

IGEN NETWORKS CORP  
Form 10-Q  
May 14, 2010

United States  
Securities and Exchange Commission  
Washington, D. C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended **March 31, 2010**

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.**

(Formerly Sync2 Entertainment Corporation )  
(Name of Small Business Issuer in its Charter)

**Nevada**

(State of Other Jurisdiction of  
incorporation or organization)

**20-5879021**

(I.R.S. Employer  
Identification No.)

**8430 West Lake Mead Blvd, Suite 100, :Las Vegas, NV, 89128**

(Address of principal executive offices) (Zip Code)

**310-425-5731**

(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. Yesx Noo

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). Yeso Noo

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

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(Do not check if a smaller  
reporting company)

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

The number of shares of common stock, par value \$.001 per share, outstanding as of May 11, 2010 was 11,305,500.

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### **Item 1. Financial Statements**

The Company's interim financial statements for the three months ended March 31, 2010 are included herewith.

**IGEN NETWORKS CORP.**

(formerly Sync2 Entertainment Corporation)

Financial Statements  
For the three months ended March 31, 2010

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**IGEN NETWORKS CORP.**

(formerly Sync2 Entertainment Corp.)

(A Development Stage Company)

**Balance Sheets**

	<b>(Unaudited)</b> <b>March 31,</b> <b>2010</b>	<b>(Audited)</b> <b>December 31,</b> <b>2009</b>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 1,021	\$ 33
<b>Total Assets</b>	<b>\$ 1,021</b>	<b>\$ 33</b>
<b>Liabilities and Stockholders' Equity</b>		

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**Current liabilities**

Accounts payable	\$ 126,798	\$ 322,899
Accrued liabilities (note 4)	29,475	32,475
Shareholder's loan	36,830	-
<b>Total liabilities</b>	<b>193,103</b>	<b>355,374</b>

**Stockholders' Equity (Deficit)**

Capital Stock (note 3)		
Authorized - 375,000,000 common shares with \$0.001 par value		
Issued and outstanding - 9,305,500 and 855,500 respectively	9,305	855
Additional paid-in capital	378,745	60,195
Deficit accumulated during the development stage	(580,132)	(416,391)
<b>Total Stockholders' Equity (Deficit)</b>	<b>(192,082)</b>	<b>(355,341)</b>
<b>Total Liabilities &amp; Stockholders' Equity (Deficit)</b>	<b>\$ 1,021</b>	<b>\$ 33</b>

**Subsequent Events (note 6)**

**Approved on Behalf of the Board**

"Monty Ormsby" Director  
"Richard Gilbertson" Director

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

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**IGEN NETWORKS CORP.**

(formerly Sync2 Entertainment Corp.)

(A Development Stage Company)

**Statements of Operations**

(unaudited)

	Months		Three Months Three Cumulative Totals
	Ended	Ended	from Inception
	March 31,	March 31,	(November 14, 2006)
	2010	2009	to March 31, 2010
<b>Expenses</b>			
Advertising expense	-	-	20,000
Consulting and business development fees	99,000	195,000	372,259
Management fees (Note 4)	33,000	-	55,500
Professional fees	26,310	40,000	121,057
Rent	2,678	-	2,678
Transfer agent & filing fees	2,671	-	3,600
General and administrative	82	65,000	5,038
	<b>(163,741)</b>	<b>(300,000)</b>	<b>(580,132)</b>
<b>Net Loss Applicable to Common Shares</b>	<b>\$ (163,741)</b>	<b>(300,000)</b>	<b>(580,132)</b>

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<b>Net Loss per Basic and Diluted Shares</b>	\$ (0.05)	\$ (0.35)
<b>Weighted Average Number of Common Shares</b>		
<b>Outstanding</b>	<b>3,580,500</b>	<b>854,700</b>

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

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**IGEN NETWORKS CORP.**

(formerly Sync2 Entertainment Corp.)

