APPIPHANY TECHNOLOGIES HOLDINGS CORP
Form 10-Q
December 21, 2015

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

FORM 10-Q

xQUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended October 31, 2015

oTRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT
For the transition period from ______ to _______

Commission File Number 000-54524

APPIPHANY TECHNOLOGIES HOLDINGS CORP.
(Name of small business issuer in its charter)

Nevada	30-0678378
(State of incorporation)	(I.R.S. Employer Identification No.)

10 West Broadway, Suite 700
Salt Lake City UT 84101
(Address of principal executive offices)
(385) 212-3305
(Registrant's telephone number)

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.
xYes o 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). oYes x No (Not required)

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 of the Exchange Act.

Large Accelerated Filer	o	Accelerated Filer	o
Non-Accelerated Filer	o	Smaller Reporting Company	x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). oYes xNo

As of December 21, 2015, there were 12,498,502 shares of the registrant's $0.001 par value common stock issued and outstanding.

APPIPHANY TECHNOLOGIES HOLDINGS CORP.*

TABLE OF CONTENTS

Special Note Regarding Forward-Looking Statements

Information included in this Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”). This information may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Appiphany Technologies Holdings Corp. (the “Company”), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” or “project” or the negative of these words or other variations on these words comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that these projections included in these forward-looking statements will come to pass. Actual results of the Company could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company has no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

*Please note that throughout this Quarterly Report, except as otherwise indicated by the context, references in this report to “Company”, “APHD”, “we”, “us” and “our” are references to Appiphany Technologies Holdings Corp.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

APPIPHANY TECHNOLOGIES HOLDINGS CORP.

Consolidated Financial Statements

For the Six Months Ended October 31, 2015

APPIPHANY TECHNOLOGIES HOLDINGS CORP.
Consolidated Balance Sheets
(Expressed in US dollars)
(unaudited)

	October 31, 2015 $	April 30, 2015 $
ASSETS		
Current Assets		
Prepaid expense	–	126
Total Assets	–	126
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	159,756	124,655
Due to related parties	42,248	28,284
Convertible debenture, net of unamortized discount of $nil and $6,982, respectively	82,677	75,883
Derivative liability	471,073	357,985
Total Liabilities	755,754	586,807
STOCKHOLDERS' DEFICIT		
Preferred stock Authorized: 10,000,000 preferred shares with a par value of $0.001 per share Issued and outstanding: nil preferred shares	–	–
Common stock Authorized: 250,000,000 common shares with a par value of $0.001 per share Issued and outstanding: 1,948,502 common shares	1,949	1,857
Additional paid-in capital	1,077,777	1,077,315
Accumulated deficit	(1,835,480)	(1,665,853)
Total Stockholders' Deficit	(755,754)	(586,681)
Total Liabilities and Stockholders' Deficit	–	126

(The accompanying notes are an integral part of these consolidated financial statements)

3

APPIPHANY TECHNOLOGIES HOLDINGS CORP.
Consolidated Statements of Operations
(Expressed in US dollars)
(unaudited)

	For the three months ended October 31, 2015 $	For the three months ended October 31, 2014 $	For the six months ended October 31, 2015 $	For the six months ended October 31, 2014 $
Revenues	–	30	–	258
Operating Expenses				
Consulting fees	–	–	–	1,750
General and administrative	2,104	41,544	3,587	46,792
Foreign exchange	(112)	(3,889)	(3,256)	(4,164
Management fees	–	109,565	–	124,565
Professional fees	29,995	3,031	42,294	14,267
Total Operating Expenses	31,987	150,251	42,625	183,210
Net loss before other income (expense)	(31,987)	(150,221)	(42,625)	(182,952
Other Expense				
Accretion of discount on convertible notes payable	–	(32,099)	(6,982)	(37,060
Financing cost	–	(1,331)	(126)	(2,348
Interest expense	(3,228)	(28,492)	(6,459)	(31,515
Loss on change in fair value of derivative liability	(313,035)	(69,886)	(113,435)	(121,148
Total Other Expense	(316,263)	(131,808)	(127,002)	(192,071
Net Loss	(348,250)	(282,029)	(169,627)	(375,023
Net Loss Per Share, Basic and Diluted	(0.18)	(0.89)	(0.09)	(1.65
Weighted Average Shares Outstanding – Basic and Diluted	1,913,566	315,610	1,884,927	227,550

