APPIPHANY TECHNOLOGIES HOLDINGS CORP
Form 10-Q
March 24, 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

X . **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended January 31, 2015

. **TRANSITION 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.)

P.O. Box 21101 Orchard Park
Kelowna, B.C.
Canada V1Y 9N8
(Address of principal executive offices)

(205) 864-5377
(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. Yes X . 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 X . 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 of the Exchange Act.

Large accelerated filer

.

Accelerated filer

.

Non-accelerated filer

. (Do not check if a smaller reporting company)

Smaller reporting company

X .

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

As of March 23, 2015, there were 1,610,004 shares of the registrant s $0.001 par value common stock issued and outstanding.

APPIPHANY TECHNOLOGIES HOLDINGS CORP.

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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, expe anticipate, estimate, believe, intend, or project or the negative of these words or other variations on these wo 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.

Condensed Consolidated Financial Statements

For the Nine Months Ended January 31, 2015

APPIPHANY TECHNOLOGIES HOLDINGS CORP.

Condensed Consolidated Balance Sheets

(Expressed in US dollars)

	January 31, 2015 $ (unaudited)	April 30, 2014 $
ASSETS		
Current Assets		
Cash		5,202
Accounts receivable	433	91
Prepaid expense	821	
Total Assets	1,254	5,293
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	84,769	77,471
Accrued compensation	9,000	42,900
Due to related parties	6,291	47,696
Convertible debenture, net of unamortized discount of $27,328 and $4,560, respectively	56,102	58,840
Derivative liability	321,562	47,706
Total Liabilities	477,724	274,613
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: 1,000,000,000 common shares with a par value of $0.001 per share Issued and outstanding: 1,535,004 and 111,145 common shares, respectively	1,535	111
Additional paid-in capital	1,074,483	598,557

Accumulated deficit	(1,552,488)	(867,988)
Total Stockholders Deficit	(476,470)	(269,320)
Total Liabilities and Stockholders Deficit	1,254	5,293

APPIPHANY TECHNOLOGIES HOLDINGS CORP.

Condensed Consolidated Statements of Operations

(Expressed in US dollars)

(unaudited)

	For the three months ended January 31, 2015	For the three months ended January 31, 2014	For the nine months ended January 31, 2015	For the nine months ended January 31, 2014
	$	$	$	$
Revenues		122	258	491
		122	258	491
Operating Expenses				
Consulting fees			1,750	22,686
Depreciation		67		255
General and administrative	(3,719)	(8,471)	38,909	(7,688)
Management fees		15,000	124,565	63,000
Professional fees	3,811	6,100	18,078	24,190
Total Operating Expenses	92	12,696	183,302	102,443
Net loss before other expenses	(92)	(12,574)	(183,044)	(101,952)
Other Expenses				
Accretion of discount on convertible notes payable	(35,387)	(31,726)	(72,447)	(31,726)
Financing cost	(1,331)	(2,500)	(3,679)	(5,000)
Interest expense	(1,624)	(71,135)	(33,139)	(73,044)
Gain (loss) on change in fair value of derivative liability	(271,043)	44,953	(392,191)	44,953
Loss on settlement of related party debt				(240,000)
Total Other Expenses	(309,385)	(60,408)	(501,456)	(304,817)

Net Loss	(309,477)	(72,982)	(684,500)	(406,769)
Net Loss Per Share Basic and Diluted	(0.27)	(6.79)	(1.28)	(5.65)
Weighted Average Shares Outstanding Basic and Diluted	1,145,931	10,749	533,504	72,012

APPIPHANY TECHNOLOGIES HOLDINGS CORP.

