QUARTERLY REPORT

FOR

THE QUARTER ENDING

JANUARY 31, 2014

GRAND PERFECTA, INC.

A Nevada Corporation
For the Periods (i) Annual Ended July 31, 2013,
(ii) Quarter Ended January 31, 2014

THE INFORMATION FURNISHED HEREIN HAS BEEN PREPARED FROM THE BOOKS AND RECORDS OF THE ISSUER BY ITS OFFICERS AND DIRECTORS IN ACCORDANCE WITH THE PINK OTC MARKETS GUIDELINES FOR PROVIDING ADEQUATE CURRENT INFORMATION, AND IS INTENDED ONLY AS A SECURITIES DEALER INFORMATION FILE; AND

NO DEALER, SALESMAN, OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED HEREIN IN CONNECTION WITH THE ISSUER. SUCH INFORMATION OR REPRESENTATIONS, IF MADE, MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER; AND

DELIVERY OF THIS DOCUMENT DOES NOT AT ANY TIME IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIMES SUBSEQUENT TO THE DATE FIRST WRITTEN ABOVE.

Item 1 Name of the issuer and its predecessor

The exact name of the issuer is Grand Perfecta, Inc. (herein sometimes called the "Company"). Grand Perfecta, Inc., a Nevada corporation, was incorporated on March 25, 2002, as STI Holdings, Inc. It changed its name to Grand Perfecta, Inc. on April 1, 2013.

Item 2 Address of the issuer's principal executive offices

The Issuer maintains its executive office at 21st Floor, South Tower, New Pier Takeshiba, 1-16 -1, Kaigan, Minato-ku, Tokyo.
Telephone number 81-3-6403-8600; email contact sasaki@g-perfecta.com
The Company website: www.g-perfecta.com

Item 3 Security Information

The Company has 500,000,000 common shares authorized, par value $.001.
As of January 31, 2014, the Company had 27,500,000 shares outstanding.
The **CUSIP** number is **38611X 108**.
The Company has 100,000,000 shares of preferred stock authorized, par value $.001.
The Company has 100,000 shares outstanding of Series A Convertible Preferred Stock.
The trading symbol is **GPIW**.
The **Transfer Agent** for the shares of common stock of the Company is Action Stock Transfer Corporation, 2469 East Fort Union Boulevard, Suite 214, Salt Lake City, Utah 84121. The phone number is (801) 274-1088. Action Stock Transfer is registered under the Exchange Act and is regulated pursuant to the Securities and Exchange Commission ("SEC").

The shares have no preemptive rights nor the right to cumulative voting. The Company has only one class of preferred stock which is designated as Series A Convertible Preferred Stock. The Series A stock does not have a CUSIP and is not publicly traded. Under the rights preferences and privilege of the Series A Convertible Preferred Stock, the holders of the preferred stock receive a 10 to 1 voting preference over common stock. Accordingly, for every share of Series A Convertible Preferred Stock held, the holder receives the voting rights equal to 10 shares of common stock. As such, the holders of the Series A Convertible Preferred Stock have the equivalent of voting capability of 1,000,000 shares of common stock. The Series A Convertible Preferred Stock has a $0.05 per share liquidation preference over common stock and can be redeemed by the Company at any time, upon thirty days notice, for $0.05 per share. Additionally, each share of preferred stock is convertible into one share of common stock. There are no trading suspension orders issued by the SEC in the past 12 months for the Company.

Item 4 Issuance History

On May 12, 2012, the Company completed an Agreement and Plan of Reorganization whereby it acquired 100% of the issued and outstanding shares of Link Bit Consulting Co, Ltd (LinkBit), for 25,000,000 common shares in a transaction accounted for as a recapitalization of Link Bit. The shares were issued to the shareholders of Link Bit and were issued without registration under the Securities Act by reason of the exemption from registration afforded by the provisions of Section 4(6) and/or Section 4(2) thereof, and Rule 506 promulgated thereunder, as a transaction by an issuer not involving any public offering. Each investor was an accredited investor at the time of the agreement and consented to the imposition of restrictive legends upon the certificates representing the common shares.

