SECURITIES AND EXCHANGE COMMISSION

FORM 10KSB/A

Annual and transition reports of small business issuers [Section 13 or 15(d), not S-B Item 405]
[amend]

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FILER

MARKETU INC

CIK:**1047965**| IRS No.: **980173359** | State of Incorp.:**NV** | Fiscal Year End: **1231**
Type: **10KSB/A** | Act: **34** | File No.: **000-29067** | Film No.: **1697463**
SIC: **6531** Real estate agents & managers (for others)

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-KSB/A
(Mark One)

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended July 31, 2000
OR
( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File No. 0-29067

MarketU Inc.

(Name of Small Business Issuer in its charter)

Nevada	98-0173359
(State of incorporation)	(IRS Employer Identification No.)

Suite 101 - 20145 Stewart Crescent
Maple Ridge, British Columbia, Canada V2X 0T6
--- --------------------
(Address of Principal Executive Office) Zip Code

Registrant's telephone number, including Area Code: (604)-460-7634
Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act :
Common Stock
(Title of Class)

Check whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Check if disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

The Company's revenues during the year ended July 31, 2000 were $184,060.

The aggregate market value of the voting stock held by non-affiliates of the Company, (5,651,751 shares) based upon the average bid and asked prices of the Company's common stock on July 13, 2001 was approximately $1,271,600 (average bid to ask on July 13, 2000 was $0.225).

Documents incorporated by reference: None

As of July 13, 2001 the Company had 9,704,184 issued and outstanding shares of common stock.

ITEM 1. DESCRIPTION OF BUSINESS

North American Resorts & Golf, Inc. ("NARG" or, subsequent to April 28, 2000, the "Company") was incorporated under the laws of the State of Nevada on June 4, 1997. To April 28, 2000, it was substantially inactive and, for financial

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reporting purposes, considered to be a development stage enterprise. On April 28, 2000, NARG acquired two Canadian subsidiaries in a series of transactions that were originally accounted for as a recapitalization of the Canadian subsidiaries, as discussed in the original 10-KSB filing dated November 22, 2000. In late April 2001, after review and consultation with the staff of the Securities and Exchange Commission ("SEC") it was concluded that as the former shareholders of Canadian subsidiaries, which entities were under common control, held only 47.4% of the Company immediately after the transaction, and that notwithstanding that the Company's sole business activity was of the Canadian subsidiaries, recapitalization accounting treatment was not in accordance with generally accepted accounting principles in the United States, and the transaction was to be accounted for as a business combination utilizing the purchase method with NARG identified as the acquirer. The acquired Canadian subsidiaries were Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc. (collectively "Home Finders Realty").

The impact of the change in accounting methods on previously issued financial statements is as follows:

Increase (decrease) from the following previously-reported amounts:

Balance sheet

	July 31, 2000	December 31, 1999
Current assets	$ -	$ (51,748)
Fixed assets	-	(34,698)
Other assets	-	(68,649)
Goodwill	913,078	-
	$ 913,078	$ (155,095)
Current liabilities	$ -	$ (328,190)
Stockholder's equity	913,078	173,095
	$ 913,078	$ (155,095)

Income Statement

Previously, the Company reported Home Finders Realty's historic operations which were as follows:

	Seven months ended July 31 2000	Year ended December 31, 1999	Year ended December 31, 1998
Revenue	$ 379,344	$ 572,855	$ 413,647
Cost of sales	(133,733)	(227,846)	(295,735)
General and administrative Expenses	(305,856)	(320,694)	(218,702)
Net income (loss)	$ (60,245)	$ 24,315	$ (100,790)

Home Finders Realty's operations are now included only since date of acquisition of April 28, 2000. The Statements of Cash Flows, Stockholders' Equity (Deficiency) and Comprehensive Loss have been restated to reflect the change in accounting for this transaction. Prior to the purchase transaction, NARG had conducted only limited operations and had not commenced an active business. The purchase transaction is detailed in Note 2(a) of the Consolidated Financial Statements of the Company included herein.

The steps utilized to complete the acquisition of Home Finders Realty were as follows:

(i) the Company incorporated 604587 British Columbia Ltd. ("604587"), as a wholly-owned subsidiary, to facilitate the transaction. 604587's sole purpose was to facilitate the transaction and has no operations.

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(ii) 604587 issued 4,500,000 non-voting preferred shares and the Company issued 4,500,000 voting Series A preferred shares, to the former shareholders of Home Finders Realty in exchange for all of the issued and outstanding common shares of Home Finders Realty. The non-voting preferred shares have nominal value and are not entitled to equity of the Company beyond their nominal value. The non-voting shares were issued to facilitate the exchange of the voting Series A preferred shares at a future date and to allow the Canadian shareholders of Home Finders Realty to complete the transaction on a tax-deferred basis.

The preferred shares of the Company and the Company's subsidiary may be exchanged for 4,500,000 shares of the Company's common stock, at the holder's option. Each share of the Company's Series A Preferred stock is entitled to one vote on all matters submitted to a vote of the Company's shareholders. The Series A Preferred shares are not entitled to any dividends or any distributions upon the liquidation of the Company.

The preferred shareholders of 604587 and the Company can cause, at their option, the Company to convert one preferred share in 604587 and one Series A preferred share of the Company into one common share of the Company at any time at their option.

This business combination has been accounted for as a purchase of Home Finders Realty by the Company.

The business of the Company is now that which is being conducted by Home Finders Realty and any reference to the Company is, unless otherwise indicated, also a reference to Home Finders Realty.

On June 27, 2000 the Company's shareholders approved a resolution to change the name of the Company to MarketU Inc. Business The Company provides a service which allows a homebuyer or seller ("Customer") wanting to purchase or sell a property or residence in another city, to locate a realtor to assist in the real estate transaction. The Company's services are primarily designed for a residential Customer who is relocating to another area and needs realtor assistance with buying a residence in the new area and/or selling their current home. In most cases, the potential Customer is not familiar with realtors in the city where the Customer plans to relocate. The Company's referral services are available through the Company's AMRR.COM or CMRR.COM websites, or by phoning a 1-800-414-5655 hotline.

The Company generates revenue through referral fees and from the sale of memberships. Referral fees are earned when a Customer buys or sells a house through a member realtor. Memberships are available to licensed realtors who have been nominated by their peers, based on a reputation in their community for providing a high level of customer service.

The Company's subsidiary, Most Referred Real Estate Agents Inc. is licensed as a real estate broker only in British Columbia, Canada. While one Company employee is licensed as a broker and five Company employees are licensed as realtors in British Columbia, Canada, none of the Company's employees are licensed as brokers or realtors in the United States.

The Company has divided the United States and Canada into 2,600 service areas. Each area normally has a population base of at least 100,000 people. The Company's goal is to have three members in each area with a population base exceeding 100,000.

In order to be eligible for membership, a licensed realtor must be nominated by at least three other realtors who are active in the region.

The Company begins its search for members in each area by telephoning realtors who service the area and asking these realtors to nominate other realtors who have a reputation for integrity and a high level of customer service. When contacted by the Company, a realtor is asked to provide the names of at least 3 other realtors with such a reputation. Once a realtor has been nominated by at least three other realtors, the particular realtor is contacted by a Company representative concerning membership. If a realtor accepts the membership, either full or associate, they are placed in the Company's website directory and given the award and designation of "Most Referred Realtor".

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The Company offers full and associate memberships. The average membership currently costs $39.95 per month, or an optional $399.00 per year. With a full membership the realtor's name, company logo, picture, biographical information, and awards are displayed on the Company's website. A full member agrees to pay the Company referral fees equal to 25% of any gross commissions earned by the member from the sale of a residence by or to a person referred by the Company.

An associate member does not pay an annual fee but agrees to pay the Company a referral fee equal to 30% of any gross commission earned by the associate member from the sale of a residence by or to a person referred by the Company. Although the name of an associate member is listed on the Company's website, the Company does not display photographs, biographical information, or awards of associate members.

Full members agree to pay the Company 5% of all gross commissions earned by the member from Customers which are referred by another realtor in the Company's program.

Associate members agree to pay the Company 10% of all gross commissions earned by the member from Customers or sellers which are referred by another realtor in the Company's program.

Full members sign an agreement with the Company which provides that the member will uphold the professionalism and integrity that goes along with being a Most Referred Realtor.

Since initiating its program in 1997, the Company has noticed that the number of full members has fluctuated from year to year. The Company's ability to obtain and increase members is dependent upon the effectiveness of its marketing programs. To date, no single member has represented a material portion of the Company's revenues.

Replacement of members is accomplished through review of survey results or re-surveying of service areas where required.

A Customer wanting to use the Company's services logs onto the Company's website and enters the name of the city where they expect to purchase or sell a property. If a Customer is interested in contacting a member realtor, the Customer completes an online form, which is emailed to the Company. The Company contacts the Customer and qualifies them with respect to seriousness, timeliness, and ability. Once this process has been completed and documented in the Company's lead management software, it contacts the realtor member in the Customer's requested area and confirms the realtor's acceptance of the referral via facsimile contract. The member then signs a second agreement with the Company which provides that the realtor receiving the referral agrees to pay the specified fee in regards to the subject Customer.

After the referral, the Company maintains contact with the realtor periodically to determine if the Customer has purchased or sold a residence. This periodic contact is made until the Company confirms the purchase or sale of a residence through the member realtor or to confirm that a transaction will not take place. In the case of a referral from a member realtor to another member realtor, the Company maintains contact with both realtors on a periodic basis.

Between August 1, 1999 and July 31, 2000 the Company earned approximately $235,000 in referral fees from approximately 280 residential real estate closings. This includes referral fees of approximately $140,000 earned by Home Finders Realty prior to the April 28, 2000 acquisition by the Company and business combination.

The Company currently markets its services exclusively on the Internet. The Company maintains in excess of 20,000 search engine listings which currently result in approximately 200,000 visits per month to the Company's website.

Competition.

The Company competes with a number of Internet-based realtor locator services, including Realtor.com(R) and Realestate.com. The Company also competes with national real estate brokerage networks such as Cendant, Better Homes and Gardens, Century 21, Re/Max, and Coldwell Banker, all of which have referral capabilities for Customers wanting to purchase a residence in a different area. Although most of the Company's competitors have greater name recognition,

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financial resources, and marketing resources than the Company, the Company believes that its program offers the following advantages over other realtor locator services:

1. The Company's realtors are nominated by their peers for having professionalism and integrity regardless of real estate company affiliation.

2. The Company services 2,600 geographical areas, with a minimum population of 100,000 people, across North America by maintaining real estate agent relationships in those areas.

Government Regulation.

The Company's subsidiary, Most Referred Real Estate Agents Inc., is federally registered in Canada and is a licensed real estate broker in British Columbia, Canada, which legally allows Most Referred to receive real estate commissions from anywhere in Canada. Although Most Referred Real Estate Agents Inc. or the Company is not licensed in the United States, the Company is of the opinion, based upon its discussions with numerous realty boards in Canada and the United States, that the payment of referral fees by U.S. real estate agents or realtors is permitted by all applicable laws and regulations. Although in some states the Company is required to comply with certain regulations relating to the payment of referral fees, the Company does not believe that present or future compliance with these regulations will have a material adverse impact on the Company's operations. However, there can be no assurance that the Company will be able to comply with any future regulations which may be adopted by state or provincial authorities or that compliance with any future regulations will make it uneconomical for the Company to operate in a particular state or province. It is also apparent to the Company that such regulations would have a similar impact on the Company's competition and other real estate brokerage companies which may refer customers from state to state or from the United States of America to Canada and vice versa. Prior to December 31, 2001 the Company plans to be licensed in one or more states in the United States.

Employees

As of July 13, 2001 the Company employed eighteen people on a full-time basis. One employee is licensed as a broker and five employees are licensed as realtors in British Columbia, Canada.

ITEM 2. DESCRIPTION OF PROPERTY

The Company's offices are located at Suite 101, 20145 Stewart Crescent, Maple Ridge, B.C., Canada. MarketU is leasing this 5,800 square feet of operations and executive offices at a rate of $2,325 per month until March 30, 2003. This space is considered to be suitable for the Company's current needs.

ITEM 3. LEGAL PROCEEDINGS.

The Company is not engaged in any litigation, and the officers and directors presently know of no threatened or pending litigation in which it is contemplated that the Company will be made a party.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not Applicable

ITEM 5. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY AND OTHER SHAREHOLDER MATTERS.

