

ABLEAUCTIONS COM INC  
Form 10QSB/A  
January 29, 2008

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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AMENDMENT NO. 1

TO

FORM 10-QSB

(Mark One)

[ X ]

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

For the quarterly period ended March 31, 2007

OR

[ ]

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

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For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number 0-28179

ABLEAUCTIONS.COM, INC.

(Exact name of small business issuer in its charter)

Florida  
(State or other jurisdiction of incorporation or organization)

59-3404233  
(I.R.S. Employer Identification  
No.)

Suite 200 - 1963 Lougheed Highway

Coquitlam, British Columbia

V3K-3T8

(Address of principal executive offices)

(604) 521-3369

(Registrant's Telephone Number, Including Area Code)

### EXPLANATORY NOTE

On May 15, 2007 Ableauctions.com, Inc. filed its Quarterly Report on Form 10-QSB for the quarter ended March 31, 2007 (the Original Filing ). On September 13, 2007, we received a comment letter from the United States Securities and Exchange Commission ( SEC ). As part of our response to the comment letter, we are filing Amendment No. 1 (the Amendment ) to the Original Filing. The Amendment does the following:

·  
amends our statements of cash flows to report the sales of our marketable securities as operating activities rather than as investment activities;

·  
includes at Note 12 information about our business segments, as required by paragraph 33 of SFAS 131; and

·  
discloses total comprehensive income in our balance sheet, as required by paragraph 27 of SFAS 130.

The other portions of the Original Filing are unaffected by the changes described above and have not been amended. All information in the Amendment is as of the date of the Original Filing and does not reflect any subsequent information or events occurring after the date of the Original Filing, except to reflect the changes noted above. Accordingly, the Amendment should be read in conjunction with our filings made with the SEC subsequent to the Original Filing. The filing of this Amendment to our Quarterly Report on Form 10-QSB shall not be deemed an admission that the Original Filing or any subsequent amendment, when made, included any untrue statement of a material fact or omitted to state a material fact necessary to make a statement not misleading.



**Part I, Item 1 Financial Statements****ABLEAUCTIONS.COM, INC.****CONSOLIDATED BALANCE SHEET****(Unaudited)**

	<b>MARCH 31</b>		<b>DECEMBER 31</b>
		<b>2007</b>	<b>2006</b>
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	\$	<b>1,260,583</b>	\$ 1,004,558
Accounts receivable - trade, net of allowance		<b>1,311,654</b>	1,436,764
Loans receivable (Note 3)		<b>4,877,066</b>	4,092,852
Inventory		<b>972,526</b>	860,643
Prepaid expenses		<b>220,598</b>	47,849
Notes receivable		<b>-</b>	1,931
		<b>8,642,427</b>	7,444,597
<b>Other receivable</b>		<b>100,896</b>	99,961
<b>Intangible Assets (Note 6)</b>		<b>419,700</b>	430,534
<b>Property and Equipment</b>		<b>2,863,845</b>	2,857,322
<b>Property Held for Development (Note 5)</b>		<b>1,561,842</b>	1,455,031
<b>Investment in Joint Venture (Note 7)</b>		<b>1,254,658</b>	1,237,269
	\$	<b>14,843,368</b>	\$ 13,524,714
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	\$	<b>71,037</b>	\$ 85,788
Deferred revenue		<b>40,490</b>	-
Bank loan (Note 9)		<b>1,702,529</b>	548,694
		<b>1,814,056</b>	634,482

**STOCKHOLDERS EQUITY**

**Capital Stock**

Authorized:

100,000,000 common shares with a par value of \$0.001

Issued and outstanding:

62,406,834 common shares at March 31, 2007

62,406,834 common shares at December 31, 2006

Additional paid-in capital

<b>62,406</b>	62,406
<b>37,332,343</b>	37,319,119

**Deficit**

<b>(24,667,599)</b>	(24,687,597)
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**Accumulated Other Comprehensive Income**

<b>302,162</b>	196,304
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<b>13,029,312</b>	12,890,232
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**Contingent Liabilities** (Note 8)

\$	<b>14,843,368</b>	\$	13,524,714
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## ABLEAUCTIONS.COM, INC.

