U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-KSB

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: March 31, 2002 Commission File No: 000-28638

INTERUNION FINANCIAL CORPORATION
(Exact name of small business issuer as specified in its charter)

<TABLE>

<S>	<C>
Delaware	87-0520294
(State or other jurisdiction of incorporation or organisation)	(IRS Employer Identification No.)

</TABLE>

1232 N. Ocean Way, Palm Beach, Fl 33480
(Address of principal executive offices) (Zip Code)

(561) 845-2849 (561) 844-0517
(Issuer's telephone number) (Issuer's telecopier number)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12 (g) of the Act: Common Stock $0.001 Par Value

Check whether the issuer (1) filed all reports required to be filed by section 13 or 15(d) of the Exchange Act during the past 12 months (or 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. Yes [X] No [ ]

Check if there is no 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]

State issuer's revenues for its most recent fiscal year: $39,928

State the aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and ask prices of such stock, as of a specified date within the past 60 days. $1,855,413 as at April 30, 2002

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of share outstanding of each of the issuer's classes of common equity, as of the latest practicable date: $0.001 Par Value Common Shares - 1,916,549 as of March 31,2002.

Transitional Small Business Disclosure Format (Check One) Yes [ ] No [X]

FORM 10-KSB
TABLE OF CONTENTS

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PART I

Item 1 DESCRIPTION OF BUSINESS

(A) BUSINESS DEVELOPMENT

INTERUNION FINANCIAL CORPORATION (the "Company"), is a Delaware corporation. The Company was incorporated on February 7, 1994. InterUnion strategy is to acquire, when possible, a majority interest in financial services business. The Company acquires for cash but preferably for Common Shares of the Company with additional incentives for vending shareholders via Common Share Purchase Warrants and Stock Options for management.

In 1999, the Company restructured its interest in its Canadian based investment management activities in order to facilitate the growth strategy in that sector. InterUnion Asset Management became the holding company for the Company's interest in the following investment management companies: Guardian Timing Services Inc. ("GTS"); Leon Frazer, Black & Associates Limited ("LFB"); AIL Investment Services ("AILIS") and Black Investment Limited ("BIM"). The purpose of the restructuring of IUAM was to pursue acquisitions on a tax effective basis as well as secure an institutional strategic alliance. Merchant banking activities focus on restructuring and/or consolidating as principal, in order to capitalize smaller or privately/family held companies and attract institutional interest. Investment banking activities focus on advisory services and raising of capital, as agent, for small and medium size corporations, public or private which are either looking for institutional financing or strategic alliances in sectors in which InterUnion Financial Corporation has recognized research and corporate finance strength.

The Company's policy is not to get involved in the corporations it advises or provides financing to when acting as agent, and to limit the extent of its involvement in the corporations in which it acts as principal.

On January 25, 1999, the Company, through a roll over of its interests, reorganised its investment management companies: BIM, GTS and LFB, into IUAM. The purpose of the reorganisation was to allow IUAM to implement its business plan and continue its acquisition program, on a tax effective basis, as a consolidator of Canadian investment management companies and get access to an institutional strategic alliance. That restructuring has allowed the Company to include its IUAM ownership in its merchant banking activities.

On January 25, 1999, IUAM issued 310,010 convertible preferred shares to Working Venture Canadian Fund ("WVCF") for gross proceeds of C$5,000,000. (C$ is the symbol used for the Canadian currency, unless preceded by C, all dollar amounts are US dollars). Each convertible preferred share is convertible into one common share of IUAM and gives the holder one vote per share. WVCF is a Canadian institutional investor with more than $500 million in funds under administration. WVCF's only fund is a labor sponsored fund with approximately 400 shareholders. Investors in these funds receive an immediate tax credit of up to 40% of the amount invested.

On March 9,1999, WVCF converted their Convertible Preferred Shares in IUAM Common Shares and acquired an additional 568,160 Common Shares for C$5,000,000. At that point, the ownership structure of IUAM became WVCF 56% and IUFC 44%. Concurrent with that last financing, IUAM incorporated a new entity, AIL INVESTMENT SERVICES LIMITED ("AILIS"). The objective of AILIS being to create a family of mutual funds in order to expand WVCF's product line. The funds raised by expanding the products sold by WVCF's sales force would be managed by the various investment managers within the IUAM group.

On November 22, 1999, at the Company's Shareholders' meeting it was approved to amend the Certificate of Incorporation of the Company by allowing the Board of Directors of the Company to set the total amount of common voting stock, each share of stock having one vote, at $0.001 par value and shall be set by resolution as adopted by the Board of Directors, which such number of authorised shares may be changed from time to time, within our 10,000,000 share limitation, as adopted by resolution(s) adopted by the Board of Directors.

During December 1999, the Company at the recommendation of the Board of Directors simplified its corporate structure by reducing the number of subsidiaries through reallocation of their business to other operating entities or the merging of their activities. To achieve simplification of the corporate structure the following subsidiaries were dissolved:

Credifinance Realty Corp., Toronto, Ontario, Canada
Credifinance Securities Inc., Florida, USA
Marbury Trading Corporation, Panama
Bearhill Limited, British Virgin Islands

In December 1999, the Company formed a new, wholly owned, subsidiary named InterUnion Merchant Group Inc. (IUMG), a British Virgin Islands based company. InterUnion Merchant Group took over the assets and liabilities of Marbury Trading Corporation and Bearhill Limited upon their liquidation. The Company also changed name of I & B Inc. Delaware, USA, a wholly owned subsidiary to Credifinance Capital Corp. (CFCC), Delaware, USA.

In September 2000, the Company decided to separate the investment banking and investment management operations. In order to focus on its investment management operation, the Company sold its investment banking operations to RIF Capital Inc. (shareholder) for a consideration of the assumption of all the assets and liabilities of the Company, exclusive of the Company's 42.8% ownership in IUAM and its 100% ownership in IUAM. The shareholders of the Company approved the sale at the annual meeting on November 17, 2000. The investment banking operation was comprised of Credifinance Capital Corp. and its wholly owned subsidiary, Credifinance Capital Inc. and the latter's wholly owned subsidiary, Credifinance Securities Limited.

Following the sale, the Company owned a 42.8% interest in IUAM and 100% interest in IUMG.

In December, 2001, InterUnion Financial Corporation ("InterUnion" or the "Company"), sold its 42.8% owned subsidiary and main asset, InterUnion Asset Management Limited ("IUAM"), to AMIC Canada Limited ("AMIC"), a wholly owned subsidiary of Asset Management Investment Company, PLC, a corporation registered in England and Wales.

IUAM, based in Toronto, Canada, manages approximately C$1.5 billion for institutions and individuals. The Company had previously sold the controlling interest of IUAM to Working Ventures Fund of Canada ("Working Ventures") for C$10 million in March 1999.

AMIC paid C$10,550,000 in cash to the shareholders of IUAM: the Company and Working Ventures, and assumed the C$3,500,000 Convertible Preferred Debenture owed by IUAM to one of its investee companies. The Company received 75% of the pro-rata proceeds on December 20, 2001 and received the 25% remainder on March 28, 2002, which was held in escrow, pending the issuance of a certificate under Section 116 of the Income Tax Act (Canada).

The shareholders of IUAM agreed to pay a C$300,000 commission to IUAM's President, Chief Executive Officer and Director, Selwyn Kletz, and to its Chief Financial Officer, Russell Lindsay.

The nominees of the Company on the Board of Directors of IUAM resigned on closing.

In accordance with Regulation S-X, the Company was required to disclose the pro-forma consolidated balance sheet and the pro-forma consolidated statement of operations had this disposition been completed as at the beginning of fiscal 2001. The Form 8-K/A was filed and dated March 15, 2002.

(B) BUSINESS OF ISSUER

GENERAL

The Company was formed as a "business bank" which would acquire, when possible, a majority interest in financial services companies in order to expand its investment banking activities.

InterUnion is both a holding and an operating company as it engages in activities which can be separate from the activities of its named subsidiaries: InterUnion derives independent revenues from its own investment banking activities.

PRODUCTS AND/OR SERVICES OF ACTIVE SUBSIDIARIES

In addition to the operations of InterUnion Financial Corporation as the parent, the Company owns an operating entity, InterUnion Merchant Group Inc. In addition to this subsidiary, the Company, until December 2001, had a 42.8% interest in InterUnion Asset Management Limited, a holding company with interests in Canadian investment management companies.

The Company's investment banking operations, consisting of Credifinance Capital Corp., Credifinance Capital Inc. and Credifinance Securities Limited, were sold in September 2000 to RIF Capital Inc.

InterUnion Merchant Group ("IUMG"), is a B.V.I. corporation with administrative offices in Geneva Switzerland. Following the Company's sale of its investment banking operations, IUMG has had no activities. IUMG's investment in Receptagen Ltd, a Canadian based company, was assumed by the Company prior to the sale of the investment banking operation and the assumption of the assets and the liabilities of the Company in the sale to RIF Capital Inc.

IUMG owns the proprietary rights to certain computer software known as ITM Software, which is a computer software program used to generate buy and sell signals with respect to any stock market monitored. The forecasting technique used by the ITM market timing model involves general market indicators, interest rates and monetary analysis, market perception indicators, and various statistical data to detect trends. Until March 31, 1999, the Company was amortising the ITM Software at a rate of $192,444 per annum. However, due to an uncertain future of the software and its inability to produce an identifiable cash flow in the near future, the Company decided to depreciate the ITM Software fully, resulting in an additional depreciation cost of $817,889. The Company will update and maintain the software and sell it when a suitable offer to purchase is received.

COMPETITION

Competition is a part of every business. InterUnion faces competition directly and through its subsidiaries from larger, better-capitalized financial service companies as well as smaller, also better capitalized niche companies.

