IGEN NETWORKS CORP
Form 10-Q
November 14, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2011

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

For the transition period from _____ to _____

Commission File No. 333-141875

IGEN Networks Corp.
(Name of Small Business Issuer in its Charter)

Nevada	20-5879021
(State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1100 H Street NW, Suite 920, Washington, DC, 20005
(Address of principal executive offices) (Zip Code)

1-888-244-3650
(Registrant's telephone number including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed 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), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o Accelerated filer o Non-accelerated filer o Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

The number of shares of common stock, par value $.001 per share, outstanding as of November 1, 2011 was 13,028,093.

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements

The Company's interim financial statements for the three and nine months ended September 30, 2011 are included herewith.

IGEN NETWORKS CORP.
Financial Statements
For the Three and Nine Months ended September 30, 2011
(Unaudited)

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IGEN NETWORKS CORP.
(A Development Stage Company)
Balance Sheets
(expressed in U.S. dollars)

	(Unaudited) September 30, 2011	(Audited) December 31, 2010
Assets		
Current		
Cash and cash equivalents	$ 343,165	$ 746
	343,165	746
Investment: Technology License (note 3)	1,767,000	1,767,000
Total Assets	$ 2,110,165	$ 1,767,746
Liabilities and Shareholder's Equity		
Current liabilities		
Accounts payable	$ 250,559	$ 173,378
Accrued liabilities	1,500	10,000
Shareholder's loans	149,508	204,954
Due to related party (note 5)	266,088	287,000
	667,655	675,332
Shareholders' Equity (Deficit)		
Capital Stock (note 4)		
Authorized - 375,000,000 common shares with $0.001 par value		
Issued and outstanding – 13,028,093	13,028	11,436
Additional paid-in capital	4,984,178	4,480,770
Deficit accumulated during the development stage	(3,554,696)	(3,399,792)
	1,442,510	1,092,414
	$ 2,110,165	1,767,746

Approved on Behalf of the Board

"Neil Chan" Director

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

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IGEN NETWORKS CORP.
(A Development Stage Company)
Statements of Operations
(expressed in U.S. dollars)
(unaudited)

	Three Months Ended September 30, 2011	Three Months Ended September 30, 2010	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010	November 14, 2006 (Date of Inception) to September 30, 2011
REVENUE	$ 0	$ 0	$ 0	$ 0	$ 0
EXPENSES					
Advertising	1,789	20,000	1,789	20,000	21,789
Business development	20,913	122,500	86,413	991,500	1,434,842
Management fees	12,972	250,000	12,972	860,500	945,972
Professional fees	11,494	43,810	15,994	73,652	231,735
Stock based compensation	0	716,656	0	716,656	716,656
Transfer agent and filing	2,748	1,077	10,236	17,612	30,466
Travel and accommodation	18,951	40,785	19,341	57,030	100,510
General and administrative	8,354	15,999	8,500	29,394	53,067
Total Expenses	77,221	1,210,827	155,245	2,766,344	3,535,037
Net loss from Operations before Other Items:	(77,221)	(1,210,827)	(155,245)	(2,766,344)	(3,535,037)
Foreign exchange	(995)	0	341	0	341
Interest on debt	0	0	0	0	(20,000)
Net loss before income tax	(78,216)	(1,210,827)	(154,904)	(2,766,344)	(3,554,696)
Provision for income tax	0	0	0	0	0
Net Loss	$ (78,216)	$ (1,210,827)	$ (154,904)	$ (2,766,344)	$ (3,554,696)
Basic and diluted loss per share	$ (0.01)	$ (0.11)	$ (0.01)	$ (0.33)	
Weighted average number of shares outstanding	11,751,825	11,065,438	11,542,715	8,470,885	

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

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IGEN NETWORKS CORP.
(A Development Stage Company)
Statements of Cash Flows
(expressed in U.S. dollars)
(unaudited)

