AYLEN CAPITAL INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

Independent Auditors' Report

To the Shareholders of Aylen Capital Inc.:

We have audited the statement of financial position of Aylen Capital Inc. as at December 31, 2015 and, the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for 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 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 audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of 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 auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or misstatement. 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 assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Aylen Capital Inc. as at December 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matter

The financial statements as at December 31, 2014 and for the year then ended, were reported on by other auditors who expressed an opinion without reservation on those statements in their report dated April 29, 2015.

MNP LLP

April 29, 2016
Toronto, Ontario

Chartered Professional Accountants
Licensed Public Accountants

MNP LLP

AYLEN CAPITAL INC.

STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

AS AT

	Notes		December 31, 2015		December 31, 2014
ASSETS					
Cash and cash equivalents	4	$	**142,051**	$	156,975
Marketable securities	5		**125,641**		84,305
Accounts receivable	6		**31,392**		27,675
HST recoverable			**5,335**		12,172
Prepaid expense and sundry assets	7		**-**		10,158
			304,419		291,285
Investments	8		**2**		1,037,668
Property and equipment	9		**1,450**		1,269
		$	**305,871**	$	1,330,222
LIABILITIES					
Accounts payable and accrued liabilities	10	$	**120,487**	$	121,594
Deferred revenue			**295,796**		296,578
			416,283		418,172
Note payable	11		**-**		713,839
			416,283		1,132,011
SHAREHOLDERS' EQUITY					
Share capital	12		**1,350,570**		1,350,570
Contributed surplus			**287,766**		286,514
Deficit			**(1,748,748)**		(1,438,873)
			(110,412)		198,211
		$	**305,871**	$	1,330,222

COMMITMENT (Note 17)

Approved on Behalf of the Board

'John Pennal' Director

'William Hale' Director

See accompanying notes to the financial statements.

AYLEN CAPITAL INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED

	Notes	December 31, 2015	2014
Revenues			
Sales revenue		**$ 895,948**	$ 683,121
Interest and other income	16	**5,444**	4,919
Realized gain on sale of marketable securities		**2,650**	15,605
Unrealized loss on fair value of marketable securities		**(1,432)**	(2,855)
		902,610	700,790
Expenses			
General and administrative		**$ 365,529**	$ 375,990
Selling expenses		**520,318**	446,547
Amortization	9	**1,559**	1,809
Stock-based payment	12(c)	**1,252**	-
Forgiveness of note payable	11	**(713,839)**	-
Impairment of investments	8	**1,037,666**	818,222
Total expenses		**1,212,485**	1,642,568
Net loss and comprehensive loss for the year		**$ (309,875)**	$ (941,778)
Net loss per share			
Basic and fully diluted loss per share		**$ (0.018)**	$ (0.056)
Weighted average number of shares outstanding - Basic and fully diluted		**16,856,632**	16,856,632

See accompanying notes to the financial statements.

AYLEN CAPITAL INC.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Share capital				
	Common shares	Amount	Contributed surplus	Deficit	Total
Balance January 1, 2014	16,856,632	$1,350,570	$ 286,514	$ (497,095)	$ 1,139,989
Net loss for the year	-	-	-	(941,778)	(941,778)
Balance, December 31, 2014	16,856,632	$1,350,570	$ 286,514	$ (1,438,873)	$ 198,211
Balance January 1, 2015	16,856,632	$1,350,570	$ 286,514	$ (1,438,873)	$ 198,211
Share-based payment (Note 12(c))	-	-	1,252	-	1,252
Net loss for the year	-	-	-	(309,875)	(309,875)
Balance, December 31, 2015	16,856,632	$1,350,570	$ 287,766	$ (1,748,748)	$ (110,412)

See accompanying notes to the financial statements.

