**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**WASHINGTON, D.C. 20549**

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# FORM 10-Q

(Mark One)
[ X ] **Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended December 31, 2016

[ ] **Transition Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from ________ to ________

Commission File Number: **000-55329**

**Cleartronic, Inc.**
(Exact name of registrant as specified in it's charter)

| **Florida** | **65-0958798** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

| **8000 North Federal Highway, Boca Raton, Florida** | **33487** |
|---|---|
| (Address of principal executive offices) | (Zip Code) |

**561-939-3300**
(Registrant's telephone number, including area code)

(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 past 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 than 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.

| | |
|---|---|
| Large accelerated filer ____ | Accelerated filer ____ |
| Non-accelerated filer ____ | Smaller reporting company _X_ |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ___ No _X_

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ___ No ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 203,899,190 shares as of February 14, 2017.

## PART I - FINANCIAL INFORMATION

**Item 1. Financial Statements**

## CLEARTRONIC, INC. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED BALANCE SHEETS

### ASSETS

| | December 31, 2016 (unaudited) | September 30, 2016 |
|---|---|---|
| **Current assets:** | | |
| Cash | $ 220,438 | $ 3,103 |
| Accounts receivable, net | 12,019 | 24,000 |
| Inventory | 10,267 | 9,585 |
| Prepaid expenses and other current assets | 7,012 | 16,115 |
| **Total current assets** | **249,736** | **52,803** |
| **Other assets:** | | |
| Other assets | 8,656 | 8,656 |
| Licensing agreement (net of amortization) | - | 240,332 |
| Collabria customer base (net of amortization) | 92,613 | - |
| ReadyOp software platform (net of amortization) | 190,167 | - |
| Total other assets | 291,436 | 248,988 |
| **Total assets** | **$ 541,172** | **$ 301,791** |

### LIABILITIES AND STOCKHOLDERS' DEFICIT

| | December 31, 2016 (unaudited) | September 30, 2016 |
|---|---|---|
| **Current liabilities:** | | |
| Accounts payable | $ 436,254 | $ 434,360 |
| Accrued expenses | 54,400 | 35,347 |
| Deferred revenue, current portion | 93,248 | 47,652 |
| Notes payable - stockholders | 118,006 | - |
| Total current liabilities | 701,908 | 517,359 |
| **Long Term Liabilities** | | |
| Notes payable - stockholders | - | 132,676 |
| Deferred revenue, net of current portion | 2,495 | 2,962 |
| Total long term liabilities | 2,495 | 135,638 |
| Total liabilities | 704,403 | 652,997 |
| **Commitments and Contingencies (See Note 7)** | | |
| **Stockholders' deficit:** | | |
| Series A preferred stock - $.00001 par value; 1,250,000 shares authorized, | 6 | - |
| 566,496 and 40,750 shares issued and outstanding, respectively. | | - |
| Series B preferred stock - $.00001 par value; 10 shares authorized, | | |
| 1 share issued and outstanding | - | - |
| Series C preferred stock - $.00001 par value; 50,000,000 shares authorized, | | |

| | | |
|---|---|---|
| 2,563,375 shares issued and outstanding, respectively | 26 | 26 |
| Series D preferred stock - $.00001 par value; 10,000,000 shares authorized, 670,904 shares issued and outstanding | 7 | 7 |
| Series E preferred stock - $.00001 par value, 10,000,000 shares authorized, 3,000,000 and no shares issued or outstanding, respectively. | 30 | - |
| Common stock - $.00001 par value; 5,000,000,000 shares authorized, 203,899,190 shares issued and outstanding, respectively. | 2,039 | 2,039 |
| Additional paid-in capital | 14,854,319 | 14,299,242 |
| Accumulated Deficit | (15,019,658) | (14,652,520) |
| Total stockholders' deficit | (163,231) | (351,206) |
| **Total liabilities and stockholders' deficit** | **$ 541,172** | **$ 301,791** |