On May 27, 2013, the Company issued 227,668 shares to Mr. Hideaki Takahashi, the sole officer, director and shareholder of Umajin HK, Ltd (Umajin) in exchange for 100% of the issued and outstanding shares of Umajin. The common shares were issued without registration under the Securities Act by reason of the exemption from registration afforded by the provisions of Section 4(6) and/or Section 4(2) thereof, and Rule 506 promulgated thereunder, as a transaction by an issuer not involving any public offering. Mr. Takahashi is a director of the Company, LinkBit and Umajin, an accredited investor and consented to the imposition of restrictive legends upon the certificates representing the common shares.

Item 5 Financial Statements

The financial statements were prepared in house by the Company and are attached following the signature page of this document. The financials include Consolidated Balance Sheets as of January 31, 2014 and July 31, 2013; Consolidated Statements of Operations for the three months ended January 31, 2014 and 2013, and for the six months ended January 31, 2014 and 2013; Consolidated Statements of Stockholders' Equity for the period July 31, 2012, to January 31, 2014; and Consolidated Statements of Cash Flows for the six months ended January 31, 2014 and 2013.

Item 6 Describe the Issuer's Business, Products and Services

A. Description of the issuer's business operations

The Company is engaged in the business of transmitting and providing horse racing information to their monthly subscribers via various media including, on-line, Company websites, magazines and by phone. The majority of the information to their subscribers is disseminated through their wholly owned subsidiary LinkBit in Tokyo, Japan. Through LinkBit, the Company owns and manages ten websites used to publish its racing information for its subscribers. The Company owns 100% of the entities listed below:

1. Specific Reporter (Ban Kisha Net) Co., Ltd.
2. Space Cultivation Mobile Co., Ltd
3. Meru Uma Co., Ltd.
4. Tau Project Co., Ltd.
5. Turf Agent Co., Ltd.
6. Craftsman of the Horse Saddle and Harness Co., Ltd.
7. Japan Horse Circle Co., Ltd.
8. Confidential Co., Ltd.
9. Real Selector Co., Ltd.
10. Meishun Kan Co., Ltd.(now dormant)

LinkBit also publishes Umajin, a horse racing magazine which is in its 15th year of production. LinkBit has produced several books and has overseen the production and management of TV shows and events in the horse racing and sports industry. The Company is expanding their marketing efforts in Hong Kong through their newly acquired subsidiary Umajin HK, located in Hong Kong.

B. Date and state of incorporation

Grand Perfecta, Inc., a Nevada corporation, was incorporated on March 25, 2002.

C. Issuer's primary and secondary SIC codes

Primary SIC Code: 2721 Periodicals: Publishing, or Publishing and Printing
Secondary SIC Code: 7375 Information Retrieval Services

D. Issuer's fiscal year end date

The Company has a fiscal year end of July 31. The Company's wholly owned subsidiaries, Link Bit and Umajin HK, also have a fiscal year ends of July 31.

E. Principal products or services, and their markets

Link Bit provides quality horse racing information to its subscribers, with insights from personnel such as jockeys, trainers and reporters that know the horse racing industry. The Company provides its users race information through its monthly publications, its web sites, online and by phone. The majority of the revenues for the Company come from its 1,000,000 monthly subscribers and members in Japan.

Item 7 Describe the Issuer’s Facilities

The management maintains an administrative office at:
21st Floor, SouthTower, New Pier Takeshiba,
1-16 -1,
Kaigan, Minato-ku,
Tokyo 105-0022
Contact: 81-3-6403-8600

The administrative offices in Japan include approximately 6,600 square feet of leased space. The total annual office lease payments for the Company and LinkBit were $828,114 for the year ending July 31, 2013, which includes the office and facilities used to publish its magazine, manage its websites and call center.

The Umajin HK office is located at Unit B, 19/F, Prosperous Commercial Building, 54 Jardine’s Bazzar, Causeway Bay, Hong Kong.

Grand Perfecta also maintains a USA office at 2500 Broadway, Building F, Suite F-125, Santa Monica, CA 90404.