AYLEN CAPITAL INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED

	December 31, 2015	2014
OPERATING ACTIVITIES		
Net loss for the year	**$ (309,875)**	$ (941,778)
Adjustments not effecting cash:		
Realized gain (loss) on sale of marketable securities	**(2,650)**	(15,605)
Unrealized loss (gain) on fair value of marketable securities	**1,432**	2,855
Amortization	**1,559**	1,809
Stock-based payment	**1,252**	-
Impairment of investments	**1,037,666**	818,222
Forgiveness of note payable	**(713,839)**	-
	15,545	(134,497)
Changes in non-cash working capital		
Accounts receivable	**(3,717)**	4,094
Prepaid expense and sundry assets	**10,158**	60
HST recoverable	**6,837**	(11,459)
Deferred revenue	**(782)**	62,366
Accounts payable and accrued liabilities	**(1,107)**	(4,970)
Cash provided by (used in) operating activities	**26,934**	(84,406)
INVESTING ACTIVITIES		
Property and equipment	**(1,740)**	(1,455)
Proceeds from sale of marketable securities	**91,138**	154,664
Purchase of marketable securities	**(131,256)**	-
Purchase of investment	**-**	(12,000)
Cash (used in) provided by investing activities	**(41,858)**	141,209
Net (decrease) increase in cash	**(14,924)**	56,803
Cash and cash equivalents, beginning of year	**156,975**	100,172
Cash and cash equivalents, end of year	**$ 142,051**	$ 156,975

See accompanying notes to the financial statements.

1. INCORPORATION AND NATURE OF OPERATIONS

Aylen Capital Inc. ("Aylen" or the "Company") was incorporated on October 28, 2010 under the Canada Business Corporations Act. The Company's registered head office is located at Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street, Toronto, Ontario, M5J 2Z4, Canada.

Grapevine Solutions ("Grapevine"), an unincorporated division of Aylen, operates a web-based survey and data-collection business. Aylen also has an equity interest in a technology-based company, Leonardo Worldwide Corporation and a portfolio of marketable securities.

2. BASIS OF PRESENTATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations as issued by the International Accounting Standards Board ("IASB").

The financial statements of the Company for the years ended December 31, 2015 and 2014 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 28, 2016.

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 and its subsidiary's functional currency is the Canadian dollar.

Critical accounting estimates, judgment and assumptions

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:

Valuation of accounts receivable

The valuation of accounts 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.

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 consolidated financial statements. The policies applied in these consolidated financial statements are based upon IFRS and its interpretations issued and outstanding as of December 31, 2015.

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 by a privately-held company are not recognized unless payment of such dividends is received by the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

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, available for sale 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 ("FVTPL") 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, marketable securities, and investment in shares of public company.

Available-for-sale

Available-for-sale (AFS) financial assets carried at fair value with unrealized gains and losses are 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. AFS investments that have no quoted market price, and for which fair value is not reasonably determinable are measured at cost unless there is objective evidence of impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities 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.

If there is objective evidence of impairment of a financial asset carried at cost, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

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 investments, which are not reversed through profit or loss.

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.

Marketable securities

Marketable securities consist of investments in equity securities which are publicly traded and are classified as fair value through profit and loss. Marketable securities are measured at fair value and recognized on the trade date. 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 recognized in the consolidated statements of income and comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property and equipment

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

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

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

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

The net carrying amount of property and equipment are reviewed for impairment either individually or at the cash-generating unit level when events and changes in circumstances indicate that the carrying amount may not be revocable. To the extent that these values exceed their recoverable amounts, the excess is fully provided for in the financial year in which it is determined.

Where an item of property and equipment is disposed of by sale, it is derecognized and the difference between its derecognized and the difference between its carrying value and net proceeds is recognized as gain or loss on the disposal of asset in the statement of income.

Any items of property and equipment that cease to have future economic benefits expected to arise from their continued use are derecognized with the associated loss included as depreciation expense and disclosed separately.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

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.

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.

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

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.

