

NEUTRA CORP.
Form 10-Q
August 08, 2016

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

FORM 10-Q

(MARK ONE)

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

For the quarterly period ended April 30, 2016

or

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

For the transition period from _____ to _____

Commission File Number: **0-55077**

NEUTRA CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of Incorporation or organization)

27-4505461

(I.R.S. Employer Identification Number)

400 South 4th Street, Suite 500

Las Vegas, Nevada

(Address of principal executive offices)

89101

(Zip code)

Registrant's telephone number, including area code: **702-793-4121**

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

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

(Do not check is smaller reporting company)

Accelerated filer

Smaller reporting company

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

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of July 31, 2016, 1,893,218 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 and 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, 2016. 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 Nevada corporation.

PART I — FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****NEUTRA CORP.****CONSOLIDATED BALANCE SHEETS****(UNAUDITED)**

	April 30, 2016		January 31, 2016
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 9,349	\$	284
Total current assets	9,349		284
TOTAL ASSETS	\$ 9,349	\$	284
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	\$ 374,629	\$	390,584
Accounts payable to related party	13,308		6,923
Short-term convertible notes payable, net of discount of \$81,441 and \$0, respectively	6,550		—
Short-term accrued interest payable	927		—
Total current liabilities	395,414		397,507
Convertible notes payable, net of discount of \$461,978 and \$467,420, respectively	22,772		17,550
Accrued interest payable	19,709		10,526
TOTAL LIABILITIES	437,895		425,583
COMMITMENTS AND CONTINGENCIES		—	—
STOCKHOLDERS' DEFICIT			
Common stock, \$0.001 par value; 480,000,000 shares authorized; 1,893,218 and 1,722,472 shares issued and outstanding at April 30, 2016 and January 31, 2016, respectively	1,893		1,722
Series E preferred stock, \$0.001 par value; 20,000,000 shares authorized;	1,000		1,000

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1,000,000 shares issued or outstanding at April 30, 2016 and
January 31, 2016, respectively

Additional paid-in capital	4,799,208	4,619,288
Accumulated deficit	(5,230,647)	(5,047,309)
Total stockholders' deficit	(428,546)	(425,299)

TOTAL LIABILITIES AND STOCKHOLDERS'

DEFICIT \$ **9,349** \$ **284**

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

NEUTRA CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three months ended	
	April 30,	
	2016	2015
REVENUE	\$ —	\$ —
OPERATING EXPENSES		
General and administrative expenses	114,351	136,013
LOSS FROM OPERATIONS	(114,351)	(136,013)
OTHER INCOME (EXPENSE)		
Interest income	—	—
Interest expense	(76,615)	(218,088)
Loss on Diamond Anvil acquisition	—	(5,000)
Gain on note modification	7,628	—
Total other income (expense)	(68,987)	(223,088)
NET LOSS	\$ (183,338)	\$ (359,101)
NET LOSS PER COMMON SHARE		
– Basic and fully diluted	\$ (0.10)	\$ (0.39)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING		
– Basic and fully diluted	1,763,088	930,875

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

NEUTRA CORP.

CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT

(UNAUDITED)

	Common Stock		Series E Preferred Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
BALANCE, January 31, 2016	1,722,472	\$ 1,722	1,000,000	\$ 1,000	\$ 4,619,288	\$ (5,047,309)	\$ (425,299)
Common stock issued for debt conversion	170,746	171	—	—	46,934	—	47,105
Discount on issuance of convertible note payable	—	—	—	—	132,986	—	132,986
Net Loss	—	—	—	—	—	(183,338)	(183,338)
BALANCE, April 30, 2016	1,893,218	\$ 1,893	1,000,000	\$ 1,000	\$ 4,799,208	\$ (5,230,647)	\$ (428,546)

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

NEUTRA CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three months ended	
	April 30,	
	2016	2015
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss	\$ (183,338)	\$ (359,101)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of discount on convertible note payable	64,354	209,906
Gain on note modification	(7,628)	—
Loss on acquisition of subsidiary	—	5,000
Changes in operating assets and liabilities:		
Accounts payable and accrued liabilities	(9,570)	68,837
Accrued interest payable	12,261	8,181
NET CASH USED IN OPERATING ACTIVITIES	(123,921)	(67,177)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid to acquire subsidiary	—	(5,000)
NET CASH USED IN INVESTING ACTIVITIES	—	(5,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from advances	67,986	73,654
Proceeds from convertible notes payable	65,000	—
NET CASH PROVIDED BY FINANCING ACTIVITIES	132,986	73,654
NET INCREASE (DECREASE) IN CASH	9,065	1,477
CASH, at the beginning of the period	284	6,584
CASH, at the end of the period	\$ 9,349	\$ 8,061
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for:		
Interest	\$ —	\$ —
Taxes	\$ —	\$ —
Noncash investing and financing transaction:		
Refinance of advances into convertible notes payable	\$ 67,986	\$ 73,654
Beneficial conversion feature on convertible note payable	\$ 132,986	\$ 73,654
Conversion of convertible notes payable into common stock.	\$ 47,105	\$ 268,407

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

NEUTRA CORP.

