

NEUTRA CORP.
Form 10-Q
June 14, 2018

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, 2018

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)

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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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" or "emerging growth 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 ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Yes ☐ No ☒

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of June 13, 2018, 7,182,983 shares of common stock are issued and outstanding.

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION	4
Item 1. Financial Statements	4
<i>Consolidated Balance Sheets</i>	4
<i>Consolidated Statements of Operations</i>	5
<i>Consolidated Statement of Stockholders' Deficit</i>	6
<i>Consolidated Statements of Cash Flows</i>	7
<i>Notes to the Unaudited Consolidated Financial Statements</i>	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	13
Item 3. Quantitative and Qualitative Disclosures about Market Risk	14
Item 4. Controls and Procedures	14
PART II — OTHER INFORMATION	15
Item 1. Legal Proceedings	15
Item 1A. Risk Factors	15
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	15
Item 3. Defaults upon Senior Securities	15
Item 4. Mine Safety Disclosures	15
Item 5. Other Information	15
Item 6. Exhibits	15

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, 2018. 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, 2018	January 31, 2018
ASSETS		
CURRENT ASSETS		
Deposits	\$ 92,979	\$ 12,325
Total current assets	92,979	12,325
TOTAL ASSETS	\$ 92,979	\$ 12,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 458,480	\$ 458,480
Accounts payable to related party	83,692	83,692
Advances payable	3,450	3,450
Current portion of convertible notes payable, net of discount of \$368,853 and \$224,861, respectively	202,701	146,708
Current portion of accrued interest payable	79,568	55,343
Total current liabilities	827,891	747,673
Convertible notes payable, net of discount of \$0 and \$50,800, respectively	—	17,185
Accrued interest payable	—	11,939
TOTAL LIABILITIES	827,891	776,797
COMMITMENTS AND CONTINGENCIES	—	—
STOCKHOLDERS' DEFICIT		
Common stock, \$0.001 par value; 480,000,000 shares authorized; 7,182,983 and 6,839,274 shares issued and outstanding at April 30, 2018 and January 31, 2018, respectively	7,183	6,839
Series E preferred stock, \$0.001 par value; 20,000,000 shares authorized; 1,000,000 shares issued or outstanding at April 30,	1,000	1,000

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2018 and January 31, 2018, respectively

Additional paid-in capital	5,822,971	5,661,911
Accumulated deficit	(6,566,066)	(6,434,222)
Total stockholders' deficit	(734,912)	(764,472)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 92,979	\$ 12,325

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,	
		2018	2017
REVENUE	\$	2,006	\$ —
OPERATING EXPENSES			
General and administrative expenses		63,852	55,904
LOSS FROM OPERATIONS		(61,846)	(55,904)
OTHER INCOME (EXPENSE)			
Interest expense		(69,998)	(154,108)
Total other income (expense)		(69,998)	(154,108)
NET LOSS	\$	(131,844)	\$ (210,012)
NET LOSS PER COMMON SHARE –			
Basic and fully diluted	\$	(0.02)	\$ (0.06)
WEIGHTED AVERAGE COMMON SHARES			
OUTSTANDING:		6,854,722	3,580,354
Basic and fully diluted			

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, 2018	6,839,274	\$ 6,839	1,000,000	\$ 1,000	\$ 5,661,911	\$ (6,434,222)	\$ (764,472)
Common stock issued for debt conversion	343,709	344	—	—	18,560	—	18,904
Beneficial conversion discount on issuance of convertible note payable	—	—	—	—	142,500	—	142,500
Net loss	—	—	—	—	—	(131,844)	(131,844)
BALANCE, April 30, 2018	7,182,983	\$ 7,183	1,000,000	\$ 1,000	\$ 5,822,971	\$ (6,566,066)	\$ (734,912)

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,	
	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss	\$ (131,844)	\$ (210,012)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of discount on convertible note payable	56,808	143,413
Changes in operating assets and liabilities:		
Deposits	(80,654)	—
Accounts payable and accrued liabilities	—	(51,234)
Accounts payable to related party	—	36,892
Accrued interest payable	13,190	10,695
NET CASH USED IN OPERATING ACTIVITIES	(142,500)	(70,246)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from convertible notes payable	142,500	114,449
NET CASH PROVIDED BY FINANCING ACTIVITIES	142,500	114,449
NET INCREASE (DECREASE) IN CASH	—	44,203
CASH, at the beginning of the period	—	—
CASH, at the end of the period	\$ —	\$ 44,203
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for:		
Interest	\$ —	\$ —
Taxes	\$ —	\$ —
Noncash investing and financing transaction:		
Beneficial conversion discount on convertible note payable	\$ 142,500	\$ 108,926
Conversion of convertible notes payable.	\$ 18,904	\$ 145,506

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

NEUTRA CORP.