GROWTH STRATEGY

Since inception, InterUnion's strategy has been to be a "business bank" i.e. to be able to take advantage of investing/advisory opportunities. These opportunities can include the temporary involvement of the Company in pure financial service transactions. InterUnion's business will retain the purchase and selling of companies or part of companies which will use InterUnion's investment management services as well as its ability to pay cash and/or issue its own security in order to complete corporate transactions. InterUnion's strategy is also to reduce its shareholders' risk by ensuring that its book value is spread among various interests and does not depend on only one sector of activity or only one operating company. InterUnion has been successful in managing its investors' risk as today there is a sufficient number of professionals with adequate credentials and experience in the various operations who at the same time are shareholders of InterUnion. In time, as InterUnion gets a larger and more diversified shareholder base, that strategy should help InterUnion to grow and enable it to obtain outside financing.

GOVERNMENT REGULATION

The operating activities of the Company are not subject to governmental regulatory agencies.

EMPLOYEES

InterUnion has 1 full time employee.

Item 2 DESCRIPTION OF PROPERTY

The Company does not own real estate and has no leasehold interests in real estate. The Company maintains an office at 1232 North Ocean Way, Palm Beach.

Item 3 LEGAL PROCEEDINGS

There is no current or pending litigation.

Item 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no shareholders meetings during the period covered by this report.

PART II

Item 5 MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) MARKET INFORMATION

The issuer's common equity is traded on the NASD OTC Bulletin Board under the symbol: IUFN.

The high and low sale prices for each quarter within the last two fiscal years are as follows.

<TABLE>
<CAPTION>

Period	Open	High	Low	Close
<S>	<C>	<C>	<C>	<C>
FY01 Qtr 1	0.82	0.88	0.32	0.32
FY01 Qtr 2	0.32	0.47	0.16	0.25
FY01 Qtr 3	0.25	0.26	0.10	1.75
FY01 Qtr 4	1.75	2.25	1.40	1.44

FY02 Qtr 1	1.44	1.95	1.40	1.90
FY02 Qtr 2	1.90	6.50	1.90	3.25
FY02 Qtr 3	3.25	3.25	2.00	2.10
FY02 Qtr 4	2.10	2.10	1.01	1.02

</TABLE>

(b) HOLDERS

The approximate number of holders of record of each class of stock is as follows:

<TABLE>
<CAPTION>

Class of Stock	Number of Holders
<S>	<C>
Common Share	328
Class A Preferred	None issued(1)
Class B Preferred	None issued
Class C Preferred	None issued

</TABLE>

(1) 1,500,000 Class A Preferred shares, representing 100% of the issued shares in this class were converted to 15,000,000 common shares on a 10 for 1 basis.

(c) DIVIDENDS

The Company has never declared or paid dividends on its common stock or its preferred stock. There are no restrictions, other than state law that may be applicable; those limit the ability to pay out all earnings as dividends. The Board of Directors does not anticipate paying any dividends in the foreseeable future; it intends to retain the earnings which could be distributed, if any, for the operations, expansion and development of its business.

(d) RECENT SALES OF UNREGISTERED SECURITIES

(i) SALES PURSUANT TO REGULATION D

The Company has not made any sales within the past three (3) years in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended, as contained within Regulation D, promulgated by the Securities and Exchange Commission.

(B) SALES PURSUANT TO REGULATION S

The following sales of Common Stock were made by the Company within the past three (3) years in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended, as contained within Regulation S promulgated by the Securities and Exchange Commission:

<TABLE>
<CAPTION>

Title of Class (1)(2)(3) (4)(5)	Number of Shares	Price per Share	Consideration	Commission	Date
<S>	<C>	<C>	<C>	<C>	<C>
Common(6)	229,453	5.00	1,147,265	Nil	April 1997
Common(7)	60,000	3.00	180,000	Nil	June 1997
Common(8)	15,000	6.00	90,000	Nil	August 1997
Common(9)	213,194	4.00	852,776	Nil	February 1998
Common(10)	216,640	3.64	788,569	Nil	April 1998
Common(11)	17,002	4.00	68,008	Nil	May 1998

Common	35,000	4.00	140,000	7,000	June 1998
Common(11)	262,142	4.00	1,048,568	Nil	July 1998
Common(11)	10,000	4.00	40,000	Nil	December 1998
Common(11)	180,000	3.50	630,000	63,000	February 1999
Common(12)	25,000	3.50	87,500	Nil	March 1999
Common(11)	1,140	4.00	4,560	Nil	March 1999
Common(13)	114,500	0.50	57,250	Nil	November 1999
Common (14)	2,014,198	0.40	805,679	Nil	November 1999
Common(15)	15,000,000	4.00	150,000	Nil	September 2000
Common(16)	16,575	3.02	50,000	Nil	April 2002

</TABLE>

NOTES TO SALES PURSUANT TO REGULATION S

(1) All sales were made directly by the Company as issuer.

(2) The class of persons to whom the Company sold the above-referenced securities were individuals or entities whom the Company had reason to believe were either accredited investors within the meaning of Regulation Section 230.501 or were investors having such knowledge and experience in financial and business matters that the purchaser could properly evaluate the risks and merits of the investment.

(3) All sales as shown above were made to non-U.S. persons.

(4) The company specifically relied upon compliance with Regulation S as promulgated by the Securities and Exchanges Commission. The Company was in compliance with Category 3 of Rule 903 of Regulation S which provides an issuer safe harbour. Under this Category the Company complied with the two general conditions of Rule 903(a) and (b) and to transactional and offering restrictions by the execution of an investor Subscription Agreement, and the placing of the appropriate restrictive legend on the stock certificate(s).

(5) These shares were issued on the conversion of a debenture.

(6) These shares were issued with regards to the Receptagen restructuring. The consideration was determined by the price of the common stock at the time of the transaction. These shares were given to a non-related party.

(7) These shares were issued upon the exercise of employee stock options, previously granted to Mr. Selwyn J. Kletz.

(8) These shares were issued upon the exercise of warrants.

(9) These shares were issued in the acquisition of IUAM. The consideration received was 91.55% of all of the issued and outstanding shares of IUAM. The valuation of IUAM was determined by an arms lengths transaction. These shares were given to a non-related party.

(10) These shares were issued in the acquisition of BIM. The consideration received was 45% of all of the issued and outstanding shares of BIM. The valuation of BIM was determined by an arms lengths transaction. These shares were given to a non-related party.

(11) These shares were issued in settlement of an equal amount due to the purchaser of the common stock.

(12) These shares issued for services received from the Chairman of the Company, Mr. Robert Crosbie.

(13) The shares issued in settlement of note payable.

(14) The shares issued in settlement of note payable.

(15) These shares were issued on the conversion of 1,500,000 shares of Class "A" Preferred at ratio of 10 to 1.

(16) These shares issued for services received from a Director of the

Company, Mr. Robert Crosbie.

Item 6 MANAGEMENT'S DISCUSSION AND ANALYSIS

(a) OVERVIEW

InterUnion Financial Corporation ("IUFC" or InterUnion") was incorporated on February 7, 1994. InterUnion strategy is to acquire, when possible, a majority interest in financial services business. The Company acquires for cash but preferably for Common Shares of the Company with additional incentives for vending shareholders via Common Shares Purchase Warrants and Stock Options for management.

In 1999, the Company restructured its interest in its Canadian based investment management activities in order to facilitate the growth strategy in that sector. InterUnion Asset Management became the holding company for the Company's interest in the following investment management companies: Guardian Timing Services Inc. ("GTS"); Leon Frazer, Black & Associates Limited ("LFB"); AIL Investment Services ("AILIS") and Black Investment Limited ("BIM"). The purpose of the restructuring of IUAM was to pursue acquisitions on a tax effective basis as well as secure an institutional strategic alliance.

Also in 1999, the Company simplified its corporate organisation chart: Credifinance Realty Capital Corp. (Ontario), Credifinance Securities Inc. (Florida); Marbury Trading Corp. (BVI) and Bearhill Ltd. (BVI) were dissolved. A new company, InterUnion Merchant Group Inc. ("IUMG") (BVI), took over the assets and liabilities of the dissolved companies as of January 1st, 2000. As of that date as well, the name of I&B Inc. (Delaware) was changed to Credifinance Capital Corp. (Delaware).

In June 2000, the Company acquired 243,750 of its Common Shares at the rate of $0.6153 per share in settlement of a $150,000 Note Receivable from an unrelated party.

During the second calendar quarter of 2000, the Company sold its investment banking subsidiary, Credifinance Capital Corp. (Delaware) "CFCC" to its majority shareholder RIF Capital Inc ("RIF"). The transaction was made effective September 30, 2000, and was approved by the shareholders of the Company at the Company's Annual and Special Shareholders meeting in November 2000. The purpose of the transaction was to make the Company a "pure play" and allow more flexibility to either raise capital or use its Common Stock as currency while pursuing acquisitions of investment management companies in Canada through IUAM or, alone, elsewhere. It also allows an opportunity for the shareholders of IUAM to roll over their interest in a tax effective manner into the Company while, offering at the same time the possibility to the minority shareholders of the IUAM investee companies, to exchange the share they hold in private companies for common stock of a public entity.

In September 2000, the Company converted its Class "A" Preferred Shares into Common Shares at the rate of 1 to 10. Consequently, in lieu of 1,500,000 Class "A" Preferred Shares, the Company issued 15,000,000 Common Shares.

In November 2000, in a Special Meeting of the Shareholders of the Company, it was resolved to execute a reverse split in the issued and outstanding common stock of the Company in the ratio of ten (10) to one (1). Consequently, the number of issued and outstanding common stock of the Company reduced to 1,899,974.

In December, 2001, InterUnion Financial Corporation ("InterUnion" or the "Company"), sold its 42.8% owned subsidiary and main asset, InterUnion Asset Management Limited ("IUAM"), to AMIC Canada Limited ("AMIC"), a wholly owned subsidiary of Asset Management Investment Company, PLC, a corporation registered in England and Wales.