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2016

Note 1. General Organization and Business

Neutra Corp. was incorporated in Florida on January 11, 2011. On October 5, 2015, we reincorporated from Florida to Nevada. The reincorporation was approved by our board of directors and by the holders of a majority of our common stock. Each shareholder received one share in the Nevada corporation for every 50 shares they held in the Florida corporation. Fractional shares were rounded up to the nearest whole share, and each shareholder received at least five shares. Our authorized shares increased to 480,000,000 shares of common stock and 20,000,000 shares of preferred stock.

We have established a fiscal year end of January 31.

As the global cannabis market grows exponentially, it is constantly in need of better technologies and products to be more efficient in how it grows, what it grows and how it consumes cannabis and its related products. From lighting to dosage devices, from pesticide replacements to plant enhancers, Neutra Corp. is constantly combing the industry for the latest and greatest to test, prove and bring to market.

We have not generated any revenues to date and our activities have been limited to developing our business plan and research and development of products. 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 additional funds in order to implement our business plan. 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 August 27, 2013, we signed a joint venture agreement with Second Wave Ventures, LLC. The joint venture owns Surface to Air Solutions, which is the North American distributor of a patent-pending, water-based solution known as Purteq, a green technology that works similarly to photosynthesis. Using UV-blue light and the water in air, it oxidizes organic compounds such as viruses and bacteria and converts them into microscopic amounts of water, carbon dioxide and harmless by-products. This proprietary formulation disperses evenly on surfaces and does not require heat for curing or activation.

On February 11, 2014, we acquired Diamond Anvil Designs, a vapor pen design company. The Diamond Anvil vapor pen is a state-of-the-art inhalation delivery system that can be used with a suite of products, from dry herbs to concentrates to oils. The portable personal vaporizer also features customizable amplitude settings for different nutraceutical products. The device's battery capacity is rechargeable and expandable.

On November 13, 2015, our Board of Directors designated 1,000,000 shares of Series E Preferred Stock. On the same date, the board authorized the issuance 1,000,000 shares of Series E Preferred to be issued to Boxcar Transportation Company ("Boxcar") in return for valuable services provided. On that date, Boxcar owned 86,990 of our common shares, which was approximately 5.05% of our common stock outstanding.

Note 2. Going Concern

The accompanying financial statements have been prepared assuming that we will continue as a going concern. For the three months ended April 30, 2016, we had a net loss of \$183,338 and negative cash flow from operating activities of \$123,921. As of April 30, 2016, we had negative working capital of \$386,065. Management does not anticipate having positive cash flow from operations in the near future.

These factors raise a substantial doubt about our 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.

We do 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 we 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 our business plan. Management will continue to seek out debt financing to obtain the capital required to meet our financial obligations. There is no assurance, however, that lenders will continue to advance capital to us 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 our ability to continue as a going concern.

In the long term, management believes that our projects and initiatives will be successful and will provide cash flow, which will be used to finance our future growth. However, there can be no assurances that our planned activities will be successful, or that we will ultimately attain profitability. Our 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 our ability 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 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 GAAP 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, 2016 and notes thereto and other pertinent information contained in our Form 10-K that we filed with the Securities and Exchange Commission (the "SEC").

The results of operations for the three-month period ended April 30, 2016 are not necessarily indicative of the results to be expected for the full fiscal year ending January 31, 2017.

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

We compute 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 our 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 our 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. We have 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. Joint Venture with Green Mountain Plant Health

On October 7, 2015, we signed a joint venture agreement with Green Mountain Plant Health, LLC (“Green Mountain”), a Colorado limited liability company. Green Mountain makes products to cleanse air, surfaces and plants in horticultural production. The joint venture is focused on rolling out new service in products in plant health to be used in medical cannabis cultivation. The agreement requires us to provide \$100,000 in funding. An initial \$10,000 is to be provided on December 1, 2015, and we shall provide follow-on funding of \$5,000 per month for 18 months. As of April 30, 2016, we were in default on the terms of the agreement, because we had not made any payments toward this joint venture. Our participation in this joint venture has been suspended until the Company has adequate funds to invest in this joint venture.