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



**CLEARTRONIC, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
**(Unaudited)**

| | **For three months ended December 31, 2016** | **For three months ended December 31, 2015** |
|---|---|---|
| Revenue | $ 100,000 | $ 90,994 |
| Cost of Revenue | 37,522 | 40,380 |
| Gross Profit | 62,478 | 50,613 |
| **Operating Expenses:** | | |
| Selling expenses | 37,216 | 13,312 |
| Administrative expenses | 118,730 | 52,230 |
| Amortization and depreciation | 249,792 | 35,167 |
| Research and development | 18,700 | - |
| Total Operating Expenses | 424,438 | 100,709 |
| **Loss from operations** | (361,960) | (50,096) |
| **Other Income (Expense)** | | |
| Interest and other expenses | (5,178) | (37,514) |
| **Total Other Income (Expense)** | (5,178) | (37,514) |
| **Net loss** | **(367,138)** | **(87,610)** |
| **Preferred stock dividends** | | |
| Series A Preferred | (4,394) | - |
| **Total preferred stock dividends** | (4,394) | - |
| **Net loss attributable to common stockholders** | **$ (371,532)** | **$ (87,610)** |

| | | |
|---|---|---|
| **Loss per common share - basic and diluted** | **$ (0.00)** | **$ (0.00)** |
| **Weighted average number of shares outstanding:** | | |
| **Basic and diluted** | **203,899,190** | **197,619,926** |

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



**CLEARTRONIC, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| | For three months ended December 31, 2016 | For three months ended December 31, 2015 |
|---|---|---|
| **Net Loss** | **$ (367,138)** | **$ (87,610)** |
| **Adjustments to reconcile net (loss) to net cash (used) in operating activities:** | | |
| Amortization of license agreement | 240,332 | 35,167 |
| Amortization of Collabria client list | 4,027 | - |
| Amortization of ReadyOp software platform | 5,433 | - |
| Premium on convertible debt | - | 2,500 |
| Amortization of debt discount | - | 14,631 |
| *(Increase) decrease in assets:* | | |
| Accounts receivable | 11,981 | 61,017 |
| Inventory | (681) | (5,026) |
| Prepaid expenses and other current assets | 9,103 | (23,200) |
| *Increase (decrease) in liabilities:* | | |
| Accounts payable | 1,893 | (36,732) |
| Accrued expenses | 19,383 | (6,190) |
| Deferred revenue | 45,129 | 8,235 |
| **Net Cash Used in Operating Activities** | (30,538) | (37,208) |
| **Cash Flows From Financing Activities:** | | |
| Proceeds from note payable | - | 50,000 |
| Principal payments on notes payable | (15,000) | (36,581) |
| Proceeds from issuance of common stock | - | 5,000 |
| Proceeds from issuance of Convertible Preferred stock | 262,873 | - |
| Proceeds from convertible note payable | - | 25,000 |
| **Net Cash Provided by Financing Activities** | 247,873 | 43,419 |
| **Net Increase in Cash** | 217,335 | 6,211 |
| **Cash - Beginning of Period** | 3,103 | 6,156 |
| **Cash - End of Period** | **$ 220,438** | **$ 12,367** |

**SUPPLEMENTAL CASH FLOW INFORMATION:**

| | | |
|---|---|---|
| Cash paid for interest | $ 1,214 | $ 1,193 |
| Cash paid for taxes | $ - | $ - |

**NON-CASH FINANCING ACTIVITY**

During the three months ended December 31, 2016, the Company acquired the ReadyOp platform and Collabria's client list from Collabria, LLC in exchange for 3,000,000 shares of Series E Convertible Preferred stock with a fair value of $292,240.

During the three months ended December 31, 2015, a convertible noteholder converted $10,000 in principal of a convertible note payable into 847,458 shares of the Company's common stock.

During the three months ended December 31, 2015, two shareholders converted 7,280 shares of Series C Preferred stock into 36,400 shares of the Company's common stock.

