

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 or 15(d) of the
SECURITIES EXCHANGE ACT OF 1934
For the Quarterly period ended March 31, 2002

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 0-17843

REGAL ONE CORPORATION

(name of small business issuer as specified in its charter)

Florida 95-4158065
(State or other jurisdiction of (IRS Employer
Incorporation or Organization) Identification No.)

C/O Christopher H. Dietrich, Attorney at Law
11300 W. Olympic Blvd., Suite 800
Los Angeles, California 90064
(Address of Principal Executive Offices)

(310) 312-6888
(Issuer's telephone number)

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 NO

As of March 31, 2002, the Company had 1,269,716 shares of common
stock issued and outstanding and 208,965 shares of convertible
preferred stock issued and outstanding, each of which is
convertible into 100 shares of the Company's common stock.

Part 1

ITEM 1: Financial Statements

REGAL ONE CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 2002

Independent Accountant's Report

We have reviewed the accompanying balance sheet and the
related statements of operations and cash flows of Regal One
Corporation as of March 31, 2002, and for the three month periods
then ended. These financial statements are the responsibility of
the Company's management.

We conducted our review in accordance with standards
established by the American Institute of Certified Public
Accountants. A review of interim financial information consists
principally of applying analytical procedures to financial data
and making inquiries of persons responsible for financial and
accounting matters. It is substantially less in scope than an
audit conducted in accordance with auditing standards generally
accepted in the United States, the objective of which is the

expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

As discussed in Note 2, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments to the financial statements that might be necessary should the Company be unable to continue as a going concern.

May 14, 2002
Reno, Nevada

REGAL ONE CORPORATION
BALANCE SHEETS
March 31, 2002 and December 31, 2001
(See Accountants' Report)

	March 31, 2002 (Unaudited)	December 31, 2001 (Audited)
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ASSETS

Current Assets

Cash	\$ 3,029	\$ 4,744
Prepaid expenses	110	176
	-----	-----
	3,139	4,920
	-----	-----

Other Assets

Deferred tax asset, net	-	-
	-----	-----
Total Assets	\$ 3,139	\$ 4,920
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

Current Liabilities

Due to stockholders and officers	\$ 170,216	\$ 157,184
Accounts payable and accrued liabilities	133,736	142,374
	-----	-----
Total Current Liabilities	303,952	299,558
	-----	-----

Stockholders' Equity (Deficit)

Preferred stock, no par value. Authorized 50,000,000 shares; issued and outstanding 208,965 shares in 2002 and 2001	500	500
Common stock, no par value. Authorized 50,000,000 shares; issued and outstanding 1,269,716 shares in 2002 and 2001	6,036,604	6,036,604
Accumulated deficit	(6,337,917)	(6,331,742)
	-----	-----

Net Stockholders' Equity (Deficit)	(300,813)	(294,638)
	-----	-----

Total Liabilities and Stockholders' Equity (Deficit)	\$ 3,139	\$ 4,920
	=====	=====

See the accompanying notes to the Financial Statements.

REGAL ONE CORPORATION
 STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
 For the Quarters Ended March 31, 2002 and 2001
 (See Accountants' Report)
 (Unaudited)

	2002	2001
	-----	-----
Expenses:		
Consulting and outside services	\$ -	\$ -
Professional services	5,915	2,188
Other, selling, general and administrative expenses	260	204
	-----	-----
	6,175	2,392
	-----	-----
Loss from Operations	(6,175)	(2,392)
	-----	-----
Other Income (Expense)	-	(75)
	-----	-----
Loss Before Provision for Income Taxes	(6,175)	(2,467)
Income Tax Expenses	-	-
	-----	-----
Net Income (Loss)	(6,175)	(2,467)
Other Comprehensive Income	-	-
	-----	-----
Comprehensive (Loss)	\$ (6,175)	\$ (2,467)
	=====	=====
Basic and Diluted Net Loss per Common Share	\$ (.004)	\$ (.002)
	=====	=====
Shares Used in Computing Basic and Diluted per Share Data	\$1,269,716	1,269,716
	=====	=====

See the accompanying notes to the Financial Statements.

REGAL ONE CORPORATION
 STATEMENTS OF CASH FLOWS
 For the Quarters Ended March 31, 2002 and 2001
 (See Accountants' Report)
 (Unaudited)

	2002	2001
	-----	-----
Cash flows from operating activities:		
Net income (loss)	\$ (6,175)	\$ (2,467)
	-----	-----
Adjustments to reconcile net loss to net cash used by operating activities:		
Noncash consulting fees	-	-
Decrease in prepaid expenses	66	-
Expenses paid by stockholders and officers	13,032	4,659
Increase (Decrease) in accounts payable and accrued liabilities	(8,638)	(2,237)
	-----	-----
Total Adjustments	4,460	2,422

Net cash used by operating activities	(1,715)	(45)
Cash Flows from Investing Activities:		
Net cash provided by investing activities	-	-
Cash flows from financing activities:		
Net cash used by financing activities	-	-
Net increase (decrease) in cash	(1,715)	(45)
Cash at beginning of period	4,744	2,336
Cash at end of period	\$ 3,029	\$ 2,291

See the accompanying notes to the Financial Statements.

REGAL ONE CORPORATION
STATEMENTS OF CASH FLOWS (continued)
For the Quarters Ended March 31, 2002 and 2001
(See Accountants' Report)
(Unaudited)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

	2002	2001
Cash paid during the quarter for interest	\$ -	\$ -
Cash paid during the quarter for income taxes	\$ -	\$ -

See the accompanying notes to the Financial Statements.