As of July 13, 2000, there were approximately 90 record owners of the Company's common stock. The Company's common stock is traded on the National Association of Securities Dealers OTC Bulletin Board under the symbol "MKTU". Set forth below are the range of high and low bid quotations for the periods indicated as reported by the NASD. The market quotations reflect interdealer prices, without retail mark-up, mark-down or commissions and may not necessarily represent actual transactions. The Company's common stock began trading on May 5, 1998.

Quarter Ending	High	Low
07/31/98	$1.31	$1.06
10/31/98	$1.19	$0.75

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01/31/99	$0.90	$0.84
04/30/99	$1.12	$1.12
07/31/99	$0.34	$0.34
10/30/99	$0.15	$0.15
01/31/00	$1.25	$0.59
04/30/00	$1.13	$1.00
07/31/00	$0.38	$0.38

The average bid to ask price of the Company's stock on July 13, 2001 was $0.225.

Holders of common stock are entitled to receive dividends as may be declared by the Board of Directors out of funds legally available and, in the event of liquidation, to share pro rata in any distribution of the Company's assets after payment of liabilities. The Board of Directors is not obligated to declare a dividend. The Company has not paid any dividends on its common stock and the Company does not have any current plans to pay any common stock dividends. During the year ending December 31, 1999 Home Finders Realty, prior to its acquisition by the Company, paid a dividend of $13,300 to William Coughlin, who is a director of the Company.

The provisions in the Company's Articles of Incorporation relating to the Company's unissued preferred stock would allow the Company's directors to issue preferred stock with rights to multiple votes per share and dividends rights which would have priority over any dividends paid with respect to the Company's common stock. The issuance of preferred stock with such rights may make more difficult the removal of management even if such removal would be considered beneficial to shareholders generally, and will have the effect of limiting shareholder participation in certain transactions such as mergers or tender offers if such transactions are not favored by incumbent management.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

On April 28, 2000, the Company acquired all of the issued and outstanding shares of Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc. (collectively referred to as "Home Finders Realty"). The Company completed this transaction by issuing 4,500,000 voting Series A Preferred shares, and by a wholly owned subsidiary issuing 4,500,000 preferred shares, to the shareholders of Home Finders Realty. Upon completion of this transaction the former shareholders of Home Finders Realty held approximately 47.4% of the voting shares of the Company.

The steps utilized to complete this transaction were as follows:

(i) The Company incorporated 604587 British Columbia Ltd. ("604587") to facilitate the transaction. 604587's sole purpose was to facilitate the transaction and has no operations. The Company owns 100% of the voting common shares of 604587.

(ii) 604587 issued 4,500,000 non-voting preferred shares to the former shareholders of Home Finders Realty in exchange for all of the issued and outstanding common shares of Home Finders Realty.

(iii) The Company issued 4,500,000 voting Series A preferred shares to the former shareholders of Home Finders Realty.

(iv) The preferred shareholders of 604587 can cause, at their option, the Company to convert one preferred share in 604587 and one Series A preferred share of the Company into one common share of the Company. This is summarized in aggregate as follows:

Series A Preferred Shares of the Company	Preferred Shares of 604587	Shares of the Company's Common Stock Issuable Upon Exchange
4,500,000	4,500,000	4,500,000

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The effective 4,500,000 common shares issued by NARG on the acquisition have been valued based on their market trading price at the time the transaction was agreed to and announced. The consideration paid has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at April 28, 2000, the acquisition date, which are as follows:

Assets acquired:	
Cash	$ 1,644
Other current assets	50,968
Fixed assets	32,869
Other assets	102,930
	188,411
Goodwill	996,085
	1,184,496
Less:	
Debt assumed on acquisition	(332,787)
Note receivable due from Home Finders Realty extinguished on acquisition	(92,334)
	(425,121)
Fair market value of Series A preferred shares issued upon acquisition of Home Finders Realty	$ 759,375

The pro forma statement of operations for the Company for the years ended July 31, 2000 and 1999, giving effect to the acquisition of Home Finders Realty as if it had occurred at the beginning of each of the years presented is as follows:

	Year ended July 31, 2000 (Unaudited)	Year ended July 31, 1999 (Unaudited)
Revenue		
Membership	$ 378,656	$ 275,844
Referral fees	232,454	77,936
Other	4,745	-
	615,855	353,780
Cost of sales	275,941	228,638
Gross margin	339,914	125,142
General and administrative Expenses	618,800	172,078
Amortization of goodwill	332,028	332,028
	950,828	504,106
Pro forma net loss	$ (610,914)	$ (378,964)
Pro forma net loss per share, basic and diluted	$ (0.10)	$ (0.08)

The financial data presented below should be read in conjunction with the more detailed financial statements and related notes which are included elsewhere in this report.

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	July 31, 2000	July 31, 1999
Current Assets	$ 49,710	$ -
Total Assets	1,095,686	-
Current liabilities	306,908	24,540
Total liabilities	306,908	24,540
Working Capital Deficit	(257,198)	24,540
Stockholders' Equity	788,778	(24,540)

	Year Ended July 31, 2000	Year Ended July 31, 1999	Pro-forma Year Ended July 31, 2000	Pro-forma Year Ended July 31, 1999
Revenues				
Referral fees	$ 94,563	$ -	$ 232,454	$ 77,936
Membership dues	86,100	-	378,656	275,844
Other	3,397	-	4,745	-
	184,060	-	615,855	353,780
Direct costs	73,973	-	275,941	228,638
General and administrative expenses	222,792	8,783	618,800	172,078
Amortization of goodwill	83,007	-	332,028	332,028
Net Income (Loss)	$(195,712)	$ (8,783)	$(610,914)	$(378,964)

(1) Pro forma figures provided give effect to the acquisition of Home Finders Realty as if it has occurred at the beginning of the periods presented.

Year Ending July 31, 2000

Revenues for the year ended July 31, 2000 were $184,060 compared to $0 for the previous year ended July 31, 1999. This increase is due to the acquisition of Home Finders Realty. Revenues, on a pro forma basis, were $615,855 for the year ended July 31, 2000 compared to $353,780 for the year ended July 31, 1999. This is an increase of approximately 74.1% over the pro forma year ended July 31, 1999. This increase is due primarily to increased demand for the Company's services.

Gross margin for the year ended July 31, 2000 was $110,087 (59.8%) compared to $0 for the prior year. Pro forma gross margin was $339,914 (55.2%) compared to the prior year ended July 31, 1999 which was $125,142 (35.4%) on a pro forma basis. Gross margin continues to increase as costs of providing the services are reduced. Direct operating costs are expected to be reduced further in future years.

General and administrative expenses, excluding goodwill, were $222,792 compared to $8,783 in the year ended July 31, 1999. The increase in expenses is due to the acquisition of Home Finders Realty. Pro forma general and administrative expenses, excluding goodwill, were $618,800 compared to $172,078 for the year ended July 31, 1999. The increase in pro-forma general and administrative costs result from an increase in information technology expenditures, professional fees related to the acquisition, public company filings and other transactions and an increase in compensation paid to senior management and directors.

Year Ending July 31, 1999

Revenues for the year ended July 31, 1999 were $0 or $353,780 on a pro forma basis. During 1998, Home Finders Realty focused on establishing it's initial membership base. Referrals to the baseline membership in 1999 increased significantly resulting in the increase in referral revenues in 1999.

During 1999, on a pro forma basis Home Finders Realty reduced costs associated with the development of the initial membership list in relation to referral revenue. Costs needed to generate memberships are much higher than those associated with referral fees.

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Liquidity and Sources of Capital

During the year ended July 31, 2000 the Company's operations used $102,598 in cash and the Company spent approximately $16,569 on website development and the purchase of property and equipment. The Company also advanced $92,334 to Home Finders Realty in anticipation of completion of the acquisition. The note from Home Finders Realty was extinguished on acquisition and forms part of the goodwill acquired in the purchase of Home Finders Realty. Cash required by the Company during the year was generated primarily through the sale of common stock and warrants. Subsequent to July 31, 2000, the Company issued 4,104,787 common shares for cash consideration of approximately $650,000.

Working capital deficiency at July 31, 2000 was $182,922 versus $24,540 at July 31, 1999. Subsequent to the year end the Company received approximately $650,000 in private placement funds which has significantly reduced the working capital deficiency.

During the twelve months ending July 31, 2002, the Company expects to expand its operations and add additional employees. The Company's anticipated cash requirements during these next twelve months are as follows:

General and Administrative expenses	$ 375,000
Marketing expenses	2,000,000
Software development	50,000
Payment of liabilities	75,000
	$2,500,000

The Company expects to obtain the additional capital it needs through the private sale of the Company's securities or from borrowings from private lenders and/or financial institutions. Two private placements raising $75,000 and $30,000 were completed on May 22, 2001 and May 29, 2001, respectively. There can be no assurance that The Company will be successful in obtaining the additional capital which it will need to expand its operations. If The Company is unable to raise the capital which it requires, The Company may have to postpone its expansion plans.

ITEM 7. FINANCIAL STATEMENTS

See the financial statements attached to this report.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS.

Effective October 19, 2000 the Company retained KPMG LLP ("KPMG") to act as its auditors. In this regard KPMG replaced Morgan & Company which had previously audited the Company's financial statements for the fiscal years ended July 31, 1999 and 1998. The reports of Morgan & Company for these fiscal years did not contain an adverse opinion, or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the Company's two most recent fiscal years and subsequent interim periods, there were no disagreements with Morgan & Company on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of Morgan & Company would have caused Morgan & Company to make reference to such disagreements in its reports.

The Company has authorized Morgan & Company to discuss any matter relating to the Company's operations with KPMG.

The change in auditors was recommended and approved by the Company's board of directors. The Company does not have an audit committee.

During the two most recent fiscal years and subsequent interim period ending October 19, 2000 the Company did not consult with KPMG regarding the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, or any matter that was the subject of a disagreement or what is defined as a reportable event by the Securities and Exchange Commission.

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

The Company's officers and directors are as follows:

Name	Age	Position

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Kenneth Galpin	42	President and a Director
Scott Munro	32	Treasurer and Principal Financial
Officer		
George Shahnazarian	44	Secretary
William Coughlin	48	Director
Glenn Davies	46	Director
Ken Landis	42	Director
David Woodcock	69	Director

Each director holds office until his successor is duly elected by the stockholders. Executive officers serve at the pleasure of the Board of Directors.

The following sets forth certain information concerning the past and present principal occupations of the Company's officers and directors.

Kenneth Galpin has been the Company's President and a director since September 2000. Prior to his association with the Company Mr. Galpin was president of Beacom Online Systems Inc. from February 1998 to present. Mr. Galpin was also vice president of MacDonald Capital from March 1995 to December 1996.

William Coughlin was the Company's President between April 28, 2000 and September 2000. Mr. Coughlin has been an director of the Company since April 28, 2000. Mr. Coughlin was the Company's Product and Development Officer from September 2000 to December 2000. Mr. Coughlin has been the President of Home Finders Realty since October 1998. Between 1982 and 1998 Mr. Coughlin was a realtor with Re/Max Little Oak Realty Ltd. in Abbotsford, British Columbia.

Scott Munro has been an officer of the Company since April 28, 2000. Prior to joining the Company Mr. Munro was controller for Home Finders Realty Ltd. Mr. Munro was general manager of EnviroCoatings Inc. from January of 1998 to January of 1999, where he developed a business and marketing plan. Mr. Munro also managed Club Fit Inc., a chain of 8 fitness facilities, from October 1995 to March 1997. From April 1992 to September 1995, Mr. Munro was controller for Campbell Helicopters Ltd., a national helicopter company.

George Shahnazarian has been the Company's Secretary since September 2000. Mr. Shahnazarian has also been the Chief Financial Officer and part owner of M.G.A. Connectors in Maple Ridge, B.C. since 1985. M.G.A. Connectors is a manufacturer of fasteners and connectors for the construction industry.

William Coughlin was the Company's President between April 28, 2000 and September 2000. Mr. Coughlin has been an director of the Company since April 28, 2000. Mr. Coughlin was the Company's Product Development Officer between September and December 2000. Mr. Coughlin has been the President of Home Finders Realty since October 1998. Between 1982 and 1998 Mr. Coughlin was a realtor with Re/Max Little Oak Realty Ltd. in Abbotsford, British Columbia.

Glenn Davies has been a director of the Company since December 2000. For the past five years Mr. Davies has been the owner of Beacom Online Systems Inc.

