NEUTRA CORP.
Form 10-Q
June 19, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 30, 2012

or

[ ] TRANSITION REPORT PURSUANT TO 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 No.)

3572 Shady Brook Lane, Sarasota, FL 34243

941-544-7035

(Registrant s telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

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

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[X]
(Do not check if 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 [X]

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date. 12,000,000 shares of common stock are issued and outstanding as of May 31, 2012.

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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 expectati 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, 2011. 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.

NEUTRA CORP.

(A Development Stage Company)

Balance Sheets

(Unaudited)

	April 30, 2012	January 31, 2012
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 24,937	$ 28,852
Total current assets	24,937	28,852
TOTAL ASSETS	$ 24,937	$ 28,852
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 19,747	$ 15,463
Advances payable	120,105	47,205
Total liabilities	139,852	62,668
STOCKHOLDERS' EQUITY (DEFICIT)		
Common stock, $0.0001 par value, 250,000,000 shares authorized, 12,000,000 shares issued and outstanding at April 30, 2012 and January 31, 2012	$ 1,200	$ 1,200
Additional paid-in capital	48,800	48,800
Deficit accumulated during the development stage	(164,915)	(83,816)
Total Stockholders' Equity (Deficit)	(114,915)	(33,816)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 24,937	$ 28,852

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

NEUTRA CORP.

(A Development Stage Company)

Statements of Operations

(Unaudited)

	Three Months Ended April 30, 2012	Three Months Ended April 30, 2011	For the Period from Inception January 11, 2011 through April 30, 2012
OPERATING EXPENSES			
General and administrative	$ 81,099	$ 565	$ 164,915
Net loss from operations	(81,099)	(565)	(164,915)
Net loss	$ (81,099)	$ (565)	$ (164,915)
PER SHARE DATA:			
Basic and diluted loss per common share	$ (0.01)	$ (0.00)	
Basic and diluted weighted average common shares outstanding	12,000,000	9,000,000	

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

NEUTRA CORP.

(A Development Stage Company)

Statements of Stockholders' Equity (Deficiency)

(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total
Inception - January 11, 2011		$	$	$	$
Common shares issued to Founder for cash at $0.001 per share (par value $0.0001) on January 11, 2011	9,000,000	900	8,100		9,000
Loss for the period from inception on January 11, 2011 to January 31, 2011				(2,600)	(2,600)
Balance - January 31, 2011	9,000,000	900	8,100	(2,600)	6,400
Common shares issued to investors for cash on June 1, 2011 at $0.013667 per share	3,000,000	300	40,700		41,000
Net loss				(81,216)	(81,216)
Balance January 31, 2012	12,000,000	1,200	48,800	(83,816)	(33,816)
Net loss				(81,099)	(81,099)
Balance April 30, 2012	12,000,000	$ 1,200	$ 48,800	$ (164,915)	$ (114,915)

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

NEUTRA CORP.

(A Development Stage Company)

Statements of Cash Flow

(Unaudited)

	Three Months Ended April 30, 2012		Three Months Ended April 30, 2011		For the Period from Inception (January 11, 2011) through April 30, 2012	
Operating activities						
Net loss	$	(81,099)	$	(565)	$	(164,915)
Adjustments to reconcile net loss to net cash used by operating activities:						
Changes in operating assets and liabilities:						
Accounts payable and accrued liabilities		4,284		(2,000)		19,747
Net cash used by operating activities		(76,815)		(2,565)		(145,168)
Investing activities						
Net cash used by investing activities						
Financing activities						
Proceeds from advances		72,900				120,105
Proceeds from issuance of common stock						50,000
Net cash provided by financing activities		72,900				170,105
Net increase in cash		(3,915)		(2,565)		24,937
Cash at beginning of period		28,852		8,900		
Cash at end of period	$	24,937	$	6,335	$	24,937

Supplemental disclosures of cash flow information and non cash investing and financing activities:						
Cash paid for interest	$		$		$	
Cash paid for taxes	$		$		$	

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

Neutra Corp.

