

FORM 10-QSB

SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

Quarterly Report Under Section 13 or 15 (d)
Of the Securities Exchange Act of 1934

For Quarter Ended December 31, 2001

Commission File Number 0-5662

CARDIFF COMMUNICATIONS, INC.
(Exact name of registrant as specified in its charter)

NEVADA
(State or other jurisdiction of
incorporation or organization)

87-0267292
(IRS Employer
Identification No.)

4766 South Holladay Blvd. Holladay, UT 84117
(Address of principal executive offices)

Registrant's telephone number
including area code (801) 308-0011

6975 South Union Park Center #600, Salt Lake City UT 84047
Former Address, if changed since last report

Indicate by check mark whether the registrant (1) has filed all the reports required by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports)

Yes No

and (2) has been subject to such filing requirements for the past 90 days.

Yes No

6,800,544
(Number of shares of common stock the registrant had
outstanding as of February 12, 2002)

PART 1

ITEM 1 - FINANCIAL STATEMENTS

The condensed financial statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission.

In the opinion of the Company, all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the financial statements and the results of its operations and changes in its financial position through December 31, 2001 have been made. This is not necessarily indicative of the results to be expected for the entire year.

Cardiff Communications, Inc.
Balance Sheets

	<u>December 31,</u> 2001	<u>September 30,</u> 2001
	Unaudited	
Assets		
<u>Current Assets</u>		
Interest receivable	\$ 9,184	\$ 8,234
Total Assets	<u>\$ 9,184</u>	<u>\$ 8,234</u>
Liabilities and Stockholders Equity		
<u>Current Liabilities</u>		
Accounts payable	\$ 17,695	\$ 17,695
Taxes payable	200	-
Interest payable	12,750	12,000
Notes payable	<u>60,000</u>	<u>60,000</u>
Total Liabilities	<u>90,645</u>	<u>89,695</u>
<u>Stockholders Equity</u>		
Common stock 10,000,000 shares authorized at \$.001 par value; 6,800,544 shares issued and outstanding	6,801	6,801
Capital in excess of par value	9,199	9,199
Retained deficit (dated 09/30/97 in conjunction with quasi-reorganization)	(21,461)	(21,461)
Subscriptions receivable	<u>(76,000)</u>	<u>(76,000)</u>
Total Stockholders Equity (Deficit)	<u>(81,461)</u>	<u>(81,461)</u>
Total Liabilities and Stockholders Equity	<u>\$ 9,184</u>	<u>\$ 8,234</u>

The accompanying notes are an integral part of these financial statements.

Cardiff Communications, Inc.
 Statements of Operations
 Unaudited

	<u>For the Three Months Ended December 31, 2001</u>	<u>For the Three Months Ended December 31, 2000</u>
<u>Revenue</u>		
Interest Income	\$ 950	\$ 950
<u>Expenses</u>		
General & Administrative	-	14,069
Interest Expense	<u>750</u>	<u>750</u>
Net Income - Before Taxes	<u>\$ 200</u>	<u>\$ (13,869)</u>
Taxes	<u>200</u>	<u>-</u>
Income (Loss)	<u>\$ -</u>	<u>\$ (13,869)</u>
Loss Per Common Share	<u>\$ -</u>	<u>\$ -</u>
Weighted Average Shares Outstanding	<u>6,800,544</u>	<u>6,800,544</u>

The accompanying notes are an integral part of these financial statements.

Cardiff Communications, Inc.
 Statements of Cash Flows
 Unaudited

	For the Three Months Ended December 31, <u>2001</u>	For the Three Months Ended December 31, <u>2000</u>
<u>Cash Flows from Operating Activities</u>		
Net Income (Loss)	\$ -	\$ 200
(Increase) in Account receivable	(950)	(900)
Increase in Account payable	<u>950</u>	<u>700</u>
Net Cash Used by Operating Activities	-	-
<u>Cash Flows from Investing Activities</u>		
	-	-
<u>Cash Flows from Financing Activities</u>		
	-	-
Increase (Decrease) in cash & cash equivalents	-	-
Cash and cash equivalents at the beginning of period	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of period	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<u>Non Cash Disclosure</u>		
Interest	\$ -	\$ -
Taxes	-	-

The accompanying notes are an integral part of these financial statements.

Cardiff Communications, Inc.
Notes to the Financial Statements
December 31, 2001

NOTE 1 - INTERIM FINANCIAL STATEMENTS

The financial statements for the three months ended December 31, 2001 were prepared from the books and records of the company. Management believes that all adjustments have been made to the financial statements to make a fair presentation of the financial condition of the company as of December 31, 2001. The results of the three months are not indicative of a full year of operation for the Company.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company's September 30, 2001 audited financial statements. The results of operations for the periods ended December 31, 2001 and 2000 are not necessarily indicative of the operating results for the full year.

The accompanying notes are an integral part of these financial statements.

SIGNATURES

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

Dated February 13, 2002

Cardiff Communications, Inc.

/s/ Robert Wallace