AYLEN CAPITAL

Financial Statements

For the Years Ended December 31, 2013 and 2012

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 President	Jenifer Cho Director of Finance

April 30, 2014

Collins Barrow
Chartered Accountants

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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. which comprise the statements of financial position as at December 31, 2013 and December 31, 2012 and the statements of comprehensive loss, changes in equity and cash flows for the years then ended 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted 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 disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers 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, 2013 and December 31, 2012, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Collins Barrow Toronto LLP

Licensed Public Accountants
Chartered Accountants
April 30, 2014
Toronto, Ontario

Aylen Capital Inc.
Statements of Financial Position
As at December 31,
(In Canadian Dollars)

	2013	2012
Assets		
Current		
Cash and cash equivalents (Note 4)	**$ 100,172**	$ 109,924
Marketable securities (Note 5)	**226,219**	361,049
Accounts receivable (Note 6)	**31,769**	29,317
HST recoverable	**7,202**	6,604
Prepaid expenses and sundry assets (Note 7)	**10,218**	12,009
	375,580	518,903
Investments (Note 8)	**1,843,890**	1,843,890
Property and equipment (Note 9)	**1,622**	3,817
	$ 2,221,092	$ 2,366,610
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 10)	**$ 133,053**	$ 101,849
Deferred revenue	**234,211**	231,702
	367,264	333,551
Note payable (Note 11)	**713,839**	690,000
	1,081,103	1,023,551
Shareholders' Equity		
Capital stock (Note 12)	**1,350,570**	1,350,570
Contributed surplus (Note 12)	**286,514**	286,514
Deficit	**(497,095)**	(294,025)
	1,139,989	1,343,059
	$ 2,221,092	$ 2,366,610

Commitments (Note 17)

Approved by the Board **"John Pennal"** John Pennal, Director **"William Hale"** William Hale, Director

Aylen Capital Inc.
Statements of Comprehensive Loss
For the years ended December 31, 2013 and 2012
(In Canadian Dollars)

	2013	2012
Revenues		
Sales revenue	**$ 625,606**	$ 645,797
Interest and other income	**9,041**	12,311
Realized gain (loss) on sale of marketable securities	**59,047**	(676)
Unrealized gain (loss) on value of marketable securities	**(1,711)**	20,645
	691,983	678,077
Expenses		
General and administrative	**402,619**	390,369
Selling expenses	**466,400**	422,300
Stock-based compensation	**-**	5,600
Amortization	**2,195**	1,904
Fair value adjustment on note payable	**23,839**	-
	895,053	820,173
Net and comprehensive loss for the year	**$ (203,070)**	$ (142,096)

Net loss per share		
Basic and fully diluted	**$ (0.01)**	$ (0.01)

Weighted average number of shares		
Basic and diluted	**16,856,632**	16,856,632

Aylen Capital Inc.
Statements of Changes in Equity
For the years ended December 31, 2013 and 2012
(In Canadian Dollars)

	Common shares	Capital stock	Contributed surplus	Deficit	Total shareholders' equity
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 directors	-	-	5,600	-	5,600
Balance, 31-Dec-2012	16,856,632	$1,350,570	$ 286,514	$ (294,025)	$ 1,343,059
Net loss for the year	-	-	-	(203,070)	(203,070)
Balance, 31-Dec-2013	16,856,632	$1,350,570	$ 286,514	$ (497,095)	$ 1,139,989

Aylen Capital Inc.
Statements of Cash Flows
For the years ended December 31, 2013 and 2012
(In Canadian Dollars)

	2013	2012
Cash provided by (used in)		
Operations		
Net loss for the year	$ **(203,070)**	$ (142,096)
Items not affecting cash:		
Unrealized (gain) loss on value of marketable securities	**1,711**	(20,645)
Realized (gain) loss on sale of marketable securities	**(59,047)**	-
Fair value adjustment on note payable	**23,839**	-
Stock-based compensation	**-**	5,600
Amortization	**2,195**	1,904
	(234,372)	(155,237)
Net changes in non-cash working capital		
Accounts receivable	**(2,452)**	29,063
Prepaid and sundry assets	**1,791**	(4,204)
Accounts payable and accrued liabilities	**31,204**	(34,903)
Deferred revenue	**2,509**	74,249
HST recoverable	**(598)**	20,370
	(201,918)	(70,662)
Investing		
Proceeds from sale of marketable securities, net of purchases	**192,166**	112,612
Purchase of office equipment	**-**	(2,529)
	192,166	110,083
Net change in cash and cash equivalents	**(9,752)**	39,421
Cash and cash equivalents, beginning of year	**109,924**	70,503
Cash and cash equivalents, end of year	$ **100,172**	$ 109,924

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 in the amount of $842,832 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

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 29, 2014.

