

After the date of transfer, certain marketable securities were sold for proceeds of $317,712 during 2011 and 2012. As such, this amount is eligible for repayment on demand. The holder has waived the right to demand repayment until January 1, 2014. Accordingly, the amount has not been presented as a current liability.

12. SHARE CAPITAL

(a) Authorized - Aylen Capital Inc.

An unlimited number of common shares, an unlimited number of Class A common shares and unlimited number of preferred shares issuable in series.

(b) Authorized - Centiva Capital Inc.

An unlimited number of common shares, an unlimited number of Class A common shares and unlimited number of preferred shares issuable in series.

(c) Stock options

The Company has an incentive stock option plan for the officers and directors enabling them to purchase common shares. Each option granted under the plan is for a maximum term of 10 years. The exercise price is determined by the Company's board of directors at the time the option is granted, subject to regulatory approval, and may not be less than the most recent closing price of the common shares at the date of grant. Vesting provisions are also determined at the time of grant by the Company's board of directors.

During the year ended December 31, 2010, a total of 150,000 stock options with an exercise price of $0.10 per share were issued to directors of Centiva. The options were fully vested and will expire in November of 2015. The total fair value of the stock options compensation amounted to $14,079 were expensed during the year and credited to Contributed Surplus.

On December 5, 2011, the Company granted a total of 1,685,663 stock options to its officers and directors. The stock options granted are exercisable at price ranges from $0.05 to $0.10 per common share. The options were fully vested at the date of the grant and have a term of 1 to 8 years from the issue date. The total fair value of the stock options compensation amounted to $39,628 were expensed during the year and credited to Contributed Surplus.

On November 26, 2012, the Company granted a total of 150,000 stock options to its directors. The stock options granted are exercisable at $0.05 per common share. The options were fully vested at the date of the grant and have a term of 5 years from the issue date. The total fair value of the stock options compensation amounted to $5,600 were expensed during the year and credited to Contributed Surplus.

The Company used a zero forfeiture rate in valuing the stock options as all stock options were vested immediately on the date of the grant.

The fair value of the stock options granted has been estimated at the date of the grant using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	2012	2011	2010
Risk-free interest rate	1.00 %	1.33 %	2.10 %
Expected life (in years)	5	5	5
Expected volatility	100 %	71 %	165 %
Dividend yield	0 %	0 %	0 %
Weighted average exercise price	$ 0.07	$ 0.07	$ 0.10

The following table shows the stock options held by officers and directors as at December 31, 2012:

Number of options outstanding	Exercise Price $	Expiry Date	Number of options exercisable
150,000	0.05	November 26, 2017	150,000
835,663	0.05	December 5, 2021	835,663
50,000	0.10	May 2, 2013	50,000
50,000	0.10	May 13, 2013	50,000
150,000	0.10	November 27, 2013	150,000
150,000	0.10	November 25, 2014	150,000
150,000	0.10	November 19, 2015	150,000
150,000	0.05	December 5, 2016	150,000
1,685,663	0.07		1,685,663

Below is the summary of options transactions occurred during the year:

	31-Dec-2012		31-Dec-2011		31-Dec-2010	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
AYLEN:						
Balance, beginning of year	1,685,663	-	-	-	-	-
Granted during the year	150,000	0.05	1,685,663	0.07	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	(150,000)	-	-	-	-	-
Balance, end of year	1,685,663	0.07	1,685,663	0.07	-	-
CENTIVA (up to October 31, 2011):						
Balance, beginning of period	-	-	1,536,000	0.10	1,386,000	0.10
Granted during the period	-	-	-	-	150,000	0.10
Exercised during the period	-	-	-	-	-	-
Expired during the period	-	-	-	-	-	-
Balance, end of period	-	-	1,536,000	0.10	1,536,000	0.10

The following summarizes stock options outstanding for Aylen as at December 31, 2012:

Weighted average exercise price	$ 0.07
Options outstanding as at December 31, 2012	1,685,663
Weighted average remaining contractual life	5.3 years
Options exercisable as at December 31, 2012	1,685,663