(The accompanying notes are an integral part of these consolidated financial statements)

4

APPIPHANY TECHNOLOGIES HOLDINGS CORP.
Consolidated Statements of Cashflow
(Expressed in US dollars)
(unaudited)

	For the six months ended October 31, 2015 $	For the six months ended October 31, 2014 $
Operating Activities		
Net loss	(169,627)	(375,023)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Accretion of discount on convertible debenture	6,982	37,060
Financing costs	126	2,348
Loss on change in fair value of derivative liability	113,435	121,148
Shares issued for default penalty	–	25,750
Shares issued for management fees	–	97,500
Changes in operating assets and liabilities:		
Accounts receivable	–	(286)
Accounts payable and accrued liabilities	35,120	16,094
Accrued compensation	–	27,065
Net Cash Used In Operating Activities	(13,964)	(48,344)
Financing Activities		
Proceeds from convertible debenture	–	73,000
Proceeds from related party	13,964	–
Repayment to related party	–	(29,850)
Net Cash Provided by Financing Activities	13,964	43,150
Decrease in Cash	–	(5,194)
Cash – Beginning of Period	–	5,202
Cash – End of Period	–	8
Supplemental Disclosures		

Interest paid	–	–
Income tax paid	–	–
Non-cash investing and financing activities		
Common stock issued for conversion of convertible debentures	554	186,839

(The accompanying notes are an integral part of these consolidated financial statements)

APPPHANY TECHNOLOGIES HOLDINGS CORP.
Notes to the Consolidated Financial Statements

1. Nature of Operations and Continuance of Business

Appiphany Technologies Holdings Corp. ("the Company") was incorporated in the State of Nevada on February 24, 2010. On May 1, 2010, the Company entered into a share exchange agreement with Appiphany Technologies Corporation ("ATC") to acquire all of the outstanding common shares of ATC in exchange for 1,500,000 common shares of the Company. As the acquisition involved companies under common control, the acquisition was accounted for in accordance with ASC 805-50, Business Combinations – Related Issues, and the consolidated financial statements reflect the accounts of the Company and ATC since inception.

Going Concern
These consolidated financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. As at October 31, 2015, the Company has not recognized significant revenue, has a working capital deficit of $755,754, and has an accumulated deficit of $1,835,480. The continuation of the Company as a going concern is dependent upon the continued financial support from its management, and its ability to identify future investment opportunities and obtain the necessary debt or equity financing, and generating profitable operations from the Company's future operations. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These consolidated 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 Principles of Consolidation
The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP") and are expressed in U.S. dollars. The consolidated financial statements are comprised of the records of the Company and its wholly owned subsidiary, Appiphany Technologies Corp., a company incorporated in British Columbia, Canada. All intercompany transactions have been eliminated on consolidation. The Company's fiscal year end is April 30.

b) Use of Estimates
The preparation of financial statements in conformity with US GAAP 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 the fair value and estimated useful life of long-lived assets, fair value of convertible debentures, derivative liabilities, stock-based compensation, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

c) Interim Condensed Consolidated Financial Statements
These interim condensed consolidated financial statements have been prepared on the same basis as the annual financial statements and in the opinion of management, reflect all adjustments, which include only normal recurring

adjustments, necessary to present fairly the Company’s financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

d) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. As at October 31 and April 30, 2015, the Company had no items representing cash equivalents.

e) Basic and Diluted Net Income (Loss) per Share

The Company computes net income (loss) per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, 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 EPS excludes all dilutive potential shares if their effect is anti dilutive. As of October 31, 2015, the Company had 62,592,557 potentially dilutive common shares outstanding.