(A Development Stage Company)

NOTES TO UNAUDITED FINANCIAL STATEMENTS

(April 30, 2012)

NOTE 1. GENERAL ORGANIZATION AND BUSINESS

We are a development stage company and were incorporated in the State of Florida on January 11, 2011, as a for-profit company, and an established fiscal year end of January 31. We intend to market and sell nutraceutical supplement products to health practitioners. Nutraceutical natural medicine is an alternative system that focuses on natural remedies and the bodies vital ability to heal and maintain itself. 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. To date, we have not approached a contractor to have any of our intended private label brand supplement products.

Our intended strategy is to build brand recognition by providing the healthcare practitioners with education and support and in turn the healthcare practitioner with education and support will hopefully recommend our products to their patients. We intend to accomplish this education and support process providing regular and frequent access to educational tools, such as webinars and live seminars. Although practitioners may have several supplement brands in their dispensary when it comes to the moment of choice for that difficult patient and others, we are hoping that our strategy of providing good service and educational support they choose us.

We have not generated any revenue to date and our activities have been limited to developing the business plan, launching our website, hiring consultants and advisors, establishing an office and beginning research and development of products. We will not have the necessary capital to develop our business plan until we are able to secure additional financing.

Neutra Corp. is in the early stage of implementing its business plan. The Company does not have any products, customers and has not generated any revenues. The Company must complete the business plan, develop the product and attract customers before it can start generating revenues.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

Accounting Basis

The Company is currently a development stage enterprise reporting under the provisions of Accounting Standards Codification (ASC) 915 Development Stage Entities , which was previously Statement of Financial Accounting Standards (SFAS) No. 7.

Interim Financial Statements

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, the 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 statements are of a normal recurring nature. These financial statements should be read in conjunction with the financial statements for the year ended January 30, 2012 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 three-month period ended April 30, 2012 are not necessarily indicative of the results for the full fiscal year ending January 31, 2013.

Cash and Cash Equivalents

For the purpose of the financial statements cash equivalents include all highly liquid investments with maturity of three months or less.

Earnings (Loss) per Share

The basic earnings (loss) per 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 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 diluted shares outstanding for any periods reported.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 and Cost Recognition

The Company has no current source of revenue; therefore the Company has not yet adopted any policy regarding the recognition of revenue or cost.

Recently Issued Accounting Pronouncements

The Company has adopted all recently issued accounting pronouncements. The adoption of the accounting pronouncements, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the Company.

NOTE 3. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As of April 30, 2012, the Company has not emerged from the development stage and has generated a net loss since inception of $164,915. The Company has not generated positive cash flow from operations and does not expect to do so in the near future. In view of these matters, the Company's ability to continue as a going concern is dependent upon the Company's ability to achieve a level of profitability. The Company intends on financing its future development activities and its working capital needs largely from the sale of public equity securities with some additional funding from other traditional financing sources, including term notes until such time that funds provided by operations are sufficient to fund working capital requirements. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 4. SUBSEQUENT EVENTS

On May 1, 2012, the Company signed a Convertible Promissory Note which refinanced non-interest bearing advances in the amount of $47,205 into a convertible note payable. The Convertible Promissory Note bears interest at 10% per annum and is payable along with accrued interest on February 1, 2014. The Convertible Promissory Note is convertible into common stock at the option of the holder at the rate of $0.01 per share.

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 modification rather than a debt extinguishment because the present value of the cash flow under the terms of the new instrument was less than 10% from the present value of the remaining cash flows under the terms of the original note. No gain or loss on the modifications was required to be recognized.

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 a beneficial conversion feature in the amount of $47,205 on May 1, 2012. The beneficial conversion feature was recorded as an increase in additional paid-in capital and a discount to the Convertible Notes Payable. The discount to the Convertible Notes Payable will be amortized to interest expense over the life of the note.

ITEM 2. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Overview

Neutra Corp. (the Company , we , us or our) is a development stage company incorporated in Florida on January 2011 to market and sell nutraceutical supplement products to health practitioners. Nutraceutical natural medicine is an alternative system that focuses on natural remedies and the body s vital ability to heal and maintain itself. 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. In accordance with SFAS #7 we are considered to be in the development stage. We have established a fiscal year end of January 31.

On October 11, 2011, the Company launched its website. The website will be used initially to build brand recognition by providing the healthcare practitioners with education and support. We intend to accomplish this education and support process providing regular and frequent access to educational tools, such as webinars and live seminars. The website will continue to be developed to be used to directly market and sell nutraceutical supplement products to health practitioners. We intend to entrust the manufacturing to a nutraceutical contractor to private label all of our intended products and to sell them under our brand. We have not yet selected our intended products or the manufacturer.