13. RELATED PARTY

	31-Dec-2012	31-Dec-2011	31-Dec-2010
Legal fees paid to a firm of which the CEO is a partner	$ 5,951	$ 71,725	$ 11,609
Rent for office space paid to a firm of which the CEO is a partner	$ 26,534	$ 26,534	$ 26,534

REMUNERATION OF KEY PERSONNEL

	31-Dec-2012	31-Dec-2011	31-Dec-2011
Salaries	$ 203,483	$ 206,048	$ 151,671
Stock options	5,600	39,628	14,079
Total	$ 209,083	$ 245,676	$ 165,750

Related parties include shareholders with a significant ownership interest in the Company, together with its subsidiaries, affiliates, directors and officers.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Measurement and Fair value

The fair value of the Company's accounts receivable and accounts payable/accrued liabilities approximate their respective carrying value as at the balance sheet date because of the short term maturity of these instruments. The Company currently does not use hedges or other derivative financial instruments in its operations.

Financial instruments recorded at fair value on the balance sheet date are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 - valuation techniques based on inputs for the asset or liability that are not based on observable market data.

The fair value of cash and cash equivalents, marketable securities and investments in publicly traded entities

are measured based on Level 1 inputs referred to in the three levels of the hierarchy noted above. The Company does not have any Level 2 fair value measurements and thus no continuity schedule has been presented. In addition, there have been no significant transfers between levels.

Note payable is Level 3 and valuation is based on probability model (see Note 11). There were no material changes during the years.

Risk management

The Company, through its financial assets and liabilities, is exposed to various risks which could affect its ability to achieve its strategic objectives for growth and in maximizing shareholders' returns. The Company's management takes an active role in the risk management process by reviewing policies and procedures, assessing risks and mitigating the various financial risks that could impact the financial position and results of operations.

The following analysis provides a measurement of risks as at December 31, 2012, 2011 and 2010. There were no material changes during the year.

(a) Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company’s financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

The Company’s investments in marketable securities (fair value through profit and loss) are valued at fair value as determined by price quotations by the stock exchanges on which these investments are listed. The Company’s investments in non-publicly-traded investments available-for- sale are measured at cost and are written down when there is objective evidence of impairment. During periods of significant broader market volatility or volatility experienced by the resource and commodity markets, the value of the Company’s investment portfolio can be quite vulnerable to market fluctuations.

(b) Interest risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any floating interest rate instruments and therefore it is not exposed to interest rate fluctuations.

(c) Foreign exchange risk

Foreign currency exchange risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate as a result of changes in foreign exchange rates. The Company's operations are exposed to foreign exchange fluctuations in that the majority of sales by the Grapevine division are denominated in US currency, while the majority of costs are denominated in Canadian currency. The Company believes it is not significantly exposed to foreign exchange rate risk; the risk is considered to be acceptable as a normal risk of that class of business.

As the exchange rates during the year were close to par, the foreign exchange sensitivity was immaterial.

(d) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and accounts receivable. The carrying amount of financial assets represents the maximum credit exposure to the Company.

The Company has established credit approval and monitoring practices to mitigate this risk, including reviewing the creditworthiness of new customers to establish credit limits, monitoring customers' payments and, where considered appropriate, reviewing the financial condition of the existing customers. The Company has no experience of significant write-offs of accounts receivable.

The following table outlines the details of aging of the Company's receivables:

	31-Dec-2012	31-Dec-2011	31-Dec-2010	1-Jan-2010
Current	$ 15,617	$ 5,858	$ 7,144	$ 23,369
Past due				
31-60 days	11,184	37,348	8,348	1,357
Greater than 60 days	2,516	15,174	15,106	12,400
Less: allowance for doubtful accounts	-	-	-	-
Total receivable, net	$ 29,317	$ 58,380	$ 30,598	$ 37,126

Accounts receivable are considered for impairment on a case-by-case basis when they are past due or when objective evidence is received that a customer will default. Majority of the accounts were subsequently collected after year end. The management believed that allowance for doubtful account is not necessary. As the amounts involved are not significant, this credit risk is considered small.