f) Financial Instruments

Pursuant to ASC 820, Fair Value Measurements and Disclosures, an entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The Company's financial instruments consist principally of accounts payable and accrued liabilities, amounts due to related parties, and convertible debentures. Pursuant to ASC 820, the fair value of our cash is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The fair value of our derivative liability is determined to be a "Level 2" input. We believe that the recorded values of all of our other financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

g) Comprehensive Loss

ASC 220, Comprehensive Income, establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As at October 31 and April 30, 2015, the Company has no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

h) Revenue Recognition

The Company recognizes revenue from online advertising. Revenue will be recognized only when the price is fixed and determinable, persuasive evidence of an arrangement exists, the service has been provided, and collectability is assured. The Company is not exposed to any credit risks as amounts are prepaid prior to performance of services.

i) Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718, Compensation – Stock Compensation and ASC 505, Equity Based Payments to Non-Employees, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires company to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option pricing model as its method of determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviours. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

j) Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

3. Related Party Transactions

a) During the six months ended October 31, 2015, the Company incurred $nil (2014 - $27,065) of management fees to the former President and Director of the Company.

b) During the six months ended October 31, 2015, the Company issued nil (2014 – 375,000) common shares with a fair value of $nil (2014 - $97,500) to the former President and Director of the Company.

c) As at October 31, 2015, the Company owed $42,248 (April 30, 2015 – $28,284), to the President and Director of the Company for financing of day-to-day expenditures incurred on behalf of the Company. The amount owing is unsecured, non-interest bearing, and due on demand.

4. Convertible Debentures

a) On December 17, 2013, the Company issued a convertible debenture to a non-related party for proceeds of $32,500. Under the terms of the debenture, the amount is unsecured, bears interest at 8% per annum, and is due on September 19, 2014. Interest on overdue principal after default accrues at an annual rate of 22%. After 180 days or June 15, 2014, the debenture is convertible into common shares of the Company at a conversion price equal to 51% of the lowest two trading prices of the Company's common shares for the past 30 trading days prior to notice of conversion. On September 19, 2014, as the amount of the convertible debenture had not been repaid or converted by maturity, the Company incurred a penalty of 50% of the principal balance owing resulting in the Company recording $16,250 which has been included in interest expense.

Due to this provision, the embedded conversion option qualifies for derivative accounting under ASC 815-15 "Derivatives and Hedging". The fair value of the derivative liability resulted in a full discount to the note payable of $32,500. The carrying value of the convertible note will be accreted over the term of the convertible note up to the face value of $32,500. During the year ended April 30, 2015, the Company issued 595,667 shares of common stock for the conversion of $39,130. As at October 31, 2015, the carrying value of the note was $9,620 (April 30, 2015 - $9,620).

b) On May 21, 2014, the Company issued a convertible debenture, to a non-related party, for proceeds of $37,500. Under the terms of the debenture, the amount is unsecured, bears interest at 8% per annum, and is due on February 23, 2015. After 180 days or November 17, 2014, the debenture is convertible into common shares of the Company at a conversion price equal to 51% of the lowest two trading prices of the Company's common shares for the past 30 trading days prior to notice of conversion.

Due to this provision, the embedded conversion option qualifies for derivative accounting under ASC 815-15 "Derivatives and Hedging". The fair value of the derivative liability resulted in a full discount to the note payable of $37,500. The carrying value of the convertible note will be accreted over the term of the convertible note up to the face value of $37,500. During the year ended April 30, 2015, the Company issued 360,000 shares of common stock for the conversion of $2,920. As at October 31, 2015, the carrying value of the note was $34,580 (April 30, 2015 - $34,580).

c) On May 23, 2014, the Company issued a convertible debenture, to a non-related party, for proceeds of $40,000. Under the terms of the debenture, the amount is unsecured, bears interest at 8% per annum, and is due on May 23, 2015. After 180 days or November 19, 2014, the debenture is convertible into common shares of the Company at a conversion price equal to 55% of the lowest trading price of the Company's common shares for the past 15 trading days prior to notice of conversion.

