FORM 10-Q/A

CardioGenics Holdings Inc. - CGNH

Filed: September 23, 2011 (period: July 31, 2011)

Amendment to a previously filed 10-Q

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

FORM 10-Q/A
Amendment No. 1

☑ **Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended JULY 31, 2011.

☐ **Transition report under Section 13 or 15(d) of the Exchange Act**

For the transition period from_ to_ .

Commission file number 000-28761

CARDIOGENICS HOLDINGS INC.
(Exact name of registrant as specified in its Charter)

Nevada (State or other jurisdiction of incorporation or organization)	88-0380546 (I.R.S. Employer Identification No.)

6295 Northam Drive, Unit 8
Mississauga, Ontario L4V 1WB
(Address of Principal Executive Offices)

(905) 673-8501
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the Issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 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 ☑ No ☐

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 the definitions of "large accelerated filer", "accelerated filer and "smaller reporting company" in Rule 12b-2 or the Exchange Act. (Check one):

Large Accelerated filer	☐	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☑

(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 ☑

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 ☐ No ☐

As of September 12, 2011 the Registrant had the following number of shares of its capital stock outstanding: 30,609,556 shares of Common Stock and 1 share of Series 1 Preferred Voting Stock, par value $0.0001, representing 14 exchangeable shares of the Registrant's subsidiary, CardioGenics ExchangeCo Inc., which are exchangeable into 24,388,908 shares of the Registrant's Common Stock.

EXPLANATORY NOTE

The sole purpose of this amendment to Cardiogenics Holdings Inc.'s quarterly report on Form 10-Q for the period ended July 31, 2011, filed with the Securities Exchange Commission on September 19, 2011, is to furnish the interactive data files set forth in Exhibit 101 in accordance with Rule 405 of Regulation S-T.

No other changes have been made to the Form 10-Q. This amendment speaks as of the original filing date of the Form 10-Q, does not reflect events that may have occurred subsequent to the original filing date, and does not modify or update in any way disclosures made in the Form 10-Q.

ITEM 6. EXHIBITS

(a) Exhibits

See the Exhibit Index following the signature page to this Form 10-Q/A.

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CARDIOGENICS HOLDINGS INC.

Date: September 23, 2011	By:	*/s/ Yahia Gawad*
		Name: Yahia Gawad
		Title: Chief Executive Officer
Date: September 23, 2011	By:	*/s/ James Essex*
		Name: James Essex
		Title: Chief Financial Officer

EXHIBIT INDEX

*31.1	Section 302 Certification of Chief Executive Officer
*31.2	Section 302 Certification of Chief Financial Officer
*32.1	Section 906 Certification of Chief Executive Officer and Chief Financial Officer
†101	The following materials from CardioGenics Holdings Inc.'s Form 10-Q for the quarter ended July 31, 2011, formatted in eXtensible Business Reporting Language (XBRL): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations, (iii) Condensed Consolidated Statement of Changes in Stockholders' Equity, (iv) Condensed Consolidated Statements of Cash Flows and (v) Notes to Condensed Consolidated Financial Statements (Unaudited). Furnished herewith.

* Filed or furnished with the initial filing of this Form 10-Q filed on September 19, 2011.

† Pursuant to Rule 406T of Regulation S-T, the interactive data files included in Exhibit 101 are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

Document and Entity Information

Document and Entity Information (USD $)	9 Months Ended 07/31/2011	09/12/2011
Document Type	10-Q	
Amendment Flag	false	
Document Period End Date	2011-07-31	
Document Fiscal Year Focus	2,011	
Document Fiscal Period Focus	Q3	
Trading Symbol	CGNH	
Entity Registrant Name	CARDIOGENICS HOLDINGS INC.	
Entity Central Index Key	0001089029	
Current Fiscal Year End Date	--10-31	
Entity Filer Category	Smaller Reporting Company	
Entity Common Stock, Shares Outstanding		30,609,556