	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010	Cumulative Totals from Inception November 14, 2006 to September 30, 2011
Cash Flows from Operating Activities			
Net loss	$ (154,904)	$ (2,766,344)	$ (3,554,696)
Adjustments to reconcile net loss to net cash provided by (used in) operations:			
Increase (decrease) in accounts payable and accrued liabilities	68,681	(254,593)	252,059
Increase (decrease) in shareholder's loans	(55,446)	136,084	149,508
Shares issued for services	-	1,829,500	1,859,500
Shares issued for settlement of debt	-	195,000	195,000
Stock-based compensation	-	716,656	716,656
Net cash used in operating activities	(141,669)	(143,697)	(381,973)
Cash Flows from Investing Activities			
Acquisition of technology license	-	(467,000)	(467,000)
Net cash provided from investing activities	-	(467,000)	(467,000)
Cash Flows from Financing Activities			
Common stock issued for cash	505,000-	360,000	926,050
Proceeds received from loans - related parties	-	287,000	287,100
Payments made on loans - related parties	(20,912)	-	(21,012)
Net cash provided by financing activities	484,088	647,000	1,192,138
Net Increase (Decrease) in cash	342,419	36,303	343,165
Cash, Beginning of Period	746	33	-
Cash, End of Period	$ 343,165	$ 36,336	$ 343,165
Supplemental Cash Flow Information			
Cash paid for interest	$ -	$ -	$ -
Cash paid for income taxes	$ -	$ -	$ -
Non-cash operating, financing and investing activities			
Shares issued for services	$ -	$ 1,829,500	$ 1,859,500
Shares issued for technology	$ -	$ 1,300,000	$ 1,300,000
Shares issued for settlement of debt	$ -	$ 195,000	$ 195,000

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

IGEN NETWORKS CORP.
(A Development Stage Company)
Statement of Stockholder's Equity (Deficit)
(expressed in U.S. dollars)
(unaudited)

	Common Stock		Additional	Deficit Accumulated During the Development	Total Stockholders' Equity
	Shares	Amount	Paid-in-capital	Stage	(Deficit)
Balance from inception November 14, 2006	$ -	$ -	$ -	$ -	$ -
Common stock issued for cash - November 14, 2006	853,300	853	16,197	-	17,050
Common stock issued for cash - November 20, 2006	2,200	2	43,998	-	44,000
Net loss	-	-		(1,288)	(1,288)
Balance December 31, 2006	855,500	855	60,195	(1,288)	59,762
Net loss	-	-		(46,112)	(46,112)
Balance December 31, 2007	855,500	855	60,195	(47,400)	13,650
Net loss	-	-		(46,414)	(46,414)
Balance December 31, 2008	855,500	855	60,195	(93,814)	(32,764)
Net loss	-	-		(322,577)	(322,577)
Balance December 31, 2009	855,500	855	60,195	(416,391)	(355,341)
Common shares issued for services on February 15, 2010 at $0.06 per share	2,200,000	2,200	129,800	-	132,000
Common shares issued for debt on February 15, 2010 at $0.06 per share	3,250,000	3,250	191,750	-	195,000
Common shares issued for technology (in-trust) on March 30, 2010 at $nil per share	3,000,000	3,000	(3,000)	-	-
Common shares issued for technology on April 13, 2010 at $0.65 per share	2,000,000	2,000	1,298,000	-	1,300,000
Common shares issued for cash on May 10, 2010 at $0.60 per share	350,000	350	209,650	-	210,000
Cancel and return to treasury, shares held (in-trust) on May 25, 2010 at $nil per share	(3,000,000)	(3,000)	3,000	-	-

Common shares issued for services on May 27, 2010 at $0.77 per share	1,750,000	1,750	1,345,750	-	1,347,500
Common shares issued for services on July 5, 2010 at $0.50 per share	200,000	200	99,800	-	100,000
Common shares issued for services on July 8, 2010 at $0.50 per share	500,000	500	249,500	-	250,000
Incentive stock options granted on July 15, 2010 at a $0.70 exercise price	-	-	716,656	-	716,656
Common shares issued for cash on Sep 17, 2010 at $0.50 per share	300,000	300	149,700	-	150,000
Common shares issued for services on Nov 22, 2010 at $0.97 per share	30,927	31	29,969	-	30,000
Net loss	-	-	-	(2,983,401)	(2,983,401)
Balance December 31, 2010	11,436,427	$ 11,436	$ 4,480,770	$ (3,399,792)	$ 1,092,414
Common shares issued for cash on September 8, 2011 at $0.60 per share	91,667	92	54,908	-	55,000
Common shares issued for cash on September 12, 2011 at $0.30 per share	1,499,999	1,500	448,500	-	450,000
Net loss	-	-	-	(154,904)	(154,904)
Balance September 30, 2011	13,028,093	$13,028	$4,984,178	$(3,554,696)	$1,442,510

