

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

AUGUST 14, 2007
Date of Report (Date of earliest event reported)

COLONIAL COMMERCIAL CORP.
(Exact name of Registrant as Specified in Charter)

NEW YORK (State or other Jurisdiction of Incorporation)	1-6663 (Commission File Number)	11-2037182 (IRS Employer Identification No.)
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275 WAGARAW ROAD, HAWTHORNE, NEW JERSEY (Address of Principal Executive Offices)	07506 (Zip Code)
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Registrant's Telephone Number, Including Area Code: 973-427-8224

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On August 14, 2007 Colonial Commercial Corp. (the "Company") issued a press release announcing its financial results for the fiscal quarter ended June 30, 2007. A copy of this press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit No.	Description
99.1	Press Release dated August 14, 2007

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 hereunto duly authorized.

COLONIAL COMMERCIAL CORP.

(Registrant)

Date: August 20, 2007

/s/ William Salek

William Salek
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Press Release dated August 14, 2007

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COLONIAL COMMERCIAL CORP. REPORTS SECOND QUARTER

FINANCIAL RESULTS

HAWTHORNE, New Jersey (August 14, 2007) - Colonial Commercial Corp. ("Colonial") (OTC Bulletin Board: "CCOM," "CCOMP"), today announced financial results for the second quarter ended June 30, 2007.

Sales increased by 21.9%, or \$3,972,757, to \$22,128,569 for the quarter ended June 30, 2007 from \$18,155,812 for the same period in 2006. The increase in sales primarily reflects sales of appliances in 2007 that the Company was not offering until September 2006, an increase in sales of our commercial and residential air conditioning equipment, and growth in our commercial control systems business.

Gross profit increased by 12.2%, or \$665,971, to \$6,103,436 for the quarter ended June 30, 2007 from \$5,437,465 for the same period in 2006. Gross profit expressed as a percentage of sales decreased by 2.3% to 27.6% in 2007 compared to 29.9% for the comparable period in 2006. The decrease in the percentage of gross profit primarily reflects increased sales of more lower-margin high volume products, and the sale of appliances which the Company did not offer until September 2006.

The Company's net income increased by 20.3%, or \$68,630, to \$406,995 for the quarter ended June 30, 2007, compared to net income of \$338,365 for the same period in 2006.

For the six months ended June 30, 2007, sales increased by 15.5%, or \$5,130,776, to \$38,170,801 from \$33,040,025 for the same period in 2006. Gross profit increased by 8.4%, or \$852,146, to \$10,974,938 for the six months ended June 30, 2007 from \$10,122,792 for the same period in 2006. Gross profit as a percentage of sales decreased by 1.8% to 28.8% in 2007 compared to 30.6% for the comparable period in 2006.

Net income was \$17,056 for the six months ended June 30, 2007, compared to net income of \$13,836 for the same period in 2006.

Financial information for 2006 includes the adjustments to our accounting for vendor rebates that are described in our Form 8-K/A filed with the SEC on July 25, 2007.

William Pagano, Chief Executive Officer of the Company, said, "We continue to increase market penetration with our air conditioning equipment and are realizing increased sales from our recently introduced appliance offerings, including room air conditioners, washers and dryers, custom hoods and ventilation systems. We expect continued sales growth as we expand our appliance business, bring our plumbing fixture business into more of our locations, and realize sales from our newest location in the Albany, New York area."

Colonial distributes heating, ventilating and air conditioning, ("HVAC"), equipment, parts and accessories, climate control systems, and plumbing supplies to HVAC contractors, primarily in the New York metropolitan area through its Universal Supply Group, Inc., www.usginc.com, American/Universal Supply Inc.,

www.ausupplyinc.com, and The RAL Supply Group, Inc., www.ralsupply.com,

subsidaries. These contractors purchase and install equipment and systems for residential, commercial and industrial users. The Company provides control system design, custom control panel fabrication, technical field support, in-house training and climate control consultation for engineers and installers. It is a leader in the design of direct digital control systems, and systems that control multi-location facilities through the Internet.

The Company also distributes home appliances to dealer groups and appliance stores through its Goldman Universal division. Additionally, the Company offers water filtration systems, parts and accessories and other products through its e-commerce store, www.procontractorstore.com, operated by RAL. The Company is

headquartered in New Jersey, and, with its affiliates, operates out of seven locations in New Jersey; nine in New York and one in Pennsylvania. For more information on Colonial Commercial Corp.'s operations, products and/or services, please visit www.colonialcomm.com.

Safe Harbor Statement: The foregoing press release may contain statements

concerning Colonial Commercial Corp.'s financial performance, markets and business operations that may be considered "forward-looking" under applicable securities laws. Colonial cautions readers of this press release that actual results might differ materially from those projected in any forward-looking statements. Factors which might cause actual results to differ materially from any results that are projected in the forward-looking statements include the following: continued acceptance of the company's products in the marketplace, competitive factors, dependence upon third-party vendors, and other risks detailed in the company's periodic report filings with the Securities and Exchange Commission. These and certain other factors which might cause actual results to differ materially from those projected are detailed from time to time in Colonial's periodic reports and registration statements filed with the Securities and Exchange Commission, which important factors are incorporated herein by reference. Colonial undertakes no obligation to update forward looking statements to reflect changed assumptions, the occurrence of unanticipated events, or changes in future operating results, financial condition or business over time.

FOR FURTHER INFORMATION, PLEASE CONTACT WILLIAM PAGANO, CHIEF EXECUTIVE OFFICER, OR WILLIAM SALEK, CHIEF FINANCIAL OFFICER, AT (973) 427-8224.

