NEUTRA CORP.
Form 10-Q
September 14, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

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

For the quarterly period ended July 31, 2015

or

o **TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission File Number: **333-172417**

NEUTRA CORP.

(Exact name of registrant as specified in its charter)

Florida	**27-4505461**
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number)
8875 Hidden River Parkway, Suite 300 **Tampa, Florida**	**34243**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: **813-367-2041**

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 þ No o

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.

Yes þ No o

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 (Do not check is smaller reporting company)	o	Smaller reporting company	þ

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

Yes o No þ

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of September 8, 2015, 59,018,339 shares of common stock are issued and outstanding.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this report contain or may contain forward-looking statements. These statements, identified by words such as “plan”, “anticipate”, “believe”, “estimate”, “should”, “expect” and similar expressions include our expectations a objectives regarding our future financial position, operating results and business strategy. These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward - looking statements. These forward-looking statements were based on various factors and were derived utilizing numerous assumptions and other factors that could cause our actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to, our ability to secure suitable financing to continue with our existing business or change our business and conclude a merger, acquisition or combination with a business prospect, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors. Most of these factors are difficult to predict accurately and are generally beyond our control. You should consider the areas of risk described in connection with any forward-looking statements that may be made herein. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Readers should carefully review this report in its entirety, including but not limited to our financial statements and the notes thereto and the risks described in our Annual Report on Form 10-K for the fiscal year ended January 31, 2015. We advise you to carefully review the reports and documents we file from time to time with the Securities and Exchange Commission (the “SEC”), particularly our quarterly reports on Form 10-Q and our current reports on Form 8-K. Except for our ongoing obligations to disclose material information under the Federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events.

OTHER PERTINENT INFORMATION

When used in this report, the terms, “we,” the “Company,” “our,” and “us” refers to Neutra Corp., a Florida corporation.

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NEUTRA CORP.

CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

		July 31, 2015		January 31, 2015
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$	748	$	6,584
Total current assets		748		6,584
TOTAL ASSETS	**$**	**748**	**$**	**6,584**
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$	456,425	$	333,963
Current portion of convertible notes payable, net of discount of $0 and $0, respectively.		—		6,317
Current portion of accrued interest payable		—		310
Total current liabilities		456,425		340,590
Convertible notes payable, net of discount of $233,685 and $351,646, respectively.		10,949		45,976
Accrued interest payable		6,669		5,973
TOTAL LIABILITIES		474,043		392,539
COMMITMENTS AND CONTINGENCIES		—		—
STOCKHOLDERS' DEFICIT				
Common stock, $0.0001 par value; 100,000,000 shares authorized; 52,724,401 and 45,159,054 shares issued and outstanding at July 31, 2015 and January 31, 2015, respectively.		5,272		4,516
Additional paid-in capital		3,620,532		3,154,198
Common stock payable		60,000		60,000
Accumulated deficit		(4,159,099)		(3,604,669)
Total stockholders' deficit		(473,295)		(385,955)

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	**$**	**748**	**$**	**6,584**

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

NEUTRA CORP.

CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

	Six months ended July 31, 2015	Six months ended July 31, 2014	Three months ended July 31, 2015	Three months ended July 31, 2014
REVENUE	$ —	$ —	$ —	$ —
OPERATING EXPENSES				
General and administrative expenses	245,892	350,018	109,879	211,631
LOSS FROM OPERATIONS	(245,892)	(350,018)	(109,879)	(211,631)
OTHER INCOME (EXPENSE)				
Interest expense	(278,538)	(448,267)	(60,450)	(296,347)
Loss on Diamond Anvil acquisition	(30,000)	(90,000)	(25,000)	(20,000)
Total other income (expense)	(308,538)	(538,267)	(85,450)	(316,347)
NET LOSS	$ (554,430)	$ (888,285)	$ (195,329)	$ (527,978)
NET LOSS PER COMMON SHARE – Basic and diluted	$ (0.01)	$ (0.04)	$ (0.00)	$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – Basic and diluted	49,431,243	20,494,956	52,224,623	23,259,621

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

NEUTRA CORP.

STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

(UNAUDITED)

	Common Stock Shares	Common Stock Amount	Additional Paid In Capital	Common Stock Payable	Accumulated Deficit	Total Equity
BALANCE, January 31, 2015	**45,159,054**	**$ 4,516**	**$ 3,154,198**	**$ 60,000**	**$ (3,604,669)**	**$ (385,955)**
Shares issued for conversion of notes payable	7,565,347	756	318,740	—	—	319,496
Discount on issuance of convertible note payable	—	—	147,594	—	—	147,594
Net loss	—	—	—	—	(554,430)	(554,430)
BALANCE, July 31, 2015	**52,724,401**	**$ 5,272**	**$ 3,620,532**	**$ 60,000**	**$ (4,159,099)**	**$ (473,295)**

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

NEUTRA CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Six months ended July 31, 2015		2014	
CASH FLOW FROM OPERATING ACTIVITIES:				
Net loss	$	(554,430)	$	(888,285)
Adjustments to reconcile net loss to net cash used in operating activities:				
Amortization of discount on convertible note payable		265,555		398,403
Loss on acquisition of Diamond Anvil		30,000		90,000
Changes in operating assets and liabilities:				
Accounts payable and accrued liabilities		122,462		(1,857)
Accrued interest payable		12,983		49,864
NET CASH USED IN OPERATING ACTIVITIES		(123,430)		(351,875)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid to acquire Diamond Anvil		(30,000)		(90,000)
NET CASH USED IN INVESTING ACTIVITIES		(30,000)		(90,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from advances		147,594		426,265
NET CASH PROVIDED BY FINANCING ACTIVITIES		147,594		426,265
NET INCREASE (DECREASE) IN CASH		**(5,836)**		**(15,610)**
CASH, at the beginning of the period		**6,584**		**46,551**
CASH, at the end of the period	**$**	**748**	**$**	**30,941**
Supplemental Disclosures of Cash Flow Information:				
Cash paid during the period for:				
Interest	$	—	$	—
Taxes	$	—	$	—
Noncash investing and financing transaction:				
Refinancing of advances into convertible notes payable	$	147,594	$	395,662
Beneficial conversion discount on convertible notes payable	$	147,594	$	395,662
Conversion of convertible notes payable	$	319,496	$	313,329

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

NEUTRA CORP.

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

JULY 31, 2015

Note 1. General Organization and Business

Neutra Corp. was incorporated in Florida on January 11, 2011 to market and participate in the nutraceutical space by bringing products derived from all natural and organic origins. Along with participating in the actual nutraceutical products, we plan to research and bring new technology to the nutraceutical space. Nutraceutical natural medicine is an alternative system that focuses on natural remedies and the body’s vital ability to heal and maintain itself. One of the nutraceutical sub-markets is the new thriving medical cannabis market, in which we intend to participate. We intend to entrust the manufacturing to a nutraceutical contractor to private label all of our products and to sell them under our unique brand. We have established a fiscal year end of January 31.

We have not generated any revenues to date and our activities have been limited to developing our business plan, developing and launching our website, research and development of products and trial testing of our initial formulations. We will not have the necessary capital to fully develop or execute our business plan until we are able to secure additional financing. There can be no assurance that such financing will be available on suitable terms. We need to raise an additional $500,000 to implement our business plan over the next twelve months. Our current cash on hand is insufficient to commercialize our products or fully develop our business strategy. If we are unable to raise adequate additional funds or if those funds are not available on terms that are acceptable to us, we will not be able to execute our business plan and we may cease operations.

On February 11, 2014, the Company acquired Diamond Anvil Designs, a developer of smoke-free nutraceutical delivery systems. Diamond Anvil Designs is a startup vapor pen company that is designing an all-purpose vapor pen. Currently most vapor pens are manufactured only to be used for tobacco, so we believe this an underdeveloped area of the market.

We have no revenues, have incurred losses since inception, have been issued a going concern opinion from our auditors, and rely upon the sale of our securities and borrowing to fund operations.

Note 2. Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. For the six months ended July 31, 2015, the Company had a net loss of $554,430 and negative cash flow from operating activities of $123,430. As of July 31, 2015, the Company had negative working capital of $455,677. Management does not anticipate having positive cash flow from operations in the near future.

These factors raise a substantial doubt about the Company’s ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the possible inability of the Company to continue as a going concern.

The Company does not have the resources at this time to repay its credit and debt obligations, make any payments in the form of dividends to its shareholders or fully implement its business plan. Without additional capital, the Company will not be able to remain in business.