(A Development Stage Company)

**Statements of Cash Flows**

(unaudited)

	<b>Three Months Ended March 31, 2010</b>	<b>Three Months Ended March 31, 2009</b>	<b>Cumulative Totals from Inception (November 14, 2006) to March 31, 2010</b>
<b>Cash Flows from Operating Activities</b>			
Net loss	\$ (163,741)	\$ (300,000)	\$ (580,132)
Adjustments to reconcile net loss to net cash provided by (used in) operations:			
Increase (decrease) in accounts payable and accrued liabilities	(199,101)	300,000	156,273
Increase (decrease) in shareholder's loans	36,830	-	36,830
Shares issued for services	132,000	-	132,000
Shares issued for settlement of debt	195,000	-	195,000
<b>Net cash used in operating activities</b>	<b>988</b>	<b>-</b>	<b>(60,029)</b>
<b>Cash Flows from Investing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>			
Common stock issued for cash	-	-	61,050
Proceeds received from notes payable - related parties	-	-	100
Payments made on notes payable - related parties	-	-	(100)
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>	<b>61,050</b>
<b>Net Increase (Decrease) in cash</b>	<b>988</b>	<b>-</b>	<b>1,021</b>
<b>Cash, Beginning of Period</b>	<b>33</b>	<b>147</b>	<b>-</b>
<b>Cash, End of Period</b>	<b>\$ 1,021</b>	<b>\$ 147</b>	<b>\$ 1,021</b>
<b>Supplemental Cash Flow Information</b>			
Cash paid for interest	\$ -	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -	\$ -

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Non-cash operating, financing and investing activities

Shares issued for services (note 3(b))	\$ 132,000	\$ -	\$ -
Shares issued for settlement of debt (note 3(b))	\$ 195,000	\$ -	\$ -

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

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**IGEN NETWORKS CORP.**

(formerly Sync2 Entertainment Corp.)

(A Development Stage Company)

**Statement of Stockholders' Equity (Deficit)**

(unaudited)

	Common Stock	Additional	Deficit	Total
	Shares	Amount	Accumulated	Stockholders
			During the	Equity (Deficit)
			Development	
			Stage	
Balance from inception				
November 14, 2006	-	\$ -	\$ -	\$ -
Common stock issued for cash:				
- November 14, 2006	853,300	853	-	17,050
- November 20, 2006	2,200	2	-	44,000
Net loss	-	-	(1,288)	(1,288)
Balance December 31, 2006	855,500	855	(1,288)	59,762
Net loss	-	-	(46,112)	(46,112)
Balance December 31, 2007	855,500	855	(47,400)	13,650
Net loss	-	-	(46,414)	(46,414)
Balance December 31, 2008	855,500	855	(93,814)	(32,764)
Net loss	-	-	(322,577)	(322,577)
Balance December 31, 2009	855,500	855	(416,391)	(355,341)
Common shares issued for services				
on February 15, 2010 at \$0.06 per share	2,200,000	2,200	-	132,000
Common shares issued for debt				
on February 15, 2010 at \$0.06 per share	3,250,000	3,250	-	195,000
Common shares issued for technology				
(in-trust) on March 30, 2010 at \$nil per share	3,000,000	3,000	-	-
Net loss	-	-	(163,741)	(163,741)
<b>Balance March 31, 2010</b>	<b>9,305,500</b>	<b>\$ 9,305</b>	<b>\$ (580,132)</b>	<b>\$ (192,082)</b>

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

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**IGEN Networks Corp**

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

**Notes to Unaudited Financial Statements**

For the Three Months ended March 31, 2010 and 2009

(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 the acquisition and development of innovative proprietary technologies which have application for licensing, marketing and distribution on a global basis.

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 and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful acquisition and development of viable bio-technical operations. As at March 31, 2010, the Company has a working capital deficit of \$192,082 (December 31, 2009 - \$355,341) and has accumulated losses of \$580,132 (December 31, 2009 - \$416,391) since inception. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. Management has plans to seek additional capital through a private placement of its common stock and possible loans from related parties to fund operation of next year. 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 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

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 U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

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**IGEN Networks Corp**

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

**Notes to Unaudited Financial Statements**

For the Three Months ended March 31, 2010 and 2009

(expressed in U.S. dollars)

2) Summary of Significant Accounting Policies (continued)

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. 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, 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.