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

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IGEN Networks Corp
(A Development Stage Company)
Notes to Financial Statements
For the Nine Months ended September 30, 2011
(expressed in U.S. dollars)

1. Nature and Continuance of Operations

IGEN Networks Corp. (the "Company") was incorporated in the State of Nevada on November 14, 2006. The Company has been in the development stage since its formation and has not yet realized any revenue from its planned operations. The Company's principal business is to offer solutions to small and medium size businesses based on a Software-as-a-Service or re-occurring revenue model.

These financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has not generated any revenues since inception and has never paid any dividends. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders and the ability of the Company to obtain necessary equity financing to continue operations and to develop and expand its product portfolio. As at September 30, 2011 the Company has a working capital deficit of $324,490 (December 2010 - $674,586) and has accumulated losses of $3,554,696 since inception. Management has plans to seek additional capital through a private placement of its common stock and possible loans from related parties to fund operations over the next twelve months. Although there are no assurances that management's plans will be realized, management believes that the Company will be able to continue operations in the foreseeable future. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Summary of Significant Accounting Policies

a) Basis of Presentation and Consolidation

The accompanying unaudited financial statements of the Company have been prepared in conformance with accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the disclosures required by generally accepted accounting principles in the United States for complete financial statements. In the opinion of management, all of the normal and recurring adjustments necessary to fairly present the interim financial information set forth herein have been included. These interim financial statements should be read in conjunction with the financial statements and related footnotes included in the Annual Report on Form 10-K of the Company for the year ended December 31, 2010. These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States expressed in US dollars and in management's opinion have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

b) Use of Estimates

The preparation of these financial statements in conformity with accounting principles generally accepted in the US requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to donated expenses, and deferred income tax asset valuations. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

c) Basic and Diluted Net Income (Loss) Per Share

Basic earnings per share are computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted earnings per share give effect to all dilutive potential common shares outstanding during the period, including stock options, using the treasury stock method, and convertible preferred stock, using the if-converted method. In computing diluted earnings per share, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted earnings per share exclude all dilutive potential shares if their effect is anti-dilutive.

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IGEN Networks Corp
(A Development Stage Company)
Notes to Financial Statements
For the Nine Months ended September 30, 2011
(expressed in U.S. dollars)

2. Summary of Significant Accounting Policies (continued)

Because the effect of conversion of the Company's dilutive securities is anti-dilutive, diluted loss per share is the same as basic loss per share for the periods presented.

d) Financial Instruments

In 2008, the Company adopted FASB ASC 820-10-50, "Fair Value Measurements". This guidance defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:
- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The fair values of cash, accounts payable and accrued liabilities and shareholder's loans approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Foreign currency transactions are primarily undertaken in Canadian dollars. The financial risk is the risk to the Company's operations that arise from fluctuations in foreign exchange rates and the degree of volatility to these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk. Financial instrument that potentially subject the Company to concentrations of credit risk consists of cash. The Company places its cash in what it believes to be credit-worthy financial institutions.

e) Foreign Currency Transactions/Balances

The Company's functional currency is the United States dollar and these financial statements are presented in United States dollar unless otherwise stated. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary items are translated at historical exchange rates, except for items carried at market value, which are translated at the rate of exchange in effect at the balance sheet date. Revenues and expenses are translated at average rates of exchange during the year. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income. Foreign currency transactions are primarily undertaken in Canadian dollars. The Company has not, to the date of these financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

f) Income Taxes

The Financial Accounting Standards Board (FASB) has issued FASB ASC 740-10. FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with prior literature FASB Statement No. 109, Accounting for Income Taxes. This standard requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position. If the more likely than not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. As a result of the implementation of this standard, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by FASB ASC 740-10.

Deferred taxes are provided on a liability method whereby operating loss and tax credit carry-forwards and deferred tax liabilities are recognized for taxable or deductible temporary. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

g) Reclassifications

Certain reclassifications have been made to the prior year’s financial statements to conform to the current period’s presentation.