Item 8 Officers, Directors, and Control Persons
A. Names of Officers, Directors and Control Persons

Mr. Shuya Watanabe Chairman, CEO. 52% ownership
Mr. Takashi Ozawa President, COO, Director. 24% ownership
Mr. Masashi Takegaki Secretary, Treasurer, CFO, Director.
Mr. Motonori Okai Director
Mr. Hideaki Takahashi Director
Mr. Akira Tanabe Director
Mr. Masauki Tsuda, Control Person

B. Legal/Disciplinary Action

The following disclosure items relate to the business of the Company during the preceding five years, to the best knowledge of the Company’s officers, directors and/or control persons:

1. None of the foregoing persons were convicted in any criminal proceeding or named as a defendant in a pending criminal proceeding;

2. There is no 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 any such person's involvement in any type of business, securities, commodities, or banking activities;
3. There are no findings or judgments by a court of competent jurisdiction (in a civil action), the SEC, or a state securities division.
4. There has been no entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited any such person's involvement in any type of business or securities activities.

C. Beneficial Shareholders

The following table sets forth certain information concerning the ownership of common stock of the Company, of each person who is known to the Company to be the beneficial owner of more than 10 percent of the outstanding common stock:

Shuya Watanabe - 14,300,000 Common and 100,000 Preferred*
21st Floor, So.Tower, New Pier Takeshiba,
1-16 -1, Kaigan, Minato-ku, Tokyo 105-0022

Takashi Ozawa - 6,600,000 Common
21st Floor, So. Tower, New Pier Takeshiba,
1-16 -1, Kaigan, Minato-ku, Tokyo 105-0022

*Preferred shares have 10:1 voting rights.

Item 9 Third Party Providers

None

Item 10 Issuer Certification

I, Masashi Takegaki, certify that:

1. I have reviewed this Quarterly Disclosure statement of Grand Perfecta, 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.

/s/ Masashi Takegaki
Masashi Takegaki, CFO
Date: March 6, 2014

GRAND PERFECTA, INC.

Consolidated Financial Statements

For the Six Months Ended

January 31, 2014

Grand Perfecta, Inc.
Consolidated Balance Sheets

	January 31, 2014	July 31, 2013
Assets		
Current Assets		
Cash	$ 219,561	$ 119,321
Accounts receivable, net	987,319	724,608
Prepaid expenses	511,152	74,905
Short term notes, related party	5,220,826	5,067,475
Other	906,184	402,962
Total current assets	7,845,042	6,389,271
Property, plant and equipment, net	166,686	219,350
Other Assets		
Software	182,841	186,572
Investments	1,069,278	1,091,100
Long term notes receivables	108,290	164,900
Deferred accounts	7,449,854	7,601,892
Other	431,442	439,336
Total other assets	9,241,705	9,483,800
Total assets	$ 17,253,433	$ 16,092,421
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 1,393,686	$ 1,710,827
Accrued expenses	1,120,769	1,661,265
Short term loan	1,998,029	-
Notes payable, related party	122,779	-
Notes payable, current portion	5,500,320	12,103,035
Total current liabilities	10,135,583	15,475,127
Long term notes, less current portion	4,188,280	402,503
Total liabilities	14,323,863	15,877,630
Stockholders' Equity		
Preferred stock; $0.001 par value; 100,000,000 shares authorized; 100,000 shares issued and outstanding	100	100
Common stock; $0.001 par value; 500,000,000 shares authorized; 27,500,000 shares issued and outstanding	27,500	27,500
Additional paid-in capital	1,257,556	1,257,556
Retained earnings (deficit)	1,920,271	(1,070,365)
Other comprehensive income	(275,857)	-
Total stockholders' equity	2,929,570	214,791
Total liabilities and stockholders' equity	$ 17,253,433	$ 16,092,421

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

Grand Perfecta, Inc.
Consolidated Statements of Operations

	Three Months Ended January 31,		Six Months Ended January 31,	
	2014	2013	2014	2013
Sales	$ 6,601,117	$ 5,428,969	$ 11,966,401	$ 10,110,930
Cost of sales	1,139,947	1,328,183	2,090,964	1,627,506
Gross profit	5,461,170	4,100,786	9,875,437	8,483,424
Expenses				
General and Administrative	3,419,964	3,910,925	6,268,794	8,250,655
Total expenses	3,419,964	3,910,925	6,268,794	8,250,655
Net operating profit	2,041,206	189,861	3,606,643	232,769
Other income (expenses)				
Interest Income	4,130	5,549	9,732	11,292
Other income	23,292	17,438	47,825	188,572
Interest expense	(328,390)	(443,397)	(638,145)	(835,294)
Other expenses	-	(77,240)	(26,917)	(79,025)
Total other income (expenses)	(300,968)	(497,650)	(607,505)	(714,455)
Net income before taxes	1,740,238	(307,789)	2,999,138	(481,686)
Taxes	5,171	26,990	8,502	37,356
Net income	$ 1,735,067	$ (334,779)	$ 2,990,636	$ (519,042)
Weighted average earnings per share	$ 0.06	$ (0.01)	$ 0.11	$ (0.02)
Weighted average shares outstanding	27,500,000	27,227,332	27,500,000	27,227,332

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

Grand Perfecta, Inc.