Ken Landis has been a director of the Company since December 2000. For the past five years Mr. Landis has been the owner of Landmark Structural Lumber and Truss. David Woodcock has been a director of the Company since December 2000. Since 1990 Mr. Woodcock has been the Managing Director of Harrell, Woodcock and Linkletter, an international consulting firm that assists corporations in the development and implementation of marketing plans.

Changes in Management and Share Ownership

Christine Cerisse was appointed as the President and a director of the Company in December 1999. On April 28, 2000, and following the acquisition of Home Finders Realty:

- Ms. Cerisse resigned as the Company's president but remained a director of the Company.
- William Coughlin was appointed the Company's President and as a Director.
- Scott Munro was appointed the Company's Principal Financial Officer.
- Robert Dent and James Sanford were appointed Directors of the Company.

In September 2000:

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- William Coughlin resigned as President and was appointed the Company's Product Development Officer.
- Kenneth Galpin was appointed the Company's President and as a director.
- George Shahnazarin was appointed the Secretary of the Company.
- Christine Cerisse, Robert Dent and James Sanford resigned as directors of the Company.

On December 18, 2000:

- At the Company's annual shareholders meeting, William Coughlin, Glenn Davies, Kenneth Galpin, Ken Landis, George Shahnazarian and David Woodcock were elected directors of the Company.
- George Shahnazarian resigned as a director on December 19, 2000, but remained the Secretary of the Company.
- The Company's Board of Directors elected Kenneth Galpin as President, George Shahnazarian as Secretary and Scott Munro as Treasurer.

On September 21, 2000, Khachik Toomian acquired 2,000,000 shares of the Company's common stock from Christine Cerisse for $153,000 in cash.

On September 21, 2000, 612559 B.C. Ltd. (see Item 11 - Security Ownership Of Certain Beneficial Owners And Management) acquired 250,000 shares of the Company's common stock from Christine Cerisse for $50,000. 612559 B.C. Ltd. agreed to purchase 500,000 additional shares of the Company's common stock owned by Ms. Cerisse for $150,000 on or before the 30th day that a registration statement with respect to these shares becomes effective. As part of its agreement with Ms. Cerisse, 612559 B.C. Ltd. has the right to vote these 500,000 shares and is deemed to be the beneficial owners of these shares.

Also on September 21, 2000, 612559 B.C. Ltd. acquired the voting rights to 3,500,000 shares of the Company's Series A Preferred stock which are owned by William and Carole Coughlin. Each Series A Preferred share is entitled to one vote. 612559 B.C. Ltd. also acquired from Mr. and Mrs. Coughlin an option to acquire the 3,500,000 Series A Preferred shares (as well as 3,500,000 preferred shares of a wholly owned subsidiary of the Company) at a price that ranges from $0.65 to $0.85 per share. The option expires on April 30, 2002. Kenneth Galpin, George Shahnazarian and Ken Landis are the sole directors and officers of 612559 B.C. Ltd.

On October 19, 2000, Mr. Toomian and 612559 B.C. Ltd. purchased 2,000,000 and 1,133,787 units respectively of the Company for $0.15 per unit, for net proceeds to the Company of approximately $470,000. Each unit consists of one share of the Company's common stock and one-half warrant. Every two-1/2 warrants will entitle the holder to purchase one additional share of the Company's common stock at a price of $0.25 per unit if exercised during the first twelve months following the sale of the units and $0.30 per unit during the succeeding twelve months.

Ken Galpin and George Shahnazarian are both directors and officers of 612559 B.C. Ltd. Mr. Galpin and Mr. Shahnazarian are also a director and officers of the Company, and Mr. Toomian is a business associate of Mr. Shahnazarian. Mr. Toomian, together with Mr. Shahnazarian and Mr. Galpin, on behalf of 612559 have an understanding (but not a written agreement) that they will vote, at shareholders meetings, for the same directors of the Company and any matters proposed at the shareholders meetings, to accomplish the same business ends.

ITEM 10. EXECUTIVE COMPENSATION

The following table sets forth in summary form the compensation received by (i) the Chief Executive Officer of the Company and (ii) by each other executive officer of the Company who received in excess of $100,000 during the fiscal years ending July 31, 1999 and July 31, 2000. Amounts in the table include compensation received from Home Finders Realty, which was acquired by the Company in April 2000.

Name and Principal Position	Fiscal Year	Salary (1)	Bonus (2)	Other Annual Compensation (3)	Restricted Stock Awards (4)	Options Granted (5)
William Coughlin,	2000	$36,700	$0	$0	0	0
Chief Executive	1999	$28,700	$0	$13,300	0	0
Officer prior to						

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September 21, 2000

(1) The dollar value of base salary (cash and non-cash) received.
(2) The dollar value of bonus (cash and non-cash) received.
(3) Any other annual compensation not properly categorized as salary or bonus, including perquisites and other personal benefits, securities or property. Amounts in the table represent dividends paid by Home Finders Realty to Mr. Coughlin.
(4) During the year ending July 31, 2000, the value of the shares of the Company's common stock issued as compensation for services.
(5) The shares of Common Stock to be received upon the exercise of all stock options granted during the fiscal years shown in the table.

The following shows the amounts which the Company expects to pay its officers during the year ending July 31, 2001 and the time which the Company's executive officers plan to devote to the Company's business. The Company has an employment agreement with Scott Munro which is up for renewal on June 1, 2001, and an employment agreement with William Coughlin which is up for renewal on September 17, 2001. The Company does not have employment agreements with any other of its officers. The Company's officer Ken Galpin is compensated through management fees paid to 612559 B.C. Ltd.

Name	Proposed Compensation	Time to be Devoted To Company's Business
Kenneth Galpin	$4,000 per month	100%
William Coughlin	$6,667 per month	100%
Scott Munro	$2,667 per month	100%
George Shahnazarian	$0 per month	25%

Options Granted During Fiscal Year Ending July 31, 2000

The following tables set forth information concerning the options granted, during the twelve months ended July 31, 2000, to the Company's officers and directors, and the value of all unexercised options (regardless of when granted) held by these persons as of July 31, 2000. Robert Dent, James Sanford and Christine Cerisse are former officers and/or directors of the Company. See Item 9 of this report for information concerning the changes in the Company's management.

Name	Date of Grant	Options Granted (#)	% of Total Options Granted to Employees Officers & Directors	Exercise Price Per Share	Expiration Date
Scott Munro	6/02/00	50,000	4.3%	$0.43	8/01/03
Robert Dent	3/01/00	100,000(1)	8.5%	$1.00	3/01/01
James Sanford	3/01/00	100,000(1)	8.5%	$1.00	3/01/01
James Sanford	6/02/00	50,000(2)	4.3%	$0.43	8/01/03
Christine Cerisse	12/06/99	400,000(1)	34.1%	$0.25	12/06/01
Christine Cerisse	3/01/00	100,000	8.5%	$1.00	3/01/01

(1) These options were cancelled effective September 21, 2000.

(2) 40,000 of these options were cancelled effective September 21, 2000.

Option Exercises and Option Values

Number of Securities	Value of

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Name	Shares Acquired on Exercise (1)	Value Realized(2)	Underlying Unexercised Options at July 31, 2000 Exercisable/ Unexercisable(3)	Unexercised In-the-Money Options at July 31, 2000 Exercisable/ Unexercisable(4)
Scott Munro	--	--	50,000/--	--/--
Robert Dent	--	--	100,000/--(5)	--/--
James Sanford	--	--	100,000/--(5)	--/--
James Sanford	--	--	50,000/--(6)	--/--
Christine Cerisse	--	--	400,000/--(5)	$48,000/--
Christine Cerisse	--	--	100,000/--	--/--

(1) The number of shares received upon exercise of any options.

(2) With respect to options exercised the dollar value of the difference between the option exercise price and the market value of the option shares purchased on the date of the exercise of the options.
(3) The total number of unexercised options held as of July 31, 2000, separated between those options that were exercisable and those options that were not exercisable.
(4) For all unexercised options held as of July 31, 2000, the excess of $0.37, which was the market value of the stock underlying those options as of July 31, 2000, and the exercise price of the option
(5) These options were cancelled effective September 21, 2000.
(6) 40,000 of these options were cancelled effective September 21, 2000.

Long Term Incentive Plans - Awards in Last Fiscal Year

None.

Employee Pension, Profit Sharing or Other Retirement Plans

The Company does not have an active defined benefit, pension plan, profit sharing or other retirement plan, although the Company may adopt one or more of such plans in the future.

Compensation of Directors

Standard Arrangements. At present the Company does not pay its directors for attending meetings of the Board of Directors, although the Company expects to adopt a director compensation policy in the future. The Company has no standard arrangement pursuant to which directors of the Company are compensated for any services provided as a director or for committee participation or special assignments.

Other Arrangements. Except as disclosed elsewhere in this report, no director of the Company received any form of compensation from the Company during the year ended July 31, 2000.

Stock Option and Bonus Plans

The Company's Incentive Stock Option Plan, Non-Qualified Stock Option Plan and Stock Bonus Plan are collectively referred to in this report as the "Plans".

Incentive Stock Option Plan.

The Incentive Stock Option Plan authorizes the issuance of options to purchase shares of the Company's common stock. Only officers, directors and employees of the Company may be granted options pursuant to the Incentive Stock Option Plan.

In order to qualify for incentive stock option treatment under the Internal Revenue Code, the following requirements must be complied with:

1. Options granted pursuant to the Plan must be exercised no later than:

(a) The expiration of thirty (30) days after the date on which an option holder's employment by the Company is terminated.

(b) The expiration of one year after the date on which an option holder's employment by the Company is terminated, if such termination is due to the Employee's disability or death.

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2. In the event of an option holder's death while in the employ of the Company, his legatees or distributees may exercise (prior to the option's expiration) the option as to any of the shares not previously exercised.

3. The total fair market value of the shares of common stock (determined at the time of the grant of the option) for which any employee may be granted options which are first exercisable in any calendar year may not exceed $100,000.

4. Options may not be exercised until one year following the date of grant. Options granted to an employee then owning more than 10% of the common stock of the Company may not be exercisable after five years from the date of grant.

5. The purchase price per share of common stock purchasable under an option is determined by the Company's Board of Directors but cannot be less than the fair market value of the Common Stock on the date of the grant of the option (or 110% of the fair market value in the case of a person owning the Company's stock which represents more than 10% of the total combined voting power of all classes of stock).

Non-Qualified Stock Option Plan.

The Non-Qualified Stock Option Plan authorizes the issuance of options to purchase shares of the Company's common stock to the Company's employees, directors, officers, consultants and advisors, provided however that bona fide services must be rendered by consultants or advisors and such services must not be in connection with the offer or sale of securities in a capital-raising transaction. The option exercise price and expiration date are determined by the

Company's Board of Directors.

Stock Bonus Plan.

The Company's Stock Bonus Plan authorizes the issuance of shares of common stock to the Company's employees, directors, officers, consultants and advisors provided, however, that bona fide services must be rendered by consultants or advisors and such services must not be in connection with the offer or sale of securities in a capital-raising transaction.

Other Information Regarding the Plans.

The Plans are administered by the Company's Board of Directors. The Board of Directors has the authority to interpret the provisions of the Plans and supervise the administration of the Plans. In addition, the Board of Directors is empowered to select those persons to whom shares or options are to be granted, to determine the number of shares subject to each grant of a stock bonus or an option and to determine when, and upon what conditions, shares or options granted under the Plans will vest or otherwise be subject to forfeiture and cancellation.

In the discretion of the Board of Directors, any option granted pursuant to the Plans may include installment exercise terms such that the option becomes fully exercisable in a series of cumulating portions. The Board of Directors may also accelerate the date upon which any option (or any part of any options) is first exercisable. Any shares issued pursuant to the Stock Bonus Plan and any options granted pursuant to the Incentive Stock Option Plan or the Non-Qualified Stock Option Plan will be forfeited if the "vesting" schedule established by the Board of Directors at the time of the grant is not met. For this purpose, vesting means the period during which the employee must remain an employee of the Company or the period of time a non-employee must provide services to the Company. At the time an employee ceases working for the Company (or at the time a non-employee ceases to perform services for the Company), any shares or options not fully vested will be forfeited and cancelled. In the discretion of the Board of Directors payment for the shares of Common Stock underlying options may be paid through the delivery of shares of the Company's Common Stock having an aggregate fair market value equal to the option price, provided such shares have been owned by the option holder for at least one year prior to such exercise. A combination of cash and shares of Common Stock may also be permitted at the discretion of the Board of Directors.