Management has plans to address the Company’s financial situation as follows:

In the near term, management plans to continue to focus on raising the funds necessary to implement the Company’s business plan. Management will continue to seek out debt financing to obtain the capital required to meet the Company’s financial obligations. There is no assurance, however, that lenders will continue to advance capital to the Company or that the new business operations will be profitable. The possibility of failure in obtaining additional funding and the potential inability to achieve profitability raise doubts about the Company’s ability to continue as a going concern.

In the long term, management believes that the Company’s projects and initiatives will be successful and will provide cash flow to the Company, which will be used to finance the Company’s future growth. However, there can be no assurances that the Company’s planned activities will be successful, or that the Company will ultimately attain profitability. The Company’s long-term viability depends on its ability to obtain adequate sources of debt or equity funding to meet current commitments and fund the continuation of its business operations, and the ability of the Company to achieve adequate profitability and cash flows from operations to sustain its operations.

Note 3. Summary of Significant Accounting Policies

Interim Financial Statements

The accompanying these unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, the consolidated financial statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included and such adjustments are of a normal recurring nature. These consolidated financial statements should be read in conjunction with the consolidated financial statements for the fiscal year ended January 31, 2015 and notes thereto and other pertinent information contained in our Form 10-K the Company has filed with the Securities and Exchange Commission (the "SEC").

The results of operations for the six-month period ended July 31, 2015 are not necessarily indicative of the results to be expected for the full fiscal year ending January 31, 2016.

Consolidated Financial Statements

The consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiaries from the date of their formations. Significant intercompany transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Earnings (Loss) per Common Share

The Company computes basic and diluted earnings per common share amounts in accordance with ASC Topic 260, *Earnings per Share*. The basic earnings (loss) per common share are calculated by dividing the Company's net income available to common shareholders by the weighted average number of common shares outstanding during the year. The diluted earnings (loss) per common share are calculated by dividing the Company's net income (loss) available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted as of the first of the year for any potentially dilutive debt or equity. There are no dilutive shares outstanding for any periods reported.

Recently Issued Accounting Pronouncements

We have reviewed the FASB issued Accounting Standards Update ("ASU") accounting pronouncements and interpretations thereof that have effectiveness dates during the periods reported and in future periods. The Company has carefully considered the new pronouncements that alter previous generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the corporation's reported financial position or operations in the near term. The applicability of any standard is subject to the formal review of our financial management and certain standards are under consideration.

Note 4. Acquisition of Diamond Anvil Designs

On February 7, 2014, the Company acquired all of the shares of Diamond Anvil Designs, LLC ("Diamond Anvil") for $150,000. The agreement called for a $25,000 payment on the agreement date, and $125,000 in additional payments over the following five months. Through July 31, 2015, we have made cash payments of $140,000. Diamond Anvil owns intellectual property for a vapor pen; they have no tangible assets. As a result of the Company lacking inputs and outputs necessary to be considered a business, the acquisition was treated as an asset acquisition. Due to the significant doubt of future cash flows of this concept acquisition, the entire amount was impaired. During the six months ended July 31, 2015 and 2014, the Company recognized impairment expense of $30,000 and $90,000, respectively, related to this transaction.

Note 5. Advances

During the six months ended July 31, 2015, the Company received net, non-interest bearing advances from certain third parties totaling $147,594. During the six months ended July 31, 2015, these advances were refinanced into convertible notes payable. See Note 6. The total amount due under these advances as of July 31, 2015 was $0. These advances are not collateralized, non-interest bearing and are due on demand.

Note 6. Convertible Notes Payable

Convertible Notes Payable consists of the following as of July 31, 2015 and January 31, 2015:

		July 31, 2015		January 31, 2015
Convertible note, dated July 31, 2013, bearing interest at 10% per annum, maturing on July 31, 2015 and convertible into shares of common stock at $0.05 per share	$	—	$	6,317
Convertible note, dated April 30, 2014, bearing interest at 10% per annum, maturing on April 30, 2016 and convertible into shares of common stock at $0.05 per share		—		77,076
Convertible note, dated October 31, 2014, bearing interest at 10% per annum, maturing on October 31, 2016 and convertible into shares of common stock at $0.05 per share		—		223,506
Convertible note, dated January 31, 2015, bearing interest at 10% per annum, maturing on January 31, 2017 and convertible into shares of common stock at $0.02 per share		97,040		97,040
Convertible note, dated April 30, 2015, bearing interest at 10% per annum, maturing on April 30, 2017 and convertible into shares of common stock at $0.02 per share		73,654		—
Convertible note, dated July 31, 2015, bearing interest at 10% per annum, maturing on July 31, 2017 and convertible into shares of common stock at $0.01 per share.		73,940		—
Total convertible notes payable	$	244,634	$	403,939
Less: current portion of convertible notes payable		—		(6,317)
Less: discount on noncurrent convertible notes payable		(233,685)		(351,646)
Convertible notes payable, net of discount	**$**	10,949	**$**	45,976