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### **IGEN Networks Corp**

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

### **Notes to Unaudited Financial Statements**

For the Three Months ended March 31, 2010 and 2009

(expressed in U.S. dollars)

## 2. Summary of Significant Accounting Principles (continued)

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 deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry-forwards and deferred tax liabilities are recognized for taxable temporary differences. 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)

#### Changes in Accounting Policies and Recent Accounting Pronouncements

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In June 2009, the FASB issued FASB ASC 105, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles a replacement of FASB Statement No. 162 Under FASB ASC 105 the FASB Accounting Standards Codification ( Codification ) will become the source of authoritative US GAAP to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ( SEC ) under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The Codification became effective for financial statements issued for interim and annual periods ending after September 15, 2009. On the effective date, the Codification will supersede all then-existing non-SEC accounting and reporting standards. All other non- grandfathered non-SEC accounting literature not included in the Codification will become non-authoritative. The Company changed the Company s references to U.S. GAAP accounting standards but did not impact the Company s results of operations, financial position or cash flows.

In June 2009, the Securities and Exchange Commission s Office of the Chief Accountant and Division of Corporation Finance announced the release of Staff Accounting Bulletin (SAB) No. 112. This staff accounting bulletin amends or rescinds portions of the interpretive guidance included in the Staff Accounting Bulletin Series in order to make the relevant interpretive guidance consistent with current authoritative accounting and auditing guidance and Securities and Exchange Commission rules and regulations. Specifically, the staff is updating the Series in order to bring existing guidance into conformity with recent pronouncements by the Financial Accounting Standards Board, namely, Statement of Financial Accounting Standards No. 141 (revised 2007) (ASC Topic 805), Business Combinations, and Statement of Financial Accounting Standards No. 160 (ASC Topic 810), Non-controlling Interests in Consolidated Financial Statements. The statements in staff accounting bulletins are not rules or interpretations of the Commission, nor are they published as bearing the Commission's official approval. They represent interpretations and practices followed by the Division of Corporation Finance and the Office of the Chief Accountant in administering the disclosure requirements of the Federal securities laws.

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### **IGEN Networks Corp**

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

#### **Notes to Unaudited Financial Statements**

For the Three Months ended March 31, 2010 and 2009

(expressed in U.S. dollars)

## 2. Summary of Significant Accounting Principles (continued)

g)

### Changes in Accounting Policies and Recent Accounting Pronouncements (continued)

In April 2009, an update was made to the FASB ASC 820, Fair Value Measurements and Disclosures , that provides additional guidance for estimating fair value when the volume and level of activity for the assets or liability have significantly decreased. This update is effective for interim and annual periods ending after June 15, 2009 with early adoption permitted for periods ending after March 15, 2009. The adoption of this guidance did not impact the Company s results of operations, financial position or cash flows.

In April 2009, an update was made to FASB ASC 825, Financial Instruments , which requires a publicly traded company to include disclosures about the fair value of its financial instruments whenever it issues summarized financial information for interim reporting periods. This update is effective for interim reporting periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009. The adoption of this guidance did not impact the Company s results of operations, financial

position or cash flows.

In May 2009, the FASB announced the issuance of FASB ASC 855, *Subsequent Events*, formerly referenced as SFAS No. 165, *Subsequent Events*. FASB ASC 855 should not result in significant changes in the subsequent events that an entity reports. Rather, FASB ASC 855 introduces the concept of financial statements being available to be issued. Financial statements are considered available to be issued when they complete in a form and format that complies with generally accepted accounting principles (GAAP) and all approvals necessary for issuance have been obtained. The Company has already adopted this policy and its full disclosure is included in Note 6.

h) Reclassifications

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

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 March 31, 2010, the Company has no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

**3. Stockholders' Equity (Deficit)**

a) Upon incorporation in November 2006, the Company undertook a private offering of 853,300 (post 5:1 forward split and 1:100 reverse split) shares of its common stock for \$17,050 in cash. Also in November 2006, the Company issued 2,200 (post 5:1 forward split and 1:100 reverse split) shares of its common stock for \$44,000 in cash. The funds raised from the two offerings totaled \$61,050 and has been used to cover further start-up and organizational costs of the Company.