Due to this provision, the embedded conversion option qualifies for derivative accounting under ASC 815-15 "Derivatives and Hedging". The fair value of the derivative liability resulted in a discount to the note payable of $25,215. The carrying value of the convertible note will be accreted over the term of the convertible note up to the face value of $40,000. During the period ended October 31, 2015, the Company recorded accretion expense of $6,982 on the convertible debenture. During the year ended April 30, 2015, the Company issued 127,655 shares of common stock for the conversion of $1,335 of the note and $69 of accrued interest. During the six months ended October 31, 2015, the Company issued 91,831 shares of common stock for the conversion of $188 of the note and $19 of accrued interest. As at October 31, 2015, the carrying value of the note was $38,477 (April 30, 2015 - $31,683).

5. Derivative Liability

The Company records the fair value of the of the conversion price of the convertible debentures in accordance with ASC 815, Derivatives and Hedging. The fair value of the derivative was calculated using a Black-Scholes model. The fair value of the derivative liability is revalued on each balance sheet date with corresponding gains and losses recorded in the consolidated statement of operations. During the six months ended October 31, 2015, the Company recorded a loss on the change in fair value of derivative liability of $113,435 (2014 – $121,148). As at October 31, 2015, the Company recorded a derivative liability of $471,073 (April 30, 2015 - $357,985).

The following inputs and assumptions were used to value the convertible debentures outstanding during the periods ended October 31 and April 30, 2015:

	Expected Volatility		Risk-free Interest Rate		Expected Dividend Yield		Expected Life (in years)
December 17, 2013 convertible debenture:							
As at April 30, 2015 (mark to market)	747	%	0.24	%	0	%	0.85

As at October 31, 2015 (mark to market)	379	%	0.08	%	0	%	0.34
May 21, 2014 convertible debenture:							
As at April 30, 2015 (mark to market)	520	%	0.24	%	0	%	0.82
As at October 31, 2015 (mark to market)	379	%	0.08	%	0	%	0.32
May 23, 2014 convertible debenture:							
As at April 30, 2015 (mark to market)	576	%	0.00	%	0	%	0.06
As at September 4, 2015 (date of conversion)	556	%	0.23	%	0	%	0.72
As at October 31, 2015 (mark to market)	440	%	0.23	%	0	%	0.56

9

A summary of the activity of the derivative liability is shown below:

	$
Balance, April 30, 2015	357,985
Conversion of debt	(347)
Mark to market adjustment at October 31, 2015	113,435
Balance, October 31, 2015	471,073

6. Subsequent Events

On November 15, 2015 we issued 10,000,000 shares of common stock to our CEO for services rendered.

On December 7, 2015 we issued 550,000 shares of common stock to the holder of one of our convertible notes in exchange for relief of $2,805 worth of debt.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION OR PLAN OF OPERATION

FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) contains forward-looking statements that involve known and unknown risks, significant uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed, or implied, by those forward-looking statements. You can identify forward-looking statements by the use of the words may, will, should, could, expects, plans, anticipates, believes, estimates, predicts, intends, potential, proposed, or continue or the negative of those terms. These statements are only predictions. In evaluating these statements, you should consider various factors which may cause our actual results to differ materially from any forward-looking statements. Although we believe that the exceptions reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

RESULTS OF OPERATIONS

Working Capital

	October 31, 2015 $	April 30, 2015 $
Current Assets	-	126
Current Liabilities	755,754	586,807
Working Capital (Deficit)	(755,754)	(586,681)

Cash Flows

	October 31, 2015	October 31, 2014

	$	$
Cash Flows used in Operating Activities	(13,964)	(48,344)
Cash Flows from (used in) Investing Activities	-	-
Cash Flows from Financing Activities	13,964	43,150
Net increase (decrease) in Cash During Period	-	(5,194)

10

Operating Revenues

For the six months ended October 31, 2015, the Company earned revenues of $nil compared with $258 for the six months ended October 31, 2014.

Operating Expenses and Net Income (Loss)

For the three months ended October 31, 2015, the Company incurred operating expenses of $31,987 compared with $150,251 for the three months ended October 31, 2014. The decrease of $118,264 is due to a decrease in management fees of $109,565 relating to the Company paying compensation to its President and Director during the prior year, decrease of $39,440 in general and administrative costs for day-to-day operations compared to the prior year, and offset by an increase of $26,964 in professional fees for increases in audit and legal fees.