Options are generally non-transferable except upon the death of the option holder. Shares issued pursuant to the Stock Bonus Plan will generally not be transferable until the person receiving the shares satisfies the vesting

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requirements imposed by the Board of Directors when the shares were issued.

The Board of Directors of the Company may at any time, and from time to time, amend, terminate, or suspend one or more of the Plans in any manner it deems appropriate, provided that such amendment, termination or suspension cannot adversely affect rights or obligations with respect to shares or options previously granted.

The Plans are not qualified under Section 401(a) of the Internal Revenue Code, nor are they subject to any provisions of the Employee Retirement Income Security Act of 1974.

Summary.

The following sets forth certain information as of July 13, 2001 concerning the stock options and stock bonuses granted by the Company pursuant to the Plans, and options granted outside of the Plans. Each option represents the right to purchase one share of the Company's common stock.

Type of Option	Total Shares Reserved Under Plans	Shares Reserved for Outstanding Options	Shares Issued As Stock Bonus	Remaining Options/ Shares Under Plans
Incentive Stock Option Plan	500,000	50,000	N/A	450,000
Non-Qualified Stock Option Plan	1,500,000	1,059,000	N/A	441,000
Stock Bonus Plan	500,000	N/A	169,500	330,500
Options outside of plans	N/A	130,000	N/A	N/A

In August 2000, Scott Munro and James Sanford were issued 15,000 and 56,000 shares, respectively, of common stock from the Company's Stock Bonus Plan for services rendered. In November 2000, Rupinder Nanuwa was issued 4,000 shares of common stock from the Company's Stock Bonus Plan for services rendered. In February 2001, Christine Strecko was issued 1,000 shares of common stock from the Company's Stock Bonus Plan for services rendered. In May 2001, Stan Penny was issued 25,000 shares, Pamela Mackie - 50,000 shares, Millie Wolfram - 4,000 shares, Norah Read - 5,000 shares, Lori Goodkey - 2,500 shares, Lesly Matter - 2,000 and Justin Van Dyken - 5,000 shares, of common stock from the Company's Stock Bonus Plan.

The following tables lists all options and warrants granted by the Company as of July 13, 2001, including those that were not granted pursuant to the Company's Incentive or Non-Qualified Stock Option Plans.

Name	Shares Issuable Upon Exercise of Options	Option Exercise Price	Expiration Date of Option
Scott Munro	50,000	$0.43	08/01/03
	75,000	$0.25	06/01/03
Christine Cerisse *	100,000 (1)	$1.00	03/01/01
James Sanford *	10,000	$0.43	08/01/03
Ken Galpin	100,000	$0.25	06/01/03
George Shahnazarian	100,000	$0.25	06/01/03
	150,000	$0.25	05/28/03
Glenn Davies	100,000	$0.25	06/01/03
Ken Landis	100,000	$0.25	06/01/03
David Woodcock	100,000	$0.25	06/01/03
Company employees, former employees and consultants	444,000	$0.43	08/01/03
	40,000	$0.25	06/01/03

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Other option holders	130,000	$0.43	08/01/03
Warrantholders	2,141,893	$0.25 to $1.50	2/10/01 to 07/12/03
	3,640,893		

(1) Expired subsequent to year end on March 1, 2001.

* Former officer and/or director. See Item 9 of this report for information concerning changes in the Company's management.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table sets forth, as of July 13, 2001 information with respect to the only persons owning beneficially 5% or more of the Company's common stock and the number and percentage of outstanding shares owned by each director and officer and by the Company's officers and directors as a group. Unless otherwise indicated, each owner has sole voting and investment power over his or her shares of common stock. The percentage ownership calculations are based upon 17,735,077 outstanding shares of common stock, which assumes that all outstanding options and warrants are exercised and all outstanding Series A Preferred shares are converted into shares of common stock.

Name and Address	Shares Owned	Percentage Ownership (3)
Kenneth Galpin 12385-221 Street Maple Ridge, B.C. Canada V2X 0T6	100,000 (1)	0.6%
William Coughlin 11202 Stave Lake Road Mission, British Columbia Canada	500,000 (1)(2)	3.9%
Carole Coughlin 11202 Stave Lake Road Mission, British Columbia Canada	500,000 (1)(2)	3.9%
Scott Munro 10933 Sylvester Road Mission, British Columbia Canada	143,646	0.1%
George Shahnazarian 7460 Burnham Ct. Burnaby, British Columbia Canada V5A 4M7	400,000 (1)	2.3%
Ken Landis 31470 Southern Drive Abbotsford, B.C. Canada, V2T 5N9	100,000 (2)(3)	0.6%
Glenn Davies 9263-209B Place, Langley, B.C. Canada, V1M 1T1	100,000 (1)	0.6%
Khachik Toomian 902 S. Glendale Avenue Glendale, CA 91205	5,000,000	28.2%
David Woodcock 4353 Huntington Forest Drive Jacksonville, FL 32257	100,000 (1)	1.7%
612559 B.C. Ltd. 11476 Kingston Street	5,950,680 (2)	33.6%

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Maple Ridge, British Columbia
Canada V2X 0Y5

KJS Ventures Ltd. 31470 Southern Drive Abbotsford, B.C. Canada	1,125,000 (2)(3)	6.3%
All officers and directors as group (7 persons)	9,019,326	50.9%

(1) Includes shares issuable to the following Company's officers, directors and those persons owning more than 5% of the Company's common stock, upon the exercise of options or warrants or upon the exchange of MarketU's Series A Preferred stock:

Name	Shares Issuable Upon Exercise of Options or Warrants	Exercise Price	Expiration Date of Option or Warrant	Shares Issuable Upon Exchange of Series A Preferred Stock
Kenneth Galpin	100,000	$0.25	6/01/03	--
William Coughlin	--	--	--	500,000
Carole Coughlin	--	--	--	500,000
George Shahnazarian	150,000	$0.25	5/28/03	--
	100,000	$0.25	6/01/03	--
Scott Munro	50,000	$0.43	8/01/03	--
	75,000	$0.25	6/01/03	--
Glenn Davies	100,000	$0.25	6/01/03	--
Ken Landis	100,000	$0.25	6/01/03	--
David Woodcock	100,000	$0.25	6/01/03	--
Khachik Toomian	1,000,000	$0.25 *	10/18/02	--
612559 B.C. Ltd.	566,893	$0.25 *	10/18/02	3,500,000
KJS Ventures Ltd.	375,000	$0.25	7/12/03	--

* Exercise price increases to $0.30 after 10/18/01.

(2) On September 21, 2000, 612559 B.C. Ltd. acquired 250,000 shares of MarketU's common stock from Christine Cerisse for $50,000. 612559 B.C. Ltd. also agreed to purchase 500,000 shares of MarketU's common stock owned by Ms. Cerisse for $150,000 on or before the 30th day following the date that a registration statement with respect to these shares becomes effective. As part of its agreement with Ms. Cerisse, 612559 B.C. Ltd. has the right to vote these 500,000 shares.

Also on September 21, 2000, 612559 B.C. Ltd. acquired the voting rights to 3,500,000 shares of MarketU's Series A Preferred stock which are owned by William and Carole Coughlin. Each Series A Preferred share is entitled to one vote. 612559 B.C. Ltd. also acquired from Mr. and Mrs. Coughlin an option to acquire the 3,500,000 Series A Preferred shares, as well as 3,500,000 preferred shares of a wholly owned subsidiary of MarketU, at a price that ranges from $0.65 to $0.85 per share. The option expires on April 30, 2002. Kenneth Galpin, George Shahnazarian and Ken Landis are the sole directors, officers and controlling persons of 612559 B.C. Ltd.

The share ownership in the table for 612559 B.C. Ltd.;

o includes the 250,000 shares acquired from Christine Cerisse;
o assumes an additional 500,000 shares are acquired from Christine Cerisse;

o includes the 1,133,787 common shares purchased on October 19, 2000;
o assumes the 3,500,000 preferred shares of MarketU and MarketU's subsidiary which may be acquired from William and Carole Coughlin are exchanged for 3,500,000 shares of MarketU's common stock, and
o includes 566,893 shares of MarketU's common stock issuable upon exercise of outstanding warrants,

William Coughlin is the husband of Carole Coughlin.

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The shareholders of 612559 B.C. Ltd. are as follows:

Name	% Ownership
Ken Galpin	20.1% *
George Shahnazarian	2.0%
George Shahnazarian	20.1% *
Glenn Davis	20.1% *
David Woodcock	3.35% *
KJS Ventures Ltd.	25.0% (3)
Non-affiliates of MarketU	9.35%
	100%

* Share ownership is through MarketU Communications, Ltd.

(3) Ken Landis is the controlling shareholder of KJS Ventures Ltd. and may therefore be deemed the beneficial owner of the shares owned by this company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

On April 28, 2000 the Company acquired all of the issued and outstanding shares of Home Finders Realty Ltd and Most Referred Real Estate Agents, Inc. (collectively doing business as Home Finders Realty) in exchange for (i) 4,500,000 shares of the Company's Series A Preferred stock and (ii) 4,500,000 preferred shares in a wholly owned subsidiary of the Company which was formed for the sole purpose of facilitating the acquisition of Home Finders Realty.

The preferred shares of the Company and the Company's subsidiary may be exchanged for 4,500,000 shares of the Company's common stock, at the holder's option. Each share of the Company's Series A Preferred stock is entitled to one vote on all matters submitted to a vote of the Company's shareholders. The Series A Preferred shares are not entitled to any dividends or any distributions upon the liquidation of the Company.

The following table shows the shares of the Company's common stock which Mr. Coughlin and Ms. Coughlin are entitled to receive upon conversion of the preferred shares.

	Series A Preferred Shares	Preferred Shares of Subsidiary	Shares of Company's Common Stock Issuable Upon Exchange
William Coughlin	2,250,000	2,250,000	2,250,000
Carole Coughlin	2,250,000	2,250,000	2,250,000

On September 21, 2000, Khachik Toomian acquired 2,000,000 shares of the Company's common stock from Christine Cerisse, a former officer and director of the Company, for $153,000 in cash.

On September 21, 2000, 612559 B.C. Ltd. acquired 250,000 shares of the Company's common stock from Christine Cerisse for $50,000. 612559 B.C. Ltd. agreed to purchase 500,000 additional shares of the Company's common stock owned by Ms. Cerisse for $150,000 on or before April 21, 2001. As part of its agreement with Ms. Cerisse, 612559 B.C. Ltd. has the right to vote these 500,000 shares.

Also on September 21, 2000, 612559 B.C. Ltd. acquired the voting rights to 3,500,000 shares of the Company's Series A Preferred stock which are owned by William and Carole Coughlin. Each Series A Preferred share is entitled to one vote. 612559 B.C. Ltd. also acquired from Mr. and Mrs. Coughlin an option to

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acquire the 3,500,000 Series A Preferred shares (as well as 3,500,000 preferred shares of a wholly owned subsidiary of the Company) at a price that ranges from $0.65 to $0.85 per share. The option expires on April 30, 2002.

On October 19, 2000, Mr. Toomian and 612559 B.C. Ltd. acquired 2,000,000 and 1,133,787 units respectively of the Company for $0.15 per unit. Each unit consists of one share of the Company's common stock and one-half warrant. Every two-1/2 warrants will entitle the holder to purchase one additional share of the Company's common stock at a price of $0.25 per unit if exercised during the first twelve months following the sale of the units and $0.30 per unit during the succeeding twelve months.

Kenneth Galpin, George Shahnazarian and Ken Landis are the sole officers and directors of 612559 B.C. Ltd. Mr. Toomian is a business associate of Mr. Shahnazarian. Mr. Toomian, together with Mr. Shahnazarian and Mr. Galpin, on behalf of 612559 have an understanding (but not a written agreement) that they will vote, at shareholders meetings, for the same directors of MarketU and any matters proposed at the shareholders meetings, to accomplish the same business ends.

In February 2001, the Company acquired 86.9% of the outstanding shares of AMRR.com, Inc. in exchange for 446,530 shares of the Company's common stock. In May 2001 AMRR paid $16,509 to purchase for cancellation 33,018 of the remaining outstanding AMRR shares. This transaction increased the Company's ownership in AMRR to 99.7%. On June 27, 2001 the Company acquired the remaining 673 outstanding AMRR shares, increasing its ownership in AMRR to 100%. At the time of this acquisition AMRR was not conducting any business and AMRR's only assets were a receivable from the Company in the amount of $43,890 and certain office equipment, valued at approximately $8,700, which the Company was using in its operations. William Coughlin, although the sole officer and director of AMRR, did not own any of AMRR's capital stock and did not receive any of shares of the Company in connection with this acquisition.