(Financial Highlights Follow)

COLONIAL COMMERCIAL CORP. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	June 30, 2007	December 31, 2006
	(Unaudited)	-----
Assets		
Current assets:		
Cash	\$ 1,104,993	\$ 482,251
Accounts receivable, net of allowance for doubtful accounts of \$237,744 in 2007 and \$212,043 in 2006	10,467,946	9,069,301
Inventory	14,322,144	12,854,317
Prepaid expenses and other current assets	1,231,169	1,057,099
Deferred tax asset - current portion	420,000	420,000
Total current assets	27,546,252	23,882,968
Property and equipment	1,507,904	1,512,666
Goodwill	1,628,133	1,628,133
Other intangibles	2,500	3,500
Other assets - noncurrent	179,268	202,177
Deferred tax asset - noncurrent	1,288,500	1,288,500
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	\$32,152,557	\$ 28,517,944
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Liabilities and Stockholders' Equity		
Current liabilities:		
Trade payables	\$ 7,715,616	\$ 4,719,160
Accrued liabilities	1,748,260	1,975,175
Income taxes payable	15,127	1,630
Borrowings under credit facility - revolving credit	14,439,983	13,615,696
Notes payable - current portion; includes related party notes of \$30,000 in 2007 and 2006	135,051	136,539
Total current liabilities	24,054,037	20,448,200
Convertible notes payable, includes related party notes of \$325,000 in 2007 and 2006	525,000	525,000
Other notes payable, excluding current portion; includes related party notes of \$701,875 in 2007 and \$703,750 in 2006	774,102	792,394
Total liabilities	25,353,139	21,765,594
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Commitments and contingencies		
Stockholders' equity:		
Redeemable convertible preferred stock, \$.05 par value, 2,500,000 shares authorized, 467,500 shares issued and outstanding in 2007 and 2006, liquidation preference of \$2,337,500 in 2007 and 2006	23,375	23,375
Common stock, \$.05 par value, 20,000,000 shares authorized, 4,645,680 in 2007 and 4,593,680 in 2006 shares issued and outstanding	232,284	229,684
Additional paid-in capital	10,735,203	10,707,791
Accumulated deficit	(4,191,444)	(4,208,500)
Total stockholders' equity	6,799,418	6,752,350
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	\$32,152,557	\$ 28,517,944
	=====	=====

COLONIAL COMMERCIAL CORP. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited)

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	2007	2006 (Restated)	2007	2006 (Restated)
Net sales	\$ 22,128,569	\$ 18,155,812	\$ 38,170,801	\$ 33,040,025
Cost of sales	16,025,133	12,718,347	27,195,863	22,917,233
Gross profit	6,103,436	5,437,465	10,974,938	10,122,792
Selling, general and administrative expenses	5,364,444	4,793,206	10,353,050	9,550,068
Operating income	738,992	644,259	621,888	572,724
Other income	78,479	63,467	143,077	129,256
Interest expense, net; includes related party interest of \$25,767 and \$25,765 for the three months ended June 30, 2007 and 2006, respectively, and \$51,734 and \$51,393 for the six months ended June 30, 2007 and 2006, respectively	(361,254)	(336,240)	(695,296)	(635,902)
Income before income taxes	456,217	371,486	69,669	66,078
Income tax expense	49,222	33,121	52,613	52,242
Net Income	\$ 406,995	\$ 338,365	\$ 17,056	\$ 13,836
Income per common share:				
Basic	\$ 0.09	\$ 0.07	\$ 0.00	\$ 0.00
Diluted	\$ 0.08	\$ 0.06	\$ 0.00	\$ 0.00
Weighted average shares outstanding:				
Basic	4,645,680	4,579,846	4,645,393	4,578,606
Diluted	5,306,768	5,127,026	5,131,934	5,138,556

COLONIAL COMMERCIAL CORP. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	For The Six Months Ended June 30, 2007	Ended June 30, 2006
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		(Restated)
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Cash flows from operating activities:		
Net income	\$ 17,056	\$ 13,836
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Stock-based compensation	17,012	-
Provision for doubtful accounts	153,195	84,310
Depreciation	247,737	222,472
Amortization of intangibles	1,000	6,834
Accretion of debt discount	18,750	18,750
Changes in operating assets and liabilities		
Accounts receivable	(1,551,840)	(717,287)
Inventory	(1,467,827)	(1,547,010)
Prepaid expenses and other current assets	(174,070)	73,548
Other assets - noncurrent	22,909	3,153
Trade payables	2,996,456	97,153
Accrued liabilities	(226,915)	(26,782)
Income taxes payable	13,497	(11,801)
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Net cash provided by (used in) operating activities	66,960	(1,782,824)
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Cash flows from investing activities:		
Additions to property and equipment	(242,975)	(195,959)
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Net cash used in investing activities	(242,975)	(195,959)
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Cash flows from financing activities:		
Issuance of common stock and exercise of stock options	13,000	8,000
Repayments of notes payable: includes related party repayments of \$0 in 2007, and \$30,289 in 2006.	(38,530)	(64,922)
Issuance of notes payable	-	13,073
Borrowings under credit facility - term loan/overadvance	-	250,000
Borrowings under credit facility - revolving credit	824,287	2,129,188
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Net cash provided by financing activities	798,757	2,335,339
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Increase in cash	622,742	356,556
Cash - beginning of period	482,251	613,456
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Cash - end of period	\$ 1,104,993	\$ 970,012
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