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



***CLEARTRONIC, INC. AND SUBSIDARIES***

**Notes to Condensed Consolidated Financial Statements**

**December 31, 2016**

**(Unaudited)**

**NOTE 1 - ORGANIZATION**

Cleartronic, Inc. (the "Company") was incorporated in Florida on November 15, 1999.

The Company, through its wholly owned subsidiary VoiceInterop, Inc., designs, builds and installs unified group communication solutions, including unique hardware and customized software, for public and private enterprises and markets those services and products under the VoiceInterop brand name. VoiceInterop is the Company's operating subsidiary.

In September 2014, the Company formed ReadyOp Communications, Inc. (a Florida corporation), as a wholly owned subsidiary to facilitate the marketing of ReadyOp software. The Company's two operating subsidiaries are VoiceInterop, Inc. and ReadyOp Communications, Inc.

In November 2016, the Company cancelled its Licensing Agreement with Collabria LLC of Tampa, Florida ("Collabria") and acquired all of the intellectual property related to Collabria's command and control software, trade-named ReadyOp. In addition the Company acquired Collabria's client list. In exchange for these assets the Company issued Collabria 3,000,000 restricted shares of the Company's Series E Convertible Preferred stock. The Company assumed none of Collabria's liabilities.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**PRINCIPLES OF CONSOLIDATION**

The accompanying unaudited interim consolidated financial statements contain the consolidated accounts of Cleartronic, Inc. and its subsidiaries, VoiceInterop, Inc. and ReadyOp Communications, Inc. All material intercompany transactions and balances have been eliminated.

**BASIS OF PRESENTATION**

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q of Regulation S-K. They may not include all information and footnotes required by United States generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there have been no material changes in the information disclosed in the notes to the financial statements for the year ended September 30, 2016 included in the Company's Annual Report on Form 10-K filed with the United States Securities and Exchange Commission. The unaudited interim consolidated financial statements should be read in conjunction with those financial statements included in the Form 10-K. In the opinion of management, all adjustments considered necessary for a fair presentation, consisting solely of normal and recurring adjustments have been made. Operating results for the three months ended December 31, 2016 are not necessarily indicative of the results that may be expected for the fiscal year ending September 30, 2017.

**USE OF ESTIMATES**

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and operations for the reporting period. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.



**CASH AND CASH EQUIVALENTS**

For financial statement purposes, the Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The Company did not own any cash equivalents at December 31, 2016 and September 30, 2016.

**ACCOUNTS RECEIVABLE**

The Company provides an allowance for uncollectible accounts based upon a periodic review and analysis of outstanding accounts receivable balances. Uncollectible receivables are charged to the allowance when deemed uncollectible. Recoveries of accounts previously written off are used to credit the allowance account in the periods in which the recoveries are made.

The Company provided $2,000 and $2,000 allowances for doubtful accounts as of December 31, 2016 and September 30, 2016, respectively.

**LICENSING AGREEMENT**

In November 2016, the Company cancelled its Licensing Agreement with Collabria, LLC. As a result of this cancellation the Company amortized the remaining balance of the licensing agreement in the amount of $240,332 for the three months ended December 31, 2016.

**ASSET ACQUISITION**

In November 2016, the Company acquired the ReadyOp software platform and the Collabria customer base from Collabria LLC. In exchange for these assets the Company issued 3,000,000 shares of restricted Series E Convertible Preferred stock valued at $292,240. The ReadyOp software platform was valued at $195,600 to be amortized over three years, amortization expense recognized for the three month period ended December 31, 2016 was $5,433. The Collabria customer base was valued at $96,640 to be amortized over two years, amortization expense recognized for three month period ended December 31, 2016 was $4,027.

**CONCENTRATION OF CREDIT RISK**

The Company currently maintains cash balances at one FDIC-insured banking institution. Deposits held in noninterest-bearing transaction accounts are insured up to a maximum of $250,000 at all FDIC-insured institutions.

