VITAL PRODUCTS, INC.

Annual Report
for the period July 31, 2015

ITEM 1 NAME OF ISSUER AND ITS PREDECESSORS (if any):

Vital Products, Inc.- May 27, 2005 to present

ITEM 2 ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES:

2404 Via Mariposa West 1-A
Laguna Woods, CA 92637
Website: http://www.vitalproductsinc.com
Phone: 949-306-3110
Email: info@vitalproductsinc.com

ITEM 3 SECURITY INFORMATION:

As of July 31, 2015:

Trading symbol: VTPI
Common stock – 1,000,000,000 shares authorized, par value $.0001 and 987,914,478 shares issued and outstanding

Preferred Stock – Preferred Stock; $0.01 par value; authorized undesignated 900,000 shares,
Series A Convertible Preferred Stock; $0.01 par value; 100,000 shares authorized, 100,000 issued and outstanding

Cusip number: 92847H 40 3

Transfer Agent

Intercontinental Registrar & Transfer Agency, Inc.
900 Buchanan Blvd.
Boulder City, NV 89005
702-293-6717

This transfer Agent is registered under the Exchange Act

ITEM 4 ISSUANCE HISTORY

No capital stock has been issued during the year ended July 31, 2014 and 2015.

ITEM 5 FINANCIAL STATEMENTS

VITAL PRODUCTS, INC.
Financial Statements
July 31, 2015
(Unaudited)

Vital Products, Inc.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	July 31, 2015	July 31, 2014
ASSETS		
Current assets		
Cash	$ -	$ 25,727
Accounts receivable – related party	128,994	121,794
Inventory	167,563	187,551
Prepaid expenses	45,797	-
Total current assets	342,354	335,072
Total assets	$ 342,354	$ 335,072
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Bank overdraft	$ 6,850	$ -
Accounts payable and accrued liabilities	374,729	356,745
Accounts payable and accrued liabilities – related party	146,784	175,847
Provision for sales returns	-	13,000
Advances	143,733	143,643
Convertible notes payable, net	342,542	285,451
Advances from related parties	111,320	131,578
Total current liabilities	1,125,958	1,106,264
Total liabilities	1,125,958	1,106,264
Stockholders' deficit		
Preferred Stock; $0.01 par value; authorized undesignated 900,000 shares, no shares issued and outstanding		
Series A Convertible Preferred Stock; $0.01 par value;100,000 shares authorized, 100,000 and 100,000 issued and outstanding, respectively	1,000	1,000
Common stock; $0.0001 par value; 1,000,000,000 shares authorized and 987,914,478 and 987,914,478 issued and outstanding, respectively	98,792	98,792
Additional paid-in capital	3,844,606	3,844,606
Accumulated other comprehensive income	47,181	47,181
Accumulated deficit	(4,804,118)	(4,794,496)
Total Vital Products, Inc. stockholders' deficit	(812,539)	(802,917)
Non-controlling interest	28,935	31,725
Total deficit	(783,604)	(771,192)
Total liabilities and deficit	$ 342,354	$ 335,072

See Accompanying Notes to Consolidated Financial Statements.

Vital Products, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the year ended July 31, 2015	For the year ended July 31, 2014
Sales	$ 2,221,298	$ 2,823,575
Cost of sales	1,923,755	2,301,103
Gross profit	297,543	522,472
Operating expenses		
Selling, general and administrative	307,263	534,754
Total operating expenses	307,263	534,754
Net operating loss	(9,720)	(12,282)
Other income (loss)		
Financing costs	(143,767)	(126,463)
Gain on settlement of debt	86,677	72,231
Gain (loss) on currency exchange rate	54,398	19,039
Net loss	(12,412)	(47.475)
Net (income) loss attributed to non-controlling interest	2,790	(32,215)
Net loss attributable to Vital Products, Inc.	$ (9,622)	$ (79,690)
Net loss attributable to Vital Products Inc. per common share, basic	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding, basic	987,914,478	782,482,692

See Accompanying Notes to Consolidated Financial Statements.