Condensed Consolidated Balance Sheets

Condensed Consolidated Balance Sheets (USD $)	07/31/2011	10/31/2010
Assets		
Current		
Cash and Cash Equivalents	$ 1,117,644	$ 1,844,752
Accounts Receivable	6,400	
Share Subscriptions Receivable		115,000
Deposits and Prepaid Expenses	51,101	89,774
Refundable Taxes Receivable	38,060	21,959
Government Grants and Investment Tax Credits Receivable		156,482
Assets, Current, Total	1,213,205	2,227,967
Property and Equipment, net	85,300	87,465
Patents, net	167,481	170,703
Assets, Noncurrent, Total	252,781	258,168
Assets, Total	1,465,986	2,486,135
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts Payable and Accrued Expenses	2,209,429	523,155
Due to Director		15,149
Current Portion of Capital Lease Obligation	22,413	20,992
Funds Held in Trust for Redemption of Class B Common Stock	4	
Liabilities, Current, Total	2,231,846	559,296
Long Term Liabilities		
Capital Lease Obligation, net of current portion	14,320	20,881
Liabilities, Noncurrent, Total	14,320	20,881
Mandatorily redeemable Class B common stock; par value $.00001 per share:		
Mandatorily redeemable Class B common stock		4
Commitments and Contingencies		
Stockholders' Equity (Deficiency)		
Preferred stock; par value $.00001 per share, 5,000,000 shares authorized, 1 share issued		
Common stock; par value $.00001 per share; 65,000,000 shares authorized, 29,687,262 and 28,620,257 common shares and 24,388,904 and 24,388,904 exchangeable shares issued and outstanding as at July 31, 2011 and October 31, 2010 respectively	525	514
Additional paid-in capital	38,052,250	37,441,728
Deficit accumulated during development stage	(38,397,659)	(35,006,558)
Accumulated other comprehensive loss	(120,224)	(237,508)
Total CardioGenics Holdings Inc. stockholders' equity (deficiency)	(465,108)	2,198,176
Non-controlling interest	(315,072)	(292,222)
Total equity (deficiency)	(780,180)	1,905,954
Total liabilities and stockholders' equity (deficiency)	$ 1,465,986	$ 2,486,135

Condensed Consolidated Balance Sheets (Parenthetical)

Condensed Consolidated Balance Sheets (Parenthetical) (USD $)	07/31/2011	10/31/2010
Mandatorily redeemable Class B common stock, par value	$ 0.00001	$ 0.00001
Preferred stock, par value	$ 0.00001	$ 0.00001
Preferred stock, shares authorized	5,000,000	5,000,000
Preferred stock, share issued	1	1
Common stock, par value	$ 0.00001	$ 0.00001
Common stock, shares authorized	65,000,000	65,000,000

Condensed Consolidated Statements of Operations

Condensed Consolidated Statements of Operations (USD $)	3 Months Ended 07/31/2011	3 Months Ended 07/31/2010	9 Months Ended 07/31/2011	07/31/2011	9 Months Ended 07/31/2010
Revenue	$ 6,400		$ 6,400	$ 6,400	
Operating Expenses					
Amortization of Property and Equipment	5,409	1,431	14,938	195,978	15,778
Amortization of Patent Application Costs	1,090	1,004	3,222	10,426	3,020
Write-off of Patent Application Costs				159,076	
General and Administrative	278,314	455,072	958,963	5,148,693	904,694
Write-off of Goodwill				12,780,214	
Research and Product Development, Net of Investment Tax Credits	141,206	208,279	534,776	3,822,527	520,964
Cost of Settlement of Lawsuit	1,753,800		1,753,800	1,753,800	
Total operating expenses	2,179,819	665,786	3,265,699	23,870,714	1,444,456
Operating Loss	2,173,419	665,786	3,259,299	23,864,314	1,444,456
Other Expenses (Income)					
Interest Expense and Bank Charges (Net)	6,440	24,072	15,340	2,131,841	24,594
Loss on Change in Value of Derivative Liability				12,421,023	
Loss on Foreign Exchange Transactions	7,149	46	139,312	257,840	102,254
Total other expenses (income)	13,589	24,118	154,652	14,810,704	126,848
Loss from Continuing Operations	(2,187,008)	(689,904)	(3,413,951)	(38,675,018)	(1,571,304)
Discontinued Operations					
Gain on Sale of Subsidiary				90,051	90,051
Loss from Discontinued Operations				(127,762)	(37,355)
Net Loss	(2,187,008)	(689,904)	(3,413,951)	(38,712,729)	(1,518,608)
Net Loss attributed to non-controlling interest	(14,638)	(4,964)	(22,850)	(315,072)	(10,970)
Net Loss attributed to CardioGenics Holdings Inc.	$ (2,172,370)	$ (684,940)	$ (3,391,101)	$ (38,397,657)	$ (1,507,638)
Basic and Fully Diluted Net Loss per Common Share attributable to CardioGenics Holdings Inc. Shareholders	$ (0.04)	$ (0.01)	$ (0.06)		$ (0.03)
Basic and Fully Diluted Net income per Common Share From Discontinued Operations	$ 0	$ 0	$ 0		$ 0
Weighted-average shares of Common Stock outstanding	54,626,166	49,707,900	54,256,408		49,583,432

Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficiency)

Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficiency) (USD $)	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive Loss	Additional Paid-in Capital	Cash	Common Stock	Exchange for services rendered	Noncontrolling Interest	Warrant	Total
Beginning Balance (in shares) at 2010-10-31					53,009,161				
Beginning Balance at 2010-10-31	(35,006,558)	(237,508)	37,441,728		514		(292,222)		1,905,954
Refund of common shares subscribed for October 2010 in cash February 2011, $.50			(15,378)						(15,378)
Refund of common shares subscribed for October 2010 in cash February 2011, $.50 (shares)					30,000				
Re-pricing of options in exchange for services rendered, February 2011			163,750						163,750
Issuance of common shares on exercise of options, February 2011, $.01 (in shares)					275,000				
Issuance of common shares on exercise of options, February 2011, $.01			2,747		3				2,750
Net loss attributable to noncontrolling interest							(22,850)		(22,850)
Comprehensive Income (Loss):									
Net Loss	(3,391,101)								(3,391,101)
Other Comprehensive Income									
Currency Translation Adjustment		117,284							117,284
Total Comprehensive Loss									(3,273,817)
Ending Balance (in shares) at 2011-07-31					54,076,166				
Ending Balance at 2011-07-31	(38,397,659)	(120,224)	38,052,250		525		(315,072)		(780,180)
Issuance of common shares (in shares)				100,000		100,000		22,005	
Issuance of common shares				51,262		99,999		10,402	

Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficiency) (Parenthetical)

Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficiency) (Parenthetical) (USD $)

Condensed Consolidated Statements of Cash Flows

Condensed Consolidated Statements of Cash Flows (USD $)	9 Months Ended 07/31/2011	9 Months Ended 07/31/2010	07/31/2011
Cash flows from operatiing activities			
Net Loss for the Period	$ (3,413,951)	$ (1,518,608)	$ (38,712,729)
Adjustments to reconcile net loss for the period to net cash used in operating activities			
Amortization of Property and Equipment	14,938	15,778	195,978
Amortization of Patent Application Costs	3,222	3,020	10,426
Write-off of Patent Application Costs			159,076
Write-off of Goodwill			12,780,214
Amortization of Deferred Debt Issuance Costs			511,035
Loss on Extinguishment of Debt			275,676
Loss on Change in Value of Derivative Liability			12,421,023
Interest Accrued and Foreign Exchange Loss on Debt			922,539
Unrealized Foreign Currency Exchange Gains			25,092
Beneficial Conversion Charge included in Interest Expense			452,109
Common Stock Issued as Employee or Officer/Director Compensation			2,508,282
Common Stock Issued for Services Rendered	100,000	155,200	657,512
Stock Options Re-Priced for Services Rendered	163,750		163,750
Changes in Operating Assets and Liabilities, Net of Acquisition			
Accounts Receivable	(6,400)		(6,400)
Share Subscriptions Receivable	115,000		
Deposits and Prepaid Expenses	38,673	(37,352)	(50,312)
Refundable Taxes Receivable	(16,101)	(1,165)	(37,196)
Government Grants and Investment Tax Credits Receivable	156,482	(9,024)	20,062
Accounts Payable and Accrued Expenses	1,835,883	(153,417)	1,591,136
Advances			131
Net cash used in operating activities	(1,008,504)	(1,545,568)	(5,865,776)
Cash flows from investing activities			
Cash Acquired from Acquisition			195,885
Purchase of Property and Equipment	(12,772)		(217,196)
Patent Application Costs		(17,813)	(296,806)
Net cash used in investing activities	(12,772)	(17,813)	(318,117)
Cash flows from financing activities			
(Repayment) of Capital Lease Obligations	(5,139)		(7,183)
Advances from (Repayments to) Director	(15,149)	(128,851)	725,330
Issue of Debentures			1,378,305
Issue of Common Shares on Exercise of Stock Options	2,750		2,781
Issue of Common Shares on Exercise of Warrants		35,250	35,250
Issue of Common Shares for Cash	359,411	77,000	5,635,833
Refund of Share Subscription	(15,378)		(15,378)
Redemption of 10% Senior Convertible Debentures		(25,000)	(394,972)
Net cash provided by (used in) financing activities	326,495	(41,601)	7,359,966
Effect of foreign exchange on cash and cash equivalents	(32,327)	(16,076)	(58,429)
Cash and Cash Equivalents:			
Increase (decrease) in cash and cash equivalents during the period	(727,108)	(1,621,058)	1,117,644
Beginning of Period	1,844,752	2,388,516	