(e) Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company's activities are financed through a combination of the cash flows from operations and proceeds from the disposition of its short-term investments. The Company manages liquidity risks by monitoring the actual and forecasted cash flows taking into account the current and planned operations. The Company's estimated minimum contractual undiscounted cash flow requirements for its financial liabilities were disclosed in Note 10.

15. INCOME TAXES

Provision for income taxes

The provision for income taxes attributable to income before income taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 26.50% (2011 - 28.25%; 2010 - 30.99%) of pre-tax income as a result of the following:

	2012	2011	2010
Net loss before taxes	$ (142,096)	$ (858,025)	$ (219,414)
Expected recovery of income taxes based on combined federal and provincial statutory rate applied to loss	(37,700)	(242,400)	(68,000)
Adjustments to tax (benefit) expense resulting from:			
Non-deductible expenses	2,900	16,500	5,500
Non-taxable portion of realized and unrealized capital (gains) losses	(2,600)	47,200	(8,100)
Change in tax rate	12,800	48,200	40,500
Other	600	900	4,900
Deferred tax assets not recognized	24,000	129,600	25,200
Income tax expense	$ -	$ -	$ -

Deferred income tax balances

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

	2012	2011	2010
Non-capital losses	$ 85,900	$ 388,800	$ 236,400
Net capital losses	100	71,700	30,400
Unamortized reorganization costs	-	26,400	57,900
Timing differences resulting in potential future income tax assets	$ 186,500	201,800	234,400
Deferred tax assets	272,500	688,700	559,100
Less: Deferred tax assets not recognized	(272,500)	(688,700)	(559,100)
Deferred tax assets recognized	$ -	$ -	$ -

16. MANAGEMENT OF CAPITAL

The Company's objective is to develop a strong capital base to sustain future development and growth of the business. The Company manages its capital by maintaining a flexible capital structure which optimizes the cost of capital at an acceptable level of risk and makes adjustments on it in the light of changes in economic conditions and the risk characteristics of its underlying assets. The Company's capital base is currently represented by shareholders' equity. The Board of Directors reviews the Company's business plans as part of its strategic initiatives in conjunction with its financial forecast. The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company regularly monitors and reviews the amount of capital in proportion to risk and future development. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company also intends to increase its capital base by continuing to issue shares and related equity instruments. The Company is not subject to any externally imposed capital requirements except as referred to in Note 11.

17. COMMITMENT

The Company has contracted 2232021 Ontario Inc. to provide operations and sales management services to Grapevine division for an annual fee of $103,600 plus applicable taxes.

18. SEGMENTED INFORMATION

For management purposes, the Company is organized into one business segment as web-based survey and data collection, which primarily operates in one geographical location, Canada. Management assesses performance and makes decisions based on the results of operations of this business segment.

19. TRANSITION TO IFRS

The Company adopted IFRS effective January 1, 2011 with transition date of January 1, 2010. Prior to the adoption of IFRS, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP").

These financial statements are the Company's first annual financial statements prepared in accordance with IFRS, First-Time Adoption of International Financial Reporting Standards ("IFRS 1"). In preparing the opening IFRS statement of financial position, the Company has adjusted the amounts reported previously in the financial statements prepared in accordance with Canadian GAAP. The following is an explanation on how the transition from Canadian GAAP to IFRS has affected the Company's financial position, financial performance and cash flows .

(a) Initial elections on first-time adoption of IFRS

IFRS 1, First-Time Adoption of International Financial Reporting Standards permits those companies to take certain optional exemptions from the full retrospective application of IFRS at the time of transition. The Company has made use of the following exemptions.

Business combinations

The Company has elected to prospectively apply IFRS 3, Business Combinations, from the Transition Date, rather than retrospectively restating all business combinations that have occurred prior to the Transition Date. As such, any goodwill arising from past business combinations have not been adjusted from the carrying value previously determined under Canadian GAAP.

Share-based payments

IFRS 2, Share-based payment, permits the application only to equity instruments granted after November 7, 2002 that had not vested by the transition date. The Company elected to apply IFRS 2 to share-based payments granted after November 7, 2002 that had not vested by January 1, 2010.