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IGEN Networks Corp
(A Development Stage Company)
Notes to Financial Statements
For the Nine Months ended September 30, 2011
(expressed in U.S. dollars)

2. Summary of Significant Accounting Principles (continued)

h) Changes in Accounting Policies and Recent Accounting Pronouncements

There have been no changes in our accounting policies during the period ended September 30, 2011. Please refer to our December 31, 2010 yearend financial statements included in our form 10 K annual report filed on edgar in reference to recent accounting pronouncements

i) Comprehensive loss

FASB ASC 220, "Comprehensive Income", establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As at June 30, 2011, the Company has no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

j) Stock Based Compensation

The Company accounts for stock-based compensation arrangements in accordance with ASC 718, Stock Compensation. Under the fair value recognition provisions of ASC 718 stock based compensation cost is estimated at the grant date based on the fair value of the awards expected to vest and recognized as expense ratably over the requisite service period of the award. The Company has used the Black-Scholes option pricing model to estimate fair value of its stock based awards which requires various judgmental assumptions including estimating stock price, volatility and expected life.

The Company's computation of expected volatility is based on a combination of historical and market-based implied volatility. In addition, the Company considers many factors when estimating expected life, including types of awards and historical experience. If any of the assumptions used in the Black-Scholes valuation model change significantly, stock based compensation expense may differ materially in the future from that recorded in the current period.

k) Impairment of Intangible and Other Long-lived Assets

The Company periodically evaluates the carrying value of intangible and other long-lived assets. Impairment losses are recognized when the estimated undiscounted future cash flows associated with the asset or group of assets is less than their carrying value. If impairment exits, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and fair value. Based on its review, the Company believes there were no impairments of its intangible and other long-lived assets as of September 30, 2011.

3. Technology License

On May 7, 2010, and amended September 28, 2010, the Company obtained an exclusive license from Machlink Inc. ("Machlink"), for rights to its proprietary technology in wireless broadband Internet, pursuant to a memorandum of understanding the parties entered into on April 13, 2010. The License is for a period of ten years, renewable in ten year increments thereafter. Under the amended agreement, IGEN is exclusively licensed to sell, distribute, sub-license and market Machlink's System, Platform and proprietary information in all countries and global markets excluding:

Mexico, Belize, Bahamas, Cambodia, Thailand, Vietnam, and the Ectel Countries of the SE Caribbean. Furthermore, IGEN is licensed to market Machlink technology in Canada, Australia, Europe, South America and the United States, on a non-exclusive basis.

In consideration, the Company issued two million common shares on April 13, 2010, pertaining to the memorandum of understanding, and carried this consideration forward in the signing of the May 7, 2010 license agreement and the amended agreement dated September 28, 2010. Two million common shares of the Company were issued at fair value of $0.65 per share and recorded at $1,300,000.

The Company also paid $267,000 on October 1, 2010, under the terms of the amended agreement, for a new system from Machlink. This is in addition to the $200,000 consideration paid to Machlink under the terms of the original May 7, 2010 agreement, composed of $50,000 on agreement, $50,000 paid on July 23, 2010 and $100,000 paid on September 17, 2010. Further, IGEN will pay a platform fee at the rate of 3% of gross revenue for any systems deployed through the efforts of IGEN.

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IGEN Networks Corp
(A Development Stage Company)
Notes to Financial Statements
For the Nine Months ended September 30, 2011
(expressed in U.S. dollars)

4. Stockholders' Equity (Deficit)

a) All references to issued and outstanding shares in these financial statements are shown as post forward and reverse splits as if the splits had been effective at the beginning of the first period presented.

b) Upon incorporation in November 2006, the Company issued 853,300 shares of its common stock for $17,050 in cash pursuant to a private offering. Also in November 2006, the Company issued 2,200 shares of its common stock for $44,000 in cash.

c) The Company approved a 5:1 forward split of the Company’s common stock October 15, 2008, such that each shareholder of record as of the effective date received five new shares for each one old share.