Vital Products, Inc.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED JULY 31, 2015 AND 2014
(Unaudited)

	Preferred Stock		Common Stock						
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Noncontrolling interest	Total Shareholders' (Deficit)
Balance July 31, 2013	100,000	$ 1,000	579,298,478	$ 57,930	$ 3,803,744	$ 47,181	$ (4,714,806)	$ (490)	$ (805,441)
Issuance of stock for conversion of promissory note	--	--	408,616,000	40,862	40,862	--	--	--	81,724
Net loss attributable to non-controlling interest	--	--	--	--	--	--	--	32,215	32,215
Net loss attributable to Vital Products Inc.	--	--	--	--	--	--	(79,690)	--	(79,690)
Balance July 31, 2014	100,000	1,000	987,914,478	98,792	3,844,606	47,181	(4,794,496)	31,725	(771,192)
Net loss attributable to non-controlling interest	--	--	--	--	--	--	--	(2,790)	(2,790)
Net loss attributable to Vital Products Inc.	--	--	--	--	--	--	(9,622)	--	(9,622)
Balance July 31, 2015	100,000	$ 1,000	987,914,478	$ 98,792	$3,844,606	$ 47,181	($4,804,118)	$ 28,935	($783,604)

See Accompanying Notes to Consolidated Financial Statements.

Vital Products, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the year ended July 31, 2015	For the year ended July 31, 2014
Cash flows from operating activities		
Net loss	$ (12,412)	$ (47,475)
Adjustments to reconcile net loss		
to cash used in operating activities		
Accretion of debt discount and interest expense	143,768	126,463
Gain on currency exchange	(86,677)	(26,130)
Gain on settlement of debt	(66,113)	(72,231)
Changes in operating assets and liabilities		
Accounts receivable	(7,200)	50,026
Inventory	19,988	(19,609)
Prepaid expenses	(45,797)	-
Accounts payable and accrued liabilities	43,319	(49,793)
Provision for sales returns	(13,000)	2,000
Net cash used in operating activities	(24,124)	(36,749)
Cash flow from financing activities		
Bank overdraft	6,850	-
Advances	90	55,500
Payments on advances – related party	(8,543)	-
Net cash provided by financing activities	(1,603)	55,500
Net change in cash	(25,727)	18,751
Cash, beginning of the period	25,727	6,976
Cash, end of the period	$ -	$ 25,727
Supplemental disclosure of non-cash investing and financing activities		
Issuance of common stock for conversion of promissory note	$ -	$ 81,724

See Accompanying Notes to Consolidated financial statements.

VITAL PRODUCTS, INC.
Notes to Consolidated Financial Statements
July 31, 2015 and 2014
(Unaudited)

1. NATURE OF OPERATIONS AND BASIS FOR PRESENTATION

Vital Products, Inc. (the "Company") was incorporated in the State of Delaware on May 27, 2005. On July 5, 2005, the Company purchased the Childcare Division of Metro One Development, Inc., (formerly On The Go Healthcare, Inc.) which manufactured and distributed infant care products.

In August 2008, we changed our business plan and began the process of developing a new line of business as a distributor of industrial packaging products. On September 17, 2008, we entered into a Letter of Intent to purchase Montreal-based Den Packaging Corporation. The transaction proposed in the Letter of Intent did not close. On February 27, 2010, we entered into a License Agreement with Den Packaging Corporation as noted below.

On October 7, 2008, we entered into a consulting agreement with DLW Partners of Toronto, an industrial packaging consulting firm specializing in market analysis, market and product strategies and the development of product line extensions. We believed that DLW would work closely with us to develop new products for existing markets and establish product line extensions to further our market share. Most importantly DLW has experience in the development of environmentally friendly products and we expected that DLW would further our initiative to develop environmentally acceptable products. As we have not had a product commercialized by DLW we let the agreement expire on July 31, 2011.

On October 21, 2008, we entered into a sales and marketing agreement with Eco Tech Development LLC of Nevada, a product research and development company specializing in eco-friendly industrial packaging applications, whereby we would market certain proprietary and patent-pending technologies that have recently been developed by Eco Tech, beginning with the marketing of a new bio-based foam packaging product. As we have not had a product commercialized we let the agreement expire on July 31, 2011.

On January 13, 2009, we announced that we had commenced production of Biofill(TM), our bio-based foam in place packaging product, and on January 26, 2009, we received our first purchase order.

On February 19, 2009, we entered into an agreement to market a new paper packaging system. While we believe paper packaging has been a staple in the industrial packaging market for many years, our new system produces a craft paper product that simulates a moldable nest. We believe this product is priced competitively with other paper products and gives us the advantage of performance and range of use. Although our new line of business continues to develop, we believe that these purchase orders validate our product and reflect the industrial packaging industry's trend towards environmentally friendly product lines. As of July 31, 2011, we have limited production of the new paper packaging product.