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. 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.

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**IGEN Networks Corp**

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

**Notes to Unaudited Financial Statements**

For the Three Months ended March 31, 2010 and 2009

(expressed in U.S. dollars)

**3. Stockholders' Equity (Deficit) - continued**

b)

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During the three months ended March 31, 2010, the company issued the following shares under the Securities Act of 1933 exemption Rule 144:

On February 15, 2010, the Company issued 550,000 restricted common shares to two related parties for services as directors and officers of the Company, recorded at a rate of \$0.06 per share and a value of \$33,000.

On February 15, 2010, the Company issued 3,250,000 common shares to six non-affiliated parties for conversion of \$195,000 debt which was incurred by the Company in March 2009, at a rate of \$0.06 per share.

On February 15, 2010, the Company issued 1,650,000 restricted common shares to three independent parties pursuant to agreements for consulting services at a rate of \$0.06 per share and a recorded value of \$99,000.

On March 30, 2010, the Company issued 3,000,000 restricted common shares to Bio Business Development Corp. International Inc. pertaining to the memorandum of understanding regarding the acquisition of rights to intellectual property. The shares are recorded at \$3,000 par value with an offsetting amount in additional paid-in capital. Pursuant to the MOU, the shares will be held in trust by the Company, and will be released or cancelled, subject to the negotiation of terms and conditions in a mutually beneficial license agreement. Upon any future release of the said shares, the recorded value of the shares will be denoted at market value at the time of release from trust.

#### 4. Related Party Transactions

Amounts payable to related party as of March 31, 2010 of \$22,500 (December 2009 - \$22,500) is owing to a former director of the Company for management fees. The amounts are non-interest bearing, unsecured, and have no fixed terms of repayment.

During the three months ended March 31, 2010, the Company incurred \$Nil (December 2009 - \$22,500) in management fees to a former director of the Company.

The above transactions have been recorded at exchange amount which is the amount of consideration established and agreed to by the related parties.

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#### IGEN Networks Corp

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

#### Notes to Unaudited Financial Statements

For the Three Months ended March 31, 2010 and 2009

(expressed in U.S. dollars)

#### 5. Income Taxes

Reconciliation of the Company's income tax expenses are as follows:

	<b>March 31 2010</b>	<b>December 31 2009</b>
Loss for the year	\$ (163,741)	\$ (322,577)
Expected income tax recovery at statutory rates of 35%	(57,309)	(112,902)
Increase in valuation allowance	57,309	112,902
	\$ -	\$ -

The components of future income tax assets are as follows:

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	<b>March 31 2010</b>	<b>December 31 2009</b>
Future income tax assets		
Non-capital losses carried forward and others	\$ 203,000	\$ 145,700
Less: Valuation allowance	(203,000)	(145,700)
Net future income tax assets	\$ -	\$ -

The Company has adopted FASB ASC 740-10 to account for income taxes. The Company currently has no issues creating timing differences that would mandate deferred tax expense. Net operating losses would create possible tax assets in future years. Due to the uncertainty of the utilization of net operating loss carry forwards, an evaluation allowance has been made to the extent of any tax benefit that net operating losses may generate. A provision for income taxes has not been made due to net operating loss carry-forwards of \$580,132 and \$416,391 as of March 31, 2010 and December 31, 2009, respectively, which may be offset against future taxable income through 2030.

The Company did not have any tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months.

The tax years that remain subject to examination by major taxing jurisdictions are those for the years ended December 31, 2009, 2008, 2007 and 2006.

**6. Subsequent events**

Subsequent to the period ended March 31, 2010:

- a) The Company issued the following shares under the Securities Act of 1933 exemption Rule 144:

On April 13, 2010, the Company issued 2,000,000 restricted common shares to Machlink Inc. pertaining to memorandum of understanding regarding the acquisition of rights to intellectual property. Pursuant to the MOU, the shares will be held in trust by the Company, and will be released subject to terms and conditions of the ensuing license agreement.