**RESEARCH AND DEVELOPMENT COSTS**

The Company expenses research and development costs as incurred. For the three months ended December 31, 2016 and 2015 the Company had $18,700 and $0 in research and development costs from continuing operations in each period, respectively.



**REVENUE RECOGNITION AND DEFERRED REVENUES**

Unified group communication solutions consist of three elements to be provided to customers: software licenses and equipment purchased from third-party vendors, proprietary hardware that is manufactured on contract to required specifications and installation and integration of the hardware and software into the cohesive communication source.

The Company's revenue recognition policies are in accordance with Accounting Standards Codification 605-10 “Revenue Recognition” (ASC 605-10). Revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the contract price is fixed or determinable, and collectability is reasonably assured. No right of return privileges are granted to customers after shipment. The Company recognizes revenue for the elements separately as the sales of the equipment and software, installation and integration, and support services represent separate earnings processes that are generally specified under separate agreements.

Revenue from the resale of equipment utilized in unified group communication solutions is recognized when shipped. For certain software licenses, the Company does not provide any services that are considered essential to the functionality of the software, and therefore revenue is recognized upon delivery of the software, provided (1) there is evidence of an arrangement, (2) collection of the fee is considered probable and (3) the fee is fixed and determinable. Upon acquisition of the ReadyOp software platform, the Company changed its revenue recognition for ReadyOp software. For ReadyOp software the Company currently defers the license fee on issuance of the license and recognizes the revenue over the term of the agreement. This was due to the fact that the software license comes with customer support. The Company now provides support to customers which was previously provided by Collabria LLC. Royalties paid to software vendors are categorized as Cost of Goods Sold.

The Company also provides support to customers under separate contracts varying from one to five years. The Company’s obligations under its service contracts vary by the length of the contract. In all cases the Company is the primary obligor to provide first level support to the client. If the contract has less than one year of service and support remaining on the contract it is classified as a current liability, if longer it is classified as a non-current liability.

Installation and integration services are recognized upon completion.

**EARNINGS PER SHARE**

Basic income (loss) per common share is calculated using the weighted average number of shares outstanding during the periods reported. Diluted earnings per share include the weighted average effect of all dilutive securities outstanding during the periods presented. Diluted per share loss is the same as basic per share loss when there is a loss from continuing operations. Accordingly, for purposes of dilutive earnings per share, the Company excluded the effect of warrants and options, convertible preferred stock and convertible notes.

As of December 31, 2016 and 2015, we had no options and warrants outstanding. As of December 31, 2016 and 2015, the Company had 566,496 and 40,750 shares of Series A Convertible Preferred stock outstanding. As of December 31, 2016 and 2015, 40,750 shares of Series A Convertible Preferred stock outstanding are convertible into 4,075,000 shares of common stock. 525,476 shares of Series A Convertible Preferred stock outstanding are convertible after a two-year period from the issuance date. As of December 31, 2016 and 2015, we had 2,563,375 shares of Series C Convertible Preferred stock outstanding which are convertible into 12,816,875 shares of common stock, respectively. As of December 31, 2016 and 2015, we had 670,904 shares of Series D Preferred stock outstanding which are convertible into 3,354,520 shares of common stock. As of December 31, 2016 and 2015, we had 3,000,000 and -0- shares of Series E Convertible Preferred stock outstanding. As of December 31, 2016 and 2015, no shares of Series E Convertible Preferred stock outstanding are convertible into shares of common stock. 3,000,000 shares of restricted Series E Convertible Preferred stock outstanding are convertible after a two-year period from the issuance date.



**FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Company adopted ASC topic 820, “Fair Value Measurements and Disclosures” (ASC 820), formerly SFAS No. 157 “Fair Value Measurements,” effective January 1, 2009. ASC 820 defines “fair value” as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There was no impact relating to the adoption of ASC 820 to the Company’s condensed consolidated financial statements.