On February 27, 2010, we entered into a License Agreement with Den Packaging Corporation (“Den Packaging”), in which our former Chief Executive Officer has a majority ownership interest. Under the terms of the Agreement, we have the right to market the products of Den Packaging as well as the right of use of the facilities of Den Packaging including but not limited to the sales and distribution facilities. We purchased all of the inventory on hand as of March 1, 2010 and agreed to pay a fee of 5% of all sales generated plus a management fee of 5% based on the total monies paid for employee salaries, benefits and commissions. The Company is responsible for all expenses that relate to sales generated under the License Agreement. The duration of the agreement is for a period of twelve months commencing on March 1, 2010 and thereafter on a month-by-month basis unless sooner terminated by Den Packaging as provided for in the agreement. Den Packaging may at any time in its sole discretion, with sixty days prior notice, terminate the agreement and revoke the license granted for any reason whatsoever and upon such termination we will immediately stop the use of the facilities as described.

The Company determined that Den Packaging was a Variable Interest Entity and that Vital Products, Inc. is the primary beneficiary. As such, Den Packaging Corporation was consolidated into the Company’s financial statements.

Den Packaging delivered a termination notice to the Company to cancel the License Agreement effective May 1, 2011. The Company determined that it lost control of Den Packaging on May 1, 2011 and ceased to include the balance sheet, results of operations and cash flows of Den Packaging in the consolidated financial statements of the Company after April 30, 2011.

On April 26, 2012, we entered into a License Agreement with Vital Products Supplies, Inc. ("Vital Supplies"). Under the terms of the Agreement, we have the right to market the products of Vital Supplies as well as the right of use of the facilities of Vital Supplies including but not limited to the sales and distribution facilities. We agreed to pay a fee of 1.5% of all sales generated plus a management fee of 1.5% based on the total monies paid for employee salaries, benefits and commissions. The Company is responsible for all expenses that relate to sales generated under the License Agreement. The duration of the agreement is for a period of twelve months commencing on April 26, 2012 and thereafter on a month-by-month basis unless sooner terminated by Vital Supplies as provided for in the agreement. Vital Supplies may at any time in its sole discretion, with sixty days prior notice, terminate the agreement and revoke the license granted for any reason whatsoever and upon such termination we will immediately stop the use of the facilities as described.

The Company has determined that Vital Supplies is a Variable Interest Entity and that Vital Products, Inc. is the primary beneficiary. As such, Vital Supplies has been consolidated into the Company's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Liquidity and Going Concern

During the years ended July 31, 2015 and 2014, the Company incurred losses of $12,412, and $47,475, respectively and cash used in operations was $24,124 and $36,749, respectively. The Company financed its operations through loans payable and vendors' credit.

Management believes that the current cash balances at July 31, 2015 and net future cash proceeds from operations will not be sufficient to meet the Company's cash requirements for the next twelve months.

These consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the measurement and classification of the recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company has experienced losses in the period and has negative working capital. The Company's ability to realize its assets and discharge its liabilities in the normal course of business is dependent upon continued support.

The Company is currently attempting to obtain additional financing from its existing shareholders and other strategic investors to continue its operations. However, the Company may not obtain sufficient additional funds from these sources.

These conditions cause substantial doubt about the Company's ability to continue as a going concern. A failure to continue as a going concern would require that stated amounts of assets and liabilities be reflected on a liquidation basis that could differ from the going concern basis. These consolidated financial statements do not contain any adjustments for this contingency.

Accounting Principles

The Company's accounting and reporting policies conform to generally accepted accounting principles in the United States. The consolidated financial statements are reported in United States dollars.

Consolidation

The consolidated financial statements include the accounts of the Company and its variable interest entity ("VIE") in which the Company is the primary beneficiary. Effective August 1, 2009, the Company adopted the accounting standards for non-controlling interests and reclassified the equity attributable to its non-controlling interests as a component of equity in the accompanying consolidated balance sheets. All significant intercompany balances and transactions have been eliminated in consolidation.

Management's determination of the appropriate accounting method with respect to the Company's variable interests is based on accounting standards for VIEs issued by the Financial Accounting Standards Board ("FASB"). The Company consolidates any VIEs in which it is the primary beneficiary and discloses significant variable interests in VIEs of which it is not the primary beneficiary, if any.

Use of Estimates

The preparation of consolidated financial statements in conformity with United States generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Significant estimates include amounts for impairment of equipment, share based compensation, inventory obsolescence and allowance for doubtful accounts.

Foreign Currency Translation

After operations of the Company moved from Ontario, Canada to California, the Company reviewed its functional currency and determined that it was appropriate to change the functional currency to the U.S. dollar from the Canadian dollar May 1, 2012.

