

SENESCO TECHNOLOGIES INC  
Form 10-Q  
November 14, 2011

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2011

or

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. 001-31326

SENESCO TECHNOLOGIES, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

84-1368850  
(IRS Employer Identification No.)

721 Route 202/206, Suite 130  
Bridgewater, New Jersey 08807  
(Address of principal executive offices)  
(908) 864-4444

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes:

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:

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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 “accelerated filer”, “large accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

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:

80,777,097 shares of the issuer’s common stock, par value \$0.01 per share, were outstanding as of October 31, 2011.

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## SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY

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PART I. FINANCIAL INFORMATION.

Item 1. Financial Statements (Unaudited).

Certain information and footnote disclosures required under United States generally accepted accounting principles have been condensed or omitted from the following consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission. However, Senesco Technologies, Inc., a Delaware corporation, and its wholly owned subsidiary, Senesco, Inc., a New Jersey corporation (collectively, “Senesco” or the “Company”), believe that the disclosures are adequate to assure that the information presented is not misleading in any material respect.

The results of operations for the interim periods presented herein are not necessarily indicative of the results to be expected for the entire fiscal year.

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY  
(A DEVELOPMENT STAGE COMPANY)  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(unaudited)

	September 30, 2011	June 30, 2011
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,841,974	\$3,609,954
Prepaid research supplies and expenses	1,824,519	1,446,064
<b>Total Current Assets</b>	<b>4,666,493</b>	<b>5,056,018</b>
Equipment, furniture and fixtures, net	3,324	3,782
Intangibles, net	3,596,709	3,524,731
Deferred income tax assets, net	-	-
Security deposit	5,171	12,358
<b>TOTAL ASSETS</b>	<b>\$ 8,271,697</b>	<b>\$8,596,889</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 949,090	\$559,525
Accrued expenses	651,085	509,806
Line of credit	2,199,108	2,199,108
<b>Total Current Liabilities</b>	<b>3,799,283</b>	<b>3,268,439</b>
Warrant liabilities	439,556	711,259
Grant payable	99,728	99,728
<b>TOTAL LIABILITIES</b>	<b>4,338,567</b>	<b>4,079,426</b>
<b>STOCKHOLDERS' EQUITY:</b>		
Preferred stock, \$0.01 par value, authorized 5,000,000 shares		
Series A 10,297 shares issued and 3,645 and 3,690 shares outstanding, respectively (liquidation preference of \$3,827,250 and \$3,792,252 at September 30, 2011 and June 30, 2011, respectively)	37	37
Series B 1,200 shares issued and outstanding (liquidation preference of \$1,260,000 and \$1,230,000 at September 30, 2011 and June 30, 2011, respectively)	12	12
Common stock, \$0.01 par value, authorized 250,000,000 shares, issued and outstanding 79,695,624 and 77,769,677, respectively	796,956	777,697
Capital in excess of par	65,832,389	64,488,152
Deficit accumulated during the development stage	(62,696,264 )	(60,748,435 )

Total Stockholders' Equity	3,933,130	4,517,463
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 8,271,697	\$8,596,889

See Notes to Condensed Consolidated Financial Statements

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY  
(A DEVELOPMENT STAGE COMPANY)  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(unaudited)

	Three months ended September 30,		Cumulative Amounts from Inception
	2011	2010	
Revenue	\$ -	\$ -	\$ 1,590,000
Operating expenses:			
General and administrative	645,959	668,884	29,536,492
Research and development	634,186	1,536,507	19,303,544
Total operating expenses	1,280,145	2,205,391	48,840,036
Loss from operations	(1,280,145 )	(2,205,391 )	(47,250,036 )
Other non-operating income (expense)			
Grant income	-	-	244,479
Fair value – warrant liability	271,703	319,476	8,129,370
Sale of state income tax loss – net	-	-	586,442
Other noncash (expense) income, net	-	(111,265 )	205,390
Loss on extinguishment of debt	-	-	(361,877 )
Write-off of patents abandoned	-	-	(1,588,087 )
Amortization of debt discount and financing costs	-	-	(11,227,870 )
Interest expense – convertible notes	-	-	(2,027,930 )
Interest (expense) income - net	(30,541 )	(18,296 )	380,515
Net loss	(1,038,983 )	(2,015,476 )	(52,909,604 )
Preferred dividends	(908,846 )	(1,006,406 )	(9,786,660 )
Loss applicable to common shares	\$ (1,947,829 )	\$ (3,021,882 )	\$ (62,696,264 )
Basic and diluted net loss per common share	\$ (0.02 )	\$ (0.05 )	
Basic and diluted weighted-average number of common shares outstanding	79,289,756	56,930,150	



See Notes to Condensed Consolidated Financial Statements

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY  
(A DEVELOPMENT STAGE COMPANY)  
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2011  
(unaudited)

	Preferred Stock		Common Stock		Capital in Excess of Par Value	Deficit Accumulated During the Development Stage	Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance at June 30, 2011	4,890	\$49	77,769,677	\$777,697	\$ 64,488,152	\$(60,748,435)	\$ 4,517,463
Issuance of common stock at prices ranging from \$0.27 per share to \$0.31 per share	-	-	1,730,211	17,302	464,066	-	481,368
Commissions and other fees related to the issuance of common stock	-	-	-	-	(30,271 )	-	(30,271 )
Preferred stock converted into common stock	(45 )		155,556	1,555			