In March 2001, the Company sold 375,000 shares of its common stock to KJS Ventures Ltd. for $75,000 $0.20 per share. The purchase price was received in three equal installments of $25,000 each in March, April and May 2001. KJS Ventures Ltd. is controlled by Ken Landis, a director of the Company.

In May 2001, the Company sold 375,000 units to KJS Ventures Ltd. for $75,000 or $0.20 per unit. The Company received $25,000 in cash on May 22, 2001 and $25,000 in cash on June 15, 2001. The remaining $25,000 is payable on July 13, 2001. Each unit consists of one common share and one warrant. Each warrant is exercisable at a price of $0.25 per share at any time prior to July 13, 2003.

In May 2001, The Company sold 150,000 units to George Shahnazarian, an officer of the Company, for $30,000 or $0.20 per unit. Each unit consists of one share of common stock and one warrant. Each warrant is exercisable at a price of $0.25 per share at any time prior to May 29, 2003.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

Exhibit Number	Exhibit Name	Page Number
3.1	Articles of Incorporation and Bylaws	(1)
3.2	Amendment to Articles of Incorporation	(2)
4	Instruments Defining the Rights of Security Holders	See Exhibit No. 3.1
9	Voting Trust Agreement	None
10	Material Contracts	None
11	Statement re: Computation of Per Share Earnings	None
21	Subsidiaries	(2)
24	Power of Attorney	None
99	Additional Exhibits	None

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(1) Incorporated by reference to Exhibit 3 to the Company's Registration Statement on Form 10-SB.

(2) Incorporated by reference to the same Exhibit included as part of the Company's annual report on Form 10-KSB (filed on November 21, 2000).

During the quarter ending July 31, 2000 the Company filed the following reports on Form 8-K.

- 8-K report filed on May 12, 2000 which disclosed the acquisition Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc.
- Amended 8-K report filed on August 10, 2000 which contained the audited financial statements of Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc.
- 8-K report filed on October 27, 2000 which disclosed the change of the Company's auditors.

Consolidated Financial Statements of

MARKETU INC.

(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)

(Expressed in U.S. Dollars)

Year ended July 31, 2000

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders

MarketU Inc.

We have audited the consolidated balance sheets of MarketU Inc. (formerly North American Resort and Golf, Inc.) as of July 31, 2000 and July 31, 1999, and the related consolidated statements of operations, stockholders' equity (deficiency) and comprehensive loss and cash flows for each of the years in the three year period ended July 31, 2000. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 our audits provide a reasonable basis for our opinion.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of MarketU Inc. as at July 31, 2000 and 1999 and the results of its operations and its cash flows for each of the years in the three year period ended July 31, 2000 in conformity with accounting principles generally accepted in the United States of America.

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These consolidated financial statements have been restated from those previously presented as explained in Note 1.

Chartered Accountants

Abbotsford, Canada
November 14, 2000, except for notes 1 and 2(a) which are as of May 14, 2001

MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Consolidated Balance Sheets (restated - Note 1)
(Expressed in U.S. Dollars)

July 31, 2000 and 1999

	2000	1999
Assets		
Current assets:		
Cash	$ 3,034	$ -
Accounts receivable	6,821	-
Prepaid expenses	29,045	-
Security deposit	10,810	-
	49,710	-
Due from shareholder (Note 3)	69,241	-
Goodwill (Note 4)	913,078	-
Fixed assets (Note 5)	30,094	-
Web site development (Note 6)	33,563	-
	$1,095,686	$ -
Liabilities and Stockholders' Equity (Deficiency)		
Current liabilities:		
Accounts payable and accrued liabilities	$ 95,144	$ -
Unearned revenue	137,489	-
Advances payable	-	24,540
Promissory notes payable (Note 7)	24,887	-
Payable to related party (Note 8)	49,388	-
	306,908	24,540
Stockholders' equity (deficiency) (Note 11):		
Common stock	5,054	4,552
Additional paid in capital	330,376	82,128
Series A preferred stock	759,375	-
Deficit	(306,932)	(111,220)
Accumulative other comprehensive income:		
Cumulative exchange adjustment	905	-
	788,778	(24,540)
Subsequent events (Note 13)		
	$1,095,686	$ -

See accompanying notes to consolidated financial statements.

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MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Consolidated Statements of Operations (restated - Note 1)
(Expressed in U.S. Dollars)

Years ended July 31, 2000, 1999 and 1998

	2000	1999	1998
Revenue:			
Membership dues	$ 86,100	$ -	$ -
Referral fees	94,563	-	-
Miscellaneous revenue	3,397	-	-
	184,060	-	-
Direct costs:		-	
Commission	17,040	-	-
Courier	655	-	-
Credit card	1,652	-	-
Telephone	6,779	-	-
Wages and benefits	33,008	-	-
Web site maintenance and development	14,839	-	-
	73,973	-	
Gross margin	110,087	-	-
General and administrative expenses:			
Advertising and promotion	2,457	-	11,135
Amortization - capital assets	2,763	-	-
- goodwill	83,007		
Automobile	1,083	-	-
Bank charges and interest	1,010	-	-
Consulting services	-	382	11,036
Computer services	5,233	-	-
Impairment loss on option to acquire shares	-	2,170	-
Insurance and licensing	937	-	-
Investor relations and marketing	16,261	-	4,037
Office rent	5,963	2,299	1,203
Office supplies	12,891	1,557	12,389
Professional fees	72,051	245	13,989
Maintenance and utilities	1,332	-	-
Management fees	77,172	-	22,177
Stock transfer and filings	2,390	1,182	2,489
Telephone	734	948	3,333
Travel	1,229	-	2,587
Wages and benefits	19,286	-	-
	305,799	8,783	84,375
Net loss for the year	$(195,712)	$ (8,783)	$ (84,375)
Net loss per common share, basic and diluted	$ (0.03)	$ -	$ (0.02)
Weighted average common shares outstanding, basic and diluted	5,940,980	4,552,200	4,093,496

See accompanying notes to consolidated financial statements.

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(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Consolidated Statements of Stockholders' Equity (Deficiency) and Comprehensive
Loss (restated - Note 1) (Expressed in U.S. Dollars)
Years ended July 31, 2000, 1999 and 1998

<TABLE>
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	Common stock		Additional paid in capital	Series A Preferred Stock		Accumulated other comprehensive Income	Accumulated deficit	
	Shares	Amount		Shares	Amount			Total
Balance, July 31, 1997	2,500,000	$2,500	$ -	$ -	$ -	$ -	$ (18,062)	$(15,562)
Issuance of common stock for services, October 6, 1997 at estimated fair value of stock of $9,350	935,000	935	8,415	-	-	-	-	9,350
Issuance of common stock for cash, October 6, 1997 at $0.01 per share	350,000	350	3,150	-	-	-	-	3,500
Issuance of common stock for cash, October 24, 1997 at $0.10 per share	530,000	530	52,470	-	-	-	-	53,000
Issuance of common stock for third party stock options, December 18, 1997 at $0.01 per share	208,200	208	1,874	-	-	-	-	2,082
Issuance of common stock for third party stock options, April 3, 1998 at $0.01 per share	8,800	9	79	-	-	-	-	88
Issuance of common stock for cash, April 3, 1998 at $0.80 per share	20,200	20	16,140	-	-	-	-	16,160
Loss for the year	-	-	-	-	-	-	(84,375)	(84,375)
Balance, July 31, 1998	4,552,200	4,552	82,128	-	-	-	(102,437)	(15,757)
Loss for the year	-	-	-	-	-	-	(8,783)	(8,783)
Balance, July 31, 1999	$4,552,200	$ 4,552	$82,128	-	$ -	$ -	$(111,220)	$(24,540)

</TABLE>

MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Consolidated Statements of Stockholders' Equity (Deficiency) and Comprehensive
Loss (restated - Note 1) (Expressed in U.S. Dollars)
Years ended July 31, 2000, 1999 and 1998

<TABLE>

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	Common stock		Additional paid in capital	Series A Preferred Stock		Accumulated other comprehensive Income	Accumulated deficit	Total
	Shares	Amount		Shares	Amount			
Balance, July 31, 1999	4,552,200	$4,552	$82,128	-	$ -	$ -	$(111,220)	$(24,540)
Issuance of common stock for cash, December 15, 1999 at $0.25 per share	200,000	200	49,800	-	-	-	-	50,000
Issuance of common stock for cash, February 10, 2000 at $0.50 per share	50,000	50	24,950	-	-	-	-	25,000
Issuance of common stock for cash, March 10, 2000 at $0.75 per share	61,500	61	30,689	-	-	-	-	30,750
Issuance of common stock for cash, March 17, 2000 at $0.75 per share	125,667	126	94,124	-	-	-	-	94,250
Series A preferred stock issued on purchase of Home Finders Realty (Note 2(a))	-	-	-	4,500,000	759,375	-	-	759,375
Issuance of common stock for cash, May 5, 2000 at $0.75 per share	65,000	65	48,685	-	-	-	-	48,750
Comprehensive loss:								
Translation adjustment	-	-	-	-	-	905	-	905
Loss for the year	-	-	-	-	-	-	(195,712)	(195,712)
						905	(195,712)	(194,807)
Balance, July 31, 2000	5,054,367	$5,054	$330,376	4,500,000	$759,375	$ 905	$(306,932)	$788,778

</TABLE>

See accompanying notes to consolidated financial statements.

MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Consolidated Statements of Cash Flows (restated - Note 1)
(Expressed in U.S. Dollars)
Years ended July 31, 2000, 1999 and 1998

	2000	1999	1998
Cash flows from operating activities:			
Loss for the year	$ (195,712)	$(8,783)	$(84,375)
Items not involving cash:			
Amortization	85,770	-	-
Amortization of web site development costs	8,256	-	-

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Impairment loss on option to acquire shares	-	2,170	-
Common shares issued for services	-	-	9,350
Changes in operating asset and liabilities:			
Accounts receivable	(2,333)	-	-
Prepaid expenses	4,374	604	(604)
Accounts payable and accrued liabilities	31,487	(4,000)	2,469
Unearned revenue	(34,440)	-	-
Net cash used in operating activities	(102,598)	(10,009)	(73,160)
Cash flows from investing activities:			
Proceeds on sale of fixed assets	-	-	427
Purchase of fixed assets	(171)	-	-
Web site development	(17,960)	-	-
Cash acquired on purchase of Home Finders Realty	1,644	-	-
Security deposits	(82)	-	-
Notes issued to Home Finders Realty prior to acquisition	(92,334)	-	-
Net cash provided by (used in) investing activities	(108,903)	-	427
Cash flows from financing activities:			
Net proceeds from issuances of and subscriptions for common stock	248,750	-	72,660
Advances from related party	-	-	24,540
Repayment of advances to related party	(35,164)	-	(53,000)
Advances from shareholder	9,842	-	-
Repayment of promissory notes	(8,893)	-	-
Net cash provided by financing activities	214,535	-	44,200
Increase (decrease) in cash	3,034	(10,009)	(28,533)
Cash, beginning of year	-	10,009	38,542
Cash, end of year	$ 3,034	$ -	$10,009
Supplementary disclosure:			
Non-cash transactions:			
Purchase of Home Finders Realty for stock and debt, net of cash acquired (Note 2(a))	$1,090,518	$ -	$ -
Notes receivable extinguished on acquisition of Home Finders Realty	$ 92,334	$ -	$ -
Issue of common stock for options to purchase shares	$ -	$ -	$ 2,170
Interest paid	$ 1,010	$ -	$ -
Income taxes paid	$ -	$ -	$ -

See accompanying notes to consolidated financial statements.

MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Notes to Consolidated Financial Statements
(Expressed in U.S. Dollars)

Years ended July 31, 2000, 1999 and 1998

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1. General operations:

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North American Resorts & Golf, Inc. ("NARG" or, subsequent to April 28, 2000, the "Company") was incorporated under the laws of the State of Nevada on June 4, 1997. To April 28, 2000, it was substantially inactive and, for financial reporting purposes, considered to be a development stage enterprise. On April 28, 2000, NARG acquired two Canadian subsidiaries in a series of transactions that were originally accounted for as a recapitalization of the Canadian subsidiaries, as discussed in the original 10-KSB filing dated November 22, 2000. In late April 2001, after review and consultation with the staff of the Securities and Exchange Commission ("SEC") it was concluded that as the former shareholders of Canadian subsidiaries, which entities were under common control, held only 47.4% of the Company immediately after the transaction, and that notwithstanding that the Company's sole business activity was of the Canadian subsidiaries, recapitalization accounting treatment was not in accordance with generally accepted accounting principles in the United States and the transaction was to be accounted for as a business combination utilizing the purchase method with NARG identified as the acquirer. The acquired Canadian subsidiaries were Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc. (collectively "Home Finders Realty").