IUAM, based in Toronto, Canada, manages approximately C$1.5 billion for institutions and individuals. The Company had previously sold the controlling interest of IUAM to Working Ventures Fund of Canada ("Working Ventures") for C$10 million in March 1999.

AMIC paid C$10,550,000 in cash to the shareholders of IUAM: the Company and Working Ventures, and assumed the C$3,500,000 Convertible Preferred Debenture owed by IUAM to one of its investee companies. The Company received 75% of the pro-rata proceeds on December 20, 2001 and received the 25% remainder on March 28, 2002, which is held in escrow, pending the issuance of a certificate under Section 116 of the Income Tax Act (Canada).

The Company, since the sale of its interest into IUAM, has been reviewing a number of business opportunities. In view of its cash position, the Company has received a number of proposals: however, current markets and general economic conditions are prompting management to carefully assess those business opportunities.

Revenues

The flow of revenues from investment banking ceased when the Company sold CFCC during the 2nd quarter 2001. Total revenues for FY2002 were $39,928, down 88% from $333,029 the previous year. The Company did not get any dividend from its 42.8% interest in IUAM.

Cost of Revenues

Until 2nd quarter of FY2001 the principal elements comprising costs of revenues were commissions and salaries paid to non administrative personnel who were remunerated solely on the basis of their performance. However, due to disposal of investment banking business the cost of revenue primarily consisted of general, selling and administrative expenses. During the year 2002, the selling, general and administrative expenses declined by $199,706 to $166,901 representing a decline of 54.5% over fiscal 2001.

Interest Income

The Company's interest income mainly consisted of interest from loans to affiliated companies and the interest on credit balances maintained with the banks. The company's interest earnings decreased by 55.4% to $26,794 in fiscal 2002.

Interest Expenses

The Company paid interest on the loan from affiliated companies. However, the amount of the interest expense reduced by 77.3% to $5,350 in year 2002 from $23,599 in the year 2001.

Gain/Loss on Issuance of Security

The Company had no gain or loss on issuance of securities during FY 2002.

Discontinued Operations:

As a result of the sale of its investment banking subsidiary, CFCC, in the 2nd quarter of FY 2001, the Company reported a profit of $358,169 in September 2000, from discontinued operations. However, as a result of disposal of discontinued assets of CFCC, the Company incurred a loss of $780,401.

In fiscal 2000, the Company dissolved the following subsidiaries: Credifinance Realty Corp. (Ontario) and Credifinance Securities Inc. (Florida) which had no activity. During the same year, the Company, through a newly created subsidiary, InterUnion Merchant Group Inc.("IUMG"), (BVI), took over the assets and liabilities of subsidiaries which were dissolved: Marbury Trading Corp. (BVI) and Bearhill Ltd. (BVI).

In December, 2001, InterUnion Financial Corporation ("InterUnion" or the "Company"), sold its 42.8% owned subsidiary and main asset, InterUnion Asset Management Limited ("IUAM"), to AMIC Canada Limited ("AMIC"), a wholly owned subsidiary of Asset Management Investment Company, PLC, a corporation registered in England and Wales.

IUAM, based in Toronto, Canada, manages approximately C$1.5 billion for institutions and individuals. The Company had previously sold the controlling interest of IUAM to Working Ventures Fund of Canada ("Working Ventures") for C$10 million in March 1999.

AMIC paid C$10,550,000 in cash to the shareholders of IUAM: the Company and Working Ventures, and assumed the C$3,500,000 Convertible Preferred Debenture owed by IUAM to one of its investee companies. The Company received 75% of the pro-rata proceeds on December 20, 2001 and received the 25% remainder on March 28, 2002, which was held in escrow, pending the issuance of a certificate under Section 116 of the Income Tax Act (Canada).

Losses, Write Downs and Write Offs

During fiscal 2001, the investment in Receptagen Ltd ("RCG") was sold resulting in a further loss of $27,379. In FY2001, the company wrote down its notes receivable from Receptagen of $633,286.

As a result of the sale of the operations of CFCC, the Company reported a income from operations of discontinued operations. The consolidated profit of CFCC prior to disposal of $358,169 is shown in a separate line on the consolidated statements of operations of the Company.

During fiscal 2002 there were no Write Downs or Write Offs

Exposure to International Operations

The Company's revenues are generated in North America, however, it has a 100% owned subsidiary in British Virgin Islands. The Company, therefore, does not have a significant exposure to currency or country risk.

Seasonal

Neither the Company nor its subsidiaries operate in any business which could be affected by changes in season.

(b) RESULTS OF OPERATIONS

Fiscal 2000 was:

The first year the Company decided to adopt the most conservative approach to its investments and amortisation costs.

Financial highlights are as follows:

<TABLE>
<CAPTION>

	2002	2001	2000
<S>	<C>	<C>	<C>
Revenues	39,928	333,029	658,601
Loss from Continuing Operations	(140,840)	(740,238)	(2,445,122)
Discontinued operation	0	(422,232)	(1,154,322)
Disposal of Equity Investment	518,328	(1,163,455)	0
Net Profit (Loss)	377,487	(2,325,925)	(3,599,445)
Assets	3,238,372	3,144,335	9,722,529
Shareholders' Equity	3,192,100	2,764,613	5,240,538
Working Capital	2,474,502	(90,619)	1,303,131
Common Shares Outstanding	1,916,549	1,899,974	4,243,123
Book Value per Common Share	1.67	1.46	1.24

</TABLE>

Fiscal Year 2002 Compared to Fiscal Year 2001

(1) Overview

During fiscal 2002 revenue of the Company amounted to $39,928 as compared to $333,029 in the fiscal 2001. The total expenses for the year ended March 31, 2002, excluding equity pick-up of IUAM was $180,768 as compared to $1,073,267 in fiscal 2001, representing a decrease of $ 892,498 or 83.15%. The Company's equity share in the loss of IUAM for the year 2002 was $238,342 in comparison to $1,163,455 in fiscal 2001. The Company recorded a net profit of $756,669 from the sale of IUAM in December 2001. The Company's net profit for the fiscal year 2002 was $377,487 as compared to a loss of $2,325,925 in fiscal 2001, representing an increase of $2,703,412 or 116.23%.

The Company does not expect to record future losses through amortization or write-downs.

Profit per share for fiscal 2002 was $0.197 versus a loss of $2.016 a year earlier. The number of common shares outstanding as of March 31, 2002 is 1,916,549 versus 1,899,974 as of March 31, 2001.

(2) Revenues

For the fiscal year 2002, the Company's revenues stood at $39,928 as compared to $333,029 for fiscal 2001, representing a decline of $293,101 or 88.01%.

(3) Cost of Revenues

Until 2nd quarter of FY2001 the principal elements comprising costs of revenues were commissions and salaries paid to non administrative personnel who were remunerated solely on the basis of their performance. However, due to disposal of the investment banking business in FY2001 the cost of revenue primarily consisted of general, selling and administrative expenses. During the year 2002, the selling, general and administrative expenses declined by $199,706 to $166,901 representing a decline of 54.7% over fiscal 2001.

(4) Net Profit

Net profit for the year ended March 31, 2002 was $377,487 as compared to a loss of $2,325,925 for the fiscal year 2001, representing an increase of $2,703,412 or 116.23%. The net profit for the fiscal 2002 was contributed mainly by the sale of 42.8% owned subsidiary of IUAM in December, 2001.
Basic profit per share for the year 2002 was $0.197 versus a loss of $2.016 the previous year. Weighted average common shares outstanding in Fiscal 2002 was 1,916,421 versus 1,153,759 in Fiscal 2001.

Fiscal Year 2001 Compared to Fiscal Year 2000

(1) Overview

During fiscal 2001 revenue of the Company amounted to $333,029 as compared to $658,601 in the fiscal 2000. The total expenses for the year ended March 31, 2001, excluding equity pick-up of IUAM but including write-down of notes receivable from Receptagen of $633,286 was $1,073,267 as compared to $3,103,724 in fiscal 2000, representing a decrease of $ 2,030,457 or 65.42%. The Company's equity share in the loss of IUAM for the year 2001 was $1,163,455 in comparison to $1,021,500 in fiscal 2000. The Company recorded a net loss of $422,232 from the sale of the CFCC subsidiary in September 2000. The Company's net loss for the fiscal year 2001 was $2,325,925 as compared to $3,599,445 in fiscal 2000, representing a decrease of $1,273,520 or 35.38%.

The Company does not expect to record future losses through amortization or write-downs although it expects continued losses from its 42.8% interest in IUAM.

Loss per share for fiscal 2001 was $2.016 versus a loss of $12.076 a year earlier. The number of common shares outstanding as of March 31, 2001 is 1,899,974 versus 4,243,123 as of March 31, 2000.

(2) Revenues

For the fiscal year 2001, the Company's revenues stood at $333,029 as compared to $658,601 for fiscal 2000, representing a decline of $347,332 or 56.0%.

(3) Cost of Revenues

Until 2nd quarter of FY2001 the principal elements comprising costs of revenues were commissions and salaries paid to non administrative personnel who were remunerated solely on the basis of their performance. However, due to disposal of the investment banking business the cost of revenue primarily consisted of general, selling and administrative expenses. During the year 2001, the selling, general and administrative expenses declined by $248,415 to $366,607 representing a decline of 40.4% over fiscal 2000.

(4) Net loss

Net loss for the year ended March 31, 2001 was $2,325,925 as compared to a loss of $3,599,445 for the fiscal year 2000, representing a decrease of $1,273,520 or 35.38%. The net loss for the fiscal 2001 was contributed mainly by the followings: a net loss of $422,232 on disposal of CFCC subsidiary; a write-down of notes receivable of $633,286 from Receptagen; and an equity share of $1,163,455 in the loss of 42.8% owned subsidiary of IUAM.

Basic loss per share for the year 2001 was $2.016 versus $12.076 the previous year. Weighted average common shares outstanding in Fiscal 2001 was 1,153,759 versus 298,076 in Fiscal 2000.