## CONSOLIDATED STATEMENT OF OPERATIONS

(Unaudited)

	<b>THREE MONTHS ENDED</b>	
	<b>MARCH 31</b>	
	<b>2007</b>	<b>2006</b>
<b>Revenues</b>		
Sales	\$ 1,014,911	\$ 2,039,152
<b>Cost Of Revenues</b>	<b>540,091</b>	1,329,766
<b>Gross Profit</b>	<b>474,820</b>	709,386
<b>Expenses</b>		
Operating expenses (Note 13)	534,514	689,069
Depreciation and amortization	39,382	45,593
	<b>573,896</b>	734,662
<b>Loss Before Other Items</b>	<b>(99,076)</b>	(25,276)
<b>Other Items</b>		
Investment income	113,343	139,455
Share of income of joint venture (Note 7)	5,731	-
Gain on sale of property held for development	-	26,131
	<b>119,074</b>	165,586
<b>Income From Continuing Operations</b>	<b>19,998</b>	140,310
<b>Income For The Period</b>	<b>19,998</b>	\$ 140,310

**Basic And Diluted Income Per Share**

Income from continuing operations	\$	<b>0.000</b>	\$	0.002
Income for the period	\$	<b>0.000</b>	\$	0.002

<b>Weighted Average Number Of Shares Outstanding</b>		<b>62,406,834</b>		62,406,834
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**ABLEAUCTIONS.COM, INC.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**(Unaudited)**

	<b>THREE MONTHS ENDED</b>		
	<b>MARCH 31</b>		
	<b>2007</b>		<b>2006</b>
<b>Income for the Period</b>	<b>\$ 19,998</b>	<b>\$</b>	<b>140,310</b>
<b>Other Comprehensive Income (loss), net of tax</b>			
Foreign currency translation adjustments	<b>105,858</b>		<b>(58,933)</b>
<b>Consolidated Comprehensive Income</b>	<b>\$ 125,856</b>	<b>\$</b>	<b>81,377</b>
<b>Basic and Diluted Comprehensive Income per Share</b>	<b>\$ 0.002</b>	<b>\$</b>	<b>0.001</b>

## ABLEAUCTIONS.COM, INC.

## CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

	<b>THREE MONTHS ENDED</b>	
	<b>MARCH 31</b>	
	<b>2007</b>	<b>2006</b>
<b>Cash Flows From Operating Activities</b>		
Income for the period from continuing operations	\$ 19,998	\$ 140,310
Non-cash items included in net income (loss):		
Depreciation and amortization	39,382	45,593
Stock-based compensation	13,224	-
Joint Venture Share of Income	(5,731)	-
Gain on sale of property held for development	-	(26,131)
	<b>66,873</b>	<b>159,772</b>
Changes in operating working capital items:		
(Increase) Decrease in accounts receivable	125,110	14,355
(Increase) Decrease in inventory	(111,883)	248,870
(Increase) Decrease in prepaid expenses	(172,749)	149,985
Decrease in marketable securities	-	1,586,866
Increase (Decrease) accounts payable and accrued liabilities	(14,751)	88,637
Increase in deferred revenue	40,490	14,216
Net cash used in operating activities	<b>(66,910)</b>	<b>2,262,701</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment, net	(35,071)	(3,174)
Purchase of property held for development	(106,811)	-
Proceeds from sale of property held for development, net	-	322,134
Loan advances	(1,268,838)	(936,355)
Loan repayment	484,624	-
Investment in intangible assets	-	(24,059)

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Investment in joint venture	(11,658)	-
Other receivables	(935)	-
Note receivable	1,931	1,957
Net cash used in investing activities	(936,758)	(639,497)
<b>Cash Flows From Financing Activities</b>		
Proceed from Bank Loan	1,706,217	-
Repayment of Bank Loan	(552,382)	(1,395,349)
Net cash from financing activities	1,153,835	(1,395,349)
<b>Change In Cash And Cash Equivalents For The Period</b>	<b>150,167</b>	<b>227,855</b>
<b>Net Cash Used In Discontinued Operation</b>		
<b>Cash And Cash Equivalents, Beginning Of Period</b>	<b>1,004,558</b>	<b>955,554</b>
<b>Effect Of Exchange Rates On Cash</b>	<b>105,858</b>	<b>(58,933)</b>
<b>Cash And Cash Equivalents, End Of Period</b>	<b>1,260,583</b>	<b>\$ 1,124,476</b>

**ABLEAUCTIONS.COM, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2007**

**(Unaudited)**

**1.**

**BUSINESS AND BASIS OF ORGANIZATION**

Ableauctions.com, Inc. (the 'Company') was organized on September 30, 1996, under the laws of the State of Florida, as J.B. Financial Services, Inc. On July 19, 1999, an Article of Amendment was filed with the State of Florida for the change of the Company's name from J.B. Financial Services, Inc. to Ableauctions.com, Inc.