Advances Refinanced into Convertible Promissory Notes

During the six months ended July 31, 2015, the Company has signed convertible promissory notes that refinance non-interest bearing advances into convertible notes payable. The convertible promissory notes bear interest at 10% per annum and are payable along with accrued interest. The convertible promissory note and unpaid accrued interest are convertible into common stock at the option of the holder.

Date Issued	**Maturity Date**	**Interest Rate**	**Conversion Rate**	**Amount of Note**
April 30, 2015	April 30, 2017	10%	$ 0.02	$ 73,654
July 31, 2015	July 31, 2017	10%	$ 0.01	73,940
Total				$ 147,594

The Company evaluated the application of ASC 470-50-40/55, *Debtor's Accounting* for a Modification or Exchange of Debt Instrument as it applies to the note listed above and concluded that the revised terms constituted a debt extinguishment due to the addition of the conversion feature. No gain or loss on the extinguishment was required to be recognized since the carrying amount of the existing debt approximated its fair value.

The Company evaluated the terms of the new note in accordance with ASC Topic No. 815 - 40, *Derivatives and Hedging - Contracts in Entity's Own Stock* and determined that the underlying common stock is indexed to the Company's common stock. The Company determined that the conversion features did not meet the definition of a liability and therefore did not bifurcate the conversion feature and account for it as a separate derivative liability. The Company evaluated the conversion feature for a beneficial conversion feature. The effective conversion price was compared to the market price on the date of the note and was deemed to be less than the market value of underlying common stock at the inception of the note. Therefore, the Company recognized beneficial conversion discounts of $73,654 and $74,940 on April 30, 2015 and July 31, 2015, respectively. We recorded the beneficial conversion discount as an increase in additional paid-in capital and a discount to the convertible notes payable. Discounts to the convertible notes payable are being amortized to interest expense over the life of the respective notes. During the six months ended July 31, 2015 and 2014, we recorded amortization of discounts on convertible notes payable and recognized interest expense of $265,555 and $398,403, respectively.

Conversions to Common Stock

During six months ended July 31, 2015, the holders of the convertible note payable dated July 31, 2013 elected to convert principal and accrued interest in the amounts show below into share of common stock at a rate of $0.05 per share. On the conversion date, the unamortized discount related to the principal amount converted was immediately amortized to interest expense. No gain or loss was recognized on the conversions as they occurred within the terms of the agreement that provided for conversion.

Date	Amount Converted		Number of Shares Issued
February 16, 2015	$	6,655	133,092
Total	**$**	**6,655**	**133,092**

During six months ended July 31, 2015, the holders of the convertible note payable dated April 30, 2014 elected to convert principal and accrued interest in the amounts show below into share of common stock at a rate of $0.05 per share. On the conversion date, the unamortized discount related to the principal amount converted was immediately amortized to interest expense. No gain or loss was recognized on the conversions as they occurred within the terms of the agreement that provided for conversion.

Date	Amount Converted		Number of Shares Issued
February 16, 2015	$	77,752	1,555,044
Total	**$**	**77,752**	**1,555,044**

During six months ended July 31, 2015, the holders of the convertible note payable dated October 31, 2014 elected to convert principal and accrued interest in the amounts show below into share of common stock at a rate of $0.04 per share. On the conversion date, the unamortized discount related to the principal amount converted was immediately amortized to interest expense. No gain or loss was recognized on the conversions as they occurred within the terms of the agreement that provided for conversion.

Date	Amount Converted		Number of Shares Issued
April 30, 2015	$	184,000	4,600,000
June 5, 2015		51,089	1,277,211
Total	**$**	**235,089**	**5,877,211**

Note 7. Stockholders' Equity

Conversion of shares

During six months ended July 31, 2015, we issued 7,565,347 shares of common stock as a result of conversion of principal and accrued interest on convertible notes payable of $319,496.