- b) On April 15, 2010, the company also announced the issuance of 2,000,000 stock options by Board Resolution at an exercise

price of \$0.70 per share for directors, officers, consultants and affiliates.

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**IGEN Networks Corp**

(formerly Sync2 Entertainment Corporation)

(A Development Stage Company)

**Notes to Unaudited Financial Statements**

For the Three Months ended March 31, 2010 and 2009

(expressed in U.S. dollars)

**6. Subsequent Events (continued)**

- c) On May 10, 2010, the Company received \$210,000 for subscription to 350,000 common shares at a price of \$0.60 per share. The shares will be issued under the Securities Act of 1933 exemption Rule 144.

- d)

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On May 10, 2010, the Company announced that it signed an exclusive distribution license agreement with Machlink Inc. for rights to its existing patent pending and proprietary technology in wireless broadband Internet, pursuant to the MOU as referred to in Note 6(a) above. Under the license agreement IGEN has an exclusive license to market and distribute the License Units, License Services and Systems in most countries in Asia and Central America and a non exclusive license in Europe, Canada, Africa and the United States for an initial period of ten years. In consideration, the Company has issued two million shares, which will be held in trust and released in six months, during which time IGEN has the option to pay \$1 per share in lieu of issuance. Additionally the Company agrees to pay MachLink \$400,000 on terms with \$200,000 being credited towards the cost of a new system, and the balance of \$200,000 as further consideration pertaining to the agreement.

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 three months ended March 31, 2010 should be read in conjunction with the March 31, 2010 Financial Statements and the related Notes. These documents are available at [www.edgar.com](http://www.edgar.com) and [www.sedar.com](http://www.sedar.com). The Company is traded on the Nasdaq OTC Exchange under the symbol IGEN. The effective date of this report is May 11, 2010.

#### Corporate Organization

The Company ( IGEN or 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 has assigned 45172B 10 2 as its new Cusip number, and the Company's trading symbol was changed to IGEN effective June 30, 2009.

Igen Networks' s primary focus is to acquire and develop innovative proprietary technologies which have application for licensing and distribution on a global basis. The Company' s registered office is located at 8430 West Lake Mead Boulevard, Suite 100, Las Vegas, NV 89128, phone (310) 425-5731 and an office was recently opened in Canada located at 534 Cambie Street, Suite 6, Vancouver, BC, V6B 2N7, phone (778) 786-2922. The Company is also reviewing other global locations to service the build out of our distribution network. The Company' s fiscal year end is December 31.

#### Directors and Officers

##### Monty Ormsby, Director, President & CEO

Mr. Ormsby has had a distinguished 40 year career in all areas of real estate development, marketing and sales, and is licensed as a California real Estate Broker. He has also been extensively involved in many aspects major construction projects, the film and entertainment industry and the thoroughbred racing industry, and has spent the last few years working on web based social networking for seniors. Mr. Ormsby has recently

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completed the development of the Senior Network™, an expansive model for web-based delivery of services to seniors.

### Mike Grudman, Director, Former CFO

Michael has been involved in business since 1998, following his studies in economics at the University of Winnipeg. He was initially a post-production accountant with a reputable production company, and later advanced to sales and acquisitions in 2006 for a world class sales and distribution company based out of Germany where he headed the North American office in Vancouver. During his tenure Michael sold a number of films with budget ranges from \$1 million to \$60 million. In addition to being a Director and CFO of Igen Networks, Mike is also a Director and Officer of a public film company, Pacific Gold Entertainment Inc.

On April 15, 2010, the Company announced the engagement of its new Chief Financial Officer and Director as below:

### Richard Gilbertson, Director & CFO

Richard Gilbertson is currently President of Caribbean Call Services, headquartered in La Ceiba, Honduras, Central America. He is also president and co-owner of Offices International, an international business development company, headquartered in Belize City, Belize, Central America. He has been involved for the past 35 years in various senior management and business development positions related to the acquisition and divestiture and valuation of operating businesses and real estate.