Prior to May 1, 2012, our financial information was translated into U.S. dollars using exchange rates in effect at period-end. The income statement is translated at the average year-to-date exchange rate. Adjustments resulting from translation of foreign exchange are included as a component of other comprehensive income within stockholders' deficit.

Valuation of Long-Lived Assets

We assess the recoverability of long-lived assets whenever events or changes in business circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized when the sum of the expected undiscounted net cash flows over the remaining useful life is less than the carrying amount of the assets.

Revenue Recognition

The Company recognizes revenue in accordance with FASB ASC Subtopic 605, Revenue Recognition. Under FASB ASC Subtopic 605, revenue is recognized at the point of passage to the customer of title and risk of loss, there is persuasive evidence of an arrangement, the sales price is determinable, and collection of the resulting receivable is reasonably assured. The Company generally recognizes revenue at the time of delivery of goods. Sales are reflected net of sales taxes, discounts and returns.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with maturities of three months or less when purchased. Cash and cash equivalents are on deposit with financial institutions without any restrictions. At July 31, 2015 and 2014, cash equivalents amounted to $0.

Allowance for Doubtful Accounts

The Company records an allowance for doubtful accounts as a best estimate of the amount of probable credit losses in its accounts receivable. Each month, the Company reviews this allowance and considers factors such as customer credit, past transaction history with the customer and changes in customer payment terms when determining whether the collection of a receivable is reasonably assured. Past due balances over 90 days and over a specified amount are reviewed individually for collectability. Receivables are charged off against the allowance for doubtful accounts when it becomes probable that a receivable will not be recovered. At July 31, 2015 and 2014, the allowance for doubtful accounts amounted to $0.

Fair Value of Financial Instruments

The Company's financial instruments comprise cash, accounts receivable – related party, accounts payable and accrued liabilities, notes payable to The Cellular Connection Ltd. and L. Burke, advances, and advances from related party. The carrying value of Company's short-term instruments approximates fair value, unless otherwise noted, due to the short-term maturity of these instruments. In management's opinion, the fair value of notes payable is approximate to carrying value as the interest rates and other features of these instruments approximate those obtainable for similar instruments in the current market. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks in respect of these financial instruments.

Inventory

Inventory comprises finished goods held for sale and is stated at the lower of cost or market value. Cost is determined by the average cost method. The Company estimates the realizable value of inventory based on assumptions about forecasted demand, market conditions and obsolescence. If the estimated realizable value is less than cost, the inventory value is reduced to its estimated realizable value. If estimates regarding demand and market conditions are inaccurate or unexpected changes in technology affect demand, the Company could be exposed to losses in excess of amounts recorded. On this basis management recorded a reserve of $0 at July 31, 2015 (July 31, 2014 - $0).

Income Taxes

The Company follows FASB ASC Subtopic 740, Income Taxes, for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled.

Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

Stock-based Compensation

The Company follows FASB ASC Subtopic 718, Stock Compensation, for accounting for stock-based compensation. The guidance requires that new, modified and unvested share-based payment transactions with employees, such as grants of stock options and restricted stock, be recognized in the consolidated financial statements based on their fair value at the grant date and recognized as compensation expense over their vesting periods. The Company also follows the guidance for equity instruments issued to consultants.

Basic Loss Per Share

FASB ASC Subtopic 260, Earnings Per Share, provides for the calculation of “Basic" and "Diluted" earnings per share. Basic earnings per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding for the period. All potentially dilutive securities have been excluded from the computations since they would be antidilutive. However, these dilutive securities could potentially dilute earnings per share in the future.

Comprehensive Income

The Company has adopted FASB ASC Subtopic 220, Comprehensive Income, which establishes standards for reporting and display of comprehensive income, its components and accumulated balances. Comprehensive income is defined to include all changes in equity except those resulting from investments by owners or distributions to owners. Among other disclosures, FASB ASC Subtopic 220 requires that all items that are required to be recognized under the current accounting standards as a component of comprehensive income be reported in a financial statement that is displayed with the same prominence as other financial statements. Comprehensive income is displayed in the statement of stockholders’ deficit and in the balance sheet as a component of stockholders' deficit.

Recent Accounting Pronouncements

There have been no recent accounting pronouncements or changes in accounting pronouncements that impacted the fourth quarter of fiscal 2014, or which are expected to impact future periods that were not already adopted and disclosed in prior periods.

3. VARIABLE INTEREST ENTITY

Following is a description of our financial interests in a variable interest entity that we consider significant, those for which we have determined that we are the primary beneficiary of the entity and, therefore, have consolidated the entity into our financial statements.