Consolidated Statements of Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-In	Retained Earnings	Other Compre-hensive	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	(Deficit)	Income	Equity
Balance, July 31, 2012	100,000	$ 100	27,227,332	$ 27,227	$ 1,324,119	$ (1,278,427)	$ -	$ 73,019
Issuance of shares for acquisition of subsidiary			272,668	273	(66,563)			(66,290)
Net income for the year						208,062		208,062
Balance, July 31, 2013	100,000	100	27,500,000	27,500	1,257,556	(1,070,365)	-	214,791
Foreign Currency Translation							(275,857)	(275,857)
Net Income for the period	-	-	-	-	-	2,990,636		2,990,636
Balance, January 31, 2014	100,000	$ 100	27,500,000	$ 27,500	$ 1,257,556	$ 1,920,271	$ (275,857)	$ 2,929,570

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

Grand Perfecta, Inc.

Consolidated Statements of Cash Flows

	Six Months Ended January 31, 2014	Six Months Ended January 31, 2013
Cash Flows from Operating Activities:		
Net Income (loss)	$ 2,990,636	$ (519,042)
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Depreciation and amortization	56,395	215,484
Changes in assets and liabilities:		
Accounts receivable	(262,711)	654,816
Advance money	-	(30,872)
Prepaid expenses	(436,247)	(314,867)
Other receivable, related party	(153,351)	-
Other current assets	(503,222)	(632,485)
Deferred accounts	152,038	-
Other assets	7,894	-
Accounts payable	(317,141)	(105,769)
Accrued expenses	(540,496)	813,731
Short term note payable, related party	122,779	-
Net cash provided by operating activities	1,116,574	80,996
Cash Flows from Investing Activities:		
Purchase of related party loan receivables	-	(260,179)
Purchase (liquidation) of investments	21,822	-
Increase (decrease) in deposits/other	-	(534)
Increase (decrease) from long term loan receivables	56,610	-
Net cash used in investing activities	78,432	(260,713)
Cash Flows from Financing Activities:		
Proceeds from loans	-	248,375
Payments on loans	(1,012,681)	(44,181)
Net cash provided by financing activities	(1,012,681)	204,194
Effects of exchange rate changes on cash	(82,085)	-
Net increase in cash	100,240	24,477
Cash at beginning of period	119,321	18,341
Cash at end of period	$ 219,561	$ 42,818
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for:		
Interest	$ 638,145	$ 835,294
Income taxes	$ 8,502	$ 63,239

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Grand Perfecta, Inc. (Grand Perfecta or Company) was incorporated in the State of Nevada on March 25, 2002 as STI Holdings, Inc. The Company's stockholders approved a quasi-reorganization effective as of December 31, 2007. On May 12, 2012 the Company completed an Agreement and Plan of Reorganization whereby it acquired 100% of the issued and outstanding shares of LinkBit Consulting Co, Ltd. (LinkBit), for 25,000,000 common shares in a transaction accounted for as a recapitalization of LinkBit. STI Holdings, Inc. changed its name to Grand Perfecta, Inc. on April 1, 2013. On May 27, 2013 the Company issued 272,668 shares in exchange for 100% of the issued and outstanding shares of Umajin HK (Umajin). Umajin is a Hong Kong corporation that maintains an office in Hong Kong. Umajin is marketing the Company's services to the residents of Hong Kong. 100% of the operations of Grand Perfecta are performed in the Company's two wholly owned subsidiaries. The majority of the Company's business takes place in Japan.

Link Bit Consulting, Ltd. is a Japanese corporation and was organized on November 17, 2006. Link Bit is engaged in the business of transmitting and providing horse racing information via various types of media, including its website http://www.linkbit.co.jp.
Link Bit's business activities are organized in to 3 main divisions that consist of:
1) Provider of horse racing information online and by phone.
2) Publisher of horse racing magazines (Umajin) and books.
3) Creator and manager of horse racing media programs.