REGAL ONE CORPORATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Business

Regal One Corporation (the "Company") located in Las Vegas, Nevada, is a Florida corporation originally incorporated as Electro-Mechanical Services, Inc., in 1959 in Florida. The Company has been involved in a variety of industries including automobile mufflers, real estate, and the pharmaceutical and health fields. The Company is currently no in formal business operations, but is actively seeking a merger candidate.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and the instructions for Form 10- QSB and Regulation S-B.

Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. All adjustments that, in the opinion of management, are necessary for a fair presentation of the results of operations for the interim periods have been made and are of a recurring nature unless otherwise disclosed herein. The results of operations for the quarter ended March 31, 2002, are not necessarily indicative of the results that will be realized for a full year. For further information, refer to the financial statements and notes thereto contained in the Company's Annual Report on Form 10-KSB for the year ending December 31, 2001.

NOTE 2 - GOING CONCERN

For the fiscal year ended December 31, 2001, the independent auditors report included an explanatory paragraph calling attention to a going concern issue. The Company has suffered recurring losses from operations and at March 31, 2002, continues to have an accumulated deficit. The accompanying financial statements have also been prepared contemplating continuation of the Company as a going concern, which is dependent upon the Company obtaining additional financing to satisfy the operating needs of the Company and/or completing a successful merger.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

The Company is currently not in formal business operations, but is actively seeking a merger candidate. The Company has not generated significant revenue during the last several years, and has funded its operation primarily through the issuance of additional debt and equity financing. Accordingly, the Company's ability to accomplish its business strategy and to ultimately achieve profitable operations is dependent upon its ability to obtain additional debt or equity financing, or to merge with a going concern company. The Company is currently exploring a merger option and has signed a letter of intent subsequent to March 31, 2002.

Results of Operations

The Company reported no revenues for the quarters ending March 31, 2002 and 2001.

Operating expenditures increased from \$2,392 in the quarter ended March 31, 2001, to \$6,175 in the quarter ended March 31, 2002. The increase of \$3,783 is primarily attributable to professional fees incurred in the first quarter of 2001 of \$5,850 for fees applicable to the audit of the December 31, 2001 financial statements.

Liquidity and Capital Resources

During the prior year and current quarter, the Company had continuing losses from operations. There can be no assurances that the Company will be able to secure long-term borrowings with which to finance its future operations. The Company does not currently have any established bank lines of credit. The Company's lack of liquidity is reflected in the table below, which shows comparative working capital (current assets less current liabilities) which is an important measure of the Company's ability to meet its short-term obligations.

March 31, 2002 December 31, 2001

Working Capital (deficit) \$(300,813) \$(294,638)

The Company's financial condition at March 31, 2002, reflects an immediate inability to meet its short-term obligations. At March 31, 2002, the Company had \$3,029 in cash on hand. The liabilities of the Company at March 31, 2002, aggregated \$303,952. Certain accounts payable are past due, and it is possible that the persons to whom these obligations are due may seek to collect the amounts due them.

Stock Option Plan

The Company's Stock Option Plan (Plan) is for its employees, directors, officers and consultants or advisors of the Company. In May 1995, the Company filed a registration statement on Form S-8 covering 3,000,000 shares of common stock for this Plan. Since May 1995, holders have exercised options to purchase 597,009 shares of common stock. No options were exercised during the quarter ended March 31, 2002, leaving 2,402,991 yet available, with an amended expiration date of July 1, 2002. (See the Company's 14c, filed March 28, 2002)

Cautionary Statements Regarding Forward-Looking Statements

Certain statements contained in this Form 10-QSB regarding matters that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve risks and uncertainties, and actual results may differ materially from those expressed or implied by such forward-looking statements. All statements that address operating performance, liquidity issues, or events or developments that management expects or anticipates to occur in the future are forward-looking statements. The forward-looking statements are based on management's current views and assumptions regarding future events and operating performance. Many factors could cause actual results to differ materially from estimates contained in management's forward-looking statements. Some of these factors are adverse economic conditions, inadequate capital, availability of alternative financing resources, unexpected costs, and the Company's ability to manage its recurring losses and shareholders' deficit.

Subsequent Events

On May 2, 2002, the Company signed a letter of intent to acquire all of Lightsport Products, Inc., a privately held company founded by David Galoob, formerly Chairman of NYSE listed Galoob Toys. When it was acquired by Hasbro in 1998, Galoob Toys was one of the largest toy companies in the world. The closing of the transaction is contingent on the negotiation and execution of definitive acquisition agreements, completion of due diligence, restructuring of the Company's capital structure, and certain shareholder, regulatory and other conditions. The parties to the letter of intent can give no assurance that these conditions will be satisfied or that the transaction will be completed.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

None

Item 3. Default Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security

Holdings

On March 28, 2002, the Company filed an information statement on Form 14C which amended the expiration date of the Company's Stock Option Plan to July 1, 2002. This amendment was approved by the vote of the majority of the stockholders of the Company.

Item 5. Other Information

On May 2, 2002, the Company signed a letter of intent to acquire all of Lightsport Products, Inc., a privately held company founded by David Galoob, formerly Chairman of NYSE listed Galoob Toys. When it was acquired by Hasbro in 1998, Galoob Toys was one of the largest toy companies in the world. The closing of the transaction is contingent on the negotiation and execution of definitive acquisition agreements, completion of due diligence, restructuring of the Company's capital structure, and certain shareholder, regulatory and other conditions. The parties to the letter of intent can give no assurance that these conditions will be satisfied or that the transaction will be completed.

Item 6. Exhibits and Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

REGAL ONE CORPORATION
(Registrant)

Date: May 14, 2002 /s/ Malcolm Currie
Malcolm Currie, Chairman