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2018

Note 1. General Organization and Business

Neutra Corp. was incorporated in Nevada 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.

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 generated limited revenues to date and our activities have been primarily focused on 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.

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, 2018, we had a net loss of \$131,844 and negative cash flow from operating activities of \$142,500. As of April 30, 2018, we had negative working capital of \$734,912. 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, 2018 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, 2018 are not necessarily indicative of the results to be expected for the full fiscal year ending January 31, 2019.

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.

Revenue Recognition

Effective January 1, 2018, the Company adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts to perform pilot studies by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. For the comparative periods, revenue has not been adjusted and continues to be reported under ASC 605 — Revenue Recognition. Under ASC 605, revenue is recognized when the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) the performance of service has been rendered to a customer or delivery has occurred; (3) the amount of fee to be paid by a customer is fixed and determinable; and (4) the collectability of the fee is reasonably assured.

There was no impact on the Company's financial statements as a result of adopting Topic 606 for the three months ended April 30, 2018 and 2017, or the year ended January 31, 2018.

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. Deposits

Deposits represent cash on deposit with the Company's attorney. As of April 30, 2018 and January 31, 2018, the Company had amounts on deposit with its attorney in the amount of \$92,979 and \$12,325, respectively.

Note 5. Related Party Transactions

During the three months ended April 30, 2018, we incurred salary expense of \$22,500 related to services provided by our CEO Christopher Brown. We paid Mr. Brown \$22,500 in salary during the three months ended April 30, 2018. As of April 30, 2018, we owe Mr. Brown \$89,200, which is recorded on the balance sheet in "Accounts Payable – Related Party."

Note 6. Advances

As of April 30, 2018 and January 31, 2018, we had amounts due under advances of \$3,450 at each period. These advances are not collateralized, non-interest bearing and are due on demand.

Note 7. Convertible Notes Payable

Convertible notes payable consists of the following as of April 30, 2018 and January 31, 2018:

	April 30, 2018	January 31, 2018
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, in default	72,640	72,640
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	156,976	156,976
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 a 60% discount to the market price	82,735	82,735
Convertible note, dated March 14, 2016, bearing interest at 8% per annum, maturing on March 14, 2017, and convertible into	1,217	1,217

shares of common stock at a 5% discount to the market price, in default

Convertible note, dated May 26, 2016, bearing interest at 8% per annum, maturing on May 26, 2017, and convertible into shares of common stock at a 45% discount to the market price, in default	67,986	67,986
Convertible note, dated September 6, 2017, bearing interest at 8% per annum, maturing September 6, 2017, and convertible into shares of common stock at a 45% discount to the lowest trading price in the 20 days prior to conversion with a floor on the conversion price of \$0.00005	—	18,000
Convertible note, dated September 6, 2017, bearing interest at 8% per annum, maturing September 6, 2017, and convertible into shares of common stock at a 45% discount to the lowest trading price in the 20 days prior to conversion with a floor on the conversion price of \$0.00005	40,000	40,000
Convertible note, dated February 6, 2018, bearing interest at 8% per annum, maturing November 6, 2018, and convertible into shares of common stock at a 45% discount to the lowest trading price in the 20 days prior to conversion with a floor on the conversion price of \$0.00005	150,000	—
Total convertible notes payable	\$ 571,554	\$ 439,554
Less: current portion of convertible notes payable	(571,554)	(371,569)
Less: discount on noncurrent convertible notes payable	—	(50,800)
Convertible notes payable - non-current, net of discount	\$ —	\$ 17,185
Current portion of convertible notes payable	\$ 571,554	\$ 371,569
Less: discount on current convertible notes payable	(368,853)	(224,861)
Convertible notes payable, net of discount	\$ 202,701	\$ 146,708

Issuance of Convertible Promissory Notes

During the three months ended April 30, 2018 and 2017, we issued Convertible Promissory Notes. The Convertible Promissory Notes bear interest 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
February 6, 2018	November 6, 2018	8%	45% discount	\$ 150,000