Condensed Consolidated Statements of Cashflow

(Expressed in US dollars)

(unaudited)

	For the nine months ended January 31, 2015 $	For the nine months ended January 31, 2014 $
Operating Activities		
Net loss for the period	(684,500)	(406,769)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Accretion of discount on convertible debt payable	72,447	31,726
Depreciation		255
Effect on foreign exchange		(8,979)
Expenses paid by related party		370
Financing costs	3,679	
Interest expense or origination of convertible debenture		70,399
Loss (gain) on change in fair value of derivative liability	392,191	(44,953)
Loss on settlement of related party debt		240,000
Shares issued for default penalty	25,750	
Shares issued for management fees	97,500	
Changes in operating assets and liabilities:		
Accounts receivable	(342)	
Prepaid expense		22,686
Accounts payable and accrued liabilities	11,543	41,264
Accrued compensation	27,065	
Net Cash Used In Operating Activities	(54,667)	(54,001)
Financing Activities		
Proceeds from convertible debenture	73,000	84,000
Proceeds from related party payable		540
Repayment on related party payable	(23,535)	(2,799)

Net Cash Provided by Financing Activities	49,465	81,741
Change in Cash	(5,202)	27,740
Cash, Beginning of Period	5,202	112
Cash, End of Period		27,852
Supplemental Disclosures		
Interest paid		
Income tax paid		
Non-cash investing and financing activities		
Common stock issued for conversion of convertible debt	301,015	
Common stock issued to settle debt		48,000
Amount due to related party forgiven included in additional paid-in capital	17,870	

APPIPHANY TECHNOLOGIES HOLDINGS CORP.

Notes to the Condensed Consolidated Financial Statements

(Expressed in US dollars)

(unaudited)

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 January 31, 2015, the Company has not recognized significant revenue, has a working capital deficit of $476,470, and has an accumulated deficit of $1,552,488. 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 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

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 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, 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 January 31, 2015 and April 30, 2014, the Company had no items representing cash equivalents.

e)

Basic and Diluted Net Loss per Share

The Company computes net 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 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 January 31, 2015, the Company had 1,229,245,000 (6,146,225 post-split) 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 cash, amounts receivable, accounts payable and accrued liabilities, accrued compensation, and amounts due to related parties. 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 January 31, 2015 and April 30, 2014, 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)

Reclassification

Certain balances in previously issued financial statements have been reclassified to be consistent with the current period presentation.

j)

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.

k)

Recent Accounting Pronouncements

The Company has limited operations and is considered to be in the development stage. For the period ended January 31, 2015, the Company has elected to early adopt Accounting Standards Update No. 2014-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements. The adoption of this ASU allows the Company to remove the inception to date information and all references to exploration stage.

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 nine months ended January 31, 2015, the Company incurred $27,065 (2014 - $45,000) of management fees to the former President and Director of the Company. During the nine months ended January 31, 2015, the amount of $60,965 owing for accrued management fees was forgiven and included in additional paid-in capital. As at January 31, 2015, the Company owed $nil (April 30, 2014 - $33,900) in accrued compensation.

b)

During the nine months ended January 31, 2015, the Company incurred $nil (2014 $18,000) of management fees to the former Secretary and Treasurer of the Company. As at January 31, 2015, the Company owed $9,000 (April 30, 2014 - $9,000) in accrued compensation.

c)

During the nine months ended January 31, 2015, the Company issued 75,000,000 (375,000 post-split) common shares (2014 nil) with a fair value of $97,500 (2014 - $nil) to the President and Director of the Company. Refer to Note 4(q).

d)

During the nine months ended January 31, 2015, the amount of $17,870 due to the former President and Director of the Company for financing of day-to-day expenditures incurred on behalf of the Company was forgiven and included in additional paid-in capital. As at January 31, 2015, the Company owed $nil (April 30, 2014 - $47,696) to the former President and Director of the Company. The amounts owing are unsecured, non-interest bearing, and due on demand.

e)

As at January 31, 2015, the Company owed $6,291 (CND$8,000) (April30, 2014 - $nil), to the President and Director of the Company for financing of day-to-day expenditures incurred on behalf of the Company. The amounts owing are unsecured, non-interest bearing, and due on demand.

f)

As at January 31, 2015, the Company owed $722 (April 30, 2014 - $548) of professional fees paid on its behalf by the former Secretary and Treasurer of the Company, which is included in accounts payable and accrued liabilities.