End of Period	$ 1,117,644	$ 767,458	$ 1,117,644

Nature of Business

Nature of Business (USD $)	9 Months Ended 07/31/2011
Nature of Business	**1. Nature of Business**

CardioGenics Inc. ("CardioGenics") was incorporated on November 20, 1997 in the Province of Ontario, Canada, and carries on the business of development and commercialization of diagnostic test products to the In Vitro Diagnostics testing market. CardioGenics has several test products that are in various stages of development.

CardioGenics' business is that of a development-stage company, with a limited history of operations and whose revenues, to date, have been primarily comprised of grant revenue and Scientific Research Tax Credits from government agencies. There can be no assurance that the Company will be successful in obtaining regulatory approval for marketing of any of the existing or future products that the Company will succeed in developing.

On July 31, 2009, CardioGenics acquired the business of JAG Media Holdings, Inc. ("JAG Media"). The business acquired is that of gathering and compiling financial and investment information from various financial institutions and other Wall Street professionals. Revenues of the acquired business of JAG Media are generated by releasing such financial information to subscribers in a consolidated format on a timely basis through facsimile transmissions and a web site. Further, software focused on streaming video solutions was acquired through the acquisition of JAG Media by CardioGenics. Historically, further development of this software has been limited as a result of JAG Media's lack of financial resources. On February 11, 2010, the sold its interest in JAG Media.

References herein to CardioGenics common shares has been retrospectively adjusted to reflect the exchange ratio of 20.957 established in the Share Purchase Agreement.

On October 27, 2009, the name of the Company was changed from JAG Media Holdings, Inc. to CardioGenics Holdings, Inc.

On April 23, 2010, the Company's Board of Directors approved a reverse stock split of its issued and outstanding common shares. The total authorized shares of common stock was at the same time reduced to 65,000,000. The Board of Directors selected a ratio of one-for-ten and the reverse stock split was effective on June 20, 2010. Trading of the Company's common stock on the Over-The-Counter Capital Market on a split-adjusted basis began at the open of trading on June 21, 2010. The reverse stock split affected all shares of the Company's common stock, as well as options to purchase the Company's common stock and other equity incentive awards and warrants that were outstanding immediately prior to the effective date of the reverse stock split. All references to common shares and per-share data for prior periods have been retroactively restated to reflect the reverse stock split as if it had occurred at the beginning of the earliest period presented.

Basis of Presentation

Basis of Presentation (USD $)	9 Months Ended 07/31/2011
Basis of Presentation	**2. Basis of Presentation**

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments, necessary to present fairly the condensed consolidated financial position of CardioGenics Holdings Inc. and its subsidiaries as of July 31, 2011, their results of operations for the three and nine months ended July 31, 2011 and 2010, and the period from November 20, 1997 (date of inception) to July 31, 2011, changes in stockholders' equity for the nine months ended July 31, 2011 and cash flows for the nine months ended July 31, 2011 and 2010, and the period from November 20, 1997 (date of inception) to July 31, 2011. CardioGenics Holdings Inc and its subsidiaries are referred to together herein as the "Company". Pursuant to rules and regulations of the SEC, certain information and disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted from these consolidated financial statements unless significant changes have taken place since the end of the most recent fiscal year. Accordingly, these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements, notes to consolidated financial statements and the other information in the audited consolidated financial statements of the Company as of October 31, 2010 and 2009 (the "Audited Financial Statements") included in the Company's Form 10-K that was previously filed with the SEC on January 31, 2011 and from which the October 31, 2010 consolidated balance sheet was derived.
The results of the Company's operations for the three and nine months ended July 31, 2011 are not necessarily indicative of the results of operations to be expected for the full year ending October 31, 2011.

The accompanying condensed consolidated financial statements have been prepared using the accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business.