The Company has elected a July 31 year-end.

Consolidation and Basis of Presentation – The consolidated financial statements include the accounts of Grand Perfecta, Inc., Umajin and Link Bit (collectively referred to as the "Company"). Through LinkBit, the Company owns and manages ten websites which are used to publish its racing information for its subscribers. The Company owns 100% of the entities listed below:

1. Specific Reporter (Ban Kisha Net) Co., Ltd.
2. Space Cultivation Mobile Co., Ltd
3. Meru Uma Co., Ltd.
4. Tau Project Co., Ltd.
5. Turf Agent Co., Ltd.
6. Craftsman of the Horse Saddle and Harness Co., Ltd.
7. Japan Horse Circle Co., Ltd.
8. Confidential Co., Ltd.
9. Real Selector Co., Ltd.
10. Meishun Kan Co., Ltd.(now dormant)

Accounting Estimates – The preparation of financial statements are in conformity with generally accepted accounting principles in the United States of America which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated under different assumptions and conditions. Estimates are used when accounting for estimated allowances; the results of which form the basis for making judgments about the carrying value of assets and liabilities.

Translation of Foreign Currencies – The Company's primary operations are conducted in Japan and performed by its wholly owned subsidiaries Link Bit Consulting, Ltd. and Umajin HK, Ltd. Link Bit functional currency is the Yen and Umajin's functional currency is the Hong Kong Dollar.

Assets and liabilities of the Company's foreign subsidiaries are translated into U.S. dollars at the applicable exchange rates at period-end. Net gains or losses resulting from the translation of the Company's assets and liabilities are reflected as a separate component of stockholders' equity. A negative translation impact on stockholder's equity reflects a current relative U.S. dollar value higher than at the point in time than assets were actually acquired in a foreign currency. A positive translation impact would result from a U.S. dollar weaker than at the point in time foreign assets were acquired. Income and expense items are translated at the weighted average rate of exchange (based on when transactions actually occurred) during the year. As of January 31, 2014, the Company computed income from the exchange rate to be $18,271.

Cash and Cash Equivalents – For the purpose of the consolidated financial statements, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts – Accounts receivable consist of trade receivables arising in the normal course of business. Management determines the allowance for doubtful accounts by identifying potential troubled accounts and by using historical experience and future expectations applied to an aging of accounts. Trade accounts receivable are written off when deemed uncollectible. Recoveries of trade accounts receivable previously written off are recorded as income when received. As of January 31, 2014, management has determined no allowance to be necessary.

Definite-life Intangible Assets – The Company's definite-life intangible assets consist primarily of customer lists. The Company accounts for definite-life intangible assets in accordance with ASC 350, Intangibles – Goodwill and Other. The Company periodically reviews their definite-life intangible assets for impairment. No impairment was recorded during the quarter ended January 31, 2014. Definite-life intangible assets are amortized using the straight-line method over their estimated useful lives which management has determined to be three to five years.

Property, Plant, and Equipment – Property, plant, and equipment is stated at cost. Expenditures for major renewals and betterments that extend the useful lives of property, plant, and equipment are capitalized, upon being placed in service. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation of buildings, fixtures, vehicles, tools and equipment, for income tax purposes, is computed using a declining balance method. This method differs from the straight line method which is required by Generally Accepted Accounting Principles (U.S. GAAP). However, management believes the difference between the declining balance method and straight line depreciation has no material impact on the financial statements as a whole. Depreciation is computed as follows:

Buildings and fixtures	8 to 43 years
Vehicles	2 to 6 years
Tools and equipment	4 to 10 years

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through undiscounted future cash flows; such loss is recognized in the consolidated statement of income. Management determined there was no impairment during the six months ended January 31, 2014.

Fair Value of Financial Instruments – The Company estimates that the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying consolidated balance sheets.

Revenue Recognition – The Company's revenue primarily consists of sales of comprehensive and informative horse racing literature focusing on all aspects of the horse racing industry in Japan. The Company recognizes revenue on arrangements in accordance with ASC No. 605, Revenue Recognition. Revenue is recognized when persuasive evidence of an agreement exists with a fixed or determinable price and when the product is shipped. Revenues are presented net of refunds, credits and known and estimated credit card chargebacks. The Company reports revenue net of any required taxes collected from customers and remitted to government authorities, with the collected taxes recorded as current liabilities until remitted to the relevant government authority.