4.

Common Shares

a)

During the period ended January 31, 2015, the Company issued 14,633,800 (73,169 post-split) common shares upon the conversion of $11,900 of convertible notes payable and $2,185 of accrued interest payable as described in Note 5(a).

b)

During the period ended January 31, 2015, the Company issued 42,807,080 (214,035 post-split) common shares upon the conversion of $28,500 of convertible notes payable and $760 of accrued interest payable as described in Note 5(b).

c)

During the period ended January 31, 2015, the Company issued 70,799,976 (354,000 post-split) common shares upon the conversion of $38,685 of convertible notes payable as described in Note 5(c).

d)

During the period ended January 31, 2015, the Company issued 56,000,000 (280,000 post-split) common shares upon the conversion of $2,800 of convertible notes payable as described in Note 5(d).

e)

During the period ended January 31, 2015, the Company issued 25,530,909 (127,655 post-split) common shares upon the conversion of $1,335 of convertible notes payable and $69 of accrued interest payable as described in Note 5(e).

f)

During the period ended January 31, 2015, the Company issued 75,000,000 (375,000 post-split) common shares with a fair value of $97,500 to the President and Director of the Company. Fair value was based on the closing market price on the date of Board approval.

5.

Convertible Debentures

a)

On May 21, 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 owing is unsecured, bears interest at 8% per annum, and is due on February 28, 2014. Interest on overdue principal after default accrues at an annual rate of 22%. After 180 days or November 16, 2013, 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 $32,500. The carrying value of the convertible note will be accreted over the term of the convertible note up to the value of $32,500. During the period ended January 31, 2015, the Company issued 73,169 shares of common stock for the conversion of $11,900 of the note and $2,185 of accrued interest. As at January 31, 2015, the carrying value of the note was $nil (April 30, 2014 - $11,900).

b)

On September 3, 2013, the Company issued a convertible debenture, to a non-related party, for proceeds of $19,000. Under the terms of the debenture, the amount is unsecured, bears interest at 8% per annum, and is due on June 5, 2014. Interest on overdue principal after default accrues at an annual rate of 22%. After 180 days or March 2, 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 June 5, 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 $9,500 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 $19,000. The carrying value of the convertible note will be accreted over the term of the convertible note up to the value of $19,000. During the period ended January 31, 2015, the Company issued 214,035 shares of common stock for the conversion of $28,500 of the note and $760 of accrued interest. As at January 31, 2015, the carrying value of the note was $nil (April 30, 2014 - $19,000).

c)

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 value of $32,500. During the period ended January 31, 2015, the Company issued 354,000 shares of common stock for the conversion of $38,685. As at January 31, 2015, the carrying value of the note was $10,065 (April 30, 2014 - $32,500).

d)

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 value of $37,500. During the period ended January 31, 2015, the Company issued 280,000 shares of common stock for the conversion of $2,800. As at January 31, 2015, the carrying value of the note was $34,700 (April 30, 2014 - $nil).

e)

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 value of $40,000. During the period ended January 31, 2015, the Company issued 127,655 shares of common stock for the conversion of $1,335 of the note and $69 of accrued interest. As at January 31, 2015, the carrying value of the note was $38,665 (April 30, 2014 - $nil).

6.

Subsequent Events

We have evaluated subsequent events through the date of issuance of the financial statements, and did not have any material recognizable subsequent events after January 31, 2015, excepting the following:

a)

On February 3, 2015, the Company effected a 1-for-200 reverse split of its issued and outstanding common shares. The impact of the reverse split decreased the number of issued and outstanding common shares from 306,948,995 to 1,535,004 common shares, and has been retroactively adjusted for all periods presented.

b)

On March 5, 2015, the Company issued 75,000 common shares upon the conversion of $195 of convertible notes payable.