The Company provides services to businesses to assist with managing merchandise. Through its subsidiary, Unlimited Closeouts, Inc., it provides liquidation services to businesses with overstock. Through its subsidiary ICollector.com Technologies Ltd., it provides auction broadcast technology and facilitator services that allow businesses to take advantage of the on-line auction marketplace. Through its subsidiary, Rapidfusion Technologies, Inc., it develops and sells point-of-sale software. Through Ableauctions.com Inc., it manages an investment portfolio. Through Axion Investment Corp. ( Axion ), it manages various types of investments. Through Gruv Development Corporation and 0716590 B.C. Ltd., it engages in real estate development.

The Company's operating subsidiaries are:

Ableauctions.com (Washington) Inc., a U.S. based auction business.

Rapidfusion Technologies Inc., a Canadian based Internet auction business.

ICollector.Com Technologies Ltd., a Canadian based Internet auction facility.

Jarvis Industries Ltd., a Canadian based liquidation business

ICollector International, Ltd., a U.S. based Internet auction business

Unlimited Closeouts, Inc., a U.S. based liquidation business.

Axion Investment Corp., a Canadian based investment business.

Itrustee.Com International, Ltd. a U.S. based liquidation business.

0716590 B.C.

Ltd., a Canadian based real estate holding company

Gruv Development Corporation, a Canadian based real estate development company

AAC Holdings Ltd., a Canadian-based holding company (incorporated April 24, 2007)

The unaudited consolidated financial statements of the Company at March 31, 2007 include the accounts of the Company and its wholly-owned subsidiaries, and reflect all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the financial position and operating results for the interim period. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted in these interim statements under the rules and regulations of the Securities and Exchange Commission ( SEC ).

Accounting policies used in fiscal 2007 are consistent with those used in fiscal 2006. The results of operations for the three month period ended March 31, 2007 are not necessarily indicative of the results for the entire fiscal year ending December 31, 2007. These interim financial statements should be read in conjunction with the financial statements for the fiscal year ended December 31, 2006 and the notes thereto included in the Company's Form 10KSB filed with the SEC on March 31, 2007. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States.

## 2.

### AMENDMENT

The Company has previously issued financial statements for the period, which omitted certain required disclosures in accordance with GAAP. As a result, the Company has amended the financial statements to include the following:

a)

Segmented information, which is included in Note 12.

b)

A statement of comprehensive income

In addition, the Company previously presented the proceeds from sale of marketable securities as investment activities in the statement of cash flows, when they should be reflected as operating activities. The following presents the effect on the Company's previously issued financial statements for the period ended March 31, 2006. There is no effect on the financial statements for the period ended March 31, 2007.

Statement of cash flows for the period ended March 31, 2006:

	<b>Previously Reported</b>	<b>Increase (Decrease)</b>	<b>Amended</b>
Cash flow from operating activities	\$ 675,835	\$1,586,866	\$2,262,701
Cash flow from investing activities	947,369	(1,586,866)	(639,497)

**3.**

**LOANS RECEIVABLE**

	<b>March 31, 2007</b>	December 31, 2006
i) Loan advanced on October 15, 2005 in the amount of \$115,000 CAN, bears interest at 10% per annum (receivable at \$1,045 CAN per month), with the principal due for repayment on October 15, 2006, and secured by a mortgage on the property of the borrower. The loan was subsequently renewed under the same terms and is due for repayment on October 14, 2007.	<b>99,602</b>	<b>98,679</b>

ii) Loan advanced on October 17, 2005 in the amount of \$2,200,000 CAN, bears interest at 9.75% per annum (receivable at \$17,875 CAN per month), with the principal due for repayment on October 17, 2006, and secured by a mortgage on the property of the borrower and personal guarantees. The loan was not repaid on the due date and the property was put in foreclosure. Management believes that the proceeds to be realized from the sale of property will exceed the loan amount.

**1,905,422** 1,887,763

iii) Loan advanced in the amount of \$230,000 CAN, bears interest at 10% per annum (receivable at \$1,917 CAN per month), with the principal due for repayment on April 4, 2007. The loan was subsequently renewed under the same terms and is due for repayment on Jan 1, 2008. The loan is secured by a mortgage on the property of the borrower and a General Security Agreement.

**199,203** 197,357

iv) Loan advanced in the amount of \$55,000 CAN, bears interest at 10% per annum (receivable at \$458 CAN per month), with the principal due for repayment on February 9, 2008, and secured by a mortgage on the property of the borrower and a personal guarantee of the borrower.