Stock-based compensation

The Company issues share-based awards to its officers and directors. The awards are comprised of equity settled stock options. Fair values of stock 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. Nonmarket 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 stock options or purchase of shares, together with the amount initially recorded in contributed surplus, is credited to share capital.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Net income per share

Basic income per common share is calculated by dividing net income by the weighted average number of common shares outstanding during the period. Diluted income per share is calculated using a common share balance increased by the number of common shares that could be issued on the exercise of outstanding options of the Company. Diluted income per share for the years presented does not include the effect of stock options as they are anti-dilutive.

Future Accounting Pronouncements

Standard issued but not yet effective up to the date of issuance of these financial statements is listed below. The Company intends to adopt this standard when it becomes effective.

IFRS 9, Financial Instruments, ("IFRS 9") was issued by the IASB in July 2014 in final form and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). 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. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

IFRS 15, revenue from contracts and customers ("IFRS 15") was issued by the IASB on May 28, 2014, and will replace IAS 18, revenue, IAS 11, construction contracts, and related interpretations on revenue. IFRS 15 sets out the requirements for recognizing revenue that apply to all contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 uses a control based approach to recognize revenue which is a change from the risk and reward approach under the current standard. Companies can elect to use either a full or modified retrospective approach when adopting this standard and it is effective for annual periods beginning on or after January 1, 2018.

IFRS 16, Leases ("IFRS 16") will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. Under IFRS 16 a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. This will typically produce a front-loaded expense profile (whereas operating leases under IAS 17, Leases ("IAS 17") would typically have had straight-line expenses) as an assumed linear depreciation of the right-of-use asset and the decreasing interest on the liability will lead to an overall decrease of expense over the reporting period. IFRS 16 supersedes IAS 17 and related interpretations and is effective for periods beginning on or after 1 January 2019, with earlier adoption permitted if IFRS 15, Revenue from Contracts with Customers has also been applied.

4. CASH AND CASH EQUIVALENTS

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

	December 31, 2015	December 31, 2014
Cash held in banks	**$ 136,716**	$ 87,597
Cash held by broker	**5,335**	69,378
	$ 142,051	$ 156,975

(Expressed in Canadian Dollars)

5. MARKETABLE SECURITIES

The Company has the following marketable securities:

	December 31, 2015		December 31, 2014	
	Cost	Fair value	Cost	Fair value
Investment in equities	**$ 128,844**	$ 125,641	$ 86,076	$ 84,305

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 period end date or the closing price on the last day the security traded if there were no trades at the period 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:

	December 31, 2015	December 31, 2014
Canadian and U.S. customers	**$ 31,392**	$ 27,675

Accounts receivable are amounts due from subscriptions that remain uncollected at the financial statements date. 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.

7. PREPAID EXPENSE AND SUNDRY ASSETS

	December 31, 2015	December 31, 2014
Hosting services	**$ -**	$ 9,575
Service fees	**-**	583
	$ -	$ 10,158

8. INVESTMENTS

Privately held investments:	December 31, 2015		December 31, 2014	
Leonardo Worldwide Corporation	**Number of shares**	Amount	Number of shares	Amount
Common shares	**15,075,359**	$ 1	15,075,359	$ 349,778
Class A preferred shares	**2,436,685**	1	2,436,685	687,890
		$ 2		$ 1,037,668

(Expressed in Canadian Dollars)

8. INVESTMENTS (Cont'd)

As at December 31, 2015, the Company owns an equity interest of 12.6% (December 31, 2014 - 12.6%) in Leonardo Worldwide Corporation ("Leonardo") representing approximately 11.6% (December 31, 2014 - 11.6%) on a fully-diluted basis, should all options and 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 increased to 9% on January 25, 2014 and to 10% on April 25, 2014 since 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 holder of the majority of the Series 1 and Series 2 preferred shares rescinded their request for redemption on December 23, 2014 and the dividend rate on the preferred shares were amended to increase to 10% per annum.