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.

2. BASIS OF PRESENTATION (Cont'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 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.

- **Measurement of note payable**

  The fair value of the note payable was determined using various estimates relating to cash outflow probabilities and an 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.

2. BASIS OF PRESENTATION (Cont'd)

Critical Accounting Judgments and Estimates (Cont'd)

- **Accrued liabilities**

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

- **Revenue recognition**

  The Company uses estimates when calculating the unearned component of subscription fees and consulting income collected. 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.

- **Functional currency**

  The determination of the Company's functional currency is a management judgment based on the composition of revenues and costs.

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, 2013.

(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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Revenue Recognition (Cont'd)

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 by 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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Financial Instruments (Cont'd)

(i) Non-derivative financial assets (Cont'd)

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.

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 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, including available-for-sale financial assets carried at cost, 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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Financial Instruments (Cont'd)

(iii) Impairment of financial assets (Cont'd)

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, except for impairment losses on equity instruments classified as available for sale which are not 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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Property and Equipment (Cont'd)

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

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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Income Tax (Cont'd)

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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(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 comprehensive income or loss 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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) New Standards Adopted

As the following standards came into effect during 2013 and are applicable to the Company, these were adopted during the year, however they do not result in material impact to the financial statements.

IFRS 10 – Consolidation ("IFRS 10") requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 12 – *Disclosure of Interests in Other Entities ("IFRS 12")* establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 - *Fair Value Measurement ("IFRS 13")* is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) 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 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. Requirements relating to Hedge Accounting, representing a new hedge accounting model, have been added to IFRS 9 in November 2013. The new model represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is available for application, however, previous mandatory effective date of January 1, 2015 has been removed as the IASB decided that this date would not allow sufficient time for entities to apply the new standard because the impairment phase of the IFRS 9 has not yet been completed. The IASB will decide upon a new date when the entire IFRS 9 project is closer to completion.

(ii) IAS 32 Financial Instruments: Presentation

IAS 32 Financial Instruments: Presentation was amended by the IASB in December 2011. Offsetting Financial Assets and Financial Liabilities amendment addresses inconsistencies identified in applying some of the offsetting criteria. The amendment is effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted.

(iii) IAS 36 Impairment of Assets

IAS 36 Impairment of Assets was amended by the IASB in June 2013. Recoverable Amount Disclosures for Non-Financial Assets amendment modifies certain disclosure requirements about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment is effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted when the entity has already applied IFRS 13.

(In Canadian Dollars)

4. CASH AND CASH EQUIVALENTS

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

	2013	2012
Cash in banks	**$ 61,552**	$ 86,708
Cash held with broker	**38,620**	23,216
	$ 100,172	$ 109,924

5. MARKETABLE SECURITIES

The Company has the following marketable securities:

	2013		2012	
	Cost	**Fair value**	Cost	Fair value
Investment in equities	**$ 225,135**	**$ 226,219**	$ 356,635	$ 361,049

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 price on the last day the security traded if there were no trades at the year end date. If the closing price is outside of the bid-ask spread, management determines appropriate price for the security within the bid-ask spread. The fair value of mutual funds is determined using the net asset value per unit of each fund. The decline in the value of marketable securities was recognized in the statement comprehensive of loss.

6. ACCOUNTS RECEIVABLE

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

	2013	2012
Canadian and U.S. customers	**$ 31,769**	$ 29,317

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.