Vital Products Supplies, Inc. - On April 26, 2012, we entered into a License Agreement with Vital Products Supplies, Inc. (“Vital Supplies”). Under the terms of the Agreement, we have the right to market the products of Vital Supplies as well as the right of use of the facilities of Vital Supplies including but not limited to the sales and distribution facilities. We agreed to pay a fee of 1.5% of all sales generated plus a management fee of 1.5% based on the total monies paid for employee salaries, benefits and commissions. The Company is responsible for all expenses that relate to sales generated under the License Agreement. The duration of the agreement is for a period of twelve months commencing on April 26, 2012 and thereafter on a month-by-month basis unless sooner terminated by Vital Supplies as provided for in the agreement. Vital Supplies may at any time in its sole discretion, with sixty days prior notice, terminate the agreement and revoke the license granted for any reason whatsoever and upon such termination we will immediately stop the use of the facilities as described.

We have determined that we are the primary beneficiary of Vital Supplies as our interest in the entity is subject to variability based on results from operations and changes in the fair value.

The results of operations for Vital Supplies have been included in the consolidated financial statements of the Company. The Company did not pay consideration to enter into the License Agreement. The acquisition has been accounted for using the purchase method as follows:

Cash	$	200
Non-controlling interest		(200)
	$	-

Our consolidated balance sheet recognizes current assets of $335,072 (2014 - $334,615), and accounts payable and accrued liabilities of $306,138 (2014 - $302,890) related to our interests in Vital Supplies. Our statement of operations recognizes sales of $2,221,298 (2014 - $2,823,575) cost of sales of $1,923,755 (2014 - $2,301,103), selling, general and administrative expenses of $305,174 (2014 - $490,256) and finance costs of $0 (2014 - $0) related to our interest in Vital Supplies.

At July 31, 2015 and 2014, $74,187 and $62,520 was due to Vital Product Supplies, Inc under the License Agreement. This liability is not recorded in these consolidated statements as this amount is an inter-company balance within the consolidated group. If Vital Product Supplies, Inc exercised their rights to terminate the agreement at July 31, 2015, $74,187 would be recorded as a liability on the balance sheet of Vital Products Inc.

4. INVENTORY

As of July 31, 2015 and 2014, inventory is comprised of finished goods and no provision for inventory obsolescence has been recorded.

5. CONVERTIBLE NOTES PAYABLE TO THE CELLULAR CONNECTION LTD. AND L. BURKE

	Original Date of Issuance	Maturity Date	July 31, 2015	July 31, 2014
Promissory Note 7	May 27, 2010	May 26, 2015	$ 92,068	$ 76,723
Promissory Note 9	November 29, 2010	November 28, 2014	101,606	84,672
Promissory Note 12	April 7, 2011	April 6, 2015	66,355	55,296
Promissory Note 13	February 24, 2012	February 23, 2015	19,393	15,413
Interest			28,053	24,125
Accretion			35,067	29,222
			$ 342,542	$ 285,451

As of July 31, 2015 and 2014, notes payable are recorded net of unamortized debt discount of $92,898 and $77,415, respectively.

On February 24, 2012, the Company agreed to amend the terms of Promissory Notes 3, 4, 5, 6, 8, 10 and 11 issued to the Cellular Connection Ltd. Under the terms of the Side Letter Agreement, the Promissory Notes were combined into one new Promissory Note ('Promissory Note 13') with an issue amount of $147,936 and face amount of $177,523. The conversion feature of the Promissory Note 13 has a fixed conversion price of $0.0002 per share of common stock of the Company. The face amount of the new Promissory Note is payable February 24, 2013. The outstanding face amount of Promissory Note 13 shall increase by another 20% on February 24, 2014 and again on each one year anniversary of February 24, 2014 until the new Promissory Note has been paid in full. The amendment of the terms of these notes resulted in a beneficial conversion feature of $88,762 since the closing price of common stock on February 24, 2012 exceeded the fixed conversion price. The beneficial conversion feature of $88,762 is included in additional paid-in capital. The amendment of the terms of the note was accounted for as a debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $14,728 gain. Commencing on March 20, 2012 and ending on April 26, 2012 the holder of the note converted $95,800 of principal and interest of Promissory Note 13 into 479,000,000 shares of the Company's common stock. Commencing on November 1, 2013 and ending on November 6, 2013 the holder of the note converted $44,600 of principal and interest of Promissory Note 13 into 223,000,000 shares of the Company's common stock. Commencing on May 14, 2014 and ending on May 16, 2014 the holder of the note converted $37,124 of principal and interest of Promissory Note 13 into 185,616,000 shares of the Company's common stock.