(c) LIQUIDITY AND CAPITAL RESOURCES

In order to meet its growth plans and fund any operating cash requirements, the Company's policy is to issue additional capital stock, when possible. To date the Company has done this either through the issuance of Confidential Private Placement Offerings under Regulation "D" or Regulation "S". The following are details of these private placements during the previous four fiscal years:

<TABLE>
<CAPTION>

Date	# of Shares	Amount	Type
<S>	<C>	<C>	<C>
April 1997	229,453	1,147,265	Regulation "S"
June 1997	60,000	180,000	Regulation "S"
August 1997	15,000	90,000	Regulation "S"
February 1998	213,194	852,776	Regulation "S"
April 1998	216,640	788,569	Regulation "S"
May 1998	17,002	68,008	Regulation "S"
June 1998	35,000	140,000	Regulation "S"
July 1998	262,142	1,048,568	Regulation "S"
December 1998	10,000	40,000	Regulation "S"
February 1999	180,000	630,000	Regulation "S"
March 1999	25,000	87,500	Regulation "S"
March 1999	1,140	4,560	Regulation "S"
November 1999	114,500	57,250	Regulation "S"
November 1999	2,014,198	805,679	Regulation "S"
September 2000	15,000,000	150,000	Regulation "S"
April 2002	16,575	50,000	Regulation "S"

</TABLE>

In addition to the above, IUAM raised C$10 million directly in fiscal 2000. During fiscal 2001 WVF exercised a Common Share Purchase Warrants on IUAM, increasing its interest to 57.2% from 56% while decreasing IUFC's share in IUAM to 42.8% from 44%. These funds were used to eliminate a bank loan of approximately C$1 million and fund the AILIS venture, C$500,000.

In December 2001 the Company sold IUAM and received $2,709,463. The funds will be used for future business opportunities and operations.

All of the Company's Class A Preferred Shares were converted into common shares in Fiscal 2001.

ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

There are no accounting policies that currently are subject to significant estimates that could have a material impact on the financial position or results of operations of the Company.

New Accounting Pronouncements

Impact of Recent Accounting Pronouncement: In June 2001, SFAS No. 141 "Business Combinations" ("SFAS 141") and SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142") were issued. SFAS 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. The company was not involved in any business combination after June 30, 2001 and therefore this pronouncement has no impact on the company's operational or financial position.

SFAS 142 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead be tested for impairment, at least annually, in accordance with the provisions of SFAS 142. SFAS 142 will also require that intangible assets with definite useful lives be amortized over their respective estimated lives to their residual values, and be reviewed for impairment in accordance with the provisions of SFAS 121, "Accounting for the Impairment of Long-Lived Assets to be Disposed Of". The company has evaluated the effects of this pronouncement and has determined that there is no material impact on the company's operations or financial position.

In October 2001, SFAS No. 144, "Accounting for the Impairment of Long-Lived Assets and for long-lived assets to be disposed of" was issued. SFAS 144 requires that long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. At this time, management does not expect this pronouncement to have a material effect on the company's operations or financial position.

Concluding Remarks

There are no other known trends, events or uncertainties that may have, or are reasonably likely to have, a material impact on the Company's short-term or long-term liquidity.

In addition, there is no significant income or losses that have risen from the Company's continuing operations that has not been analysed or discussed above. Nor has there been any material change in any line item that is presented on the financial statements that has also not been discussed above.

This Form 10-KSB contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For this purpose any statements contained in this Form 10-KSB that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, words such as "may", "will", "expect", "believe", "anticipate", "estimate" or "continue" or comparable terminology are intended to identify forward-looking statements. These statements by their nature involve substantial risks and uncertainties, and actual results may differ materially depending on a variety of factors, many of which are not within the Company's control. These factors include but are limited to economic conditions generally and in the industries in which the Company's customers & investee participate in; competition within these industries and that of the Company's, including competition from much larger competitors; technological advances which could render the Company's services less competitive or absolute; failure by the Company successfully to improve its skills or anticipate current or prospective customers' needs; price increases or other limitations by the Company for use or its services and delays, reductions or cancellations of mandates previously placed with the Company

Item 7 FINANCIAL STATEMENTS

The audited consolidated financial statements for InterUnion Financial Corporation, covering fiscal years ended March 31, 2002 and 2001 are submitted in compliance with the requirements of Item 310 of Regulation S-B.

Items 8 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

During the last two fiscal years and subsequent interim period to the date hereof, there were no disagreements between InterUnion and its certifying accountants on any matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to satisfaction of the certifying accountants, would have caused it to make a reference to the subject matter of the disagreements in connection with its reports.

None of the reportable events described in Item 304(a) (1) (ii) occurred with respect to InterUnion within the last two fiscal years and the subsequent interim period to the date of change. During the last two fiscal years and the subsequent interim period to the date of change, InterUnion did not consult Mintz & Partners regarding any matter or events set forth in Item 304(a) (2) (i) and (ii) of Regulation S-B.

PART III

Item 9 DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

(a) IDENTIFY DIRECTORS AND EXECUTIVE OFFICERS

<TABLE>
<CAPTION>

Name, Municipality of Residence	Age	Length of Service
<S>	<C>	<C>
Robert W. Crosbie Toronto, Ontario	72	Appointed as Director September 3, 1998
Georges Benarroch Paris, France	55	Director and appointed as President and Chief Financial Officer; March 21, 1994
T. Jack Gary, III West Palm Beach, Florida	60	Appointed as Secretary January 30, 1995
Muriel Woodtli Geneva, Switzerland	51	Appointed as Director November 22, 1999
Martin Kovnats Toronto, Ontario, Canada		Appointed as Vice President September 28, 1999

</TABLE>

ROBERT W. CROSBIE is a Director of the Company.

GEORGES BENARROCH is the President, Chief Executive Officer of the Company as well as a Director and Chairman of the Audit Committee. Mr. Benarroch is also a Director of Credifinance Capital Corp., the Chief Executive Officer, and Chairman of the Board of Credifinance Securities Limited, President, Chief Executive Officer, and Chairman of the Board of Credifinance Capital Inc.

T. JACK GARY, III is the Secretary of the Company. He is Manager of the West Palm Beach, Florida, office of Raymond James & Associates, a national brokerage firm, having held that position since 1995 as well as a Director. Mr. Gary will devote the time required to fulfil his duties as Secretary at InterUnion.

MURIEL WOODTLI served as a Director of the Company. She is a legal assistant in Geneva, Switzerland. Ms. Woodtli's duties for InterUnion will be limited to her participation at Board Meetings and as a member of the Audit Committee.

MARTIN KOVNATS is the Vice President of the Company. He is appointed as an officer of the Company for a period of one year from the date of the appointment on September 28, 1999. He is a partner in Aird & Berlis law firm in Toronto.

(1) No director of InterUnion is currently a director of any other reporting company.

(2) Under Section 1, ARTICLE III, of the By-Laws, the directors shall serve until the next annual meeting of the stockholders, as prescribed by the Board of Directors, at which time directors are elected by the stockholders.

(3) In accordance with Item 405 no director, executive officer and beneficial owner of more than ten percent (10%) of any class of equity securities of the Company failed to file on a timely basis reports required by section 16(a) of the Exchange Act during the most recent two fiscal years to the best of the Company's knowledge.

(b) AUDIT COMMITTEE

The Audit Committee had three meetings since approving the financial statements for the previous year. The first meeting was to approve the change in auditors. The second meeting was to review the Company's accounting policies while the third meeting was to recommend to the Board of Director that the March 31, 2001 Consolidated Financial Statements be approved and presented to the shareholders, and to receive confirmation from the auditors that they have been and remain independent of the company.

(c) IDENTIFY SIGNIFICANT EMPLOYEES

The Company does not expect to receive a significant contribution from employees that are not executive officers.

(d) FAMILY RELATIONSHIPS

Currently, there are no directors, executive officers or persons nominated or persons chosen by the Company to become a director or executive officer of the Company who are directly related to an individual who currently holds the position of director or executive officer or is nominated to one of the said positions.

(e) INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

There are no material events that have occurred in the last five years that would affect the evaluation of the ability or integrity of any director, person nominated to become a director, executive officer, promoter or control person of the Company.

(f) COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

For the two fiscal years ended March 31, 2002, to the best of the Company's knowledge no director, executive officer and beneficial owner of more than ten percent (10%) of any class of equity securities of the Company failed to file on a timely basis reports required by section 16(a) of the Exchange Act.

Item 10 DIRECTOR AND OFFICER COMPENSATION

(A) SUMMARY COMPENSATION TABLE

<TABLE>
<CAPTION>

Name and Principal Position	Fiscal Year	Base Salary	Other Bonus	Long Term Compensation	All other Compensation	Total Compensation
- ------------------	------	-----------	-----------	------------	------------	------------
<S>	<C>	<C>	<C>	<C>	<C>	
Georges Benarroch	2002	None	None	None	$ 750 (1)	$ 750
President & CEO	2001	None	None	None	None	None
	2000	None	None	None	$13,387 (1)	$ 13,387
	1999	None	None	None	$30,000 (1)	$ 30,000
	1998	None	None	None	$30,000 (1)	$ 30,000
Robert W. Crosbie	2002	None	None	None	None	None
Director	2001	None	$50,000(3)	None	None	$ 50,000
	2000	None	None	None	None	$ 50,000
	1999	$18,230(2)	$87,500(5)	None	$83,044 (2)	$188,774
	1998	$45,885(2)	None	None	$27,097 (2)	$ 72,982
Muriel Woodtli	2002	None	None	None	$ 1,277 (4)	$ 1,277
Director	2001	None	None	None	$ 2,000 (4)	$ 2,000
	2000	None	None	None	$ 1,750 (4)	$ 1,750
	1999	None	None	None	None	None
T. Jack Gary	2002	None	None	None	None	None
Corporate	2001	None	None	None	None	None
Secretary	2000	None	None	None	None	None
	1999	None	None	$42,500(6)	None	$ 42,500
	1998	None	None	None	None	None
Martin Kovnats	2002	None	None	None	$33,523 (7)	$ 33,523
Vice-President	2001	None	None	None	$ 6,393 (7)	$ 6,393
	2000	None	None	None	$12,388 (7)	$ 12,388
	1999	None	None	None	None	None
	1998	None	None	None	None	None

</TABLE>

- ---------------

(1) This amount represents life, disability and medical insurance and certain expenses.