For the six months ended October 31, 2015, the Company incurred operating expenses of $42,625 compared with $183,210 for the six months ended October 31, 2014. The decrease of $140,585 is due to a decrease in management fees of $124,565 relating to the Company paying compensation to its President and Director during the prior year, decrease of $43,205 in general and administrative costs for day-to-day operations compared to the prior year, and offset by an increase of $28,027 in professional fees for increases in audit and legal fees.

For the six months ended October 31, 2015, the Company realized a net loss of $169,627 compared with a net loss of $375,023 for the six months ended October 31, 2014. In addition to the decrease in operating expenses, the Company recorded a loss on the change in fair value of derivative liabilities of $113,435, accretion of the discount on convertible debentures of $6,982, interest expense of $6,459 relating to the Company's convertible debentures, and financing cost of $126 as the Company fully amortized the deferred financing costs during the current period. In the prior period, the Company recorded a loss on change in fair value of derivative liabilities of $121,148, accretion of the discount on convertible debentures of $37,060, interest expense of $31,515, and finance cost of $2,348.

During the six months ended October 31, 2015, the Company recorded a loss per share of $0.09 compared with a loss per share of $1.65 for the six months ended October 31, 2014.

Liquidity and Capital Resources

As at October 31, 2015, the Company had cash and total assets of $nil compared with cash of $nil and total assets of $126 as at April 30, 2015. The decrease in total assets was attributed to amortization of prepaid expenses.

As at October 31, 2015, the Company had total liabilities of $755,754 compared with total liabilities of $586,807 at April 30, 2015. The increase in total liabilities was attributed to an increase in derivative liabilities of $113,088 related to the fair value of the beneficial conversion feature of the Company's issued convertible debentures, an increase of $35,101 in accounts payable and accrued liabilities due to the inability of the Company to repay outstanding obligations as they became due, and an increase of $13,964 of amounts due to related parties for amounts that were financed by the President and Director of the Company for day-to-day operating costs.

As at October 31, 2015, the Company had a working capital deficit of $755,754 compared with a working capital deficit of $586,681 as at April 30, 2015. The increase in working capital deficit was due to an increase in total liabilities from the fair value of the beneficial conversion feature for the Company's issued convertible debentures and due to a lack of sufficient cash flow to repay outstanding obligations as they became due.

Cash Flow from Operating Activities

During the period ended October 31, 2015, the Company used $13,964 of cash for operating activities compared to the use of $48,344 of cash for operating activities during the period ended October 31, 2014. The decrease in net cash used for operating activities was due to the fact that the Company strictly monitored operational costs due to lack of cash.

Cash Flow from Financing Activities

During the period ended October 31, 2015, the Company received $13,964 of cash from financing activities compared to $43,150 for the period ended October 31, 2014. During the current period, the Company received $13,964 in proceeds from a related party for amounts paid on behalf of the Company compared to $73,000 received for proceeds from convertible debentures offset by repayments of $29,850 to related parties in the prior period.

Going Concern

We have not attained profitable operations and are dependent upon obtaining financing to pursue any extensive acquisitions and activities. For these reasons, our auditors stated in their report on our audited financial statements that they have substantial doubt that we will be able to continue as a going concern without further financing.

Future Financings

We will continue to rely on equity sales of our Common Shares in order to continue to fund our business operations. Issuances of additional shares will result in dilution to existing stockholders. There is no assurance that we will achieve any additional sales of the equity securities or arrange for debt or other financing to fund our operations and other activities.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Critical Accounting Policies

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A complete summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Recently Issued Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by our company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management carried out an evaluation under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act"). Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures were not effective as of July 31, 2015, due to the material weaknesses resulting from the Board of Directors not currently having any independent members and no director qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K, and controls were not designed and in place to ensure that all disclosures required were originally addressed in our financial statements. Please refer to our Annual Report on Form 10-K as filed with the SEC on August 19, 2015, for a complete discussion relating to the foregoing evaluation of Disclosures and Procedures.

Changes in Internal Control over Financial Reporting

Our management has also evaluated our internal control over financial reporting, and there have been no significant changes in our internal controls or in other factors that could significantly affect those controls subsequent to the date of our last evaluation.