The impact of the change in accounting methods on previously issued financial statements is as follows:

Increase (decrease) from the following previously-reported amounts:

Balance sheet

	July 31, 2000	December 31, 1999
Current assets	$ -	$ (51,748)
Fixed assets	-	(34,698)
Other assets	-	(68,649)
Goodwill	913,078	-
	$913,078	$(155,095)
Current liabilities	$ -	$(328,190)
Stockholder's equity	913,078	173,095
	$913,078	$(155,095)

1. General operations (continued):

Income Statement

Previously, the Company reported Home Finders Realty's historic operations which were as follows:

	Seven months ended July 31, 2000	Year ended December 31, 1999	Year ended December 31, 1998
Revenue	$379,344	$572,855	$ 413,647
Cost of sales	(133,733)	(227,846)	(295,735)
General and administrative expenses	(305,856)	(320,694)	(218,702)
Net income (loss)	$(60,245)	$ 24,315	$(100,790)

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Home Finders Realty's operations are now included only since date of acquisition of April 28, 2000.

The Statements of Cash Flows, Stockholders' Equity (Deficiency) and Comprehensive Loss have been restated to reflect the change in accounting for this transaction. Prior to the purchase transaction, NARG had conducted only limited operations and had not commenced an active business. The purchase transaction is detailed in Note 2(a). On June 27, 2000 the Company changed its name to MarketU Inc.

Since the transactions on April 28, 2000, the Company's primary business activity is to provide a service which allows real estate professionals and the general public to find customer service oriented realtors in North American cities through the Company's web sites AMRR.com and CMRR.com.

2. Significant accounting policies:

(a) Basis of presentation:

On April 28, 2000, NARG acquired all of the issued and outstanding shares of Home Finders Realty. This transaction was completed by issuing 4,500,000 voting, convertible Series A Preferred shares to the shareholders of Home Finders Realty. Upon completion of this transaction the former shareholders of Home Finders Realty held approximately 47.4% of the voting shares of the Company.

The steps utilized to complete this transaction were as follows:

(i) NARG incorporated 604587 British Columbia Ltd. ("604587"), as a wholly-owned subsidiary, to facilitate the transaction. 604587's sole purpose was to facilitate the transaction and has no operations.

(ii) 604587 issued 4,500,000 non-voting preferred shares and NARG issued 4,500,000 voting Series A preferred shares, to the former shareholders of Home Finders Realty in exchange for all of the issued and outstanding common shares of Home Finders Realty. The non-voting preferred shares have nominal value and are not entitled to equity of the Company beyond their nominal value. The non-voting shares were issued to facilitate the exchange of the voting Series A preferred shares at a future date and to allow the Canadian shareholders of Home Finders Realty to complete the transaction on a tax-deferred basis.

The preferred shareholders of 604587 and the Company can cause, at their option, the Company to convert one preferred share in 604587 and one Series A preferred share of the Company into one common share of the Company at any time at their option. This is summarized as follows:

Series A preferred shares	Preferred shares of 604587	Shares of the Company's common stock issuable upon exchange
4,500,000	4,500,000	4,500,000

This business combination has been accounted for as a purchase of Home Finders Realty by NARG.

2. Significant accounting policies (continued):

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(a) Basis of presentation (continued):

The effective 4,500,000 common shares issued by NARG on the acquisition have been valued based on their market trading price at the time the transaction was agreed to and announced. The consideration paid has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at April 28, 2000, the acquisition date, which are as follows:

Assets acquired:	
Cash	$ 1,644
Other current assets	50,968
Fixed assets	32,869
Other assets	102,930
	188,411
Goodwill	996,085
	1,184,496
Less:	
Debt assumed on acquisition	(332,787)
Note receivable due from Home Finders Realty extinguished on acquisition	(92,334)
	(425,121)
Fair market value of Series A preferred shares issued upon acquisition of Home Finders Realty	$759,375

2. Significant accounting policies (continued):

(a) Basis of presentation (continued):

The pro forma statement of operations for the Company for the years ended July 31, 2000 and 1999, giving effect to the acquisition of Home Finders Realty as if it had occurred at the beginning of each of the years presented is as follows:

	Year ended July 31, 2000 (Unaudited)	Year ended July 31, 1999 (Unaudited)
Revenue		
Membership	$378,656	$275,844
Referral fees	232,454	77,936
Other	4,745	-
	615,855	353,780
Cost of sales	275,941	228,638
Gross margin	339,914	125,142
General and administrative expenses	618,800	172,078
Amortization of goodwill	332,028	332,028
	950,828	504,106
Pro forma net loss	$ (610,914)	$(378,964)
Pro forma net loss per share, basic and diluted	$ (0.10)	$ (0.08)

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(b) Consolidation:

The consolidated financial statements include the accounts of the Company and all of its directly and indirectly owned subsidiaries since acquisition, all of which are wholly-owned, as follows:

604587 British Columbia Ltd.
Most Referred Real Estate Agents Inc.
Home Finders Realty Ltd.

All significant inter-company balances and transactions have been eliminated in the consolidated financial statements. As indicated in Note 2(a), the 4,500,000 non-voting preferred shares of 604587 have a nominal value assigned in accordance with their economic rights. Accordingly, minority interest is not separately presented in the consolidated balance sheet.

2. Significant accounting policies (continued):

(c) Use of estimates:

The preparation of consolidated financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and reported revenues and expenses for the reporting period. Actual results may significantly differ from those estimates.

(d) Foreign currency translation:

The Company's reporting and functional currency is the U.S. dollar. The operations of the Company's subsidiaries are located in Mission, Canada and their functional currency is the Canadian dollar. The operations have been translated into U.S. dollars using the current rate method whereby the assets and liabilities are translated at the rates of exchange in effect at the balance sheet date and revenue and expenses are translated at the average rates of exchange during the year.

Adjustments from the translation of the subsidiaries financial information are included in comprehensive income (loss) and as a separate component of stockholders' equity (deficiency).

(e) Fixed assets:

Fixed assets are recorded at cost. Amortization has been provided on the declining balance basis using the following rates:

Office equipment	20%
Automotive equipment	30%
Computer hardware	30%
Computer software	100%

(f) Goodwill:

Goodwill arose on the acquisition of Home Finders Realty and is recorded at cost. Amortization has been provided on a straight line basis over 36 months from date of acquisition.

2. Significant accounting policies (continued):

(g) Income taxes:

The Company follows the asset and liability method of accounting for income taxes. Under this method, current taxes are recognized for the estimated income taxes payable for the current period.

Deferred income taxes are provided based on the estimated future tax effects of timing differences between financial statement carrying amounts

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of assets and liabilities and their respective tax basis as well as the benefit of losses available to be carried forward to future years for tax purposes.

Deferred tax assets and liabilities are measured using enacted tax rates that are expected to apply to taxable income in the years in which those timing differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the substantive enactment date. A valuation allowance is recorded for deferred tax assets when it is more likely than not that such future tax assets will not be realized.

(h) Net loss per share:

Basic net loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted loss per share is computed using the weighted average number of common and potentially dilutive common stock outstanding during the period. As the Company has a net loss in the years ending July 31, 1998, 1999 and 2000, basic and diluted net loss per share are the same.

(i) Web site development:

The Company accounts for web site development costs in accordance with EITF 00-2. Under this standard web site development, including customizing database software, development of HTML web page templates and installation of servers as well as significant upgrades and enhancements, are capitalized. Amortization of these costs is provided for over two years on a straight-line basis and is recorded as part of web site maintenance and development. Routine web-site maintenance costs, operating costs and costs associated with upgrades that do not increase functionality are expensed as incurred.

2. Significant accounting policies (continued):

(j) Stock-based compensation:

The Company accounts for its employee stock-based compensation arrangement in accordance with provisions of Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations. As such, compensation expense under fixed plans is recorded on the date of grant only if the market value of the underlying stock at the date of grant exceeds the exercise price. The Company recognizes compensation expense for stock options, common stock and other equity instruments issued to non-employees for services received based upon the fair value of the equity instruments issued.

SFAS No. 123, Accounting for Stock Based Compensation, requires entities that continue to apply the provisions of APB Opinion No. 25 for transactions with employees to provide pro forma net income and pro forma earnings per share disclosures for employee stock option grants as if the fair-value-based method defined in SFAS No. 123 had been applied to these transactions.

Pro forma loss and pro forma loss per share are disclosed in Note 11(b).

(k) Revenue recognition:

The Company earns revenues from the sale of annual non-refundable realtor memberships and through referral fees resulting when a person buys or sells a house through a member realtor referred by the Company. Membership fees are recognized over the membership period from the commencement of the membership term. Referral fees are recorded when earned and received from the members.

3. Due from shareholder:

The amount due from shareholder is without interest, has no specified terms of repayment and is unsecured. The shareholder is also a director of the Company. The amount due from shareholder arose due to Home Finders Realty funding certain expenditures pertaining to a shareholder prior to the

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purchase transaction. Pursuant to a verbal agreement between the Company and the shareholder, the amount due is to be repaid from proceeds received by the shareholder from sales of the Company's common shares on the open market. At July 31, 2000 the shareholder held common shares having a market value in excess of the amount due.

4. Goodwill:

	2000	1999
	(Note 1)	
Cost	$996,085	$-
Accumulated amortization	83,007	-
Net book value	$913,078	$-

5. Fixed assets:

Fixed assets consist of the following:

	2000	1999
		(Note 1)
Cost:		
Automotive	$ 7,172	$ -
Computer equipment	16,278	-
Computer software	25,813	-
Office equipment	10,787	-
	60,050	-
Accumulated amortization:		
Automotive	3,341	-
Computer equipment	5,064	-
Computer software	11,246	-
Office equipment	10,305	-
	29,956	-
Net book value	$30,094	$ -

6. Web site development:

	2000	1999
		(Note 1)
Cost	$70,612	$-
Less accumulated amortization	37,049	-
Net book value	$33,563	$-

7. Promissory notes payable:

	2000	1999

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		(Note 1)
Note payable, with interest at 10% (reduced to 8.5% if fully repaid by December 2, 2000), no fixed terms of repayment; secured - see below	$9,083	$-
Note payable, with interest at 10% per annum (reduced to 8.5% if fully repaid by December 2, 2000), no fixed terms of repayment; secured - see below	15,804	-
	$24,887	$-

The above promissory notes are secured by a general security agreement over all of the assets of the Company's subsidiary, Home Finders Realty Ltd.

8. Payable to related party:

	2000	1999
		(Note 1)
Due to AMRR.com Inc. ("AMRR"), without interest or specified terms of repayment	$49,388	$-

A director of the Company is the sole director of AMRR.

The Company leases computer and office equipment with a cost of approximately $31,000 from AMRR for $1 per year.

9. Income taxes:

The Company has income tax loss carryforwards of approximately $154,000 which are available to reduce future taxable income. The benefits of the losses has not been recognized in the financial statements. The losses will expire as follows:

	Canada	U.S.	Total
2005	$26,000	$ -	$26,000
2006	$24,000	$ -	$24,000
2007	$44,000	$ -	$44,000
2010	$ -	$60,000	$60,000

Significant components of the Company's deferred tax assets and liabilities are shown below. A valuation allowance has been recognized to fully offset the net future tax assets as realization of such net assets is uncertain.

	2000	1999
		(Note 1)
Deferred tax assets:		
Operating loss carryforwards	$67,000	$59,610
Unearned revenues	59,000	-
	126,000	59,610
Valuation allowance for deferred tax	(109,000)	(59,610)

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assets		
Net deferred tax assets	17,000	-
Deferred tax liabilities:		
Capital assets and web site development	(5,000)	-
Prepaid expenses	(12,000)	-
	(17,000)	-
	$ -	$ -

10. Financial instruments:

The Company's financial instruments consist of cash, accounts receivable, security deposit, amount due to (from) shareholder, accounts payable and accrued liabilities, promissory notes payable and payable to related party. It is the opinion of management that the maximum credit risk equals their carrying values.