Income Taxes – We account for income taxes in accordance with ASC Topic 740, Income Taxes, using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Advertising Costs – Costs incurred in connection with advertising of the Company's products are expensed as incurred. Advertising costs amounted to $678,898 for the six months ended January 31, 2014.

Recently Enacted Pronouncements- The FASB established the Accounting Standards Codification ("Codification" or "ASC") as the source of authoritative accounting principles with generally accepted accounting principles in the United States ("GAAP"). Rules and interpretive releases of the Securities and Exchange Commission ("SEC") issued under authority of federal securities laws are also sources of GAAP for SEC registrants. Existing GAAP was not intended to be changed as a result of the Codification, and accordingly the change did not impact our financial statements. The ASC does change the way the guidance is organized and presented. Accounting Standards Update ("ASU") ASU's No. 2009-02 through ASU No. 2012-07 which contain technical corrections to existing guidance or affect guidance to specialized industries or entities were recently issued. These updates have no current applicability to the Company or their effect on the financial statements would not have been significant.

NOTE 2 – RECEIVABLES

Receivables consist of trade receivables arising in the normal course of business. Accounts receivable balance at January 31, 2014, consisted of the following:

Trade accounts receivable	$ 987,319
Less: allowance for doubtful account	-
Receivables, net	$ 987,319

NOTE 3 – NOTES RECEIVABLE

The Company from time to time makes short term loans to related parties including employees, directors and other related parties. All loans are revolving, due in one year and have a 0% to 3% interest rate with no collateral required. Total related party loans as of January 31, 2014, were $5,220,826. Of this amount $2,609,597 was loaned to directors:

Loans to directors	$ 2,609,597
Loans to employees	814,954
Loans to the subsidiaries	856,771
Various parties in business	939, 504
Total	$ 5,220,826

Management determined that no allowance for the receivables was necessary. There was no accrued interest related to the loans as of January 31, 2014.

NOTE 4 – PROPERTY, PLANT, AND EQUIPMENT

The following is a summary of property, plant, and equipment less accumulated depreciation as of January 31, 2014:

Building and fixtures	$ 104,600
Vehicles	84,021
Tools and equipment	85,669
Total property, plant and equipment	274,290
Less: Provisions of depreciation	(107,604)
Property, plant, and equipment, net	$ 166,686

NOTE 5 – DEFINITE LIFE INTANGIBLE ASSETS

Definite life intangible assets consist of the following as of January 31, 2014:

Settlement of business devolution	$ 7,449,854
Software	182,841
Total definite life intangible assets	7,632,695
Less: accumulated amortization	-
Definite intangible assets, net	$ 7,632,695

NOTE 6 – NOTES PAYABLE

The following is a summary of the LinkBit Consulting notes payable to financial institutions as of January 31, 2014. As of January 31, 2014, the total outstanding loan balance was $9,688,600 compared to $12,579,108 for the same period ending January 31, 2013.

Due Date	Original Loan Amount	Balance as of 1/31/13	Balance as of 1/31/14	APR
8/1/2015	2,500,000	2,500,000	2,000,000	12%
1/20/2015	2,500,000	2,500,000	2,000,000	12%
7/20/2014	625,000	500,000	350,000	12%
9/30/2012	812,500	0	0	12%
9/30/2014	1,250,000	1,250,000	1,000,000	15%
12/20/2014	2,625,000	2,625,000	2,100,000	15%
10/31/2013	200,000	0	0	15%
11/29/2013	451,879	272,158	0	8%
10/31/2014	1,250,000	1,875,000	1,500,000	1%
9/30/2014	211,198	158,000	50,320	4.5%
11/30/2015	616,500	523,950	271,080	6.1%
7/5/2016		0	417,200	1.2%
3/21/13		375,000	0	12%
Totals		12,579,108	9,688,600	

Total	$ 9,688,600
Less current portion	(5,500,320)
Total long term portion	$ 4,188,280

Interest expense amounted to $638,145 for the six months ended January 31, 2014. Accrued interest payable on the notes payable was $0 as of January 31, 2014.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Operating Lease – The Company leases office equipment with an average lease term of five years. Total office equipment lease expense for the six months ended January 31, 2014, totaled $94,146. The Company maintains offices in Tokyo, Hong Kong and Santa Monica, CA. Total office lease expense for the six months ended January 31, 2014, totaled $430,530.