Note 5. Note Proceeds Receivable

We had note proceeds receivable of \$0 and \$0 as of April 30, 2016 and January 31, 2016. The note proceeds receivable related to the back-end note signed on March 14, 2016 (see Note 8). The amount reflects the amount available to us after paying legal fees and finders fees for the note. As of April 30, 2016, we have not received the funds from this note.

Note 6. Notes Receivable

In conjunction with the front-end note and back-end note issued on March 14, 2016, we purchased a \$65,000 note receivable from the same third party. The note bears interest at 8% and is due on March 14, 2017. As of April 30, 2016, we have not provided the funds to the third-party. See Note 8.

Note 7. Advances

During the three months ended April 30, 2016 and 2015, the Company received net, non-interest bearing advances from certain third parties totaling \$67,986 and \$73,654, respectively. During the nine months ended October 31, 2015, these advances were refinanced into convertible notes payable. See Note 8. The total amount due under these advances as of April 30, 2016 and July 31, 2015 was \$0. These advances are not collateralized, non-interest bearing and are due on demand.

Note 8. Convertible Notes Payable

Convertible notes payable consists of the following as of April 30, 2016 and January 31, 2016:

	April 30, 2016		January 31, 2016
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	\$	—	\$ 68,206
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	73,940
Convertible note dated October 31, 2015, bearing interest at 10% per annum, maturing on October 31, 2018 and convertible into shares of common stock at \$0.50 per share.		260,089	260,089
Convertible note dated January 31, 2016, bearing interest at 10% per annum, maturing on January 31, 2019, and convertible into shares of common stock at \$0.52 per share.		82,735	82,735
Convertible note dated March 14, 2016, bearing interest at 8% per annum, maturing March 14, 2017, and convertible into shares of common stock at a 45% discount to the lowest market price over the preceding 20 trading days.		22,991	—
Convertible note dated March 14, 2016, bearing interest at 8% per annum, maturing March 14, 2017, and convertible into shares of common stock at a 45% discount to the lowest market price over the preceding 20 trading days.		65,000	—
Convertible note dated April 30, 2016, bearing interest at 10% per annum, maturing April 30, 2017, and convertible into shares of common stock at a 60% discount to the volume weighted average share price over the preceding 5 days, subject to a minimum conversion rate of \$0.01 per share.		67,986	—
Total convertible notes payable	\$	572,741	\$ 484,970
Less: short-term convertible notes payable		(87,991)	—
Less: discount on noncurrent convertible notes payable		(461,978)	(467,420)
Convertible notes payable, net of discount	\$	22,772	\$ 17,550
Short-term convertible notes payable		87,991	—
Discount on short-term convertible notes payable		(81,441)	—
Convertible notes payable, net of discount	\$	6,550	\$ —

During the three months ended April 30, 2016 and 2015, we recorded amortization of discounts on all convertible notes payable and recognized interest expense of \$64,354 and \$209,906, respectively.

Advances Refinanced into Convertible Promissory Notes

During the three months ended April 30, 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	Beneficial Conversion Feature
April 30, 2015	April 30, 2017	10%	\$ 0.02	\$ 73,654	\$ 73,654

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During the three months ended April 30, 2016, we have 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 at maturity along with accrued interest. The Convertible Promissory Notes 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, 2016	April 30, 2019	10%	60% discount	\$	67,986
Total				\$	67,986

We 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.

We 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. We 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. We then 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, we recognized beneficial conversion discount of \$67,986 on April 30, 2016. 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 amortized to interest expense using the effective interest method over the life of the respective notes. During the three months ended April 30, 2016 and 2015, we recorded amortization of discounts on all convertible notes payable and recognized interest expense of \$64,354 and \$209,906, respectively.

Modifications of Convertible Promissory Notes

On March 14, 2016, a third party purchased the outstanding principal and accrued interest of our convertible promissory noted dated April 30, 2015. We came to an agreement with the purchaser to change the conditions of the note. Principal and accrued interest on the existing note were refinanced into \$68,991 of principal on the new note. The maturity date was changed to March 14, 2017. The interest rate was lowered to 8%, and the conversion rate was change to a 45% discount to the lowest trading price over the preceding 20 days with a floor on the conversion price of \$0.00005.