The Company is not required by current SEC rules to include, and does not include, an auditor's attestation report. The Company's registered public accounting firm has not attested to Management's reports on the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which our director, officer or any affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

ITEM 1A. RISK FACTORS.

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 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

1. Quarterly Issuances:

Other than as previously disclosed, we did not issue any unregistered securities during the quarter.

2. Subsequent Issuances:

On November 15, 2015 we issued 10,000,000 shares of common stock to our CEO for services rendered. On December 7, 2015 we issued 550,000 shares of common stock to the holder of one of our convertible notes in exchange for relief of $2,805 worth of debt.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not Applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit	Filing
3.01	Articles of Incorporation	Filed with the SEC on June 11, 2010 as part of our Registration Statement on Form S-1.
3.02	Bylaws	Filed with the SEC on June 11, 2010 as part of our Registration Statement on Form S-1.
4.01	2012 Equity Incentive Plan	Filed with the SEC on November 9, 2012 as part of our Registration Statement on Form S-8.
10.01	Share Exchange Agreement between the Company and Appiphany Technologies Corp. dated May 1, 2010	Filed with the SEC on June 11, 2010 as part of our Registration Statement on Form S-1.
10.02	Contract License Agreement between Appiphany Technologies Corp. and Apple, Inc. dated September 25, 2009	Filed with the SEC on June 11, 2010 as part of our Registration Statement on Form S-1.
10.03	Promissory Note between the Company and Scott Osborne dated July 22, 2010	Filed with the SEC on November 4, 2010 as part of our Amended Registration Statement on Form S-1/A.
10.04	Promissory Note between the Company and Fraser Tolmie dated October 28, 2010	Filed with the SEC on November 4, 2010 as part of our Amended Registration Statement on Form S-1/A.
10.05	Promissory Note between the Company and Darren Wright dated October 28, 2010	Filed with the SEC on November 4, 2010 as part of our Amended Registration Statement on Form S-1/A.
10.06	Promissory Note between the Company and Joshua Kostyniuk dated October 28, 2010	Filed with the SEC on November 4, 2010 as part of our Amended Registration Statement on Form S-1/A.
10.07	Consulting Agreement between the Company and Voltaire Gomez dated September 23, 2010	Filed with the SEC on November 4, 2010 as part of our Amended Registration Statement on Form S-1/A.
10.08	Consulting Agreement between the Company and Garth Roy dated January 16, 2012	Filed with the SEC on January 18, 2012 as part of our Current Report on Form 8-K.
10.09	Consulting Agreement between the Company and Brian D. Jones dated November 9, 2012	Filed with the SEC on November 19, 2012 as part of our Current Report on Form 8-K.
10.10	Consulting Agreement between the Company and Jon Trump dated November 27, 2012	Filed with the SEC on November 29, 2012 as part of our Current Report on Form 8-K.
10.11	Consulting Agreement between the Company and Jon Trump dated March 1, 2013	Filed with the SEC on March 5, 2013 as part of our Current Report on Form 8-K.
16.01		

	Letter from M&K CPAS, PLLC dated September 19, 2011	Filed with the SEC on September 19, 2011 as part of our Current Report on Form 8-K.
21.01	List of Subsidiaries	Filed with the SEC on November 4, 2010 as part of our Amended Registration Statement on Form S-1/A.
31.01	Certification of Principal Executive Officer Pursuant to Rule 13a-14	Filed herewith.
31.02	Certification of Principal Financial Officer Pursuant to Rule 13a-14	Filed herewith.
32.01	CEO and CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act	Filed herewith.
101.INS*	XBRL Instance Document	Filed herewith.
101.SCH*	XBRL Taxonomy Extension Schema Document	Filed herewith.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith.
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document	Filed herewith.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith.

*Pursuant to Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	APPIPHANY TECHNOLOGIES HOLDINGS CORP.
Dated: December 21, 2015	/s/ Rob Sargent By: Rob Sargent Its: President, Principal Executive Officer & Principal Financial Officer (Principal Accounting Officer)

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

Dated: December 21, 2015	/s/ Rob Sargent By: Rob Sargent Its: Director