In March 2014, the Company exercised 12 million warrants into 12 million common shares of Leonardo at a cost of $12,000.

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. Management of the Company reviewed the indicators of impairment and concluded that there was objective evidence of impairment on the Leonardo common shares as at December 31, 2015 and recorded an impairment loss of $1,037,668 (2014 - $818,222) in the statement of comprehensive loss for the year ended December 31, 2015.

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

	Equipment	Office equipment	Total
Cost			
Balance at December 31, 2013	$ 7,581	$ 4,335	$ 11,915
Additions	-	1,455	1,455
Balance at December 31, 2014	$ 7,581	$ 5,790	$ 13,371
Additions	-	1,740	1,740
Balance at December 31, 2015	**$ 7,581**	**$ 7,530**	**$ 15,111**
Accumulated Amortization			
Balance at December 31, 2013	$ 7,581	$ 2,712	$ 10,293
Amortization for the period	-	1,809	1,809
Balance at December 31, 2014	$ 7,581	$ 4,521	$ 12,102
Amortization for the period	-	1,559	1,559
Balance at December 31, 2015	$ 7,581	$ 6,080	$ 13,661
Net Book Values			
As at December 31, 2014	$ -	$ 1,269	$ 1,269
As at December 31, 2015	**$ -**	**$ 1,450**	**$ 1,450**

(Expressed in Canadian Dollars)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2015	December 31, 2014
Trade payables	**$ 17,586**	$ 592
Accrued expenses	**91,558**	107,649
Credit cards	**11,343**	13,353
	$ 120,487	$ 121,594

Accounts payable and accrued liabilities are current obligations expected to be settled in the normal course of operations. There are no accounts payable past due.

11. NOTE PAYABLE

	December 31, 2015	December 31, 2014
Spackman Equities Group Inc.	**$ -**	$ 713,839

The Company issued a demand promissory note in the amount of $842,832 to Spackman Equities Group Inc. (formerly Centiva Capital Inc) 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.

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 each year and any changes in fair value are recorded in income. During the year ended December 31, 2015, the note payable was forgiven by the lender.

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) Total outstanding shares:
Issued:
16,856,632 Common shares

(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.

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.

(Expressed in Canadian Dollars)

12. SHARE CAPITAL (Cont'd)

The stock options activity is as follows:

	December 31, 2015			December 31, 2014		
	Number of Options		**Weighted Average Exercise Price**	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of the year	**1,135,663**	**$**	**0.05**	1,185,663	$	0.05
Granted	**200,000**		**0.05**	-		-
Expired during the year	**(50,000)**		**0.10**	(50,000)		0.10
Outstanding, end of the year	**1,285,663**	**$**	**0.05**	1,135,663	$	0.05

During the year ended December 31, 2015, the Company granted 200,000 options at an exercise price of $0.05 per share and with a term of 5 years from the date of grant. The share-based payment expense related to the options for the year ended December 31, 2015 of $1,252 (December 31, 2014 - $Nil) has been estimated using the Black-Scholes pricing model and disclosed as a separate component of shareholders' equity

The assumptions used for the valuation of stock options are as follows:

	December 31, 2015	December 31, 2014
Risk-free interest rate	0.79% - 0.88%	-
Time to maturity	5 years	-
Estimated volatility in the market price of the common shares	151.60% - 166,66%	-
Grant date fair value per share of options granted during the year	$0.01	$-
Dividend yield	Nil	-

The following table summarizes the stock options outstanding as at December 31, 2015:

Number of options outstanding	**Exercise price**	**Expiry date**	**Number of options exercisable**
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
100,000	$ 0.05	May 30, 2020	100,000
100,000	$ 0.05	November 26, 2020	100,000
835,663	$ 0.05	December 5, 2021	835,663
1,285,663			1,285,663

(Expressed in Canadian Dollars)

13. RELATED PARTY TRANSACTIONS

The following related party transactions occurred and were reflected in the financial statements during the years ended December 31, 2015 and 2014 as follows:

	Years Ended December 31, 2015	Years Ended December 31, 2014
Legal fees paid to a firm of which the CEO is counsel	$ 5,381	$ 7,082

REMUNERATION OF KEY PERSONNEL

	Years Ended December 31, 2015	Years Ended December 31, 2014
Salaries	$ 200,000	$ 265,285
Directors' fees	15,000	15,000
Consulting fees	50,833	40,000
Total	$ 265,833	$ 320,285

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiary including the Company's Board of Directors. The Company considers key management to be the members of the Board of Directors and the Chief Executive Officer.