On November 28, 2013, Promissory Note 9 renewed for an additional year under the terms outlined in the original Note. The modification of the Note upon renewal has been accounted for as debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $28,224 gain.

On April 6, 2014, Promissory Note 12 renewed for an additional year under the terms outlined in the original Note. The modification of the Note upon renewal has been accounted for as debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $18,432 gain.

On May 26, 2014, Promissory Note 7 renewed for an additional year under the terms outlined in the original Note. The modification of the Note upon renewal has been accounted for as debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $25,575 gain.

On November 28, 2014, Promissory Note 9 renewed for an additional year under the terms outlined in the original Note. The modification of the Note upon renewal has been accounted for as debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $33,869 gain.

On April 6, 2015, Promissory Note 12 renewed for an additional year under the terms outlined in the original Note. The modification of the Note upon renewal has been accounted for as debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $22,119 gain.

On May 27, 2015, Promissory Note 7 renewed for an additional year under the terms outlined in the original Note. The modification of the Note upon renewal has been accounted for as debt extinguishment and the issuance of a new debt instrument. Accordingly, in connection with extinguishment of the original debt, the Company recognized a $30,689 gain.

Each of the notes bear interest at 20% per annum and allow for the lender to secure a portion of the Company assets up to 200% of the face value of the note and mature one year from the day of their respective issuance. Unless otherwise indicated, the holder has the right to convert the Notes plus accrued interest into shares of the Company's common stock at any time prior to the Maturity Date. The number of common stock to be issued will be determined using a conversion price based on 75% of the average of the lowest closing bid price during the fifteen trading days immediately prior to conversion.

6. RELATED PARTY BALANCES AND TRANSACTIONS

During the year ended July 31, 2015 and 2014, the Company had sales of $2,221,298 and $2,823,575, respectively, and as of July 31, 2015 and 2014 accounts receivable of $128,994 and $121,794, respectively, all with Century Computer Products ("Century") and Reliable Printing Solutions, Inc. ("Reliable"). Aaron Shrira, the sole shareholder of Vital Supplies, is a 50% shareholder of both Century and Reliable. Vital Supplies is a consolidated subsidiary of Vital Products. We have determined that we are the primary beneficiary of Vital Supplies as our interest in the entity is subject to variability based on results from operations and changes in the fair value.

For the year ended July 31, 2015 and 2014, the Company had advances of $24,006 and $28,758, respectively, and outstanding payables totaling $146,784 and $175,847, respectively, all with Zynpak Packaging Inc. in which the Company's former Chief Executive Officer has a majority ownership interest. The balances are non-interest bearing, unsecured and have no specified terms of repayment.

As of July 31, 2015 and July 31, 2014 advances of $78,314 and $93,820, respectively, with Den Packaging Corporation in which the Company's former Chief Executive Officer has a majority ownership interest and advances of $9,000 and $9,000, respectively, with Century. The balances are non-interest bearing, unsecured and have no specified terms of repayment.

7. CONVERTIBLE PREFERRED AND CAPITAL STOCK

Each Series A Preferred Stock is convertible at any time, at the option of the holder, into 100 shares of common stock. Series A Preferred Stocks carry voting rights equal to the number of common shares into which the preferred stock can be converted, multiplied by 30. Upon any liquidation, dissolution or winding-up of the Company, the Holders shall be entitled to receive out of the assets of the Company, whether such assets are capital or surplus, for each share of Preferred Stock an amount equal to the holder's pro rata share of the assets and funds of the Company.

Commencing on November 1, 2013 and ending on November 6, 2013 the holder of a convertible note converted $44,600 of principal and interest of Promissory Note 13 into 223,000,000 shares of the Company's common stock.

Commencing on May 14, 2014 and ending on May 16, 2014 the holder of a convertible note converted $37,124 of principal and interest of Promissory Note 13 into 185,616,000 shares of the Company's common stock.

8. INCOME TAXES

The following is a reconciliation comparing income taxes calculated at the statutory rates to the amounts provided in the accompanying consolidated financial statements as of July 31, 2015 and 2014:

The Company's computation of income tax recovery is as follows:

		2015		2014
Net loss	$	(12,612)	$	(47,475)
Enacted income tax rate		34.6%		34.6%
Income tax recovery at enacted rate		(4,364)		(16,426)
Non-deductible expenses		931		9,723
Change in valuation allowance		3,433		6,703
	$	-	$	-

Components of the Company's net future income tax assets are:

		2014		2014
Non-capital loss carry forward	$	1,158,313	$	1,154,880
Valuation allowance		(1,158,313)		(1,154,880)
Net future income tax assets	$	-	$	-