(2) This was paid by Black Investment Management Limited, a subsidiary of IUAM, for services unrelated to those offered to InterUnion Financial Corporation.

(3) This represents 16,575 Common Shares of the Company, issued in Fiscal 2002.

(4) Director's fees.

(5) This represents 25,000 Common Shares of the Company.

(6) The amount represents 50,000 stock option with an expiry date of September 3, 2001 and an exercise price of $4.00 per share.

(7) Mr. Martin Kovnats is a Vice President of IUFC. He represents IUFC at the Board Meetings of IUAM. The amount indicated above is paid directly to his firm, Aird & Berlis, for the time spent on IUFC business.

(B) ALL COMPENSATION COVERED

The Company has no formal options, warrants, SARs, long-term incentive plans, pension or profit sharing plans, or other compensation plans, in effect regarding any employees of the Company.

The Company feels that it does not have to include executive compensation for an executive officer of any subsidiary because under Rule 3b-7 under the Exchange Act (17 CFR 240.3b-7) no executive officer(s) of any subsidiary perform(s) policy making functions for the registrant.

The Company has no agreement or understanding, express or implied, with any officer or director, or any other person regarding employment with the Company or compensation for services.

Section 14 of ARTICLE III of the By-Laws of InterUnion provides that directors do not receive any stated salary for their services as directors. However, by board resolution, a fixed fee and expenses of attendance may be allowed for each meeting. These limitations do not affect compensation for a person serving as an officer or otherwise for the Company and receiving compensation therefore. The Company's Board of Directors has approved payment of $2,000 respectively for the services of each of its independent directors for the fiscal year ending March 31, 2001 and 2002.

Item 11 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following persons (including any group as defined in Regulation S-B, Section 228.403) are known to InterUnion Financial Corporation, as the issuer, to be the beneficial owner of more than five percent (5%) of any class of the said issuer's voting securities.

<TABLE>
<CAPTION>

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percentage of Class
Common	RIF Capital Inc. (1) Price Waterhouse Centre PO Box 634C St. Michael, Barbados, WI	1,765,010	92.09%
	Total	1,765,010	92.09%

</TABLE>

- ---------------

(1) RIF Capital Inc. is wholly owned by Central Investment Trust. Safeguardian Limited is the sole protector of Central Investment Trust and is neither a beneficiary of the Trust or its subsidiaries.

(b) SECURITY OWNERSHIP OF MANAGEMENT

In September 2000, the Company approved the conversion of 1,500,000 shares of Class A Preferred stock, owned by RIF Capital Inc., into 15,000,000 common shares of the Company.

The following information lists, as to each class, equity securities beneficially owned by all directors and nominees, and of the directors and nominees of the issuer, as a group.

<TABLE>
<CAPTION>

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percentage of Class
Common	Safeguardian Limited PO Box 316 Jardine House 1 Hesley Street St. Helier, Jersey, UK JE4 8UD	1,765,010 Trustee (voting power of Central Investment Trust	92.09%
Common	Robert W. Crosbie 110 Yonge Street, #1701 Toronto, Ontario Canada M5C 1T4	19,104	1.00%
Common	Martin Kovnats BCE Place, Suite 1800, 181 Bay Street, Toronto, Ontario	--	0.00%

Canada.

Common	Georges Benarroch 68 rue Spontini Paris, France 75016	--	0.00%
Common	T. Jack Gary, III 515 North Flagler Drive, #1500 West Palm Beach, Florida 33401	--	0.00%
Common	Muriel Woodtli 10 Rue Pierre-Fatio Geneva, Switzerland	--	0.00%
Common	Directors and Executive Officers as a group (2 people)		93.09%

</TABLE>

NOTE TO (A) AND (B): As to the beneficial owner(s) of the securities listed above in (a) and (b), no such owner has any right to acquire within sixty (60) days or otherwise, the right to acquire shares from options, warrants, rights, conversion privileges or similar obligations.

(c) CHANGES IN CONTROL

Currently, there is no such arrangement that may result in a change in control of the Company.

Item 12 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

(a) CERTAIN RELATED TRANSACTIONS

During fiscal 2001 and fiscal 2000 the Company and IUAM were not involved in any related party transaction.

Item 13 EXHIBITS AND REPORTS ON FORM 8-K

(a) Listing of Exhibits

<TABLE>
<CAPTION>

Exhibit Table Number	Exhibit Name	Page Number
<S>	<C>	<C>
(2)(i)	Unanimous Consent in Lieu of The First Meeting of the Board of Directors of AU 'N AG, INC. (A Delaware Corporation)	+
(2)(ii)	Pre-Organisation Subscription and Letter of Non-Distributive Intent	+
(2)(iii)	Plan and Agreement of Merger	+
(2)(iv)	Certificate of Merger, dated February 15, 1994	+
(3)(i)	Certificate of Incorporation of AU 'N AG, INC. Dated February 15, 1994	+
(3)(ii)	Certificate of Amendment of Certificate of Incorporation of AU 'N AG, INC. Dated April 11, 1994	+
(3)(iii)	Certificate of Amendment of Certificate of Incorporation of AU 'N AG, INC. Dated April 11, 1994	+

(3)(iv) Bylaws of InterUnion Financial Corporation +

(4) Instruments Defining the Rights of Security Holders Including Indentures +
</TABLE>
- ---------------
+ Incorporated by reference to the Company's Registration Statement on Form 10-KSB filed on June 20, 1997.

(b) Reports on Form 8-K Subsequent to the Third Quarter

<TABLE>
<CAPTION>

Exhibit Table Number	Exhibit Name	Page Number
- ------------	------------	------
<S>	<C>	<C>
(10)	Working Venture Canadian Fund's Investment in InterUnion Asset Management Limited	++
(16)	Letter on change in certifying accountant	+++
(2)	Disposition of Asset - InterUnion Asset Management Ltd. as at December 20, 2001	++++

</TABLE>
- ---------------
++ Incorporated by reference to the Company's Registration Statement on Form 8-K filed on March 16, 1999.

+++ Incorporated by reference to the Company's Registration Statement on Form 8-K filed on April 27 1999 and May 6,1999.

++++ Incorporated by reference to the Company's Registration Statement on Form 8-K filed on March 15, 2002.

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

INTERUNION FINANCIAL CORPORATION

Date: June 28, 2002 By: /s/ Georges Benarroch

Georges Benarroch
Director, President and Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in their capacities on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
- ---------	-----	----
<S>	<C>	<C>
s/s Georges Benarroch - ---------------------------- Georges Benarroch	Director, President and Chief Executive Officer	June 28, 2002
s/s Muriel Woodtli - ------------------- Muriel Woodtli	Director	June 28, 2002

</TABLE>

==

INTERUNION FINANCIAL CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

==

MARCH 31, 2002 and 2001

==

INTERUNION FINANCIAL CORPORATION

MARCH 31, 2002 and 2001

CONTENTS

<TABLE>
<CAPTION>

</TABLE>

INDEPENDENT AUDITORS' REPORT

To The Directors and Shareholders of
InterUnion Financial Corporation

We have audited the accompanying consolidated balance sheets of InterUnion Financial Corporation as of March 31, 2002 and 2001 and the related consolidated statements of operations, shareholders' equity and cash flows for the years then ended. 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. Those standards require that we plan and perform the audit 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of InterUnion Financial Corporation as of March 31, 2002 and 2001, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Toronto, Canada /s/ Mintz & Partners LLP
June 19, 2002 Chartered Accountants

INTERUNION FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

AS AT MARCH 31	2002	2001
<S>	<C>	<C>
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,464,985	$ 7,356
Receivable from Affiliates	41,226	41,652
Prepaid expenses and other current assets	14,563	12,902
Total current assets	2,520,774	61,910
NON-CURRENT ASSETS		
Notes receivable (Note 4)	717,598	891,290
Investment in unconsolidated affiliates (Note 14)	0	2,191,135
Total non-current assets	717,598	3,082,425
TOTAL ASSETS	$ 3,238,372	$ 3,144,335

</TABLE>

See Notes to Consolidated Financial Statements

INTERUNION FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

AS AT MARCH 31	2002	2001
<S>	<C>	<C>
LIABILITIES		
CURRENT LIABILITIES		
Accrued liabilities	$ 46,272	$ 89,130
Due to affiliates	0	3,399
Note Payable	0	60,000
Total current liabilities	46,272	152,529
NOTES PAYABLE, LONG-TERM PORTION (Note 5)	0	227,193
Total liabilities	46,272	379,722
SHAREHOLDERS' EQUITY		
CAPITAL STOCK AND ADDITIONAL PAID-IN CAPITAL (Note 7)		
Class A Preferred Stock, $0.10 par value		
Authorized - 1,500,000 shares		
Issued and outstanding - None	-	-
Class B Preferred Stock, $0.10 par value		
Authorized - 1,000 shares		
Issued and outstanding - None	-	-
Class C Preferred Stock, $0.10 par value		
Authorized - 1,000 shares		
Issued and outstanding - None	-	-
Common Stock, $0.001 par value		
Authorized - 5,000,000 shares		
Issued and outstanding 1,916,549 in 2002; 1,899,974 in 2001	19,165	18,999
Additional Paid-In Capital	10,647,128	10,597,294
ACCUMULATED DEFICIT	(7,474,193)	(7,851,680)
Total shareholders' equity	3,192,100	2,764,613
Total Liabilities and Shareholders' Equity	$ 3,238,372	$ 3,144,335