The Company approved a 1:100 reverse split of the Company’s common stock May 18, 2009 such that each shareholder of record as of the effective date received one new share for one hundred old shares.

d) September 8, 2011 the Company issued 91,667 shares of common stock for $55,000 cash.

e) September 12, 2011 the Company issued 1,499,999 shares of common stock for $450,000 cash.

f) Stock Options and Warrants:
On July 15, 2010 the Company granted two million incentive stock options to various directors, officers, advisors and consultants. The stock options are exercisable at a rate of $0.70 per share over a period of three years. The Company calculated the value of the stock options using the Black & Scholes model and recorded $716,656 as stock based compensation. Assumptions used in the option pricing model were as follows:

average risk-free interest rate – 2.56%; expected life – 3 years; expected volatility – 189.45%; and expected dividends – nil.
At September 30, 2011 the Company had nil (September 30, 2010 – 2,000,000) options available for issuance under the plan. Continuity of the options outstanding to purchase shares of common stock is as follows:

	2011		2010	
	Options	Weighted Average Exercise price	Options	Weighted Average Exercise price
Outstanding at beginning of period	2,000,000	$ 0.70	2,000,000	$ 0.70
Transaction during the year:				
Granted	-	-	-	-
Forfeited/Cancelled	(2,000,000)	$ 0.70	-	$ -

Outstanding at end of period	-	$	-	2,000,000	$	0.70

	2011			2010		
	Warrants		Weighted Average Exercise price	Warrants		Weighted Average Exercise price
Outstanding at beginning of period	0	$	0	0	$	0
Transaction during the year:						
Granted	1,499,999	$	0.45	0	$	0
Forfeited/Cancelled	0	$	0	0	$	0
Outstanding at end of period	1,499,999	$	0.45	0	$	0

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IGEN Networks Corp
(A Development Stage Company)
Notes to Financial Statements
For the Nine Months ended September 30, 2011
(expressed in U.S. dollars)

5. Related Party Transactions

The amount due to a related party September 30, 2011 of $266,088 (December 31, 2010 - $287,000), includes a $20,000 interest payment made in 2010 and is owing to a shareholder of the Company. The loan is secured by certain assets of the Company and was due and payable on November 27, 2010, extended to July 1, 2011 and currently under negotiation. During the nine months ended September 30, 2011, the Company incurred $20,000 cash (September 30, 2010 - $860,500 in shares) in management fees to directors and officers of the Company.
The above transactions have been recorded at exchange amounts for the amount of consideration established and agreed to by the related parties.

The Company has agreed to pay its CEO $60,000Cdn per year pursuant to a management contract whereby the Company has granted stock options to the CEO for 1,500,000 shares of common stock at $0.30 per share exercisable for five years from the grant date.

The Company has agreed to pay its COO $60,000Cdn per year pursuant to a management contract whereby the Company has granted stock options to the C0O for 500,000 shares of common stock at $0.30 per share exercisable for four years from the grant date.

6. Shareholders' loans

The amounts due to shareholders of the Company as of September 30, 2011 of $149,508 (December 31, 2010 - $204,954) are without interest, are unsecured and are due on demand.

7. Contingency

Pursuant to the Machlink technology license purchase outlined in Note 3, the Company is committed to pay a platform fee at the rate of 3% of gross revenue for any systems deployed through its efforts.

8. Subsequent Event

The Company has evaluated subsequent events through the date of these financial statements were issued in accordance with FASB ASC 855 and all material subsequent events have been disclosed as stated above.

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Item 2. Management's Discussion and Analysis or Plan of Operation

Overview

The following discussion and analysis of the operations, results, and financial position of IGEN Networks Corp. (“IGEN”, “We” or the “Company”), for the nine months ended September 30, 2011 should be read in conjunction with the September 30, 2011 financial statements and the related notes. These documents are available at www.edgar.com and www.sedar.com. The Company is quoted by FINRA on the OTC BB under the symbol IGEN. The effective date of this report is November 7, 2011.

Corporate Organization

The Company was incorporated in the State of Nevada on November 14, 2006 under the name of Nurse Solutions Inc. On September 19, 2008 the Company changed its name to Sync2 Entertainment Corporation and traded under the symbol SYTO. On May 26, 2009, the Company changed its name to Igen Networks Corp. and in accordance with the name change, the Company's common stock was assigned 45172B 10 2 as its new Cusip number. The Company's trading symbol was changed to IGEN effective June 30, 2009. The Company’s fiscal year end is December 31.

IGEN Networks is in the business of providing commercial and Software-as-a-Service (SaaS) solutions to small and medium size businesses over high-speed Internet, Phone and Data infrastructure. The company integrates early stage technologies to create compelling solutions based on a re-occurring revenue model.
The target markets are the SMBs or Small-to-Medium size businesses across North America and developing economies requiring both broadband infrastructure and the delivery of essential IT services.