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In recent years, Mr. Gilbertson has concentrated on activities in Latin America with public accounting firms, serving as Regional Manager of the International Division of Arthur Consulting Group, Inc. (formerly a division of Arthur D. Little, Inc.); Principal and Director (1984 to 1989) of Arthur Young & Company (now Ernst & Young). Prior to Arthur Young & Co., he was a valuation consultant for Stone & Webster. From 1974 to 1980 Mr. Gilbertson was vice president in charge of eastern operations with Valuation Research Corporation, a nationwide valuation-consulting firm. Mr. Gilbertson's involvement in Latin American business began in the mid-1980's through USAID sponsored privatization projects in Honduras. He later consulted on various privatization projects in El Salvador, Guatemala, Honduras and Trinidad.

Mr. Gilbertson is a graduate of Northwestern University (Evanston, Illinois) with a BS in Business Administration (Finance) and an MBA in Marketing and Transportation. He is a retired Lt. Commander in the U.S. Navy. He will assume the position of CFO and corporate compliance from Michael Grudman, who will remain as a director of the Company

### **Government Regulation**

The Company will be required to comply with the local rules and requirements of doing business in the United States and Canada. The Company is not aware of any regulations, other than those governing the normal course of business, which will affect its business.

### **Employees**

The Company does not have any full time employees at this time. All management activities are undertaken by the Company's Officers and Directors.

### **Insurance**

The Company does not have insurance coverage at this time.

### **Intellectual Property**

As at the year ended, December 31, 2009, the Company did not have any intellectual property, however, subsequent to the year end, the Company entered into two memorandums of understanding to acquire certain rights to Intellectual Property under license agreement as below.

On March 30, 2010, the company signed a memorandum of understanding (MOU) with Bio Business Development Corp. International, Inc. (BBDC) to negotiate the acquisition of the exclusive global distribution rights to the patented lateral-flow diagnostic testing platform technology for rapid detection of the infectious prion protein diseases. Prion diseases are neuro-degenerative or "brain wasting" diseases with severe symptoms and are always fatal.

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The purpose of this MOU is to continue to develop and expand a framework of cooperation between BBDC and IGEN to implement a mutually beneficial program, whereby IGEN will acquire the global exclusive distribution rights to the Lateral Diagnostic Platform Technology for BSE and other related animal prion diseases from BBDC. Under the terms of the MOU, the parties will execute a distribution licensing agreement, and IGEN Networks has issued three million restricted common shares to BBDC to be released in accordance with the terms and conditions of the ensuing license agreement.

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 Hakai 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.

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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 will execute a distribution licensing agreement, and in consideration, IGEN Networks has issued two million restricted common shares to Machlink, which will be released in accordance with the terms and conditions of the ensuing license agreement.

On May 10, 2010, the Company announced that it signed an exclusive distribution license agreement with Machlink Inc. (MLI) for rights to its existing patent pending and proprietary technology in wireless broadband Internet, pursuant to the MOU as referred to above. MLI's unique technology, utilizing Ultra High Frequency ("UHF") spectrum, permits deployment of high-speed Internet, Phone and Data services to rural communities.

Under the license agreement IGEN has an exclusive license to market and distribute the License Units, License Services and Systems in all countries and global markets excluding: Mexico, Spain, Belize, Bahamas, Cambodia, Thailand, Australia, Vietnam, Philippines, Indonesia, the countries in South America and the Ectel Countries of the SE Caribbean, for a period of ten years. Canada, Europe, Africa and US systems will be marketed on a Non Exclusive basis only. In consideration, the Company has issued two million shares, which are held in trust and will be released in six months, during which time IGEN has the option to pay \$1 per share in lieu of issuance. Additionally the Company agrees to pay MachLink \$400,000 on terms with \$200,000 being credited towards the cost of a new system, and the balance of \$200,000 as further consideration pertaining to the agreement. 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.**  
**Three months ended March 31, 2010**



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During the three months ended March 31, 2010 the Company recorded a net loss of \$163,741 as compared to a net loss of \$300,000 for the three months ended March 31, 2009, for a decrease in net losses of \$136,259. The net loss represents \$0.05 per common share (March 2009 - \$0.35 loss per share).