For equity-settled share-based payments, Canadian GAAP allowed each grant to be treated as a single arrangement and compensation expense to be determined at the time of grant and amortized over the vesting period on a straight-line basis. IFRS requires a separate calculation of compensation expense for grants that vest in installments.

(b) Mandatory exceptions to full retrospective application

In accordance with the requirements of IFRS 1, hindsight was not used to create or revise estimates. The estimates previously made by the Company under Canadian generally accepted accounting principles (GAAP) were not revised on transition to IFRS except where necessary to reflect any differences in accounting policies.

(c) Reconciliation of Canadian GAAP to IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. IFRS 1 requires a reconciliation of equity, comprehensive income and cash flows for prior periods. The transition to IFRS did not have a material impact to the comparative information presented in these financial statements for the year ended December 31, 2011, the comparative information presented in these financial statements for the year ended December 31, 2010, and in the preparation of an opening IFRS balance sheet at January 1, 2010.

20. RESTATEMENT OF PRIOR YEARS' COMPARATIVE FINANCIAL STATEMENTS

A. CENTIVA

Statements of Financial Position

The Company made an adjustment to its statments of financial position at January 1, 2010 and December 31, 2010 due to change in revenue recognition. Previously, subscription fees revenue was recognized thirty days after signing of the contract. The Company is restating amounts to recognize the subscription fees received from customers on a straight-line basis over the term of the contract.

The Company also increased the carrying value of an available for sale investment as at January 1, 2010 by $1,843,890 as a result of the Company reassessing a previously recorded impairment loss was not in fact other than temporary in nature (as there was no objective evidence of impairment).

Statements of Loss and Comprehensive Loss

As described above, the Company made an adjustment to sales revenue during the period ended October 31, 2011 and year ended December 31, 2010 comparative figures due to change in revenue recognition.

Statements of Comprehensive Loss and Accumulated Other Comprehensive Loss

As described above, the Company made an adjustment to the carrying value of an available for sale investment as at January 1, 2010 which resulted in a decrease in accumulated other comprehensive loss.

The resulting adjustments to the comparative statements are as follows:

	31-Oct-2011 Increase (Decrease) $	31-Dec-2010 Increase (Decrease) $	1-Jan-2010 Increase (Decrease) $
Statement of Financial Position:			
(i) Accounts receivable	-	(35,197)	(23,346)
(ii) Deferred revenue	-	155,502	123,781
(iii) Deficit	-	120,305	100,435
(iv) Investments	-	-	1,843,890
Statement of Comprehensive Loss:			
(v) Sales revenue	(57,346)	(19,870)	
Statement of Comprehensive Loss and Accumulated Other Comprehensive Loss:			
(vi) Accumulated other comprehensive loss	-	-	(1,843,890)

B. AYLEN

Statement of Financial Position

The Company made an adjustment to its statement of financial position on December 31, 2011 due to change in revenue recognition. The subscription fees revenue was recognized thirty days after signing of the contract. The Company is restating amounts to recognize the subscription fees received from customers on a straight-line basis over the term of the contract. The Company has also restated the net assets transferred from Centiva at carrying values rather than at fair value, as previously recorded.

Statement of Loss and Comprehensive Loss

As described above, the Company made an adjustment to sales revenue during the period from November 1, 2011 to December 31, 2011 comparative figures due to change in revenue recognition and as a result of remeasuring the net assets transferred from Centiva at carrying values.

The resulting adjustments to the December 31, 2011 comparative statements are as follows:

	31-Dec-2011 Increase (Decrease) $
Statement of Financial Position:	
(i) Accounts receivable	(125,194)
(ii) Prepaid expense and sundry assets	(919)
(iii) Property and equipment, net	(583,794)
(iv) Goodwill	(116,831)
(v) Deferred revenue	(216,872)
(vi) Note payable	107,409
(vii) Share capital	(1,078,958)
(viii) Contributed surplus	241,286
(ix) Deficit	(120,397)
Statement of Loss and Comprehensive Loss:	
(x) Sales revenue	3,224
(xi) Accretion expense	(8,974)
(xii) Amortization	(34,118)
(xiii) General and administrative	(74,081)

Other amounts affected throughout the restated financial statements and accompanying notes have been amended as appropriate.

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.