The Company’s head office is located at 1100 H Street NW, Suite 920, Washington, DC, 20005, phone 1-888-244-3650. The Company has also established an office location at 102-3833 Henning Drive, Burnaby, BC, Canada.

Intellectual Property

On April 13, 2010, the Company entered into a memorandum of understanding for a distribution license with Machlink Inc. for rights to the existing business of providing high-speed broadband internet, phone and data services to communities through its patented noise-free cable architecture technology. Machlink is a company which distributes, licenses, and supports telecommunications service providers on a global basis Ultra High Frequency (UHF) spectrum domiciled wireless broadband systems.

Under the MOU, the Company proposed to acquire from Machlink the exclusive license to market and distribute the wireless broadband systems, to deliver wideband signals using near line-of-sight radio in the UHF band in all countries and global markets (with the exception of certain areas designated by Machlink), to be further defined in the license agreement.

Under the terms of the MOU, the parties agreed to execute a distribution licensing agreement, and in consideration, IGEN Networks agreed to issue two million restricted common shares to Machlink, to be released in accordance with the terms and conditions of the ensuing license agreement.

On May 7, 2010, the Company signed an exclusive distribution license agreement with Machlink Inc. for rights to its existing patent pending and proprietary technology in wireless broadband Internet technology, pursuant to the MOU as referred to above. Machlink's unique technology, utilizing Ultra High Frequency ("UHF") spectrum, permits deployment of high-speed Internet, Phone and Data services to rural communities.

On September 28, 2010, the Company amended the license agreement with Machlink. Under the amended agreement, IGEN is exclusively licensed to sell, distribute, sub-license and market Machlink's System, Platform and proprietary information in all countries and global markets excluding: Mexico, Belize, Bahamas, Cambodia, Thailand, Vietnam, and the Ectel Countries of the SE Caribbean. Furthermore, IGEN is licensed to market Machlink technology in Canada, Australia, Europe, South America and the United States, on a non-exclusive basis. The License is for a period of ten years, renewable in ten year increments, thereafter. In consideration, as detailed in the amended agreement, the Company issued the two million shares on April 13, 2010, pertaining to the memorandum of understanding, and carried this consideration forward in the signing of the May 7, 2010 license agreement, and the amended agreement dated September 28, 2010. The shares were issued at fair value of $0.65 per share and recorded at $1,300,000. The Company also paid $267,000 on October 1, 2010, under the terms of the amended agreement, for a new system from Machlink. This is in addition to the $200,000 consideration already paid to Machlink under the terms of the original May 7, 2010 agreement, including, $50,000 down, $50,000 paid on July 23, 2010, and $100,000 paid on September 17, 2010. Further, IGEN will pay a platform fee at the rate of 3% of gross revenue for any systems deployed through the efforts of IGEN.

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Results of Operations – IGEN Networks Corp.

The Company has not yet generated any revenues and our ability to expand and develop our intellectual properties is dependent, in large part, upon our raising additional equity financing

Three months ended September 30, 2011
During the three months ended September 30, 2011 the Company recorded a net loss of $78,216 as compared to a net loss of $1,210,827 for the three months ended September 30, 2010. The decrease in net loss is attributed to the reduction in management fees and stock based compensation for the period and a substantial reduction in business development expenses.

During the three months ended September 30, 2011 the Company incurred $77,221 in expenses which include: business development $20,913 (2010 - $122,500), professional fees of $11,494 (2010 - $43,810), travel and accommodation of $18,951 (2010 - $40,785), transfer agent and filing fees of $2,748 (2010 - $1,077), and general administrative of $8,354 (2010 - $15,999).

Nine months ended September 30, 2011
During the nine months ended September 30, 2011 the Company recorded a net loss of $154,904 as compared to a net loss of $2,766,344 for the nine months ended September 30, 2010, for a decrease in net losses attributed to the reduction in management fees, stock based compensation and business development. The Company incurred $155,245 in expenses which include: business development of $86,413(2010 - $991,500), management fees of $12,972 (2010 - $860,500), professional fees of $15,994 (2010 - $73,652), and general administrative and other of $8,500 (2010 - $29,394).