ASC 820 also describes three levels of inputs that may be used to measure fair value:

- Level 1: Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities traded in active markets.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs that are generally observable. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial instruments consist principally of cash, accounts receivable, prepaid expenses and other current assets, accounts payable, accrued expenses and deferredrevenue. The carrying amounts of such financial instruments in the accompanying condensed consolidated balance sheet approximate their fair values due to their relatively short-term nature. The fair value of long-term debt is based on current rates at which the Company could borrow funds with similar remaining maturities. The carrying amounts approximate fair value. It is management's opinion that the Company is not exposed to any significant currency or credit risks arising from these financial instruments.

The Company revalues its derivative liability at every reporting period and recognizes gains or losses in the interim condensed consolidated statement of operations that are attributable to the change in the fair value of the derivative liability. The Company has no other assets or liabilities measured at fair value on a recurring basis.

**INVENTORY**

Inventory consists of components held for assembly and finished goods held for resale or to be utilized for installation in projects. Inventory is valued at lower of cost or market on a first-in, first-out basis. The Company's policy is to record a reserve for technological obsolescence or slow-moving inventory items. The Company only carries finished goods to be shipped along with completed circuit boards and parts necessary for final assembly of finished product. The Company's prior policy was to record a reserve for technological obsolescence of component parts. That policy was discontinued in 2014 as all existing inventory is considered current and usable. The reserve was $0 as of December 31, 2016 and September 30, 2016, respectively.

**EQUITY INSTRUMENTS ISSUED TO PARTIES OTHER THAN EMPLOYEES FOR ACQUIRING GOODS OR SERVICES**

The Company accounts for equity instruments issued to parties other than employees for acquiring goods or services under guidance of section 505-50-30 of the FASB ASC. Pursuant to FASB ASC Section 505-50-30, all transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date used to determine the fair value of the equity instrument issued is the earlier of the date on which the performance is complete or the date on which it is probable that performance will occur.



**DERIVATIVE INSTRUMENTS**

The Company evaluates its convertible debt, warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for in accordance with paragraph 810-10-05-4 of the FASB Accounting Standards Codification and paragraph 815-40-25 of the FASB Accounting Standards Codification. The result of this accounting treatment is that the fair value of the embedded derivative is marked-to-market each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the Statement of Operations as other income or expense. Upon conversion or exercise of a derivative instrument, theinstrument is marked to fair value at the conversion date and then that fair value is reclassified to equity.

In circumstances where the embedded conversion option in a convertible instrument is required to be bifurcated and there are also other embedded derivative instruments in the convertible instrument that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the balance sheet date.

**ADVERTISING COSTS**

Advertising costs are expensed as incurred. The Company had advertising costs of $868 during the three months ended December 31, 2016, and $1,848 during the three months ended December 31, 2015.

**NOTE 3 - GOING CONCERN**

The Company's condensed consolidated financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company believes the Asset Purchase Agreement with Collabria will allow the Company to generate additional income from the sale of ReadyOp software and will assist in expanding the distribution of the AudioMate AM360 line of IP gateway devices. In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management is currently seeking funding from significant shareholders and outside funding sources sufficient to meet its minimal operating expenses. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its capital funding plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.



**NOTE 4 - NOTES PAYABLE TO STOCKHOLDERS**

As of December 31, 2016 and September 30, 2016, the Company has unsecured notes payable to stockholders totaling $118,006 and $132,676, respectively. These notes range in interest from 8% to 15% which are payable quarterly. All the notes mature December 31, 2017. In November 2015, the Company entered into a promissory note for $50,000 with a stockholder, officer and director of the Company. The note bears an 8% interest rate, is unsecured and is due on December 31, 2016. In December 2016, the maturity date was extended to December 31, 2017.

In November 2016, the Company repaid the principal amount of $15,000 of a note payable to a shareholder.

Interest expense on the notes payable to stockholders was $3,436 and $3,137 for the three months ended December 31, 2016 and 2015, respectively.