The Company incurred \$163,741 in expenses which consist mainly of: consulting fees and business development fees of \$99,000 (2009 - \$195,000), management fees of \$33,000 (2009 - \$Nil), professional fees of \$26,310 (2009 - \$40,000), rent of \$2,678 (2009 - \$Nil) and transfer agent and filing fees of \$2,671 (2009 - \$Nil).

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

### Liquidity and Capital Resources

As of March 31, 2010, IGEN had total liabilities of \$193,103, which is a decrease of \$162,271 as compared to \$355,374 liabilities recorded at December 31, 2009. The decrease in liabilities is due primarily to issuance of shares in settlement of \$195,000 in accounts payable debt.

The Company's current assets at March 31, 2010, consisted of \$1,021 in cash which increased by \$988 from \$33 as at December 31, 2009.

The Company had a working capital deficiency of \$192,082 at March 31, 2010 compared to a working capital deficiency of \$355,341 as of December 31, 2009. The improvement of \$163,259 in the working capital deficiency is due primarily to the settlement of a portion of liabilities with the issuance of common stock. The Company's cash inflow has been generated mainly from shareholder loans, related party loans and subscription of common stock since inception.

Subsequent to the period ended March 31, 2010, the Company received \$210,000 on May 10, 2010 for subscription to 350,000 common shares at a price of \$0.60 per share. The shares will be issued under the Securities Act of 1933 exemption Rule 144. The Company has utilized these funds to facilitate the initial licence agreement payment with Machlink, pay down a significant portion of its liabilities and maintain cash for working capital requirements.

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 raising external funding.

The Company will undertake issuance of private placements of its securities 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.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk.

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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 March 31, 2010 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 March 31, 2010, 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 March 31, 2010 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 period ended March 31, 2010, the Company issued the following shares pursuant to exemptions from the registration requirements of the Securities Act: On February 15, 2010, the Company issued 550,000 restricted common shares to two related parties for services as directors and officers of the Company, recorded at a rate of \$0.06 per share and a value of \$33,000.

On February 15, 2010, the Company issued 3,250,000 common shares to six non-affiliated parties for conversion of \$195,000 debt which was incurred by the Company in March 2009, at a rate of \$0.06 per share.

On February 15, 2010, the Company issued 1,650,000 restricted common shares to three independent parties pursuant to agreements for consulting services at a rate of \$0.06 per share and a recorded value of \$99,000.

On March 30, 2010, the Company issued 3,000,000 restricted common shares to Bio Business Development Corp. International Inc. pertaining to the memorandum of understanding regarding the acquisition of rights to intellectual property. Pursuant to the MOU, shares will be held in

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trust by the Company, and will be released subject to terms and conditions of the ensuing license agreement.

On April 13, 2010, the Company issued 2,000,000 restricted common shares to Machlink Inc. pertaining to the memorandum of understanding regarding the acquisition of rights to intellectual property. Pursuant to the MOU, shares will be held in trust by the Company, and will be released subject to terms and conditions of the ensuing license agreement.

With respect to the unregistered sales made, the Company relied on Section 4(2) of the Securities Act of 1933, as amended. No advertising or general solicitation was employed in offering the securities. Of the securities issued, 5,550,000 were issued to related parties of the Company and 4,900,000 were issued to sophisticated, accredited investors and consultants who were provided all of the current public information available on the Company.

- 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

<u>Exhibit No.</u>	<u>Identification of Exhibit</u>
10.1	<u>Distribution License Agreement with Machlink Inc.</u>
31.1	<u>Rule 13a-14(a) Certification of Monty Ormsby, President and Chief Executive Officer</u>
31.2	<u>Rule 13a-14(a) Certification of Richard Gilbertson, Chief Financial Officer</u>
32.1	<u>Certification Pursuant to 18 U.S.C. Section 1350 of Monty Ormsby.</u>
32.2	<u>Certification Pursuant to 18 U.S.C. Section 1350 of Richard Gilbertson.</u>

### 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.

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IGEN Networks Corp.

DATE: May 11, 2010

By: /s/ *MONTY ORMSBY*

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Monty Ormsby, President, Director  
and Chief Executive Officer