10. Financial instruments (continued):

Fair value:

The carrying values of cash, accounts receivable, security deposit, amount due from shareholders, accounts payable and accrued liabilities, promissory notes payable and payable to related party approximate fair value due to the short-term maturities of these instruments.

It is not practicable to determine the fair value of the amounts due from shareholders nor amounts due to related parties due to their related party nature and the absence of a secondary market for such instruments.

Foreign Exchange Risk:

The Company's Canadian subsidiaries, Home Finders Realty Inc. and Most Referred Real Estate Agents Inc., operate in Canadian dollars. As a result, the amounts included in the consolidated financial statements relating to these two subsidiaries will fluctuate with the Canadian foreign exchange rate.

11. Share capital:

(a) Authorized:
50,000,000 Common shares, par value of $0.001 per share
10,000,000 Preferred shares, par value $0.001 per share, designated as follows:
4,500,000 Series A preferred shares (1999 - nil)
5,500,000 Unissued and undesignated (1999 - 10,000,000)

During the period, the Company created the Series A preferred shares and allocated 4,500,000 of the Preferred shares to Series A.

Each share of the Company's Series A preferred stock is entitled to one vote on all matters submitted to a vote of the Company's stockholders. The Series A preferred shares are not entitled to any dividends or any distributions upon the liquidation of the Company.

One Series A preferred share of the Company together with one preferred share of 604587 British Columbia Ltd. may be exchanged for one share of the Company's common stock. Otherwise, the rights and preferences of the unissued and undesignated Preferred shares have not been determined.

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11. Share capital (continued):

(b) Options:

The following table sets forth information concerning the options granted to the Company's officers, directors, employees and others and the exercise price as of July 31, 2000:

Issue date	Expiry date	Number of options granted	Exercise price
Prior to July 31, 1999		-	
December 6, 1999	December 6, 2001	400,000 1	$0.25
March 6, 2000	March 1, 2001	300,000 2	$1.00
May 30, 2000 3	August 1, 2003	567,000 4	$0.43
		1,267,000	

1 All of these options were cancelled subsequent to July 31, 2000.

2 Subsequent to July 31, 2000, 200,000 of these options were cancelled.

3 These options were not exercisable before August 1, 2000.

4 Subsequent to July 31, 2000, 40,000 of these options were cancelled.

At the time of grant the market value of all options did not exceed the exercise price. No options were exercised during the year ending July 31, 2000.

During the year ending July 31, 2000, the following options, included in the total above, have been issued and remain unexercised as of July 31, 2000 under the "Incentive Stock Option Plan":

Date of grant	Expiry date	Number of options granted	Exercise price
Incentive Stock Option Plan:			
May 20, 2000 3	August 1, 2003	50,000	$0.43

The fair value of options granted in fiscal was $0.29 per share.

11. Share capital (continued):

(b) Options (continued):

Pro forma loss and loss per share after consideration of fair market value of share options granted is as follows:

	Year ended July 31,2000	Year ended July 31,1999	Year ended July 31,1998
		(restated - Note 1)	
Net loss as reported	$(195,712)	$(8,783)	$(84,375)
Pro forma compensation for stock options	(125,310)	-	-
Pro forma loss	$(321,022)	$(8,783)	$(84,375)

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Pro forma loss per share, basic	$(0.05)	$ -	$ (0.02)

(c) Warrants:

The following table sets forth information concerning warrants granted:

Issue date	Expiry date	Number of options granted	Exercise price
Prior to July 31, 1999		-	
December 15, 1999	December 22, 2001	200,000	$0.50 per share to December 22, 2000 $0.75 per share after December 22, 2000
March 17, 2000	February 10, 2001	50,000	$0.75 per share
March 17, 2000	March 10, 2001	61,500	$0.75 per share
March 17, 2000	March 17, 2001	59,000	$1.00 per share
March 17, 2000	March 17, 2001	66,667	$1.00 per share
May 5, 2000	May 1, 2001	65,000	$1.25 per share
May 5, 2000	May 1, 2001	65,000	$1.50 per share
		567,167	

12. Stock compensation plans:

(a) Incentive stock option plan:

The incentive stock option plan authorizes the issuance of options to purchase shares of the Company's common stock. Only officers, directors, and employees of the Company may be granted options pursuant to the Incentive Stock Option Plan.

The total fair market value of the shares of common stock (determined at the time of the grant of the option) for which any employee may be granted options which are first exercisable in any calendar year may not exceed $100,000.

Options may not be exercised until one year following the date of grant. Options granted to an employee then owning more than 10% of the common stock of the Company may not be exercisable after five years from the date of grant.

The purchase price per share of common stock, purchasable under an option, is determined by the Company's Board of Directors but cannot be less than the fair market value of the common stock on the date of the grant of the option.

(b) Non-qualified stock option pan:

The non-qualified stock option plan authorizes the issuance of options to purchase shares of the Company's common stock to the Company's employees, directors, officers, consultants or advisors and such services. The option exercise price and expiration date are determined by the Company's Board of Directors.

(c) Stock bonus plan:

The Company's stock bonus plan authorizes the issuance of shares of common stock to the Company's employees, directors, officers, consultants and advisors provided however, that bona fide services must be rendered by consultants or advisors and such services must not be in connection with

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the offer or sale of securities in a capital-raising transaction.

All options outstanding and issued during the period are listed in Note 11(b).

13. Subsequent events:

On October 19, 2000, the Company issued 3,133,787 common shares of the Company for $0.15 each through a private placement. The money raised by this issuance of shares was approximately $470,000. In conjunction with this transaction the Company issued warrants to the purchasers that, upon exercise, allow them to acquire an additional 1,566,893 shares as follows:

Up to October 18, 2001	$0.25 per share
From October 19, 2001 to October 18, 2002	$0.30 per share

These warrants expire October 18, 2002.

On October 19, 2000, the Company conditionally allotted 1,566,893 common shares from treasury for these warrants.

14. Segmented information:

Management has determined that the Company operates in one operating segment which involves the generation of real estate referrals. Substantially all of the Company's operations, assets and employees are located in Canada; however, substantially all of the Company's revenues are from customers located in the United States.

Pro-forma Consolidated Statement of Operations of

MARKETU INC.

(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)

(Expressed in U.S. Dollars)

(Unaudited)

Year ended July 31, 2000

MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)

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Pro-forma Consolidated Statement of Operations
(Expressed in U.S. Dollars)

(Unaudited)
Year ended July 31, 2000

	North American Resort and Golf Inc.	Home Finders Realty	Pro-forma Adjustment (Note 2)	Pro-forma Market U Inc.
Revenue:				
Membership dues	$ -	$ 378,656	$ -	$ 378,656
Referral fees	-	232,454	-	232,454
Miscellaneous revenue	3,238	1,507	-	4,745
	3,238	612,617	-	615,855
Direct costs:				
Commission	-	78,393	-	78,393
Courier	-	2,431	-	2,431
Credit card	-	9,268	-	9,268
Telephone	-	23,858	-	23,858
Wages and benefits	-	136,843	-	136,843
Web site maintenance and development	-	25,148	-	25,148
	-	275,941	-	275,941
Gross margin	3,238	336,676	-	339,914
General and administrative expenses:				
Advertising and promotion	1,728	15,894	-	17,622
Amortization - capital assets	-	26,811	-	26,811
- goodwill	83,007	-	249,021	332,028
Automobile	-	1,083	-	1,083
Bank charges and interest	395	6,543	-	6,938
Computer services	2,595	16,060	-	18,655
Insurance and licensing	-	3,923	-	3,923
Investor relations and marketing	14,845	6,848	-	21,693
Office rent	-	36,689	-	36,689
Office supplies	11,471	4,849	-	16,320
Professional fees	72,051	56,155	-	128,206
Maintenance and utilities	-	9,130	-	9,130
Management fees	50,275	56,095	-	106,370
Stock transfer and filings	2,390	-	-	2,390
Telephone	-	10,886	-	10,886
Travel	-	10,672	-	10,672
Wages and benefits	-	201,412	-	201,412
	238,757	463,050	249,021	950,828
Net loss for the year	$(235,519)	$ (126,374)	$ (249,021)	$ (610,914)
Net loss per common share, basic and diluted (note 3)	$ (0.04)			$ (0.07)

See accompanying notes to pro-forma consolidated statement of operations.

MARKETU INC.
(FORMERLY NORTH AMERICAN RESORT AND GOLF, INC.)
Notes to Pro-forma Consolidated Financial Statement of Operations
(Expressed in U.S. Dollars)

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(Expressed in U.S. Dollars)

1. Basis of presentation:

On April 28, 2000, North American Resort and Golf, Inc. ("NARG") acquired all of the issued and outstanding shares of Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc. (collectively "Home Finders Realty"). This transaction was completed by issuing 4,500,000 voting, convertible Series A Preferred shares to the shareholders of Home Finders Realty. Upon completion of this transaction the former shareholders of Home Finders Realty held approximately 47.4% of the voting shares of the Company.

The steps utilized to complete this transaction were as follows:

(i) NARG incorporated 604587 British Columbia Ltd. ("604587"), as a wholly-owned subsidiary, to facilitate the transaction. 604587's sole purpose was to facilitate the transaction and has no operations.

(ii) 604587 issued 4,500,000 non-voting preferred shares and NARG issued 4,500,000 voting Series A preferred shares, to the former shareholders of Home Finders Realty in exchange for all of the issued and outstanding common shares of Home Finders Realty. The non-voting preferred shares have nominal value and are not entitled to equity of the Company beyond their nominal value. The non-voting shares were issued to facilitate the exchange of the voting Series A preferred shares at a future date and to allow the Canadian shareholders of Home Finders Realty to complete the transaction on a tax-deferred basis.

The preferred shareholders of 604587 and the Company can cause, at their option, the Company to convert one preferred share in 604587 and one Series A preferred share of the Company into one common share of the Company at any time at their option. This is summarized as follows:

Series A preferred shares	Preferred shares of 604587	Shares of the Company's common stock issuable upon exchange
4,500,000	4,500,000	4,500,000

As directed by the SEC, this business combination has been accounted for as a purchase of Home Finders Realty by NARG.

1. Basis of presentation (continued):

The effective 4,500,000 common shares issued by NARG on the acquisition have been valued based on their market trading price at the time the transaction was agreed to and announced. The consideration paid has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at April 28, 2000, the acquisition date, which are as follows:

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(Expressed in U.S. Dollars)

Assets acquired:	
Cash	$ 1,644
Other current assets	50,968
Fixed assets	32,869
Other assets	102,930
	188,411
Goodwill	996,085
	1,184,496
Less:	
Debt assumed on acquisition	(332,787)
Note receivable due from Home Finders Realty extinguished on acquisition	(92,334)
	(425,121)
Fair market value of Series A preferred shares issued upon acquisition of Home Finders Realty	$759,375

The pro forma statement of operations for the Company for the year ended July 31, 2000 gives effect to the acquisition of Home Finders Realty as if it had occurred at the beginning of the year.

On June 27, 2000 the shareholders of NARG approved a resolution to change the name of the company to MarketU Inc.

2. Pro-forma adjustment:

The pro-forma consolidated statement of operations for the year ended July 31, 2000 has been presented assuming the acquisition of Home Finders Realty occurred on August 1, 1999, and gives effect to the following:

NARG

Goodwill of $996,085 arose on August 1, 1999, and is being amortized over 36 months. An additional nine months amortization of $249,021 has been expensed.

The pro-forma statement of operations does not give effect to any non-recurring costs that could occur as a result of the acquisition. No such costs were incurred.

3. Pro-forma earnings per share:

Pro-forma earnings per share for the year ended July 31, 2000 has been presented assuming the acquisition of Home Finders Realty occurred on August 1, 1999, and gives effect to the following:

NARG weighted average shares outstanding	5,940,980
Increase in Series A preferred shares as if they were issued on August 1, 1999	3,341,096
Pro-forma weighted average shares outstanding	9,282,076

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Combined Financial Statements of

HOME FINDERS REALTY

(Expressed in U.S. Dollars)

Four months ended April 28, 2000, years ended December 31, 1999 and 1998

INDEPENDENT AUDITORS' REPORT

The Boards of Directors of Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc.

We have audited the combined statements of operations and cash flows of Home Finders Realty for the four months ended April 28, 2000, and the years ended December 31, 1999 and 1998. These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 our audits provide a reasonable basis for our opinion.