**NOTE 5 - EQUITY TRANSACTIONS**

*Common stock issued for conversion of preferred stock*

In December 2015, two shareholders converted 7,280 shares of Series C Convertible Preferred stock into 36,400 shares of common stock.

*Common stock issued for cash*

In December 2015, a shareholder purchased 250,000 shares of common stock for $5,000 in cash.

*Preferred stock issued for cash*

In November 2016, the Company sold 525,746 shares of Series A Convertible Preferred stock to a private investor and director for $262,873 in cash.

*Preferred stock dividends*

The Company recorded arrearages of $4,394 in its 8% Series A Convertible Preferred Stock dividends for the three month period ended December 31, 2016.

*Preferred stock issued for acquisition of assets*

In November, 2016, the Board of Directors approved the Asset Purchase Agreement between the Company and Collabria LLC ("Collabria"). Under the terms of the Agreement, the Company acquired all of the intellectual property of Collabria, including its ReadyOp command, control and communication platform trade named ReadyOp (the "ReadyOp Platform"). In addition, the Company acquired Collabria's customer base ("Collabria Client List"). The Company assumed no liabilities of Collabria under this Agreement. The terms of the Agreement called for the Company to issue 3,000,000 (Three million) shares of restricted Series E Convertible Preferred stock to Collabria with a fair value of $292,240.



*Amendment to the Articles of Incorporation*

In November 2016, the Board of Directors voted to amend the Company's Articles of Incorporation to designate the Series A and Series E Convertible Preferred Stock setting forth the rights and preferences of the Series A and E Convertible Preferred Stock, par value $.00001 per share. Among other things, the Certificate of Designation for the Series A Preferred (i) provides for liquidation rights. Among other things, the Certificate of Designation of the Series E Preferred Stock; (i) provides that each share of Series E Preferred Stock shall be one hundred votes for any election or other vote placed before the shareholders of the Corporation; (ii) after a period of two (2) years following the date of issuance, each of (1) share of the Series E shall be convertible into one hundred (100) shares of fully paid and non-assessable Common Stock at the sole option of the holder of Series E Preferred.

**NOTE 6 - RELATED PARTY TRANSACTIONS**

The Company leases its office space from another entity that is also a stockholder. Rent expense paid to the related party was $10,839 and $10,393 for the three months ended December 31, 2016 and 2015, respectively.

In December 2016, the Board of Directors accepted the resignation of Larry M. Reid as Chief Executive Officer of the corporation and appointed Mr. Reid as Chief Financial Officer. The Board also appointed Marc Moore as Chief Executive Officer.

Under the terms of an employment agreement effective on November 28, 2016, Mr. Moore as CEO receives an annual salary of $200,000. The term of agreement is for a one-year period beginning on the effective date and shall automatically renew and continue in effect for additional one-year periods.

Under the terms of an employment agreement effective on March 13, 2015, Mr. Reid as CFO receives an annual salary of $96,000. The term of agreement is for a one-year period beginning on the effective date and shall automatically renew and continue in effect for additional one-year periods.

In November 2015, the Company entered into a promissory note for $50,000 with a stockholder, officer and director of the Company. The note bears an 8% interest rate, is unsecured and is due on December 31, 2016. In December 2016, the maturity date was extended to December 31, 2017.

In November 2016, the Company sold 525,746 shares of Series A Convertible Preferred stock to a private investor and director for $262,873 in cash.

In November 2016, the Company repaid the principal amount of $15,000 of a note payable to a shareholder.

In November 2016, the Company cancelled its Licensing Agreement with Collabria LLC of Tampa, Florida ("Collabria") and acquired all of the intellectual property related to Collabria's command and control software, trade-named ReadyOp. In addition the Company acquired Collabria's client list. In exchange for these assets the Company issued Collabria 3,000,000 shares of the Company's restricted Series E Convertible Preferred stock with a fair value of $292,240. The Company assumed none of Collabria's liabilities.