We 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. We determined that the conversion feature did not meet the definition of a liability, because there was a floor on the conversion price and the Board of Directors has the intent and ability to increase the number of outstanding shares if necessary to meet the conversion requirements of the note. We did not bifurcate the conversion feature and account for it as a separate derivative liability. We then evaluated the conversion feature for a beneficial conversion discount. 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, we transferred the existing discount of \$68,991 on the note to the new modified note on March 14, 2016. We recorded the beneficial conversion discount as an increase in additional paid-in capital and a discount to the Convertible Notes Payable.

We evaluated the terms of the modified note in accordance with ASC Topic No. 470 – 50, *Modifications and Extinguishments*. We determined this change in terms did constitute a modification. Therefore, we recognized a \$7,628 gain on debt modification on March 14, 2016.

Convertible Promissory Notes Issued for Cash

On March 14, 2016, we issued a convertible promissory note to a third party for cash. The note (the “front-end note”) was in the amount of \$65,000, and it matures on March 14, 2017. The note bears interest at 8% per year and is convertible into shares of our common stock at a 45% discount to our lowest trading price over the preceding 20 days with a floor on the conversion price of \$0.00005.

We evaluated the terms of the 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. We 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. We then 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, we recognized beneficial conversion discount of \$68,991 on March 14, 2016. 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 amortized to interest expense using the effective interest method over the life of the respective notes.

On the same date we issued a second note (the "back-end note") in the amount of \$65,000 in exchange for a note receivable in the same amount. The back-end note matures on March 14, 2017. The note bears interest at 8% per year and is convertible into shares of our common stock at a 45% discount to our lowest trading price over the preceding 20 days with a floor on the conversion price of \$0.00005. As of April 30, 2016, we had not yet received the proceeds from this note. The note is secured by the note receivable for \$65,000 from the same party. See Note 6. Since we have not received any proceeds from this note, we have not recorded the back-end note and the note receivable on our balance sheet as of April 30, 2016.

Conversions to Common Stock

During three months ended April 30, 2015, the holders of our convertible notes elected to convert principal and interest into shares of common stock as detailed below:

Date	Amount Converted	Number of Shares Issued
February 16, 2015	\$ 6,655	133,092
February 16, 2015	77,752	1,555,044
April 30, 2015	184,000	4,600,000
Total	\$ 268,407	6,288,136

During three months ended April 30, 2016, the holders of our convertible promissory notes converted \$47,105 of principal and accrued interest into 170,746 shares of our common stock. See Note 10. No gain or loss was recognized on the conversions as they occurred within the terms of the agreement which provided for conversion.

Note 9. Derivative Liability

We had derivative liabilities of \$0 and \$0 on April 30, 2016 and January 31, 2016, respectively. The relates to the three convertible promissory notes issued on March 14, 2016. We reassess the amounts each quarter to reflect reduction in the principal and the conversion rates of the underlying notes, as well as the stock price of our common stock.

Note 10. Stockholders' Equity

Conversions to common stock

During three months ended April 30, 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 three months ended April 30, 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 three months ended April 30, 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
Total	\$ 184,000	4,600,000

During three months ended April 30, 2016, the holders of our convertible notes elected to convert principal and interest into shares of common stock as detailed below:

Date	Amount Converted	Number of Shares Issued
March 17, 2016	\$ 5,001	8,266
March 30, 2016	10,031	16,887
April 6, 2016	850	85,000
April 12, 2016	11,065	20,322
April 21, 2016	20,158	40,271
Total	\$ 47,105	170,746

Note 11. Subsequent Events

On May 26, 2016, a third-party purchased a \$75,000 portion of the convertible note dated October 31, 2015 from the noteholder. We agreed with the third party to modify note, such that the maturity date was accelerated to May 26,

2017; the interest rate decreased to 8%; and conversion rate was changed to a 45% discount to the lowest trading price of our common stock over the preceding 20 trading days.

Also on May 26, 2016, we issued a \$75,000 note to the same third party. The note is due on May 26, 2017, bears interest at 8% per year, and is convertible into common stock at a 45% discount to the lowest trading price of our common stock over the preceding 20 days.

Also on May 26, 2016, we issued a second \$75,000 note to the same third party. The note is due on May 26, 2017, bears interest at 8% per year, and is convertible into common stock at a 45% discount to the lowest trading price of our common stock over the preceding 20 days. This note is secured by \$75,000 note receivable from the third party, dated May 26, 2017, due May 26, 2017 and bearing interest at 8% per year.