Note 8. Subsequent Events

On August 1, 2015, the holders of the convertible note dated January 1, 2015, converted $101,879 of principal and accrued interest into 5,093,938 shares of common stock at a rate of $0.02 per share.

On August 19, 2015, the Company issued 1,200,000 shares of common stock which were included on stock payable on the balance sheet as of July 31, 2015.

On August 18, 2015, our chief executive officer and board of directors approved reincorporating the Company from Florida to Nevada. Under the proposal, each shareholder in the Nevada company would receive one share of common shares for each 50 shares they hold in the Florida company. These changes must be ratified by the Company's shareholders and approved by FINRA before they can become effective. The proposed reincorporation has not yet been voted on by our shareholders.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Neutra Corp. was incorporated in Florida on January 11, 2011 to market and participate in the nutraceutical space by bringing products derived from all natural and organic origins. Along with participating in the actual nutraceutical products, we plan to research and bring new technology to the nutraceutical space. Nutraceutical natural medicine is an alternative system that focuses on natural remedies and the body's vital ability to heal and maintain itself. One of the nutraceutical sub-markets is the new thriving medical cannabis market, in which we intend to participate. We intend to entrust the manufacturing to a nutraceutical contractor to private label all of our products and to sell them under our unique brand. We have established a fiscal year end of January 31.

We have not generated any revenues to date and our activities have been limited to developing our business plan, developing and launching our website, research and development of products and trial testing of our initial formulations. We will not have the necessary capital to fully develop or execute our business plan until we are able to secure additional financing. There can be no assurance that such financing will be available on suitable terms. We need to raise an additional $500,000 to implement our business plan over the next twelve months. Our current cash on hand is insufficient to commercialize our products or fully develop our business strategy. If we are unable to raise adequate additional funds or if those funds are not available on terms that are acceptable to us, we will not be able to execute our business plan and we may cease operations.

On February 11, 2014, the Company acquired Diamond Anvil Designs, a developer of smoke-free nutraceutical delivery systems. Diamond Anvil Designs is a startup vapor pen company that is designing an all-purpose vapor pen. Currently most vapor pens are manufactured only to be used for tobacco, so we believe this an underdeveloped area of the market.

We have no revenues, have incurred losses since inception, have been issued a going concern opinion from our auditors, and rely upon the sale of our securities and borrowing to fund operations.

Critical Accounting Policies

We prepare our Consolidated financial statements in conformity with GAAP, which requires management to make certain estimates and apply judgments. We base our estimates and judgments on historical experience, current trends, and other factors that management believes to be important at the time the condensed Consolidated financial statements are prepared. On a regular basis, we review our accounting policies and how they are applied and disclosed in our condensed consolidated financial statements.

While we believe that the historical experience, current trends and other factors considered support the preparation of our condensed consolidated financial statements in conformity with GAAP, actual results could differ from our estimates and such differences could be material.

For a full description of our critical accounting policies, please refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report for the year ended January 31, 2015 on Form 10-K.

Results of Operations

Six months ended July 31, 2015 compared to the six months ended July 31, 2014.

<u>General and Administrative Expenses</u>

We recognized general and administrative expenses of $245,892 and $350,018 for the six months ended July 31, 2015 and 2014, respectively. The decrease is primarily due to a reduction in professional fees during the six months ended July 31, 2015.

<u>Interest Expense</u>

Interest expense decreased from $448,267 for the six months ended July 31, 2014 to $278,538 for the six months ended July 31, 2015. During the six months ended July 31, 2015, we amortized $265,555 of the discount on our convertible notes, compared to $398,403 for the comparable period of 2014.

The remaining decrease is the result of lower interest expense on our convertible notes, due to lower average debt balances.

Loss on Acquisition of Diamond Anvil

During the six months ended July 31, 2014, we recognized a $90,000 loss on our acquisition of Diamond Anvil. In the comparable period of 2015, we made $30,000 of additional contractual payments toward the acquisition, which we recognized as a loss.

Net Loss

We incurred a net loss of $554,430 for six months ended July 31, 2015 as compared to $888,285 for the comparable period of 2014. The decrease is driven by declines in interest expense and professional fees, as well as a decreased loss on our acquisition of Diamond Anvil.

Three months ended July 31, 2015 compared to the three months ended July 31, 2014.