In assessing the realizability of future tax assets, management considers whether it is more likely than not that some portion or all of the future tax assets will not be realized. The ultimate realization of future tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of future tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Management has provided for a valuation allowance on all of its losses as there is no assurance that future tax benefits will be realized. The change in the valuation allowance during the years ended July 31, 2015 and 2014 was $3,433 and $6,703, respectively. The change in the valuation allowance due to a change in tax rates for the years ended July 31, 2015 and 2014 was $0 and $0, respectively. The Company recognizes interest and penalties, if any, related to uncertain tax positions in selling, general and administrative expenses. No interest and penalties related to uncertain tax positions were accrued at July 31, 2015 ($0 - July 31, 2014)

The non-capital losses expire in 2015 through 2035.

9. RISK MANAGEMENT

Foreign Exchange Risk

From time to time, the company can be exposed to foreign exchange risk on purchases of inventory which are made in US dollars. The company does not use derivative instruments to hedge its foreign exchange risk.

Concentration Risk

The company is subject to risk of non-payment on its trade accounts receivable. For the year ended July 31, 2015, the company has few customers. Two customers represents 100% of the total outstanding accounts receivable and two customers represent 100% of total sales. Management consistently monitors its client credit terms with customers to reduce credit risk exposure.

For the year ended July 31, 2015, the company purchased its inventory from many vendors.

ITEM 6 DESCRIBE THE ISSUER'S BUSINESS, PRODUCTS AND SERVICES

Description of the issuer's business operations:

As of July 31, 2008, our sole business was to manufacture two products marketed to infants and toddlers under the "On The Go" name. As of July 31, 2008, these two products failed to produce enough revenue for us to cover our expenses. After evaluating the market for baby care products, we determined that the industry does not offer enough opportunity for a small company to create affordable products that can be introduced into distribution channels without significant expense. As a result, we decided not to invest further funds developing our baby products line.

In August 2008, we changed our business plan and began the process of developing a new line of business as a distributor of industrial packaging products. On September 17, 2008, we entered into a Letter of Intent to purchase Montreal-based Den Packaging Corporation. The transaction proposed in the Letter of Intent did not close. On February 27, 2010, we entered into a License Agreement with Den Packaging Corporation as noted below.

On October 7, 2008, we entered into a consulting agreement with DLW Partners of Toronto, an industrial packaging consulting firm specializing in market analysis, market and product strategies and the development of product line extensions. We believed that DLW would work closely with us to develop new products for existing markets and establish product line extensions to further our market share reach as a developer of industrial packaging products. Most importantly DLW has experience in the development of environmentally friendly products and we expected that DLW would further our initiative to develop environmentally acceptable products. As we have not had a product commercialized by DLW we let the agreement expire on July 31, 2010.

On October 21, 2008, we entered into a sales and marketing agreement with Eco Tech Development LLC of Nevada, a product research and development company specializing in eco-friendly industrial packaging applications, whereby we agreed to market certain proprietary and patent-pending technologies that have recently been developed by Eco Tech, beginning with the marketing of a new bio-based foam packaging product. As we have not had a product commercialized we let the agreement expire on July 31, 2010.

On January 13, 2009, we formally announced that we had commenced production of Biofill (TM), our bio-based foam packaging product, and on January 26, 2009, we received our first purchase order. On January 30, 2009, we received a second purchase order for our Biofill product from a major North American manufacturer.

On February 19, 2009, we entered into an agreement to market a new paper packaging system. While we believe paper packaging has been a staple in the industrial packaging market for many years, our new system produced a craft paper product that simulates a moldable nest. We believe this product is priced competitively with other paper products and gives us the advantage of performance and range of use. Although our new line of business continued to develop, we believe that the purchase orders validated our product and reflect the industrial packaging industry's trend towards environmentally friendly product lines. As of July 31, 2011 we had limited production of this new paper packaging system and abandoned this product and agreement.

On February 27, 2010, we entered into a License Agreement with Den Packaging Corporation, in which our former Chief Executive Officer has a majority ownership interest. Under the terms of the Agreement, we had the right to market the products of Den Packaging as well as the right of use of the facilities of Den Packaging including but not limited to the sales and distribution facilities. We purchased all of the inventory on hand as of March 1, 2010 and agreed to pay a fee of 5% of all sales generated plus a management fee of 5% based on the total monies paid for employee salaries, benefits and commissions. The Company was responsible for all expenses that relate to sales generated under the License Agreement. The duration of the agreement was for a period of twelve months commencing on March 1, 2010 and thereafter on a month-by-month basis unless sooner terminated by Den Packaging as provided for in the agreement.