**NOTE 7 - COMMITMENTS AND CONTINGENCIES**

*Obligation Under Operating Lease*

The Company leases approximately 1,700 square feet for its principal offices in Boca Raton, Florida at a monthly rental of approximately $3,200. The lease, which provides for annual increases of base rent of 4%, expires on November 30, 2018.

Rent expense incurred during the three months ended December 31, 2016 and 2015 was $10,839 and $10,393, respectively.

*Revenue and Accounts Receivable Concentration*

Approximately 38% and 52% of the Company's revenues for the three months ended December 31, 2016 and 2015 were derived from 4 and 5 customers, respectively. As of December 31, 2016 two customers accounted for approximately 83% of the Company's total outstanding accounts receivable. As of December 31, 2015, two customers accounted for approximately 81% of the Company's total outstanding accounts receivable.

*Major Supplier and Sole Manufacturing Source*

During 2014, the Company developed a proprietary interoperable communications solution. The Company relies on no major supplier for its products and services. The Company has contracted with a single local manufacturing facility to provide completed circuit boards used in the assembly of its IP gateway devices. Interruption to the manufacturing source presents additional risk to the Company. The Company believes that other commercial facilities exist at competitive rates to match the resources and capabilities of its existing manufacturing source.

*Employment Agreements*

In December 2016, the Board of Directors accepted the resignation of Larry M. Reid as Chief Executive Officer of the corporation and appointed Mr. Reid as Chief Financial Officer. The Board also appointed Marc Moore as Chief Executive Officer.

Under the terms of an employment agreement effective on November 28, 2016, Mr. Moore as CEO receives an annual salary of $200,000. The term of agreement is for a one-year period beginning on the effective date and shall automatically renew and continue in effect for additional one-year periods.

Under the terms of an employment agreement effective on March 13, 2015, Mr. Reid as CFO receives an annual salary of $96,000. The term of agreement is for a one-year period beginning on the effective date and shall automatically renew andcontinue in effect for additional one-year periods.



## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### FORWARD-LOOKING STATEMENTS

The information set forth in this Management's Discussion and Analysis contains certain "forward-looking statements," including, among others (i) expected changes in our revenues and profitability, (ii) prospective business opportunities, and (iii) our strategy for financing our business. Forward-looking statements are statements other than historical information or statements of current condition. Some forward-looking statements may be identified by use of terms such as "believes," "anticipates," "intends," or "expects." These forward-looking statements relate to our plans, objectives, and expectations for future operations. Although we believe that our expectations with respect to the forward-looking statements are based upon reasonable assumptions within the bounds of our knowledge of our business and operations, in light of the risks and uncertainties inherent in all future projections, the inclusion of forward-looking statements in this prospectus should not be regarded as a representation that our objectives or plans will be achieved. In light of the risks and uncertainties, there can be no assurance that actual results, performance, or achievements will not differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements. The foregoing review of important factors should not be construed as exhaustive. We undertake no obligation to release publicly the results of any future revisions we may make to forward-looking statements to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events.

**Overview**

Cleartronic, Inc. (the "Company," formerly GlobalTel IP, Inc.) was incorporated in Florida on November 15, 1999. The Company operates through two wholly owned subsidiaries, VoiceInterop, Inc. and ReadyOp Communications, Inc.

VoiceInterop, Inc., designs, builds sells and installs unified group communication solutions for public and private enterprises. VoiceInterop also manufactures and markets a line of IP Gateways under the trade name AudioMate AM360. These gateways are sold direct to enterprises by the Company and indirectly through authorized dealers in North America and a number of foreign countries.