</TABLE>

See Notes to Consolidated Financial Statements

INTERUNION FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

FOR THE YEARS ENDED MARCH 31	2002	2001
REVENUES		
Investment Banking	$ 13,134	$ 272,957
Interest Income	26,794	60,072
	39,928	333,029
EXPENSES		
Selling, General and Administrative	166,901	366,607
Write-down of Notes Receivable (Note 17)	0	633,286
Amortization and Depreciation (Note 3)	0	5,588
Foreign Exchange Loss	8,517	16,808
Write-down of Investment (Note 16)	0	27,379
Interest	5,350	23,599
	180,768	1,073,267
LOSS FROM CONTINUING OPERATIONS BEFORE UNDERNOTED ITEMS AND DISCONTINUED OPERATIONS	(140,840)	(740,238)
DISPOSAL OF EQUITY INVESTMENT (Note 9)		
Equity in net losses of unconsolidated affiliate	(238,342)	(1,163,455)
Gain on disposal of unconsolidated affiliate	756,669	0
	518,327	(1,163,455)
INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS	377,487	(1,903,693)
DISCONTINUED OPERATIONS (Note 9 & 11):		
Income from operations of discontinued subsidiary	0	358,169
Loss on disposal of subsidiary	0	(780,401)
LOSS FROM DISCONTINUED OPERATIONS	0	(422,232)
NET INCOME (LOSS) FOR THE YEAR	$ 377,487	$ (2,325,925)
EARNINGS (LOSS) PER COMMON SHARE - Basic and Diluted		
Weighted average common shares outstanding	1,916,421	1,153,759
Basic earnings (loss) per share	0.197	(2.016)
Diluted earnings per share	0.197	-
Income (Loss) before Discontinued Operations per share	0.197	(1.650)
Loss from Discontinued Operations per share	-	(0.366)

</TABLE>

See Notes to Consolidated Financial Statements

INTERUNION FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND DEFICIT
FOR THE YEARS ENDED MARCH 31, 2002 AND 2001

<TABLE>
<CAPTION>

<S>	Number of Shares <C>	Amount <C>	Additional Paid-in Capital <C>	Share Capital Totals <C>
Preferred Shares				
Balances,				
March 31, 2000	1,500,000	$ 150,000	0	$ 150,000
Converted into common Stock at 1 to 10	(1,500,000)	(150,000)	0	(150,000)
March 31, 2001 and 2002	0	0	0	0
Common Shares				
Balance, March 31, 2000	4,243,123	$ 4,243	$10,612,050	$10,616,293
Acquired in June 2000, 243,750 shares @ $0.6153 in settlement of note receivable (Note 7)	(243,750)	(244)	(149,756)	(150,000)
Conversion of Preferred Class A shares at 1 to 10 (Note 7)	15,000,000	15,000	135,000	150,000
	18,999,373	18,999	10,597,294	10,616,293
Reverse split @ 10 to 1 (Note 7)	(17,099,399)	0	0	0
Balance, March 31, 2001	1,899,974	18,999	10,597,294	10,616,293
Issued on settlement of Director's Fee (Note 11)	16,575	166	49,834	50,000
Balance March 31, 2002	1,916,549	$ 19,165	$10,647,128	$10,666,293

</TABLE>

<TABLE>
<CAPTION>

Deficit and Foreign currency Translation adjustment <S>	Cumulative Foreign Currency Translation Adjustment <C>	Deficit <C>	Comprehensive Income <C>
Balance, March 31, 2000	$ 37,439	$ (5,563,194)	
Translation adjustment on discontinued operations	(37,439)	37,439	$ 37,439
Net loss for fiscal 2001	0	(2,325,925)	(2,325,925)
Balance, March 31, 2001	0	(7,851,680)	$ (2,288,486)
Net income for fiscal 2002	0	377,487	377,487
Balance, March 31, 2002	$ 0	$ (7,474,193)	$ 377,487

</TABLE>

- --

See Notes to Consolidated Financial Statements

INTERUNION FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

FOR THE YEARS ENDED MARCH 31,	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (Loss) before discontinued operations	$ 377,487	$ (1,903,693)
Loss from Discontinued Operations	0	(422,232)
Total:	377,487	(2,325,925)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation and Amortization	0	5,588
Equity in net losses of unconsolidated affiliates	238,342	1,163,455
Non cash operating expenses (income)	(29,282)	212,510
Net loss from discontinued operations	0	422,232
Gain on disposal of unconsolidated affiliate	(756,669)	0
Loss in marketable securities and investments	0	27,379
Write-down of Notes Receivable	0	633,286
	(170,122)	138,525
Changes in non-cash operating assets and liabilities:		
(Increase) decrease in receivable and other assets	(1,661)	69,054
Increase (Decrease) in accounts payable and accrued liabilities	7,142	(331,850)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(164,641)	(124,271)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of notes payable	0	60,000
Repayment of Notes Payable	(287,193)	0
NET CASH FLOWS (USED IN) PROVIDED BY FINANCING ACTIVITIES	(287,193)	60,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investment (Note 9)	2,709,463	0
Repayment of Notes Receivable	200,000	0
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	2,909,463	0
NET INCREASE (DECREASE) IN CASH	2,457,629	(64,271)
CASH AND CASH EQUIVALENTS - Beginning of Year	7,356	71,627
CASH AND CASH EQUIVALENTS - End of Year	$ 2,464,985	$ 7,356

</TABLE>

For supplemental disclosure information for the Consolidated Statement of Cash flows, see note 12.

See Notes to Consolidated Financial Statements

INTERUNION FINANCIAL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2002 AND 2001

1. ORGANIZATION AND BASIS OF PRESENTATION

Description of Business: InterUnion Financial Corporation ("IUFC") and its subsidiaries (collectively the "Company") are engaged in financial services with activities in investment banking business, in particular, the investment management business.

Principles of Consolidation: The consolidated financial statements include the accounts of IUFC and all wholly owned and majority owned subsidiaries from their respective dates of acquisition, after the elimination of all significant inter-company transactions and balances. At March 31, 2002 (March 31, 2001 - refer to note 9), the consolidated subsidiary of IUFC is InterUnion Merchant Group Inc. ("IUMG"). Investments in affiliates, representing 20% to 50% of the ownership, are accounted for under the equity method. Under the equity method, the Company records its proportionate share of income (loss) of the affiliate (net of the amortization of the excess of the purchase price over the net assets acquired) to results of operations, with this amount either added to (deducted from) the cost of the investment. Dividends received from affiliates which are accounted for on the equity basis are deducted from the carrying value of the investment. Equity method affiliates were InterUnion Asset Management Limited (Note 9) and its subsidiaries; Black Investment Management Limited, Guardian Timing Services Limited, Leon Frazer, Black & Associates Limited, The Glen Ardith-Frazer Corporation, and P.J. Doherty & Associates Co. Ltd. Investments in companies representing less than 20% ownership are accounted for under the cost method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents: Cash and cash equivalents include demand deposits with banks, money market accounts, and other highly liquid short-term investments with original maturities of 90 days or less when acquired. Balances of cash and cash equivalents in financial institutions may at times exceed the government-insured limits.

Use of Estimates: The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates and assumptions.

Property and Equipment: Property and equipment are stated at cost less accumulated amortization. Amortization is computed using straight line and accelerated methods over the estimated useful lives of the asset. The Company evaluates its property and equipment on a yearly basis.

Long-lived Assets: As prescribed by the Statement of Financial Accounting (SFAS) No. 121, "Accounting for the Impairment of Long-lived Assets and for Long-lived Assets to be Disposed of", the Company assesses the recoverability of its long-lived assets by determining whether the asset balance can be recovered over the remaining depreciation or amortization period through projected undiscounted future cash flows. Any impairment in the value of the long lived assets is provided in the year the long lived asset is considered impaired

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Fair Value of Financial Assets: The carrying value of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, notes receivable, notes payable and due to affiliates approximates the fair value. In addition, unless described elsewhere, the carrying value of all financial assets approximate the fair value based on terms and interest rates currently available to the Company.

Income Recognition: Revenues are recognized once an assignment to provide business and advisory services is completed.

Income Taxes: The Company provides for federal and state income taxes currently payable, as well as for those deferred because of timing differences between reporting income and expenses for financial statements purposes versus tax purposes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates is recognized as income or expense in the period that includes the enactment date.

The Company and its U.S. subsidiaries file U.S. federal and state income tax returns. Non-U.S. subsidiaries, which are consolidated for financial reporting, file tax returns outside the U.S., and therefore separate provisions for income taxes have been determined for these entities. Except for return of capital and selected dividends, the Company intends to reinvest the unremitted earnings of its non-U.S. subsidiaries and postpone their remittance indefinitely. Accordingly, no provision for U.S. income taxes for non-U.S. subsidiaries was required for any year presented.

Impact of Recent Accounting Pronouncement: In June 2001, SFAS No. 141 "Business Combinations" ("SFAS 141") and SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142") were issued. SFAS 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. The company was not involved in any business combination after June 30, 2001 and therefore this pronouncement has no impact on the company's operational or financial position.

SFAS 142 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead be tested for impairment, at least annually, in accordance with the provisions of SFAS 142. SFAS 142 will also require that intangible assets with definite useful lives be amortized over their respective estimated lives to their residual values, and be reviewed for impairment in accordance with the provisions of SFAS 121, "Accounting for the Impairment of Long-Lived Assets to be Disposed Of". The company has evaluated the effects of this pronouncement and has determined that there is no material impact on the company's operations or financial position.

In October 2001, SFAS No. 144, "Accounting for the Impairment of Long-Lived Assets and for long-lived assets to be disposed of" was issued. SFAS 144 requires that long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. At this time, management does not expect this pronouncement to have a material effect on the company's operations or financial position.