The Company has incurred operating losses and has experienced negative cash flows from operations since inception. The Company has an accumulated deficit at July 31, 2011 of approximately $38.4 million. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and to allow it to continue as a going concern. The Company has funded its activities to date almost exclusively from debt and equity financings. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company will continue to require substantial funds to continue research and development, including preclinical studies and clinical trials of its products, and to commence sales and marketing efforts, if the FDA and other regulatory approvals are obtained. In order to meet its operating cash flow requirements Management's plans include financing activities such as private placements of its common stock and issuances of convertible debt instruments. Management is also actively pursuing industry collaboration activities including product licensing and specific project financing.

While the Company believes it will be successful in obtaining the necessary financing to fund its operations, meet revenue projections and manage costs, there are no assurances that such additional funding will be achieved and that it will succeed in its future operations. The accompanying condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might be necessary should the Company be unable to continue in existence.

Summary of Significant Accounting Policies.

Summary of Significant Accounting Policies. (USD $)	9 Months Ended 07/31/2011
Summary of Significant Accounting Policies.	**3. Summary of Significant Accounting Policies**.

(a) Research and Development Costs

Expenditures for research and development are expensed as incurred and include, among other costs, those related to the production of prototype products, including payroll costs. Amounts expected to be received from governments under Scientific Research Tax Credit arrangements are offset against current expenses. The Company recognizes revenue from restricted grants in the period in which the Company has incurred the expenditures in compliance with the specific restrictions.

(b) Net Loss Per Common Share

Basic loss per share is computed by dividing loss available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share gives effect to all dilutive potential common shares outstanding during the period. The computation of diluted earnings (loss) per share does not assume conversion, exercise or contingent exercise of securities that would have an anti-dilutive effect on earnings (loss) per share.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. By their nature, these estimates are subject to uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be material.

(d) Financial Instruments

The carrying values of cash and cash equivalents, other current assets, accounts payable and accrued expenses approximate their fair values due to their short-term nature.

Due to Director

Due to Director (USD $)	9 Months Ended 07/31/2011
Due to Director	**4. Due to Director** The amount due to a director was due on demand and carried no interest. The balance was repaid in full during the quarter ended July 31, 2011.

Income Taxes (USD $)	9 Months Ended 07/31/2011
Income Taxes	**5. Income Taxes** The Company adopted the provisions of the guidance for uncertainty in income taxes on August 1, 2007. The guidance clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statement, and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition classification, interest and penalties accounting in interim periods disclosure and transition. Based on the Company's evaluation, management has concluded that there are no significant tax positions requiring recognition in the condensed consolidated financial statements. The Company has incurred losses in Canada since inception, which have generated net operating loss carryforwards for income tax purposes. The net operating loss carryforwards arising from Canadian sources as of July 31, 2011, approximated $9,520,000 (2010 - $7,157,000) which will expire from 2014 through 2031. All fiscal years except 2010 have been assessed; however, claims relating to research and development credits are open for review for the fiscal years ended October 2010, 2009, 2008 and 2007 and July 2009. As of July 31, 2011, the Company had net operating loss carryforwards from US sources of approximately $40,154,000 available to reduce future Federal taxable income which will expire from 2019 through 2030. For the nine months ended July 31, 2011 and 2010, the Company's effective tax rate differs from the statutory rate principally due to the net operating losses for which no benefit was recorded.

Stock Based Compensation

Stock Based Compensation (USD $)	9 Months Ended 07/31/2011
Stock Based Compensation	**6. Stock Based Compensation**

The Company follows the guidance for stock-based compensation. Stock-based employee compensation related to stock options for the nine months ended July 31, 2011 and 2010 amounted to $-0-.

The fair value of each option granted is estimated on grant date using the Black-Scholes option pricing model which takes into account as of the grant date the exercise price and expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock and the risk-free interest rate for the term of the option.

The following is a summary of the common stock options granted, forfeited or expired and exercised under the Plan:

	Options		Weighted Average Exercise Price
Outstanding - October 31, 2009	305,000	$	2.34
Granted	—		—
Forfeited/expired	—		—
Exercised	—		—
Outstanding – October 31, 2010	305,000	$	2.34
Granted	—		—
Forfeited/Expired	—		—
Exercised	275,000	$	0.01
Outstanding – July 31, 2011	30,000	$	0.90

	Options
Stock options formerly priced at $0.20 were repriced at $0.01 and extended to August 2011	75,000
Stock options formerly priced at $3.60 were repriced at $0.01 and extended to December 2011	200,000
	275,000

General and Administative Expenses in the three and nine months ended July 31, 2011 included $0 and $163,750 respectively due to repricing of these options.