NOTE 8 – INCOME TAXES

The Company accounts for income taxes in accordance with ASC Topic No. 740, "Income Taxes." This standard requires the Company to provide a net deferred tax asset or liability equal to the expected future tax benefit or expense of temporary reporting differences between book and tax accounting and any available operating loss or tax credit carryforwards. The Company has no tax provisions at July 31, 2014, for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the period ended January 31, 2014, the Company recognized no interest and penalties. The Company had no accruals for interest and penalties at January 31, 2014. All tax years beginning with 2011 are open for examination. Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss (NOL) and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

At January 31, 2014, the Company had available unused operating loss carry forwards of which may be applied against future taxable income and which expire in various years through 2034. Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carryforwards for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carryforwards may be limited as to use in future years.

The amount of and ultimate realization of the benefits from the operating loss carry-forwards for income tax purposes is dependent, in part, upon the tax laws in effect, the future earnings of the

Company and other future events, the effects of which cannot be determined at this time. Because of the uncertainty surrounding the realization of the loss carry-forwards, the Company has established a valuation allowance equal to the tax effect of the loss carry forwards and, therefore, no deferred tax asset has been recognized for the loss carry-forwards. There has been no significant change in the valuation allowance for the six months ended January 31, 2014.

The Company is required to compute tax asset benefits for non-capital losses carried forward. Potential benefit of non-capital losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the losses carried forward in future years.

The subsidiaries, Link Bit Consulting and Umajin HK pay taxes on a cash basis and are subject to tax rates ranging from 18% to 30%. Total taxes for the six months ended January 31, 2014, was $8,502.

NOTE 9 – RELATED PARTY TRANSACTIONS

The Company from time to time makes short term loans to related parties including employees, directors and other related parties (see Note 3).

NOTE 10 – CAPITAL STOCK

Preferred Stock – On March 29, 2013 the Company increased its authorized preferred stock to 100,000,000 shares of preferred stock with a par value of $0.001. The Series A Preferred Stock was authorized in October 2007. The Series A Convertible Preferred Stock authorized up to 100,000 shares be issued under the series. Under the rights, preferences and privilege of the Series A Convertible Preferred Stock, the holders of the preferred stock receive a 10 to 1 voting preference over common stock. Accordingly, for every share of Series A Convertible Preferred Stock held, the holder received the voting rights equal to 10 shares of common stock. As such, the holders of the Series A Convertible Preferred Stock have the equivalent of voting capability of 1,000,000 shares of common stock. The Series A Convertible Preferred Stock has a $0.05 per share liquidation preference over common stock and can be redeemed by the Company at any time, upon thirty days notice, for $0.05 per share. Additionally, each share of preferred stock is convertible into one shares of common stock. At January 31, 2014, the Company had 100,000 shares of preferred stock issued and outstanding.

Common Stock – On March 29, 2013 the Company increased its authorized common stock to 500,000,000 shares of common stock with a par value of $0.001. At January 31, 2014, the Company had 27,500,000 shares of common stock issued and outstanding.

On May 12, 2012, the Company completed a definitive Agreement and Plan of Reorganization whereby it acquired 100% of the issued and outstanding shares of Link Bit Consulting, Ltd., for 25,000,000 common Grand Perfecta shares in a transaction accounted for as a recapitalization of Link Bit Consulting, Ltd. Grand Perfecta now maintains Link Bit Consulting, Ltd. as a wholly owned subsidiary.

On May 27, 2013, the Company issued 272,668 common shares to Hideaki Takahashi, the sole shareholder of Umajin HK, in exchange for 100% of the issued and outstanding shares of Umajin HK, Ltd., a Hong Kong corporation. Umajin HK is a wholly owned subsidiary of Grand Perfecta and maintains an office in Hong Kong.

NOTE 11 – EARNINGS PER SHARE

The following data shows the amounts used in computing earnings per share for the six months ended January 31, 2014:

Income (loss) from continuing operations available to common stockholders (numerator)	$ 2,990,636
Weighted average number of common shares outstanding used in loss per share during the period (denominator)	27,500,000
Earnings (loss) per share	$ 0.11

NOTE 12 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through March 8, 2014, the date the financial statements were available to be posted, and determined that there are no other events to disclose.