We have narrowed our product focus to research and development in the following areas: weight-loss, detox, men s health, acid-alkali pH balance, anti-aging, and sleep disorders and autism. We are testing different ingredients and suppliers for purity and quality of transportation and storage of ingredients to preserve their potency. Our search resulted in narrowing our participation to two private labelers for the time being. In addition, we have contracted with a company that has the ability to infuse our formulations with a bio-energy infusion which enhances the efficacy of the ingredients on a sub-molecular level.

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 $400,000 to implement our business plan over the next 12 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.

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.

Results of Operations

The following discussion should be read in conjunction with the condensed financial statements and in conjunction with the Company s annual report on Form 10-K for the year ended January 31, 2012. Results or interim periods may not be indicative of results for the full year.

Three Months Ended April 30, 2012 compared to the Three Months Ended April 30, 2011

The Company did not generate any revenue during the three months ended April 30, 2012 or 2011.

General and administrative expenses during the three months ended April 30, 2012 were $81,099 compared to $565 for the three months ended April 30, 2011. The increase in general and administrative expenses was the results of the Company s increased operations in the areas of working with private label contractors to evaluate and test colon cleanse, weight loss and prostate support formulas. The increased general and administrative expense resulted in increased operating loss and net loss for the three months ended April 30, 2012 compared to the three months ended April 30, 2011.

Liquidity and Capital Resources

At April 30, 2012, we had cash on hand of $24,937. Net cash used in operating activities for the three months ended April 30, 2012 was $76,815. We believe that our cash on hand will be adequate to support our operations for approximately one month. In order to continue implementing our business plan, we will have to obtain additional funding, either through the sale of common stock or by borrowing. There is no guarantee that funds will be available to the Company when needed or that, if available, the debt financing would be on terms that are acceptable to the Company. If we are not able to obtain additional funding, we will not be able to fully implement our business plan.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable to a smaller reporting company.

ITEM 4. CONTROLS AND PROCEDURES

Management s Report On Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, the company s principal executive and principal financial officers and effected by the company s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

As of April 30, 2012, management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and SEC guidance on conducting such assessments. Based on that evaluation, they concluded that, during the period covered by this report, such internal controls and procedures were not effective to detect the inappropriate application of US GAAP rules as more fully described below. This was due to deficiencies that existed in the design or operation of our internal controls over financial reporting that adversely affected our internal controls and that may be considered to be material weaknesses.

The matters involving internal controls and procedures that our management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were: (1) lack of a functioning audit committee due to a lack of a majority of independent members and a lack of a majority of outside directors on our board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures; (2) inadequate segregation of duties consistent with control objectives; and (3) ineffective controls over period end financial disclosure and reporting processes. The aforementioned material weaknesses were identified by our Chief Executive Officer in connection with the review of our financial statements as of April 30, 2012.

Management believes that the material weaknesses set forth in items (2) and (3) above did not have an effect on our financial results. However, management believes that the lack of a functioning audit committee and the lack of a majority of outside directors on our board of directors results in ineffective oversight in the establishment and monitoring of required internal controls and procedures, which could result in a material misstatement in our financial statements in future periods.

Management s Remediation Initiatives

In an effort to remediate the identified material weaknesses and other deficiencies and enhance our internal controls, we have initiated, or plan to initiate, the following series of measures once the Company has sufficient funding to finance these measures:

- We will create a position to segregate duties consistent with control objectives and will increase our personnel resources and technical accounting expertise within the accounting function.
- We plan to appoint one or more outside directors to our board of directors who shall be appointed to an audit committee. It is anticipated that this director and/or the entire audit committee will oversee the establishment and monitoring of required internal controls and procedures such as reviewing and approving estimates and assumptions made by management.

Changes 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.

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PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

None.

ITEM 1A. RISK FACTORS.

Not applicable to a smaller reporting company.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None

ITEM 6. EXHIBITS.

31.1	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal executive officer
31.2	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal financial and accounting officer
32.1	Section 1350 Certification of principal executive officer and principal financial and accounting officer
101*	XBRL data files of Financial Statements and Notes contained in this Quarterly Report on Form 10-Q.

* 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: June 19, 2012

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