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Translation of Foreign Currencies: In accordance with SFAS No.52, "Foreign Currency Translation", the financial statements of certain subsidiaries of the Company are measured using local currency as the functional currency. Assets and liabilities have been translated at current exchange rates and related revenue and expenses have been translated at average monthly exchange rates. Gains and losses resulting from the translation of subsidiaries' financial statements are included as a separate component of shareholders' equity. Any gains or losses resulting from foreign currency transactions are included in results of operations.

Earnings per Share: Net earnings (loss) per share is reported in accordance with SFAS No. 128, "Earnings Per Share". SFAS No. 128 requires dual presentation of basic earnings per share ("EPS") and diluted EPS on the face of all statements of earnings, for all entities with complex capital structures. Diluted EPS reflects the potential dilution that could occur from common shares issuable through the exercise or conversion of stock options, restricted stock awards, warrants and convertible securities. In certain circumstances, the conversion of these options, warrants and convertible securities are excluded from diluted EPS if the effect of such inclusion is anti-dilutive. Fully diluted loss per share is not provided, as the effect will be anti-dilutive.

Stock Based Compensation: The Company accounts for employee stock options in accordance with Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees". Under APB No. 25, the Company applies the intrinsic value method of accounting. SFAS No. 123, "Accounting for Stock-Based Compensation", prescribes the recognition of compensation expense based on fair value of options determined on the grant date. However, SFAS No. 123 allow companies currently applying APB No. 25 to continue applying the intrinsic value method under APB No. 25. For companies that continue in applying the intrinsic value method, SFAS No. 123 mandates certain pro forma disclosures as if the fair value method had been utilized. The recently promulgated accounting standard, FIN44 "Accounting for Certain Transactions involving Stock Compensation", does not affect the financial statements of the company.

Comprehensive Income: The Company follows Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income". This statement establishes standards for reporting and display of comprehensive income and its components. Comprehensive income is net income plus certain items that are recorded directly to shareholders' equity bypassing net income. The only component of comprehensive income for fiscal 2001 related to foreign currency translation on discontinued operations.

Segment Information: The Company follows SFAS No. 131 "Disclosures about Segments of an Enterprise and Related Information". SFAS No. 131 requires that the Company disclose its operations in the business segment as viewed by management: which is Investment Banking, which includes its merchant, banking activities and Investment Management.

Other: All amounts in these financial statements are in United States dollars unless indicated with a "C" to represent Canadian dollar presentation.

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3. PROPERTY AND EQUIPMENT

<TABLE>
<CAPTION>

	March 31	
	2002	2001
Computer hardware and software	$4,499	$4,499
Furniture, fixtures and equipment	2,506	2,506
Leasehold improvements	1,735	1,735
Total cost	8,740	8,740
Less: accumulated amortization	8,740	8,740
	$ 0	$ 0

</TABLE>

Amortization expense amounted to $5,588 for the year ended March 31, 2001.

4. NOTES RECEIVABLE

<TABLE>
<CAPTION>

	2002	2001
Notes Receivable from Credifinance Capital Corp. (CFCC) bearing Interest @ 3% per annum with no maturity date. This note is unsecured	$717,598	$891,290
Less: current portion	0	0
Non-current portion	$717,598	$891,290

</TABLE>

<TABLE>
<CAPTION>

5. NOTES PAYABLE	2002	2001
Note payable by IUMG to CFCC bearing interest @ 3% per annum with no maturity date	$ 0	$227,193
Note payable by IUFC within one year to RIF Capital Inc. bearing no interest rate	0	60,000
	0	287,193
Less: current portion	0	60,000
Long-term portion	$ 0	$227,193

</TABLE>

During fiscal 2002, the Note Payable by IUMG to CFCC for $227,193 was paid in full. The Note Payable by IUFC to RIF Capital Inc for $60,000 was also paid in full in fiscal 2002.

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INTERUNION FINANCIAL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2002 AND 2001

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6. EQUITY INVESTMENT IN INTERUNION ASSET MANAGEMENT LIMITED

On January 25th, 1999, the Company reorganised its investment management interest in order to have them all under one holding company, InterUnion Asset Management Limited ("IUAM"). The Company's interest at the time of the reorganisation were:

	Directly	Indirectly
Black Investment Management Limited	45.0%	--
Guardian Timing Services Limited	100.0%	--
Leon, Frazer, Black & Associates Ltd.	33.3%	14.4%
The Glen Ardith-Frazer Corporation	100.0%	--

Thereafter, IUAM issued 310,010 convertible preferred shares for C$5,000,000 to Working Ventures Canadian Fund ("WVCF"). Each of these shares was exchangeable into one common share of IUAM, thus reducing the Company's interest to 69%. This transaction was recorded as of January 1, 1999.

On March 9th, 1999, WVCF converted their convertible preferred shares into common shares and subscribed for an additional 569,160 common shares for C$5,000,000.

In October 2000, WVCF exercised a warrant to acquire 44,000 common shares of IUAM, thereby diluting the Company's interest in IUAM to 42.8%.

On April 13, 1999, IUAM acquired an additional 5,978 common shares of Black Investment Management Limited (BIM) for C$209,230 in cash bringing their interest in BIM up to 50.5%. On March 31, 2001, IUAM purchased an additional 3,201 shares in Leon Frazer & Associates Inc. from Black Investment Management Limited, thereby increasing IUAM's direct ownership in Leon Frazer & Associates Inc. to 76.5%.

IUAM's interest in the following companies as of March 31, 2001, was as follows:

	Ownership Interest
Black Investment Management Limited	53.2%
Guardian Timing Services Limited	100.0%
Leon, Frazer & Associates Ltd.	76.5%
The Glen Ardith-Frazer Corporation	100.0%
P.J. Doherty & Associates Co. Ltd	75.0%

The following is summarised information from IUAM's Audited Consolidated

Financial Statements for the year ended March 31, 2001

<TABLE>
<CAPTION>

<S>	<C> March 31, 2001
Current assets	1,821,292
Non-current assets, excluding goodwill	1,249,204
Goodwill	5,798,410
Current liabilities	513,489
Non-current liabilities	2,353,620

</TABLE>

Continued from page F - 12

<TABLE>

<S>	<C>
Minority interests	85,598
Revenues	4,052,965
Operating Expenses	4,201,643
Net loss for the year	(2,761,919)

</TABLE>

Information as to this and other unconsolidated investments is included in Note 14.

From September 30, 2000 to December 20, 2001, the only investment asset on which InterUnion was reporting is its minority interest in InterUnion Asset Management Limited (IUAM), which was subsequently disposed (Note 9).

7. CAPITAL STOCK

Currently, the number of shares that the Company is authorised to issue under each class of stock are:

1,500,000 Class A Preferred Shares, ($0.10 par value), entitled to 100 votes for every one share issued, annual dividends, if declared by the directors, at a rate of $0.01 per share, non-cumulative. In case of liquidation or dissolution of the company, the holder of Class A Preferred Shares shall be entitled to be paid in full the par value of the shares before the holder of the common stock of Class B and C Preferred Stock.

1,000 Class B Preferred Shares, ($0.10 par value), non-voting, annual dividends, if declared by the directors, at a rate to be determined by the directors at the first issuance of these shares, non-cumulative

1,000	Class C Preferred Shares, ($0.10 par value), non-voting, annual dividends, if declared by the directors, at a rate to be determined by the directors at the first issuance of these shares, non-cumulative. These shares are convertible into common stock at terms determined by the directors when these shares are issued.
5,000,000	Common shares ($0.001 par value); each share has one vote

During fiscal 2001 the Company acquired 243,750 common shares for $150,000 in settlement of a note receivable. The majority shareholder of the Company, RIF Capital Inc., converted its Preferred Class "A" shares into common shares at 1 to 10. During this year the Company exercised a reverse split of common shares at 10 to 1.

During fiscal 2002 the company issued 16,575 common shares in settlement of a liability to a Director (Note 11).

8. STOCK OPTIONS

The Company currently issues stock options at the direction of the Board of Directors. To date, non-qualified stock options have been granted to selected key employees under terms and conditions determined by the Board of Directors at the time the options are issued. Presented below is a summary of stock option plan activity:

<TABLE>
<CAPTION>

<S>	Number <C>	Wt. Avg. Exercise Price <C>	Options Exercisable <C>	Wt. Avg. Exercise Price <C>
Balance, March 31, 2000	335,000	$ 4.00	335,000	$ 4.00
Cancelled	0	4.00	0	4.00
Balance, March 31, 2001	335,000	4.00	335,000	4.00
Cancelled	(85,000)	4.00	(85,000)	4.00
Balance, March 31, 2002	250,000	$ 4.00	250,000	$ 4.00

</TABLE>

Options outstanding and exercisable at March 31, 2002 are as follows:

<TABLE>
<CAPTION>

Outstanding			Exercisable
	Wt. Avg.	Wt. Avg.	Wt. Avg.

Price	Number	Expiry Date	Remaining Life	Remaining Exercise Price	Number	Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>	<C>
$ 4.00	50,000	Sept. 2003	Less than 1	$ 4.00	50,000	$ 4.00
4.00	200,000	May 2005	Less than 3	4.00	200,000	4.00

</TABLE>

SFAS No.123 requires entities that account for awards for stock-based compensation to employees in accordance with APB No.25 to present pro forma disclosures of net income and earnings per share as if compensation cost was measured at the date of grant based on fair value of the award. The fair value for these options was estimated at the date of grant using a Black-Scholes option-pricing model with the following weighted-average assumptions:

<TABLE>
<CAPTION>

	2002
<S>	<C>
Expected life of the option	1 - 3 years
Risk free interest rate	5.0%
Expected volatility	100.0%
Expected dividend yield	0.0%

</TABLE>

- --

- --

Continued from page F-14

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options, which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options. As at March 31, 2002, the shares of IUFC were trading below the exercise price of the option at $4.00 per share. As a result, the options are out of money, have no intrinsic value, and have no impact on the earnings per share. Therefore there is no compensation cost for the Company's stock option plan to recognize based upon the fair value on the grant date under the methodology prescribed by SFAS No. 123, and the Company's income from operations and earnings per share would not have been impacted.