Options typically vest immediately at the date of grant. As such, the Company does not have any unvested options or unrecognized compensation expense at July 31, 2011.

Stockholders' Equity

Stockholders' Equity (USD $)	9 Months Ended 07/31/2011

Stockholders' Equity

7. Stockholders' Equity

Comprehensive Loss

Comprehensive loss, which includes net loss from the change in the foreign currency translation account, for the nine and three months ended July 31, 2011 and 2010 respectively is as follows:

	For the Three Months Ended July 31,		For the Nine Months Ended July 31,	
	2011	2010	2011	2010
Net Loss	$ (2,172,370)	$ (684,940)	$ (3,391,101)	$ (1,507,638)
Currency translation adjustment	(14,247)	(32,814)	117,284	83,924
Comprehensive Loss	$ (2,186,617)	$ (717,754)	$ (3,273,817)	$ (1,423,714)

	July 31, 2011	October 31, 2010
Warrants		
Issued to subscribers to the debenture financing of 2003 and its related extension entitling the holder to purchase 1 common share of the Company at an exercise price of $0.47 per common share up to and including July 31, 2012	2,046,808	2,046,808
Issued to subscribers to the debenture financing of 2004 and its related extension entitling the holder to purchase 1 common share in the Company at an exercise price of $0.47 per common share up to and including July 31, 2012	1,021,654	1,043,659
Issued to agents for the debenture financings of 2003 and 2004 entitling the holder to purchase 1 common share in the Company at an exercise price of $0.47 per common share up to and including July 31, 2012	208,417	208,417
Issued to former employee entitling the holder to purchase 1 common share in the company at an exercise price of $0.47 per common share up to and including July 31, 2012	136,220	136,220
Issued to Consultants July 31, 2009, entitling the holder to purchase 1 common share of the company at an exercise price of $0.90 per share up to and including July 31, 2012	104,785	104,785
Issued to consultant August 1, 2009, entitling the holder to purchase 1 common share in the company at an exercise price of $0.90 per common share up to and including July 31, 2017	287,085	287,085
Total Warrants outstanding	3,804,969	3,826,974

Issuance of Common Stock

Issuance of Common Stock (USD $)	9 Months Ended 07/31/2011
Issuance of Common Stock	**8. Issuance of Common Stock**

During the nine months ended July 31, 2011, the Company issued the following common shares:

	Nine Months Ended July 31, 2011	
	# of shares	Amount
Issuance to third parties for services rendered	100,000	$ 100,000
Issuance to a director for cash	600,000	$ 297,747
Issuance to third parties for cash	70,000	$ 35,884
Issuance to third parties on exercise of warrants	22,005	$ 10,402
Issuance to third parties on exercise of options	275,000	$ 2,750

Redemption of Class B Common Stock

Redemption of Class B Common Stock (USD $)	9 Months Ended 07/31/2011
Redemption of Class B Common Stock	**9. Redemption of Class B Common Stock** On or about February 28, 2011 CardioGenics Holdings Inc. ("CardioGenics") mailed notices to the holders of its outstanding Series 2 Class B Common Stock (the "Series 2 Share") and Series 3 Class B Common Stock (the "Series 3 Shares"), which notify such stockholders that CardioGenics has elected to redeem all outstanding Series 2 Shares and Series 3 Shares in accordance with their terms. The Redemption Date is April 4, 2011 and the Redemption Price is par value, $0.00001 per share. Under the terms of Series 2 Shares, the Redemption Price for each Series 2 Class B share shall be equal to the greater of (i) par value or (ii) the amount obtained by dividing (a) ninty percent of the net proceeds to CardioGenics from any recovery in the lawsuit captioned JAG Media Holdings Inc. vs A.G. Edwards et al., which was commenced in the U.S. District Court for the Southern District of Texas (the "Lawsuit"), divided by (b) the total number of Series 2 Class B Shares issued and outstanding on the Redemption Date, which amount shall be rounded to the nearest whole cent. Under the terms of the Series 3 Shares, the Redemption Price for each Series 3 Class B Share shall be equal to the greater of (i) par value or (ii) .0025% of then percent of the net proceeds to CardioGenics from any recovery in the Lawsuit, which amount shall be rounded to the nearest whole cent. As there was no recovery in the Lawsuit and after evaluating its options in the context of the Lawsuit, CardioGenics has decided to not currently pursue any "successor" litigation to the Lawsuit. As a result, the Series 2 Shares and Series 3 Shares are being redeemed at par value in accordance with their terms. CardioGenics has established a trust account with TD Bank Canada, which account will hold proceeds sufficient to redeem the issued and outstanding Series 2 Shares and Series 3 Shares. Accordingly, notwithstanding that any certificate for Series 2 Shares or Series 3 Shares called for redemption shall not have been surrendered for cancellation, all Series 2 Shares and Series 3 Shares called for redemption shall no longer be deemed outstanding, and all rights with respect to such Series 2 Shares and Series 3 Shares shall forthwith on the Redemption Date cease and terminate, except only the right of the holders thereof to receive the pro-rata amount payable of the Series 2 Shares and Series 3 Shares, without interest.