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. On October 5, 2015, we reincorporated from Florida to Nevada. The reincorporation was approved by our board of directors and by the holders of a majority of our common stock. Each shareholder received one share in the Nevada corporation for every 50 shares they held in the Florida corporation. Fractional shares were rounded up to the nearest whole share, and each shareholder received at least five shares. Our authorized shares increased to 480,000,000 shares of common stock and 20,000,000 shares of preferred stock.

We have established a fiscal year end of January 31.

As the global cannabis market grows exponentially, it is constantly in need of better technologies and products to be more efficient in how it grows, what it grows and how it consumes cannabis and its related products. From lighting to dosage devices, from pesticide replacements to plant enhancers, Neutra Corp. is constantly combing the industry for the latest and greatest to test, prove and bring to market.

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 financing 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 August 27, 2013, we signed a joint venture agreement with Second Wave Ventures, LLC. The joint venture owns Surface to Air Solutions, which is the North American distributor of a patent-pending, water-based solution known as Purteq, a green technology that works similarly to photosynthesis. Using UV-blue light and the water in air, it oxidizes organic compounds such as viruses and bacteria and converts them into microscopic amounts of water, carbon dioxide and harmless by-products. This proprietary formulation disperses evenly on surfaces and does not require heat for curing or activation.

On February 11, 2014, we acquired Diamond Anvil Designs, a vapor pen design company. The Diamond Anvil vapor pen is a state-of-the-art inhalation delivery system that can be used with a suite of products, from dry herbs to concentrates to oils. The portable personal vaporizer also features customizable amplitude settings for different nutraceutical products. The device's battery capacity is rechargeable and expandable.

On November 13, 2015, our Board of Directors designated 1,000,000 shares of Series E Preferred Stock. On the same date, the board authorized the issuance 1,000,000 shares of Series E Preferred to be issued to Boxcar Transportation Company ("Boxcar") in return for valuable services provided. On that date, Boxcar owned 86,990 of our common shares, which was approximately 5.05% of our common stock outstanding.

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, 2016 on Form 10-K.

Results of Operations

Three months ended April 30, 2016 compared to the three months ended April 30, 2015.

General and Administrative Expenses

We recognized general and administrative expenses of \$114,351 and \$136,013 for the three months ended April 30, 2016 and 2015, respectively. The decrease is primarily due to reduced professional fees and reduced contributions to joint ventures.

Interest Income

We recognized interest income of \$0 and \$0 for the three months ended April 30, 2016 and 2015, respectively. This reflects interest earned on our short-term note receivable issued on March 14, 2016.

Interest Expense

Interest expense decreased from \$218,088 for the three months ended April 30, 2015 to \$76,615 for the three months ended April 30, 2016. During the three months ended April 30, 2016, we amortized \$64,354 of the discount on our convertible notes, compared to \$209,906 for the comparable period of 2015. This was driven by fewer conversions of our convertible notes payable into common stock. The remaining change is due to interest expense on our convertible promissory notes.

Loss on Acquisition of Diamond Anvil

During the three months ended April 30, 2015, we recognized a \$5,000 loss on our acquisition of Diamond Anvil. In the comparable period of 2016, we made \$0 of additional contractual payments toward the acquisition.

Gain on note modification

We recognized a gain on note modification of \$7,628 and \$0 for the three months ended April 30, 2016 and 2015, respectively. The gain is due the convertible promissory note issued on March 14, 2016.

Net Loss

We incurred a net loss of \$183,338 for three months ended April 30, 2016 as compared to \$359,101 for the comparable period of 2015. The increased net loss is due to the derivative liability on our new convertible promissory notes, offset by reductions in professional fees and interest expense.

Liquidity and Capital Resources

At April 30, 2016, we had cash on hand of \$9,349. We have negative working capital of \$386,065 . Net cash used in operating activities for the three months ended April 30, 2016 was \$123,921. 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 us. We have no material commitments for capital expenditures as of April 30, 2016.

Additional Financing

Additional financing is required to continue operations. Although actively searching for available capital, we do 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 April 30, 2016. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of April 30, 2016, 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 April 30, 2016, 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 April 30, 2016, 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 three months ended April 30, 2016

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

We have not defaulted upon senior securities.

ITEM 4. MINE SAFETY DISCLOSURES

This item is 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)

(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) To be submitted by amendment

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: August 8, 2016

BY: /s/ Christopher Brown

Christopher Brown

President, Secretary, Treasurer, Principal Executive Officer,

Principal Financial and Accounting Officer, and Sole Director