Liquidity and Capital Resources

As of September 30, 2011, IGEN had total liabilities of $667,655, which are all current liabilities, and is a decrease of $7,677 as compared to $675,332 liabilities recorded at December 31, 2010. The decrease in liabilities is due primarily to reductions in related party and shareholder loans.

The Company's total assets at September 30, 2011, consisted of $343,165 in current assets and $1,767,000 in capital assets. The current assets are comprised of cash, which increased by $342,419 from $746 as at December 31, 2010. The Company had a working capital deficiency of $324,490 at September 30, 2011 compared to a working capital deficiency of $674,586 as of December 31, 2010.

The capital assets consist $1,767,000 in technology license rights which includes $467,000 in cash payments and $1,300,000 by issuance of 2,000,000 common shares at $0.65 per share.

Management continually reviews its overall capital and funding needs to ensure that the capital base can support the estimated needs of the business. These reviews take into account current business needs as well as the Company’s future capital requirements. Based upon these reviews, to take advantage of strong market conditions and to fully implement our expansion strategy, management believes that the Company will continue to increase our net capital through the proceeds from sales of our securities. In the past, the Company has maintained minimal cash balances which were generally funded by management and shareholder loans to satisfy monthly cash requirements in the interim of continued attempts to raise external funding.

The Company will undertake issuance of private placements of its securities and/or debenture financing to facilitate expansion in its development phase and maintain commitments under its license agreement. There is no assurance that the Company will be able to obtain additional funding through the sales of additional shares or, that such funding, if available, will be obtained on terms favorable to or affordable by the Company. It is the intent of management and controlling shareholders to generate sufficient working capital necessary to support and preserve the integrity of the corporate entity.

Forward-Looking Statements

From time to time, the Company may publish forward-looking statements relating to such matters as anticipated financial performance, business prospects, technological developments, new products, research and development activities and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward looking statements. In order to comply with the terms of the safe harbor, the Company notes that a variety of factors could cause a deviation or divergence from the anticipated results or expectations contained in the forward looking statements and the Company's actual results. The risks and uncertainties that may affect the operations, performance, development and results of the Company's business include but are not limited to the following: lack of operating capital, revenue and capital resources; reliance upon joint venture members to provide technical and financial expertise to operations; the ability of the Company to access an economically viable energy deposit; the ability of the Company to recover natural resources, if found, and to deliver them to a refiner or distributor in an economically viable manner.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 4. Controls and procedures

Evaluation of Disclosure Controls and Procedures:
The management of IGEN Networks Corp. is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act). The Company's internal control system was designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of published financial statements in accordance with accounting principles generally accepted in the U.S. and reliability of financial reporting. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management maintains a comprehensive system of controls intended to ensure that transactions are executed in accordance with management's authorization, assets are safeguarded, and financial records are reliable. Management also takes steps to ensure that information and communication flows are effective, and to monitor performance, including performance of internal control procedures.

The Company's management assessed the effectiveness of its internal control over financial reporting as of June 30, 2011 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on this assessment, management believes that, as of September 30, 2011, the Company's internal control over financial reporting is effective.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded as of the evaluation date that our disclosure controls and procedures were effective such that the material information required to be included in our Securities and Exchange Commission reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to our company, particularly during the period when this report was being prepared.

Changes in Internal Control over Financial Reporting:
There were no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2011 that have materially affected, or are reasonable likely to materially affect, our internal control over financial reporting.

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PART II OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not a party to any legal proceedings

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the nine months ended September 30, 2011 the Company issued the following shares:
a) September 8, 2011 the Company issued 91,667 shares of common stock for $55,000 cash.
b) September 12, 2011 the Company issued 1,499,999 shares of common stock for $450,000 cash.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits

Exhibit No.	Identification of Exhibit
10.1	Distribution License Agreement as Amended with Machlink Inc. **
31.1	Rule 13a-14(a) Certification of Neil Chan, President and Chief Executive Officer
31.2	Rule 13a-14(a) Certification of Neil Chan, Chief Financial Officer
32.1	Certification Pursuant to 18 U.S.C. Section 1350 of Neil Chan, CEO.
32.2	Certification Pursuant to 18 U.S.C. Section 1350 of Neil Chan, CFO.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

** filed previously with March 31, 2011 form 10Q

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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.

IGEN Networks Corp.

DATE: November 10, 2011

By: /s/ Neil Chan
Neil Chan, President, Director