For fiscal 2001 the basic loss per share and diluted loss per share are the same due to anti-dilution effect of options.

9. SALE OF ASSETS AND DISCONTINUATION OF OPERATIONS:

During fiscal 2002, the Company sold its 42.8% owned subsidiary, InterUnion Asset Management Limited (IUAM), to a non related party.

Effective December 20, 2001, the Company has no interest in IUAM. The share of equity in net losses of IUAM for the nine months to December 20, 2001 was $238,342 which is shown separately in the consolidated statements of operations. As a result of the disposal of IUAM as of December 20, 2001, the Company reported a gain on disposal of $756,669.

During fiscal 2001, the Company sold its investment banking subsidiary, Credifinance Capital Corp. (Delaware) ("CFCC") to its majority shareholder RIF Capital Inc. (RIF), as described in note No. 11. The transaction was made effective September 30, 2000 and was approved by the shareholders of the Company at the Company's Annual and Special Shareholders meeting in November 2000. CFCC was 100% owner of Credifinance Capital Inc. (Toronto, Ontario), and Credifinance Securities Limited (Toronto, Ontario). As a result of sale of CFCC to RIF Capital Inc, the Company, effective September 30, 2000 is no longer involved in investment banking and stock brokerage activities. There were no income taxes applicable to the income from operations of discontinued subsidiary and the loss on disposal.

10. INCOME TAXES

The Company files US Federal income tax returns for its US operations. Separate income tax returns are filed, as locally required, for each of its foreign subsidiaries.

There was no provision for income taxes for the years ended March 31, 2002 and 2001.

The total provision for income taxes differs from that amount which would be computed by applying the United States federal income tax rate to income (loss) before provision for income taxes. The reasons for these differences are as follows:

<TABLE>
<CAPTION>

Year Ended March 31,	2002		2001	
	Amount	%	Amount	%
<S>	<C>	<C>	<C>	<C>
Statutory income tax rate (recovery)	$ 85,000	22.52	(395,000)	(16.98)
Use of losses carried forward	(85,000)	(22.52)	0	0
Non-deductible items	0	0	1,125	0.05
Allowance adjustment	0	0	393,875	16.93
Net taxes and effective rate	$ 0	0	$ 0	0

</TABLE>

Continued from page F-16

The Company recognizes deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities and net operating loss carry-forwards. Temporary differences and carry-forwards, which give rise to deferred tax assets and liabilities are as follows:

<TABLE>
<CAPTION>

	March 31, 2002		March 31, 2001	
	Component	Tax Effect	Component	Tax Effect
<S>	<C>	<C>	<C>	<C>
Net operating losses - domestic	$ 270,000	$ 60,000	$ 1,746,000	$ 392,000
Less valuation allowance	(270,000)	(60,000)	(1,746,000)	(392,000)
Net deferred asset	$ 0	$ 0	$ 0	$ 0
Net operating losses - foreign	$ 2,326,000	$ 116,000	$ 2,326,000	$ 116,000
Less valuation allowance	$(2,326,000)	(116,000)	(2,326,000)	(116,000)
Net deferred asset	$ 0	$ 0	$ 0	$ 0

</TABLE>

At March 31, 2002, the Company had cumulative net operating loss carry-forwards of approximately $270,000 and $2,326,000 in the United States and British Virgin Islands respectively. These amounts will expire in various years through 2011. The related deferred tax asset have been completely offset by a valuation allowance. The Company has no significant deferred tax liabilities.

11. RELATED PARTY TRANSACTIONS:

Directors, officers or employees of the Company may also be officers of and serve on the board of directors of companies in which IUFC or its subsidiaries have invested.

Effective September 2000, as discussed in Note 9, the Company sold its investment banking subsidiary, CFCC to its majority shareholder, RIF Capital Inc. The income from operations of CFCC for the six months to September 2000, derived from revenues of approximately $1,258,000, was $358,169 which is shown as income from discontinued operations in a separate line in the consolidated statement of operations. However, as a result of disposal of discontinued assets of CFCC, the Company incurred a loss of $780,401. As a part of the discontinuation of CFCC operations, as of September 30, 2000, IUFC transferred the Notes Payable of $633,286 and its investment in B-Twelve Inc., at carrying value, to CFCC (Note 12).

During the year ending March 31, 2001, the Company incurred an expense of $50,000 on account of Director's Fee. The fee was paid by issuing 16,575 common shares in the fiscal year 2002.

During the year ending March 31, 2002 the Company earned interest income of $26,308 on the Note Receivable from CFCC (Note 4) and incurred interest expense of $5,278 on the Note Payable to RIF Capital Inc (Note 5).

During the year ending March 31, 2002 the company paid $70,000 to RIF Capital Inc, its majority shareholder, as a fee for consulting services rendered.

12. SUPPLEMENTAL CASH FLOW DISCLOSURE

The following is additional information regarding the Consolidated Statement of Cash Flows:

<TABLE>
<CAPTION>

<S>	2002 <C>	2001 <C>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 5,350	$ 20,200
Cash paid during the year for income taxes	10,328	10,483
Supplemental disclosure of non-cash financing and investing:		
Liabilities paid by issuing common stock	50,000	0
Shares of B-12 Inc. transferred at carrying value in exchange for notes receivable	0	1,228,607
Note payable to co-developers of Receptagen Ltd assumed by CFCC in exchange for notes payable to CFCC	0	633,286
Notes receivable settled by repossessing Company's 243,750 common shares	0	150,000
1,500,000 preferred shares converted into common shares at the rate of 1 to 10	0	150,000

</TABLE>

13. SEGMENT INFORMATION

The following tables summaries the revenues, operating income (losses) from continuing operations and identifiable assets by geographical area.

<TABLE>
<CAPTION>

	Canada	United States	Other	Adjustments & Elimination	Consolidated
For the year ended and as of March 31, 2002					
<S>	<C>	<C>	<C>	<C>	<C>
Revenue from unaffiliated customers	$ 0	$ 39,928	$ 0	$ 0	$ 39,928
Revenue from Inter-segments	0	0	0	0	0
Total revenue	0	39,928	0	0	39,928
Depreciation & Amortization	0	0	0	0	0
Operating profit	0	39,928	0	0	39,928
General corporate expenses	(1,426)	(173,992)	0	0	(175,418)
Interest expenses, net	0	(5,350)	0	0	(5,350)
Disposal of Equity Investment	0	518,327	0	0	518,327
Income from continuing Operations before provision for income taxes	(1,426)	378,913	0	0	377,487
Profit (Loss) from Discontinued Operations	0	0	0	0	0
Net income (loss) for the period	(1,426)	378,913	0	0	377,487
Identifiable assets	$ 6,857	$ 3,239,798	$ 0	(8,283)	$ 3,238,372
For the year ended and as of March 31, 2001					
Revenue from unaffiliated customers	$ 57	$ 332,972	$ 0	$ 0	$ 333,029
Revenue from Inter-segments	0	0	0	0	0
Total revenue	57	332,972	0	0	333,029
Depreciation & Amortization	0	5,588	0	0	5,588
Operating profit	57	327,384	0	0	327,441
General corporate expenses	(32,021)	(2,175,514)	0	0	(2,207,535)
Interest expenses, net	(3,399)	(20,200)	0	0	(23,599)
Income from continuing Operations before provision for income taxes	(35,363)	(1,868,330)	0	0	(1,903,693)
Loss from Discontinued Operations	0	(422,232)	0	0	(422,232)
Net income (loss) for the period	(35,363)	(2,290,562)	0	0	(2,325,925)
Identifiable assets	$ 4,005	$ 3,618,092	$ 0	($ 477,762)	$ 3,144,335

</TABLE>

14. INVESTMENT IN UNCONSOLIDATED COMPANIES:

It is a Company policy to account for investments in unconsolidated companies on a cost basis if the investment of the Company is below 20% of equity of the investee company. If the ownership of the equity of the investee company is between 20% to 50% then investment is accounted for on an equity basis.

The company's investment in the unconsolidated companies and their respective ownership are shown below:

<TABLE>
<CAPTION>

Company	% of Ownership		Amount of investment	
	2002	2001	2002	2001
InterUnion Asset Management Inc.	0%	42.8%	$ 0	$2,191,135

</TABLE>

There was no difference between the Company's carrying value of the investments and its proportionate interest in the underlying net assets. During the third quarter of fiscal 2002, the company sold its investment in IUAM (Note 9).

15. CONTINGENCIES:

From time to time the Company is exposed to claims and legal actions in the normal course of business, some of which are initiated by the Company. At March 31, 2002, management believes that any such outstanding issues will be resolved without significantly impairing the financial condition of the Company.

16. WRITE DOWN OF INVESTMENT

During the fiscal year 2000, InterUnion Merchant Group Inc., a wholly owned subsidiary of the Company, had an investment of $1,231,618 in Receptagen Ltd., a Canadian based Company, and the Company had a direct investment of $49,805. Due to the uncertain future of Receptagen Ltd., the Company decided to write down value of its investment to the market value of Receptagen Ltd. shares as of March 31, 2000. This caused a write down of investment to $ 30,089. Due to this the Company recorded an unrealised loss in 2000 of $1,251,334. In fiscal 2001, the above investment was sold resulting in a further loss of $27,379.

17. WRITE DOWN OF NOTES RECEIVABLE:

During the fiscal year 2001, the Company wrote down notes receivable of $633,286 from Receptagen Limited as management considered this amount unrecoverable.

18. COMPARATIVE FIGURES:

Certain comparative figures have been reclassified to conform with the basis of presentation adopted in the current fiscal year.