General and Administrative Expenses

We recognized general and administrative expenses in the amount of $109,879 and $211,631 for the three months ended July 31, 2015 and ended 2014, respectively. The decrease is due to decreased professional fees and lower payments toward profit participation agreements in the latter period.

Interest Expense

Interest expense decreased from $296,347 for the three months ended July 31, 2014 to $60,450 for the three months ended July 31, 2015. During the three months ended July 31, 2015, we amortized $55,649 of the discount on our convertible notes, compared to $267,335 for the comparable period of 2014.

The remaining decrease is the result of lower interest expense on our convertible notes, due to lower average debt balances.

Loss on Acquisition of Diamond Anvil

During the three months ended July 31, 2014, we recognized a $20,000 loss on our acquisition of Diamond Anvil. In the comparable period of 2015, we made $25,000 of additional contractual payments toward the acquisition, which we recognized as a loss.

Net Loss

We incurred a net loss of $195,329 for the three months ended July 31, 2015 as compared to $527,978 for the comparable period of 2014. The decrease in the net loss was primarily due to decreased interest expense related to the amortization on our convertible notes. The remainder of the decrease resulted from decreased professional fees and contributions to profit participation agreements.

Liquidity and Capital Resources

At July 31, 2015, we had cash on hand of $748. The company has negative working capital of $455,677 . Net cash used in operating activities for the six months ended July 31, 2015 was $123,430. Cash on hand is adequate to fund our operations for less than one month. We do not expect to achieve positive cash flow from operating activities in the near future. We will require additional cash in order to implement our business plan. There is no guarantee that we will be able to attain fund when we need them or that funds will be available on terms that are acceptable to the Company. We have no material commitments for capital expenditures as of July 31, 2015.

Additional Financing

Additional financing is required to continue operations. Although actively searching for available capital, the Company does not have any current arrangements for additional outside sources of financing and cannot provide any assurance that such financing will be available.

Off Balance Sheet Arrangements

We do not have any 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 is material to investors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

This item is not applicable to smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES

Management's Report on Internal Control over Financial Reporting

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of July 31, 2015. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of July 31, 2015, our disclosure controls and procedures were not effective to ensure that information required to be disclosed in reports filed by us under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the required time periods and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

1. As of July 31, 2015, we did not maintain effective controls over the control environment. Specifically we have not developed and effectively communicated to our employees our accounting policies and procedures. This has resulted in inconsistent practices. Further, the Board of Directors does not currently have 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. Since these entity level programs have a pervasive effect across the organization, management has determined that these circumstances constitute a material weakness.

2. As of July 31, 2015, we did not maintain effective controls over financial statement disclosure. Specifically, controls were not designed and in place to ensure that all disclosures required were originally addressed in our financial statements. Accordingly, management has determined that this control deficiency constitutes a material weakness.

Our management, including our principal executive officer and principal financial officer, who is the same person, does not expect that our disclosure controls and procedures or our internal controls will prevent all error or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Change in Internal Controls Over Financial Reporting

There was no change in our internal controls over financial reporting that occurred during the period covered by this report, which has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We know of no material, active or pending legal proceedings against us, nor are we involved as a plaintiff in any material proceedings or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered beneficial shareholder are an adverse party or has a material interest adverse to us.

ITEM 1A. RISK FACTORS

This item is not applicable to smaller reporting companies.

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

There were no sales of unregistered equity securities during the six months ended July 31, 2015.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

The Company has not defaulted upon senior securities.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable to the Company.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

3.1	Articles of Incorporation (1)
3.2	Bylaws (1)
14.1	Code of Ethics (1)
21	Subsidiaries of the Registrant (2)
31.1	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal executive officer and principal financial and account officer. (2)
32.1	Section 1350 Certification of principal executive officer and principal financial accounting officer. (2)
101	XBRL data files of Financial Statement and Notes contained in this Quarterly Report on Form 10-Q. (2),(3)

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(1) Incorporated by reference to our Form S-1 filed with the Securities and Exchange Commission on November 3, 2010

(2) Filed or furnished herewith

(3) In accordance with Regulation S-T, the Interactive Data Files in Exhibit 101 to the Quarterly Report on Form 10-Q shall be deemed "furnished" and not "filed."

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Neutra Corp.

Date: September 14, 2015

BY: /s/ Christopher Brown
Christopher Brown
President, Secretary, Treasurer, Principal Executive Officer, Principal Financial and Accounting Officer, and Sole Director