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

	January 31, 2015	April 30, 2014
	$	$
Current Assets	1,254	5,293
Current Liabilities	477,724	274,613
Working Capital (Deficit)	(476,470)	(269,320)

Cash Flows

	Nine months ended January 31, 2015	Nine months ended January 31, 2014
	$	$
Cash Flows used in Operating Activities	(54,667)	(54,001)
Cash Flows from (used in) Investing Activities	-	-
Cash Flows from (used in) Financing Activities	49,465	81,741
Net increase (decrease) in Cash During Period	(5,202)	27,740

Operating Revenues

For the nine months ended January 31, 2015, the Company earned revenues of $258 compared with $491 for the nine months ended January 31, 2014.

Operating Expenses and Net Loss

For the nine months ended January 31, 2015, the Company incurred operating expenses of $183,302 compared with $102,443 for the nine months ended January 31, 2014. The increase of $80,859 is due to an increase in management fees of $61,565 relating to the fair value of 75,000,000 common shares issued to the new President and Director with a fair value of $97,500 less management fees that were paid to the former President and Director during the prior year which was stopped for the current year. Furthermore, there was an increase of $46,597 in general and administrative expenses relating to an increase in day-to-day operations compared to prior year. The increases were offset by a decrease of $20,936 in consulting fees as the Company used less consultants during the current period compared with the prior period.

For the nine months ended January 31, 2015, the Company had a net loss of $684,500 and loss per share of $1.28 compared with a net loss of $406,769 and a loss per share of $5.65 for the nine months ended January 31, 2014. In addition to the increase in operating expenses, the Company recorded a loss on the change in fair value of the derivative liability of $392,191, accretion and interest expense of $105,586 relating to the Company s convertible debentures, and financing cost of $3,679. In the prior period, the Company recorded a loss on settlement of debt of $240,000, accretion and interest expense of $104,770, financing cost of $5,000 and a gain on change in fair value of derivative liability of $44,953.

Liquidity and Capital Resources

As at January 31, 2015, the Company had cash of $nil and total assets of $1,254 compared with cash of $5,202 and total assets of $5,293 as at April 30, 2014. The decrease in total assets was attributed to use of cash for operating expenses during the period.

As at January 31, 2015, the Company had total liabilities of $477,724 compared with total liabilities of $274,613 at April 30, 2014. The increase in total liabilities was attributed to an increase in derivative liability of $273,856 due to an increase in the number of common shares for potential conversion of outstanding debentures, and $7,298 of accounts payable and accrued liabilities due to the lack of sufficient cash flow to repay outstanding obligations as they became due. The increases were offset by a decrease in accrued compensation of $33,900 and amounts due to related party of $41,405 for forgiveness of amounts due to the former President and Director of the Company.

As at January 31, 2015, the Company had a working capital deficit of $476,470 compared with a working capital deficit of $269,320 as at April 30, 2014. The increase in working capital deficit was due to an increase in total liabilities due to derivative liabilities relating to conversion features of convertible debentures.

Cash Flow from Operating Activities

During the period ended January 31, 2015, the Company used $54,667 of cash for operating activities compared to the use of $54,001 of cash for operating activities during the period ended January 31, 2014. The increase in net cash used for operating activities was due to the fact that the Company raised additional funding from issuance of convertible debentures which were used to satisfy outstanding operating obligations of the Company.

Cash Flow from Financing Activities

During the period ended January 31, 2015, the Company received $49,465 of cash from financing activities compared to $81,741 for the period ended January 31, 2014. During the current period, the Company received $73,000 in proceeds from the issuance of convertible debt offset by repayments of $23,535 to related parties. In the prior year, the Company received $84,000 from convertible debentures offset by net payments of $2,259 to related parties.

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 October 31, 2014, 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 11, 2014, 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:

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

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.

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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: March 23, 2015

/s/ Rob Sargent

By: Rob Sargent

Its: President & CEO

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: March 23, 2015

/s/ Rob Sargent

By: Rob Sargent

Its: Director