**47,636** 47,194

v) Loan advanced in the amount of \$603,750 CAN, bears interest at 11% per annum (receivable at \$5,534 CAN per month), with the principal due for repayment on April 22, 2007, and secured by a mortgage on the property of the borrower. The loan was repaid on February 22, 2007.

- 518,062

vi) Loan advanced in the amount of \$237,000 CAN, bears interest at 11% per annum (receivable at \$1,975 CAN per month), with the principal due for repayment on May 27, 2007, and secured by a mortgage on the property of the borrower.

**205,266** 203,364

vii) Loan advanced in the amount of \$179,060 CAN, bears interest at 11% per annum (receivable at \$1,492 CAN per month), with the principal due for repayment on May 1, 2008, and secured by a mortgage on the property of the borrower.

**155,084**

153,647

viii) Loan advanced in the amount of \$1,150,000 CAN, bears interest at 10.5% per annum (receivable at \$10,063 CAN per month), with the principal due for repayment on October 13, 2007 and secured by a mortgage on the property of the borrower and personal guarantees of the shareholders of the borrower.

**996,016**

986,786

ix) Loan advanced in the amount of \$140,000 CAN, bears interest at 15% per annum (receivable at \$1,750 CAN per month), with the principal due for repayment on February 28, 2008, and secured by a mortgage on the property of the borrower.

**121,254**

-

x) Loan advanced in the amount of \$200,000 CAN, bears interest at 15% per annum (receivable at \$2,500 CAN per month), with the principal due for repayment on February 28, 2008, and secured by a mortgage on the property of the borrower.

**173,220**

-

xi) Loan advanced in the amount of \$1,125,000 CAN, bears interest at 12% per annum (receivable at \$11,500 CAN per month), with the principal due for repayment on February 15, 2008 and secured by a mortgage on the property of the borrower and personal guarantees of the shareholders of the borrower.



974,363

-

\$ 4,877,066 \$ 4,092,852

4.

**RELATED PARTY TRANSACTIONS**

a)

During the three month period ended March 31, 2007, the Company incurred \$39,000 (2006: \$38,973) in management fees to a director of the Company.

b)

During the three month period ended March 31, 2007, the Company incurred rent expense of \$ 7,200 (2006: \$ Nil) to a private company owned by the wife of the Company's president.

5.

**PROPERTY HELD FOR DEVELOPMENT**

a)

On May 4, 2005, the Company, through its wholly owned subsidiary 0723074 B.C. Ltd., purchased a single dwelling house for the purpose of rental income located at 1880 Coleman Avenue in Coquitlam, British Columbia. The purchase price was \$242,411 and was paid in cash.

b)

On March 2, 2006, the Company, through its wholly owned subsidiary, 072304 B.C. Ltd., completed the sale of residential real estate located at 1880 Coleman Avenue in Coquitlam, British Columbia. The sale price of the property was \$388,608 cash. The sale price was negotiated between the Company and the buyers, Michael and Agnes Piotrowski. Mr. Piotrowski is employed by the Company.

During the period of the Company's ownership of the property, it invested approximately \$25,000 in improvements. In consideration of the purchase, the Company agreed to provide an additional \$61,824 to the Purchaser to

complete the improvements. The Company also advanced a loan to the buyers in the amount of \$55,000 (CAN) for a term of 1 year, bearing an interest rate of 10% per annum. Interest is receivable monthly, with the principal due for repayment on February 9, 2008. The loan is secured by the personal guarantee of the borrowers and a mortgage on the property.

c)

On August 3, 2005, the Company entered into a Contract of Purchase and Sale (the Agreement ) for property located at 9655 King George Highway, Surrey, British Columbia V3T 2V3 (the Property ). The Agreement was subject to the Company s satisfactory investigation of the development potential of the Property. This investigation was completed on August 9, 2005, at which time the Company released to the seller, Imara Venture Ltd. (the Seller ), a down payment of \$41,195 to be credited against a total purchase price of \$1,270,000. The remaining balance was paid in cash on August 15, 2005. The purchase price was negotiated between the Company and the Seller, who are not related to each other.

6.

#### **INTANGIBLE ASSETS**

On June 1, 2005, the Company made a cash payment in the amount of \$100,000 to an unrelated third party as consideration for exclusive rights relating to that party's auction services. The cost is amortized on a straight-line basis over ten years.