Included in accounts payable and accrued liabilities are directors' fees of $5,000 and consulting fees of $6,250 (December 31, 2014 - $Nil) and legal fees of $471 (December 31, 2014 - $Nil) due to a firm of which the CEO is counsel.

14. INCOME TAXES

(a) Income tax expense

The reconciliation of income taxes attributable to operations computed at the combined statutory income tax rate of 26.50% (2014 - 26.50%) to income tax recovery is as follows:

	December 31, 2015	December 31, 2014
Loss before income taxes	**$ (309,875)**	$ (941,778)
Expected income tax expense (recovery) at statutory rates	**(82,117)**	(249,500)
Increase (decrease) resulting from:		
Non-deductible expenses	**-**	700
Non-taxable portion of realized and unrealized capital(gains) losses	**-**	107,000
Tax rate changes and other adjustments	**(4,477)**	-
Permanent Difference	**(50,702)**	-
Foregiveness of debt	**223,350**	-
Change in unrecognized deferred tax assets	**(86,054)**	141,800
Income tax expense (recovery)	**$ -**	$ -

(Expressed in Canadian Dollars)

14. INCOME TAXES (Cont'd)

(b) Deferred taxes

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	December 31, 2015	December 31, 2014
Property and equipment	**$ 395,307**	$ 612,539
Cumulative eligible capital	**65,546**	70,480
Non-capital losses	**-**	611,507
Investments	**1,859,093**	815,094

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in repect of these items because it is not probable that future taxable profit will be available against which the Company and its subsidiary can utilize the benefits therefrom. The remaining deductible temporary differences may be carried forward indefinitely.

15. 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.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's significant financial instruments comprise of cash and cash equivalents, marketable securities, accounts receivables, investments in shares of private and public companies, notes payable and accounts payable and accrued liabilities.

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.

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

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. There were no Level 2 financial instruments. At December 31, 2014, note payable is Level 3 and valuation is based on probability model (see note 11.). There have been no significant transfers between levels.

Risk management

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks from its use of financial instruments:

(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 FVTPL 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 an objective evidence of impairment. During periods of significant broader market volatility or volatility experienced by the 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.

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

(c) 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:

	December 31, 2015	December 31, 2014
Current	$ 31,392	$ 23,905
Past due:		
31-60 days	-	-
Greater than 60 days	-	3,770
Total receivable, net	$ 31,392	$ 27,675

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.

(d) 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 11.

(e) 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.

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

The following assets were denominated in foreign currencies presented in Canadian dollars as of:

		December 31, 2015		December 31, 2014
		US dollars		US dollars
Cash and cash equivalents	$	83,105	$	1,813
Marketable securities		68,271		-
Accounts receivable		26,230		23,247
	$	177,606	$	25,060

A fluctuation of +/-10% provided as an indicative range in currency movement, on financial instruments that are denominated in foreign currencies other than Canadian dollars, with, all other things being equal, have an effect on the after-tax net income and other comprehensive income of approximately +/- $17,761 (2014 - $2,506).

A fluctuation of +/-10% provided as an indicative range in marketable securities movement, with, all other things being equal, have an effect on the after-tax net income and other comprehensive income of approximately +/- $12,564 (2014 - $8,431).

17. COMMITMENTS

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

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, North America. Management assesses performance and makes decisions based on the results of operations of this business segment.