The Company had determined that Den Packaging was a Variable Interest Entity and that Vital Products, Inc. was the primary beneficiary. As such, Den Packaging Corporation had been consolidated into the Company's financial statements.

Den Packaging delivered a termination notice to the Company to cancel the License Agreement effective May 1, 2011. The Company determined that it lost control of Den Packaging on May 1, 2011 and ceased to include the balance sheet, results of operations and cash flows of Den Packaging in the consolidated financial statements of the Company after April 30, 2011.

On April 26, 2012, we entered into a License Agreement with Vital Supplies. Under the terms of the Agreement, we have the right to market the products of Vital Supplies as well as the right of use of the facilities of Vital Supplies including but not limited to the sales and distribution facilities. Vital Supplies is a business to business supplier of printer ribbons, toner cartridges and ink jet cartridges. Vital Supplies purchases product from approximately ten suppliers and then resell to other businesses. Vital Supplies strategy is to purchase high quality products from many sources in order maximize customer satisfaction and to minimize returns. As of July 31, 2012 we have had two customers, Century Computer Products ("Century") and Reliable Printing Solutions, Inc. ("Reliable"). Aaron Shrira, the sole shareholder of Vital Supplies, is a 50% shareholder of both Century and Reliable.

The Company has determined that Vital Supplies is a Variable Interest Entity and that Vital Products, Inc. is the primary beneficiary. As such, Vital Supplies has been consolidated into the Company's financial statements.

Date and State (or Jurisdiction) of Incorporation: May 27, 2005 - Delaware

The issuer's primary and secondary SIC Codes: 2590
The issuer's fiscal year end date: 07/31

ITEM 7 DESCRIBE THE ISSUER'S FACILITIES

The corporate headquarters at located at 2404 Via Mariposa West, 1-A, Laguna Woods, California 92637

ITEM 8 OFFICER, DIRECTORS AND CONTROL PERSONS

Full Name: James McKinney
Title: Chief Executive Officer / Chief Financial Officer / Secretary / Chairman of the Board of Directors
Business Address: 2404 Via Mariposa West, 1-A, Laguna Woods, California 92637
Compensation: None Ownership: shares of common stock
Biography **–** Mr. James McKinney has served as President and CFO since April 30, 2012 and was appointed the sole director of the Company on July 30, 2012. In addition, Mr. McKinney has been serving as Acting Chief Executive Officer since July 30, 2013. Mr. McKinney graduated from the University of Southern California with a Bachelor of Science in Accountancy in 1967. From 1967 to 1971 Mr. McKinney was employed by PriceWaterhouse Coopers with temporary leave for military service during this period. Mr. McKinney has been and currently is the proprietor of an income tax preparation business since 1987 and has been a California Registered Tax Preparer for over 20 years. In addition, after four years of service as Treasurer of the Saddleback Unit 525, a non-profit association, he resigned as an officer in March 2013.

Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

   None.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

   None.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

   None.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person’s involvement in any type of business or securities activities.

   None.

The following table sets forth, as of November 13, 2015, information about the beneficial ownership of our capital stock with respect to each person known by VITAL PRODUCTS, INC. to own beneficially more than 5% of the outstanding capital stock, each director and officer, and all directors and officers as a group.

Name and Address	**Number of Shares Beneficially Owned**	**Class**	**Percentage of Class**(1)
James McKinney Chief Executive Officer, Chief Financial Officer, Secretary and Chairman of the Board of Directors	106,000,000(2)	Common	10.7%
Total	106,000,000	Common	10.7%

(1) As of November 13, 2015 there were 987,914,478 shares of common stock issued and outstanding.

(2) James McKinney beneficial ownership is comprised of 100,000,000 shares of common stock and 60,000 shares of Series A Convertible Preferred Stock which are convertible into an aggregate of 6,000,000 shares of common stock.

ITEM 9 THIRD PARTY PROVIDERS:

1. <u>Counsel</u>
   Daniel Master
   4490 Philbrook Square
   San Diego, CA 92130
   (858) 523-1177

2. <u>Accountant or Auditor</u>

   Financials prepared by Management

3. <u>Investor Relations Consultant</u>

   None

4. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.

   None

ITEM 10 ISSUER CERTIFICATION

I, James McKinney, certify that:

1. I have reviewed this annual report of VITAL PRODUCTS, INC.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: November 13, 2015

/s/ James McKinney
James McKinney
Chief Executive Officer and Chief Financial Officer
(Principal Executive Officer and Chief Financial Officer)