During the 2007 and 2006 periods, the Company incurred development costs to enhance the current on-line auction technology. These costs include fees paid to programmers to develop the systems, software and processes related to the enhancement. The Company expects the final stage will be completed in July 2007, at which time they will start to amortize the costs over the estimated useful life of the technology.

7.

#### **INVESTMENT IN JOINT VENTURE**

On July 14, 2006 Axion Investment Corp. ( Axion ), a wholly-owned subsidiary of the Company, entered into a Joint Venture Agreement (the Agreement ) with two unrelated parties to form a joint venture for the purpose of purchasing two vacant lots located in Langley, B.C. for development (the Project ). On July 28, 2006, Axion entered into a supplemental agreement with these two parties in respect to an arrangement for a bank loan to fund the purchase price and related expenses of acquiring the properties in the Project.

Pursuant to the Agreement, a new company was to be formed to develop the Project. The new company, Township Holdings Ltd. ( THL ), has been formed and is jointly owned by the venturers. All expenses incurred and all profits earned by THL in conjunction with the Project are to be allocated in equal shares among Axion and the two unrelated parties. The initial deposit was provided by Axion and 449991 BC Ltd. The total purchase price of the property to be developed was \$3,096,172. During the 2006 year, Axion paid its share of the investment in the amount of \$1,290,072.

Pursuant to the agreement of July 28, 2006, Axion is to advance a loan to one of the unrelated parties to pay for its portion of the purchase price. During the 2006 year, Axion advanced a loan in the amount of \$516,028 to two shareholders of this party for a one year term, bearing interest rate at 10% per annum. The loan was repaid during the 2006 year.

**8.**

**CONTINGENT LIABILITIES**

a)

The Company is ordinarily involved in claims and lawsuits which arise in the normal course of business. Except as disclosed below, in management's opinion none of these claims will have a significant effect on the Company's financial condition.

b)

The Company is a defendant in several legal actions commenced by certain trade creditors of one of its wholly-owned US subsidiaries. The ultimate liability, if any, arising from this action is not expected to exceed \$20,000 and will be recorded at the time of that determination, if necessary

c)

Ableauctions.com Inc. is acting as a trustee for certain employees' investment accounts. The Company is responsible for any losses, but share on an equal basis any gains. The principal amount of the fund at March 31, 2007 is \$114,671.

**9.**

**BANK LOAN**

On October 11, 2006, the Company arranged for a credit facility in the amount of \$1,785,714 (\$2,000,000 CAN) (the Credit Facility) from the Royal Bank of Canada (the Bank). The Credit Facility bore interest at the prime rate as announced by the Bank, plus 0.50% per year. Blended payments of interest and principal in the amount of \$14,914 CAN are due each month. Principal is due to be paid in full on the last day of a two to five year term chosen by the Company on the date of a draw down. Repayment of the Credit Facility is secured by a mortgage, which includes an assignment of rents, against the property where the Company's head office is located and a guarantee and postponement of claim signed by the Company in favor of the Bank. As of March 31, 2007, the amount of the loan was \$1,702,529.

**10.**

**STOCK BASED COMPENSATION**

During the 2007 period, the Company issued options to consultants to acquire 250,000 common shares of the Company at an exercise price of \$0.30 per share, exercisable for a period of 2 years. The estimated fair value of these options, totalling \$10,000 is recognized in the statement of operations.

11.

## SUBSEQUENT EVENTS

a)

On April 9, 2007, the President and director of the Company entered into a Securities Purchase Agreement with the Company pursuant to which he purchased units consisting of one share of common stock and a warrant to purchase three shares of common stock, at a price of \$0.20 per unit. The President purchased a total of 2,941,175 units, representing 2,941,175 shares of common stock and warrants to purchase additional 8,823,525 shares, for a total purchase price of \$588,235. The warrants have an exercise price of \$0.20, a term of 10 years and will expire, if not exercised, on April 9, 2017.

b)

The Company, through Axion, intends to develop vacant land consisting of approximately 1.46 acres that is zoned for mixed commercial and residential use located in Surrey, British Columbia. The Company acquired this property in August 2005 for \$1,270,000. The Company intends to develop the property by improving it with a retail facility of approximately 4,300 square feet and with a residential complex of approximately 80,000 square feet which will consist of 111 condominiums (the Development). The Company estimates that the cost of the proposed Development will be \$15.9 million, which includes the cost of the land. The Company's wholly-owned subsidiary, Gruv Development Corporation (formerly known as 0723074 B.C. Ltd.), will develop this project.