(In Canadian Dollars)

7. PREPAID EXPENSE AND SUNDRY ASSETS

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

		2013		2012
Hosting services	$	**9,768**	$	8,500
Conference fee		**-**		2,050
Service fees		**-**		1,009
Lawyer's trust		**450**		450
	$	**10,218**	$	12,009

8. INVESTMENTS

The Company has the following venture investments:

	2013 Number of shares		2013 Amount	2012 Number of shares		2012 Amount
Privately held investments:						
Leonardo Worldwide Corporation(i)						
Common shares	**3,075,359**	$	**1,156,000**	3,075,359	$	1,156,000
Class A preferred shares	**2,436,685**		**687,890**	2,436,685		687,890
		$	**1,843,890**		$	1,843,890

As at December 31, 2013, the Company owns an equity interest of 4.4% in Leonardo Worldwide Corporation ("Leonardo") (formerly known as VFM Leonardo Inc.) 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. On December 6, 2013, the holder of the majority of the Series 1 and Series 2 preferred shares requested redemption of all of their Series 1 and Series 2 preferred shares for their purchase price plus all accrued and unpaid dividends ("Redemption Payment"). The Company was not able to make the Redemption Payment and as such is in noncompliance of the terms of the Series 1 and Series 2 preferred shares. The consequence of noncompliance is that the dividend rate on the Series 1 and Series 2 preferred shares will increase to 9% on January 25, 2014 and to 10% on April 25, 2014 if the Company is still in noncompliance of the Redemption Payment. The increased dividend rates apply to all holders of the Series 1 and Series 2 preferred shares.

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. Subsequent to year-end these warrants were exercised by the Company see Note 19.

(In Canadian Dollars)

8. INVESTMENTS (Cont'd)

Leonardo is a provider of interactive content solutions to the lodging and travel industry. Leonardo 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. Leonardo is a producer and distributor of online visual content for the hotel and travel industry.

Investments in Leonardo are 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 Leonardo investments as at December 31, 2013 and 2012.

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.

9. PROPERTY AND EQUIPMENT

Cost	**Balance January 1, 2013**	**Additions**	**Balance December 31, 2013**
Equipment	**$ 7,582**	**$ -**	**$ 7,582**
Office equipment	**4,334**	**-**	**4,334**
	$ 11,916	**$ -**	**$ 11,916**

Accumulated amortization	**Balance January 1, 2013**	**Additions**	**Balance December 31, 2013**
Equipment	**$ 6,832**	**$ 750**	**$ 7,582**
Office equipment	**1,267**	**1,445**	**2,712**
	$ 8,099	**$ 2,195**	**$ 10,294**

Cost	Balance January 1, 2012	Additions	Balance December 31, 2012
Equipment	$ 7,582	$ -	$ 7,582
Office equipment	1,805	2,529	4,334
	$ 9,387	$ 2,529	$ 11,916

(In Canadian Dollars)

9. PROPERTY AND EQUIPMENT (Cont'd)

Accumulated amortization	Balance January 1, 2012	Additions	Balance December 31, 2012
Equipment	$ 6,045	$ 787	$ 6,832
Office equipment	150	1,117	1,267
	$ 6,195	$ 1,904	$ 8,099

Net Book Value	**2013**	**2012**
Equipment	**$ -**	$ 750
Office equipment	**1,622**	3,067
	$ 1,622	$ 3,817

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	2013	**2012**
Trade payable	**$ 43,643**	$ 11,178
Accrued expenses	**85,402**	86,912
Credit card	**4,008**	3,759
	$ 133,053	$ 101,849

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. 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 (Leonardo Worldwide Corporation) 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.

11. NOTE PAYABLE (Cont'd)

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 2012, such fair value changes were not considered material. In 2013, a fair value adjustment of $23,839 was recognized.

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 $496,789, and this amount is eligible for repayment on demand. The holder has waived the right to demand repayment until January 1, 2015. Accordingly, the amount has not been presented as a current liability.

12. SHARE CAPITAL

(a) Authorized

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

(b) 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.

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 and this amount was expensed during the year and credited to Contributed Surplus.

On November 28, 2013, the Company granted a total of 150,000 stock options to its directors. The stock options granted are exerciseable at $0.05 per common share. The options were fully vested at the date of grant and have a term of 5 years from the issue date. Based on the Black Scholes valuation, the value of the options are not material.

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.