In our opinion, these combined financial statements present fairly, in all material respects, the results of Home Finders Realty's operations and its cash flows for the four months ended April 28, 2000, and the years ended December 31, 1999 and 1998 in conformity with accounting principles generally accepted in the United States of America.

Chartered Accountants

Abbotsford, Canada
May 14, 2001

HOME FINDERS REALTY
Combined Statements of Operations
(Expressed in U.S. Dollars)

	Four months ended	Year ended	Year ended

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	April 28 2000	December 31 1999	December 31 1998
Revenue:			
Membership dues	$131,724	$ 439,730	$380,652
Referral fees	62,933	132,924	32,995
Miscellaneous	627	201	-
	195,284	572,855	413,647
Direct costs:			
Commission	32,793	93,768	62,796
Courier	638	3,355	5,912
Credit card	3,945	8,499	8,213
Office and miscellaneous	-	151	7,693
Telephone	12,784	37,763	73,987
Wages and benefits	19,991	52,561	128,354
Web site maintenance and development	13,703	31,749	8,780
	83,854	227,846	295,735
Gross margin	111,430	345,009	117,912
General and administrative expenses:			
Advertising and promotion	5,897	12,842	19,580
Amortization	3,021	20,880	2,434
Automobile	978	3,089	1,419
Bank charges and interest	2,807	4,725	2,799
Computer services	6,919	9,142	5,984
Insurance and licensing	712	2,730	706
Investor relations and marketing	5,462	28,943	-
Membership and dues	139	4,738	2,157
Office rent	7,552	16,499	4,873
Office supplies	3,660	12,027	16,712
Professional fees	14,259	17,835	1,005
Maintenance and utilities	1,722	7,985	5,897
Management fees	-	-	31,773
Telephone	996	4,156	1,192
Travel	1,743	8,174	5,337
Wages and benefits	95,095	166,929	116,834
	150,962	320,694	218,702
Net income (loss) for the period	$ (39,532)	$ 24,315	$ (100,790)

See accompanying notes to combined financial statements.

HOME FINDERS REALTY
Combined Statements of Cash Flows
(Expressed in U.S. Dollars)

	Four months ended April 28 2000	Year ended December 31 1999	Year ended December 31 1998
Operations:			
Income (loss) for the period	$(39,532)	$24,315	$(100,790)
Items not involving cash:			
Amortization	3,021	20,880	2,434
Amortization of web site development costs	11,008	15,502	2,283
Changes in operating assets and liabilities:			

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Accounts receivable	(2,642)	(1,846)	-
Prepaid expenses	848	10,288	(20,200)
Accounts payable and accrued liabilities	4,185	23,830	10,451
Unearned revenue	(4,071)	(51,525)	103,061
Net cash provided by (used in) operating activities	(27,183)	41,444	(2,761)
Investments:			
Deferred costs	55,249	(55,429)	-
Purchase of fixed assets	(1,180)	(26,817)	(9,547)
Web site development	(21,647)	(26,440)	(4,565)
Security deposits	(7,057)	(3,671)	-
Net cash provided by (used in) investing activities	25,365	(112,357)	(14,112)
Financing:			
Net proceeds from issuances of and subscriptions for common stock	-	136	133
Advances from related party	8,841	51,171	-
Advances from shareholder	-	-	27,367
Advances to shareholder	(87,479)	(38,856)	-
Proceeds from issuance of promissory notes	105,534	55,249	-
Repayment of promissory notes	(33,245)	-	-
Net cash provided by (used in) financing activities	(6,349)	67,700	27,500
Increase (decrease) in cash	(7,987)	(3,213)	10,627
Cash, beginning of period	9,631	12,844	2,217
Cash, end of period	$ 1,644	$ 9,631	$ 12,844
Supplementary disclosure:			
Non-cash transactions:			
Dividends credited to shareholder loan	$ -	$ 13,857	$ -
Interest paid	$ 1,415	$ -	$ -
Income taxes paid	$ -	$ -	$ -

See accompanying notes to combined financial statements.

HOME FINDERS REALTY
Notes to Combined Financial Statements
(Expressed in U.S. Dollars)

Four months ended April 28, 2000 and years ended December 31, 1999 and 1998

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1. General operations:

The Company's primary business activity is to provide a service which allows real estate professionals and the general public to find customer service oriented realtors in North American cities through the Company's web sites AMRR.com and CMRR.com.

2. Significant accounting policies:

(a) Basis of presentation:

Home Finders Realty consists of two companies under common control, Home Finders Realty Ltd. and Most Referred Real Estate Agents Inc., (collectively referred to as "Home Finders Realty" or the "Company"). Home Finders Realty Ltd. was incorporated in British Columbia, Canada on April 1, 1981. Most Referred Real Estate Agents Inc. was incorporated under the Canada Business Corporations Act on August 5, 1997. As both companies are wholly-owned by the same shareholders, their financial statements have been presented on a combined basis to present the results of operations and cash

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flows of entities under common control which were acquired by North American Resort and Golf, Inc. ("NARG"), a previously unrelated party, on April 28, 2000.

These statements have been prepared for specific purposes of providing financial information related to the acquired business of Home Finders Realty by NARG in accordance with the rules and regulations of the Securities and Exchange Commission in the United States.

(b) Combined financial statements:

The combined financial statements include the accounts of the following:

Most Referred Real Estate Agents Inc.
Home Finders Realty Ltd.

All significant inter-company balances and transactions have been eliminated in the combined financial statements.

(c) Use of estimates:

The preparation of combined financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the combined financial statements and reported revenues and expenses for the reporting period. Actual results may significantly differ from those estimates.

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2. Significant accounting policies (continued):

(d) Foreign currency translation:

The operations of the Company is located in Maple Ridge, Canada and their functional currency is the Canadian dollar. The operations have been translated into U.S. dollars using the current rate method whereby the assets and liabilities are translated at the rates of exchange in effect at the balance sheet date and revenue and expenses are translated at the average rates of exchange during the year.

(e) Fixed assets:

Fixed assets are recorded at cost. Amortization has been provided on the declining balance basis using the following rates:

Office equipment	20%
Automotive equipment	30%
Computer hardware	30%
Computer software	100%

(f) Income taxes:

The Company follows the asset and liability method of accounting for income taxes. Under this method, current taxes are recognized for the estimated income taxes payable for the current period.

Deferred income taxes are provided based on the estimated future tax effects of timing differences between financial statement carrying amounts of assets and liabilities and their respective tax basis as well as the benefit of losses available to be carried forward to future years for tax purposes.

Deferred tax assets and liabilities are measured using enacted tax rates that are expected to apply to taxable income in the years in which those timing differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized

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in operations in the period that includes the substantive enactment date. A valuation allowance is recorded for deferred tax assets when it is more likely than not that such future tax assets will not be realized.

(g) Web site development:

The Company accounts for web site development costs in accordance with EITF 00-2. Under this standard web site development, including customizing database software, development of HTML web page templates and installation of servers as well as significant upgrades and enhancements, are capitalized. Amortization of these costs is provided for over two years on a straight-line basis and is recorded as part of web site maintenance and development. Routine web-site maintenance costs, operating costs and costs associated with upgrades that do not increase functionality are expensed as incurred.

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2. Significant accounting policies (continued):

(h) Revenue recognition:

The Company earns revenues from the sale of annual non-refundable realtor memberships and through referral fees resulting when a person buys or sells a house through a member realtor referred by the Company. Membership fees are recognized over the membership period from the commencement of the membership term. Referral fees are recorded when earned and received from the members.

3. Related party transaction:

During the four months ended Aril 28, 2001, the Company advanced $86,427 (year ended December 31, 1999 - $83,888; year ended December 31, 1998 - received $27,367 from the shareholder) to a shareholder to fund certain expenditures pertaining to the shareholder and to repay amounts previously advanced to the company. The amount due from shareholder is without interest, has no specified terms of repayment and is unsecured. The shareholder is also a director of the Company.

4. Deferred costs:

During the year ended December 31, 1999, the Company incurred $55,429 in costs related to the proposed transaction with NARG. On April 28, 2000, the Company completed this transaction at which time $36,987 in costs were expensed with the balance of $18,442 charged back to the former shareholder of the Company for their portion of the costs.

5. Fixed assets:

Fixed assets consist of the following:

	April 28 2000	December 31 1999
Cost:		
Automotive	$ 7,172	$ 7,172
Computer equipment	16,107	15,979
Computer software	25,813	24,912
Office equipment	10,787	9,863
	59,879	57,926
Accumulated amortization:		
Automotive	2,924	2,388

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Computer equipment	4,262	3,229
Computer software	9,638	7,748
Office equipment	10,112	9,863
	26,936	23,228
Net book value	$32,943	$ 34,698

HOME FINDERS REALTY
Notes to Combined Financial Statements (continued)
(Expressed in U.S. Dollars)

Four months ended April 28, 2000 and years ended December 31, 1999 and 1998

6. Web site development:

	April 28 2000	December 31 1999
Cost	$52,643	$31,005
Less accumulated amortization	28,793	17,785
Net book value	$23,850	$13,220

7. Promissory notes payable:

	April 28 2000	December 31 1999
Note payable, with interest at 10% (reduced to 8.5% if fully repaid by December 2, 2000), no fixed terms of repayment; secured - see below	$17,853	$55,429
Note payable, with interest at 10% per annum (reduced to 8.5% if fully repaid by December 2, 2000), no fixed terms of repayment; secured - see below	15,877	-
	$33,730	$55,429

The above promissory notes are secured by a general security agreement over all of the assets of Home Finders Realty Ltd.

8. Payable to related party:

	April 28 2000	December 31 1999
Due to AMRR.com Inc. ("AMRR"), without interest or specified terms of repayment	$60,012	$ 51,171

A director of the Company is the sole director of AMRR.

The Company leases computer and office equipment with a cost of approximately $31,000 from AMRR for $1 per year.

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9. Income taxes:

The Company has income tax loss carryforwards of approximately $94,000 which are available to reduce future taxable income. The benefits of the losses has not been recognized in the financial statements. The losses will expire as follows:

	Total
2005	$26,000
2006	$24,000
2007	$44,000

Significant components of the Company's deferred tax assets and liabilities are shown below. A valuation allowance has been recognized to fully offset the net future tax assets as realization of such net assets is uncertain.

	April 28, 2000	December 31, 1999
Deferred tax assets:		
Operating loss carryforwards	$40,000	$22,000
Unearned revenues	74,000	77,000
	114,000	99,000
Valuation allowance for deferred tax assets	(97,000)	(79,000)
Net deferred tax assets	17,000	20,000
Deferred tax liabilities:		
Capital assets and web site development	(2,000)	(4,000)
Prepaid expenses	(15,000)	(16,000)
	(17,000)	(20,000)
	$ -	$ -

10. Financial instruments:

The Company's financial instruments consist of cash, accounts receivable, security deposit, amount due to (from) shareholder, accounts payable and accrued liabilities, promissory notes payable and payable to related party. It is the opinion of management that the maximum credit risk equals their carrying values.

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10. Financial instruments (continued):

Fair value:

The carrying values of cash, accounts receivable, security deposit, amount due from shareholders, accounts payable and accrued liabilities, promissory notes payable and payable to related party approximate fair value due to the short-term maturities of these instruments.

It is not practicable to determine the fair value of the amounts due from shareholders nor amounts due to related parties due to their related party nature and the absence of a secondary market for such instruments.

Foreign Exchange Risk:

The Company operates in Canadian dollars. As a result, the amounts included in the consolidated financial statements relating to the Company will fluctuate with the Canadian foreign exchange rate.

11. Segmented information:

Management has determined that the Company operates in one operating segment which involves the generation of real estate referrals. Substantially all of the Company's operations, assets and employees are located in Canada; however, substantially all of the Company's revenues are from customers located in the United States.

SIGNATURES

In accordance with Section 13 or 15(a) of the Exchange Act, the Registrant has caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized on the 2nd day of August 2001.

MARKETU INC.

By: /s/ Kenneth Galpin

Kenneth Galpin, President

By: /s/ Scott Munro

Scott Munro, Treasurer and
Principal Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

	Title	Date
/s/ Kenneth Galpin Kenneth Galpin	President and Director	August 2, 2001
/s/ Glen Davies Glen Davies	Director	August 2, 2001
/s/ Ken Landis Ken Landis	Director	August 2, 2001
/s/ David Woodcock David Woodcock	Director	August 2, 2001
William Coughlin	Director	

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