Net Loss per Share

Net Loss per Share (USD $)	9 Months Ended 07/31/2011
Net Loss per Share	**10. Net Loss per Share**

The following table sets forth the computation of weighted-average shares outstanding for calculating basic and diluted earnings per share (EPS):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2011	2010	2011	2010
Weighted-average shares - basic	54,626,166	49,707,900	54,256,408	49,583,432
Effect of dilutive securities	—	—	—	—
Weighted-average shares - diluted	54,626,166	49,707,900	54,256,408	49,583,432

Basic earnings per share "EPS" and diluted EPS for the three and nine months ended July 31, 2011 and 2010 have been computed by dividing the net loss available to common stockholders for each respective period by the weighted average shares outstanding during that period. All outstanding options, warrants and shares to be issued upon the exercise of the outstanding options and warrants representing 3,834,969 and 4,131,974 incremental shares, respectively, have been excluded from the nine months ended July 31, 2011 and 2010 computation of diluted EPS as they are antidilutive given the net losses generated.

Commitments and Contingent Liabilities

Commitments and Contingent Liabilities (USD $)	9 Months Ended 07/31/2011
Commitments and Contingent Liabilities	

11. Commitments and Contingent Liabilities

Lawsuits

a) On April 22, 2009, the Company was served with a statement of claim from a former employee claiming compensation for wrongful dismissal and ancillary causes of action including payment of monies in realization of his investment in the Company, with an aggregate claim of $514,000. The Company considers all the claims to be without any merit, has already delivered a statement of defense and intends to vigorously defend the action. If the matter eventually proceeds to trial, the Company does not expect to be found liable on any ground or for any cause of action.

b) On January 14, 2010, Flow Capital Advisors Inc. ("Flow Capital") filed a lawsuit against JAG Media Holdings Inc. in the Circuit Court of the 17th Judicial Circuit In and For Broward County Florida (Case No. 10001713) (the "Flow Capital State Action"). Pursuant to this lawsuit, Flow Capital alleges that JAG Media Holdings breached a Non-Circumvention Agreement it had entered into with Flow Capital, dated January 1, 2004.

On January 15, 2010, Flow Capital filed a lawsuit against CardioGenics Inc., and another defendant in the United States District Court for the Southern District of Florida, Fort Lauderdale Division (Case No. 10-CV-60066-Martinez-Brown) (the "Flow Capital Federal Action"). This lawsuit alleges that CardioGenics (i) breached a Finder's Fee Agreement in connection with the CardioGenics Acquisition; and (ii) breached a non-circumvention agreement. Flow Capital is claiming that it is entitled to the finder's fee equal to eight percent (8%) of the JAG Media Holdings shares received by CardioGenics, or the equivalent monetary value of the stock. Plaintiff subsequently amended its complaint to add related tort claims.