On March 16, 2007, the Company filed a disclosure statement with the Superintendent of Real Estate under the Real Estate Development Marketing Act of British Columbia to pre-sell the units. The Company engaged the services of Platinum Project Marketing Group and Macdonald Realty Ltd. to market the strata lots and, by May 9, 2007, the Company had entered into agreements to pre-sell 100% of the condominiums prior to construction.

As of March 31, 2007, the Company's equity in the project, including land value of \$1,371,580 was approximately \$1.5 million. In developing this property, the Company expects to inject an additional \$2 million into the project within the next 90 days. The estimated date of the confirmation of a credit facility from the Royal Bank of Canada is May 20, 2007. The estimated date for issuance of the building permit from the City of Surrey is August 15, 2007. The estimated date of commencement of construction will be August 15, 2007 and the date of completion approximately March 15, 2009.

If the Development is suspended for any reason, including but not limited to the Company's inability to obtain financing or permits, the Company will not be able to recover all of its expenses. There can be no assurance that the

development will be successful or that developing the property in this manner will increase, or even maintain, its value.

**12.**

## **SEGMENTED INFORMATION**

The Company has three reportable segments:

- Auction, Liquidation and Technology Business segment
- Real Property and Property Development segment
- Investment segment

Through the Auction, Liquidation and Technology Business segment, the Company provides auction broadcast technology, liquidation and merchandizing services, and technology to businesses to assist them with managing the sale of their products.

This segment information consists of the iCollector, NAA Live, Jarvis, Unlimited Closeouts and Rapidfusion operations.

Through the Real Property and Property Development segment, the Company manages its real property and property development. This segment information consists of the 0716590 B.C. Ltd., a holding company where the Ableauctions head office is located - 1963 Lougheed Highway, Coquitlam, B.C., Gruv Development Corporation, the Company's real estate project located at 9643 King George Highway, Surrey, and the Company's interest in the Township Holdings joint venture.

Through the Investment segment, the Company manages its marketable securities and loans to third parties. This segment consists of investments by Axion Investment Corporation and Ableauctions.com Inc.

The Other segment encompasses all other activities of the Company and the expenses incurred by Ableauctions.com Inc.

The Company's reportable segments are strategic business units that offer different products and services and are managed separately.

Following is the segmented information for the three month period ended March 31, 2007:

	Real Property & Property Development	Investment	Auction, Liquidation & Technology Businesses	Other	Total
External revenue by market					
US	-	-	962,195	-	962,195
Canada	30,664	-	11,026	-	41,690
Other	-	-	11,026	-	11,026
Total Revenue From External Customer	30,664	-	984,247	-	1,014,911
Investment income	-	113,343	-	-	113,343
Interest expense	15,051	-	-	-	5,051
Depreciation and amortization	9,113	-	30,269	-	39,382
Segment profit	(29,149)	152,237	12,727	(115,817)	19,998
Segment assets	3,951,584	7,308,223	3,514,779	68,780	14,843,368
Expenditures on long-lived assets	139,100	-	2,782	-	141,882
Investment in joint venture	1,254,658	-	-	-	1,254,658

### 13.

#### OPERATING EXPENSES

	THREE MONTHS ENDED MARCH 31	
	2007	2006
<b>Operating Expenses</b>		
Accounting and legal	\$ 4,805	\$ 70,907
Advertising and promotion	13,444	20,318
Automobile	596	1,246
Bad Debt	1,920	(21,654)



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Commission	<b>101,921</b>	<b>316,751</b>
Interest	<b>15,051</b>	<b>17,674</b>
Insurance	<b>11,631</b>	<b>4,175</b>
Investor relations and shareholder information	<b>17,531</b>	<b>-</b>
Management fees	<b>39,000</b>	<b>38,973</b>
Office and administration	<b>25,664</b>	<b>27,375</b>
Rent and utilities	<b>17,892</b>	<b>7,796</b>
Repairs and maintenance	<b>13,133</b>	<b>1,033</b>
Salaries and benefits	<b>231,213</b>	<b>154,457</b>
Telephone	<b>10,438</b>	<b>11,117</b>
Travel	<b>5,673</b>	<b>23,844</b>
Website maintenance	<b>24,602</b>	<b>15,057</b>
<b>Total Operating Expenses</b>	<b>\$ 534,514</b>	<b>\$ 689,069</b>

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) 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, on this 23rd day of January 2008.

**ABLEAUCTIONS.COM, INC.**

By:

*/s/ Abdul Ladha*

Abdul Ladha

Chief Executive Officer and Chief Financial  
Officer