(In Canadian Dollars)

12. SHARE CAPITAL (Cont'd)

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:

	2013	2012
Risk-free interest rate	**1.73%**	1.00%
Expected life (in years)	**5**	5
Expected volatility	**100%**	100%
Dividend yield	**-%**	-%
Weighted average exercise price	**$0.05**	$0.07

The following table shows the stock options held by officers and directors as at December 31, 2013:

Number of options outstanding	Exercise Price	Expiry date	Number of options exercisable
50,000	$0.10	November 25, 2014	50,000
50,000	$0.10	November 19, 2015	50,000
50,000	$0.05	December 5, 2016	50,000
50,000	$0.05	November 26, 2017	50,000
150,000	$0.05	November 28, 2018	150,000
835,663	$0.05	December 5, 2021	835,663
1,185,663	$0.05		1,185,663

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

	2013		2012	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance, beginning of year	**1,685,663**	$0.07	1,685,663	$0.07
Granted during the year	**150,000**	$0.05	150,000	$0.05
Expired/cancelled during the year	**(650,000)**	$0.08	(150,000)	$0.10
	1,185,663	$0.05	1,685,663	$0.07

The following summarizes stock options outstanding for Aylen as at December 31, 2013:

Weighted average exercise price	$0.05
Options outstanding as at December 31, 2013	1,185,663
Weighted average remaining contractual life	6.6 years
Options exercisable as at December 31, 2013	1,185,663

(In Canadian Dollars)

13. RELATED PARTY

	2013	2012
Legal fees paid to a firm of which the CEO is an associate	**$ 21,444**	$ 5,951
Rent for office space paid to a firm of which the CEO is an associate	**$ 26,534**	$ 26,534

Remuneration of key personnel

	2013	2012
Salaries	**$ 203,604**	$ 203,483
Stock options	**-**	5,600
Total	**$ 203,604**	$ 209,083

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

During the year, 150,000 options were granted to key management personnel. Refer to Note 12.

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 statement of financial position 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.

(In Canadian Dollars)

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

Measurement and Fair Value (Cont'd)

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. Note payable is Level 3 and valuation is based on probability model (see Note 11). There have been no significant transfers between levels.

Level 3 Reconciliation	2013	2012
Opening balance	**$ 690,000**	$ 690,000
Fair value adjustment	**23,839**	-
Closing balance	**$ 713,839**	$ 690,000

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, 2013 and 2012. 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.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

(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:

	2013	2012
Current	**$ 6,935**	$ 15,617
Past due:		
31-60 days	**24,834**	11,184
Greater than 60 days	**-**	2,516
Total receivable, net	**$ 31,769**	$ 29,317

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. All of the Company's accounts payable are due within the next month. For information on its note payable, please refer to note Note 11.

(In Canadian Dollars)

15. INCOME TAXES

(a) Income Tax Expense

The following table reconciles income taxes calculated at combined Canadian federal/ provincial tax rates with the income tax expense in the consolidated financial statements:

	2013	2012
Loss before income taxes	**$ (203,070)**	$ (142,096)
Statutory rate	**26.5 %**	26.5 %
Expected recovery of income taxes based on combined federal and provincial statutory rate applied to loss	**$ (53,800)**	$ (37,700)
Adjustments to tax (benefit) expense resulting from:		
Non-deductible expenses	**7,200**	2,900
Non-taxable portion of realized and unrealized capital (gain) losses	**8,100**	(2,600)
Change in tax rates	**-**	12,800
Other	**1,500**	600
Deferred tax assets not recognized	**37,000**	24,000
Income tax expense	**$ -**	$ -

(b) Deferred Income Taxes

The temporary differences that give rise to deferred income tax assets and deferred income tax liabilities are presented below:

	2013	2012
Non-capital losses	**$ 133,800**	$ 85,900
Net capital losses	**-**	100
Timing differences resulting in potential deferred income tax assets	**188,000**	186,500
Deferred tax assets	**321,800**	272,500
Less: Deferred tax assets not recognized	**(321,800)**	(272,500)
Deferred tax assets recognized	**$ -**	$ -

(In Canadian Dollars)

15. INCOME TAXES (Cont'd)

(c) Loss and Tax Credit Carryforwards

As at December 31, 2013, the Company has non-capital losses of $459,024 expiring as follows:

2031	$	183,905
2032		152,754
2033		122,365
	$	**459,024**

The potential tax benefit relating to the non-capital losses and tax credit carryforwards has not been reflected in these financial statements.

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 with 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. SUBSEQUENT EVENT

In March 2014, the Company exercised 12 million warrants into 12 million common shares of Leonardo Worldwide Corporation (formerly VFM Leonardo Inc.) at a cost of $12,000.