Date Issued	Maturity Date	Interest Rate	Conversion Rate	Amount of Note
March 14, 2016	March 14, 2017	8%	55% discount	\$ 65,000
April 30, 2016	April 30, 2019	10%	60% discount	67,986

We evaluated the terms of the new notes 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, each of the above notes was fully discounted with a beneficial conversion discount on the date of issuance. We recorded the beneficial conversion discounts 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 over the life of the respective notes using the effective interest method. During the three months ended January 31, 2018 and 2017, we recorded amortization of discounts on convertible notes payable and recognized interest expense of \$56,808 and \$143,413, respectively.

Convertible Promissory Notes Issued for Cash

On February 6, 2018, we issued a convertible promissory note to a third party for cash. The note (the "front-end note") was in the amount of \$150,000, and it matures on November 6, 2018. 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 \$142,500 on February 6, 2018. 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.

Conversions to Common Stock

During three months ended April 30, 2017, the holders of our convertible promissory notes converted \$145,506 of principal and accrued interest into 1,280,650 shares of our common stock. See Note 8. No gain or loss was recognized on the conversions as they occurred within the terms of the agreement which provided for conversion.

During three months ended April 30, 2018, the holders of our convertible promissory notes converted \$18,904 of principal and accrued interest into 343,709 shares of our common stock. See Note 8. No gain or loss was recognized on the conversions as they occurred within the terms of the agreement which provided for conversion.

Note 8. Stockholders' Equity**Conversions to common stock**

During three months ended April 30, 2018, 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
April 26, 2018	\$ 18,904	373,709
Total	\$ 18,904	373,709

During three months ended April 30, 2017, 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 13, 2017	\$ 16,619	151,085
February 22, 2017	25,066	227,870
March 6, 2017	23,629	214,807
March 21, 2017	12,784	102,168
March 30, 2017	21,346	170,595
April 7, 2017	10,690	92,558
April 20, 2017	35,372	321,567
Total	\$ 145,506	1,280,650

Note 9. Subsequent Events

No events have occurred subsequent to April 30, 2018 which would require disclosure in these financial statements.

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

Overview

Neutra Corp. was incorporated in Nevada 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.

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.

On January 23, 2018, we entered into an agreement with Artillery Labs to sell and market natural nutraceuticals online. The objective of this agreement is for the Company to have its own line of all natural and legal CBD products for sale through Artillery Labs' online sales infrastructure. Under the terms of the agreement, Artillery Labs will be paid \$25,000 upon the successful marketing launch of a product.

We have generated limited revenues to date and our activities have been primarily 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.

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, 2018 on Form 10-K.

Results of Operations

Three months ended April 30, 2018 compared to the three months ended April 30, 2017.

Revenue

We recognized revenue of \$2,006 for the three months ended April 30, 2018 related to our agreement with Artillery.

General and Administrative Expenses

We recognized general and administrative expenses of \$63,852 and \$55,904 for the three months ended April 30, 2018 and 2017, respectively. The increase is primarily due to increased professional fees related to the preparation and filing of the Form S-1.

Interest Expense

Interest expense decreased from \$154,108 for the three months ended April 30, 2017 to \$69,998 for the three months ended April 30, 2018. During the three months ended April 30, 2018, we amortized \$56,808 of the discount on our convertible notes, compared to \$143,413 for the comparable period of 2017. 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.

Net Loss

We incurred a net loss of \$131,844 for three months ended April 30, 2018 as compared to \$210,012 for the comparable period of 2017. The decreased net loss is due to the decrease in interest expense and increase in revenue partially offset by the increase in general and administrative expense.

Liquidity and Capital Resources

At April 30, 2018, we had cash on hand of \$0. We have negative working capital of \$734,912. Net cash used in operating activities for the nine months ended April 30, 2018 was \$142,500. 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, 2018.

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, 2018. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of April 30, 2018, 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, 2018, 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, 2018, 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

On April 26, 2018, we issued 373,709 shares on conversion of a convertible note payable in the amount of \$18,904.

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 accounting 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 February 24, 2011.

(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: June 14, 2018

BY: /s/ Christopher Brown

Christopher Brown

President, Secretary, Treasurer, Principal Executive Officer,

Principal Financial and Accounting Officer, and Sole Director

- 16 -