Pursuant to applicable federal court rules, the parties to the Flow Capital Federal Action participated in a court mandated mediation session on August 17, 2011 where the parties attempted to settle their disputes. At the mediation, the parties agreed to a settlement of all claims as described below, subject to the approval of the Board of Directors of CardioGenics Holdings Inc., which approval was subsequently obtained. Pursuant to the settlement agreement, Flow Capital agreed to dismiss, with prejudice, the Flow Capital Federal Action and the Flow Capital State Action and CardioGenics agreed to issue Flow Capital 1,000,000 shares of restricted CardioGenics Holdings common stock and warrants to purchase restricted CardioGenics Holdings common stock as follows:

Type of Warrant	Number of Shares	Exercise Price	Vesting Date	Term
Cash Exercise Only	250,000	$0.30/share	immediate	5 years
Cash Exercise Only	250,000	$0.50/share	immediate	5 years
Cash Exercise Only	500,000	$0.75/share	immediate	5 years
Cash Exercise Only	500,000	$1.00/share	immediate	5 years
Cash or Cashless Exercise	500,000	$0.75/share	August 1, 2012	5 years

The restricted shares of common stock and the warrants are subject to the rights and restrictions of Rule 144 and do not have any registration rights. As part of the settlement, the parties also exchanged mutual general releases and CardioGenics Holdings agreed to pay Flow Capital, in three monthly installments, $100,000 for Flow Capital's legal fees.

On August 23, 2011, the Company's Board of Directors approved the settlement. As a result, the Company recorded a charge to the Condensed Statement of Operations at July 31, 2011 of $1,753,800 for Cost of Settlement of Lawsuit, which amount is included in Accounts Payable and Accrued Expenses at July 31, 2011.

c) On October 26, 2010, Karver International Inc. filed a lawsuit in the 11th Judicial

Circuit in and for Miami-Dade County, Florida against CardioGenics Holdings Inc. and several other defendants including affiliates, officers and directors of CardioGenics Holdings, Inc. The Plaintiff generally alleges that the named defendants made certain alleged misrepresentations in connection with the purchase of shares of CardioGenics Holdings Inc. On December 20, 2010, CardioGenics Holdings Inc. and other defendants filed a motion to dismiss on the basis that the court lacks personal jurisdiction over most defendants, that an enforceable forum selection clause requires that the action be litigated in Ontario, Canada that the doctrine of *forum non conveniens* requires dismissal in favor of the Ontario forum, and that the complaint suffers from numerous other technical deficiencies warranting dismissal (e.g., failure to attach documents to the Complaint, failure to plead fraud with particularity, etc.). The motion is currently pending. Should the motion be denied, CardioGenics Holdings, Inc. will continue to pursue vigorous defenses to this action. In addition, Karver's attorney recently filed a motion to withdraw as counsel for Karver. The court has granted Karver's attorney's motion to withdraw and Karver had until approximately April 26, 2011 to engage new counsel. On April 20, 2011, having not engaged new counsel as of that date, Karver filed with the court a Notice of Voluntary Dismissal without Prejudice, which dismisses the lawsuit against the named defendants without prejudice to Karver's rights to recommence the action.

Supplemental Disclosure of Cash Flow Information

Supplemental Disclosure of Cash Flow Information (USD $)	9 Months Ended 07/31/2011
Supplemental Disclosure of Cash Flow Information	**12. Supplemental Disclosure of Cash Flow Information**

	For the Nine Months Ended July 31,	
	2011	2010
Cash paid during the period for:		
Interest	$ 7,840	$ 24,594
Income taxes	$ —	$

Other

Other (USD $)	9 Months Ended 07/31/2011
Other	**13. Other**

(a) On February 1, 2011 the Company announced that the Company and Merck Chimie SAS (“Merck”) will continue the commercialization process of the Company’s magnetic beads. Merck recently notified the Company that while it is refining its encapsulation of the Company’s beads, it will also test a batch of magnetic beads coated with the Company’s proprietary silver-coating and polymer encapsulation processes with the aim of commercializing the CardioGenics Encapsulated Beads while Merck is finalizing its own proprietary encapsulation of the CardioGenics beads.

The Company also announced that it is accelerating its commercialization efforts for its magnetic beads and as a result, the Company has signed two significant Material Transfer Agreements (“MTA”) with two major international life sciences companies. Under the first MTA with one of the top three beads production and distribution companies, the Company will furnish them with its silver-coated magnetic beads for polymer coating by the distributor. In addition, the distributor will provide the Company with their magnetized bead prototypes which the Company will then silver-coat with its proprietary silver-coating technology. Under the second MTA with one of the top IVD companies, the Company will furnish them with its silver-coated and polymer encapsulated magnetic beads for subsequent testing and evaluation in their various test products.

(b) On February 22, 2011 the Company was notified by the Canadian Intellectual Property Office that its patent application for the “core technology” utilized in its ultra-sensitive point-of-care immuno-analyzer has been granted.