In November, 2016, the Board of Directors approved the Asset Purchase Agreement between the Company and Collabria LLC ("Collabria"). Under the terms of the Agreement, the Company acquired all of the intellectual property of Collabria, including its ReadyOp command, control and communication platform trade named ReadyOp™ (the "ReadyOp Platform"). In addition, the Company acquired Collabria's customer base ("Collabria Client List"). The Company assumed no liabilities of Collabria under this Agreement. The terms of the Agreement called for the Company to issue 3,000,000 (Three million) shares of the registrant's Series E Convertible Preferred stock to Collabria. Shares of the Series E Convertible Preferred have the following conversion rights and provisions: After a period of two (2) years following the date of issuance, each one (1) share of Series E Preferred shall be convertible into one hundred (100) shares of fully paid and non-assessable Common Stock at the sole option of the holder of Series E Preferred. As a result of this Agreement the Licensing Agreement between Collabria and the Company was cancelled effective November 30, 2016. The ReadyOp software will be marketed, sold and supported through the Company's subsidiary ReadyOp Communications, Inc.



**Results of Operations – Three Months Ended December 31, 2016 and 2015**

**Revenues**

Revenues increased approximately 10% to $100,000 for the three months ended December 31, 2016 as compared to $90,994 for the three months ended December 31, 2015. This increase was due to the additional revenue generated by our subsidiary ReadyOp Communications, Inc. Sales of ReadyOp software and hardware amounted to approximately $43,316 for the three months ended December 31, 2016 compared with $27,000 in the same period in 2015. This increase was due to a 20% increase in sales of ReadyOp software from $20,000 to $23,917 and a 177% increase in sales of ReadyOp hardware from $7,000 to $19,400 for the three months ended December 31, 2015 and 2016, respectively. Sales of AudioMate AM360IP gateways and other hardware increased approximately 7% to $33,534 from $31,449 for the three months ended December 31, 2016 and 2015, respectively. Total revenue for VoiceInterop declined approximately 11% to $56,684 for the three months ended December 31, 2016 as compared to $63,994 for the three months ended December 31, 2015. This decrease was primarily due to the absence of unified group communications solution installations resulting in a decline in the sales of third party hardware from $15,081 in the period ended December 31, 2015 to $957 for the period ended December 31, 2016.

**Cost of Revenues**

Cost of revenues was $37,522 for the three months ended December 31, 2016 as compared to $40,380 for the three months ended December 31, 2015, a decrease of approximately 7%. The decrease was primarily due to a decrease in third party equipment costs from $13,079 in the period ended December 31, 2015 to $0.00 in the period ended December 31, 2016, partially offset by a 29% increase in costs associated with AM360 IP Gateways from $23,473 to $30,385 for the periods ended December 31, 2015 and 2016, respectively.

**Operating Expenses**

Operating expenses for the three months ended December 31, 2016 were $424,438 compared to $100,709 for the three months ended December 31, 2015, an increase of approximately 321%. The increase was primarily due to the amortization expense of $240,332 associated with cancelling the Collabria licensing agreement. Selling expenses increased approximately 180% to $37,216 in the three months ended December 31, 2016 from $13,312 in the same period in 2015. This increase was primarily due to ReadyOp sales commissions and royalties. Administrative expenses increased approximately 127% to $118,730 in the three months ended December 31, 2016 from $52,230 in the same period in 2015. This increase was primarily due to increased wages for three new employees along with payroll administration expenses.

**Loss from Operations**

Loss from operations for the three months ended December 31, 2016 was $361,960 compared to a loss of $50,096 for the three months ended December 31, 2015. The increase in loss from operations in 2016 versus 2015 was primarily due to an increase in amortization expense associated with cancellation of the Collabria licensing agreement. Gross margins were approximately 62% for the three months ended December 31, 2016 as compared to 55% for the three months ended December 31, 2015. The increase was primarily due to the higher margins generated from sales of ReadyOp software and decreased hardware costs as a result of lower manufacturing costs due to higher volume of production of AM360 IP gateways.



**Other Income (Expenses)**

Other expenses decreased to $5.178 during the three months ended December 31, 2016 compared with $37,514 for the three months ended December 31, 2015. Interest and factor fees decreased approximately 86% to $5,178 for the three months ended December 31, 2016 as compared with interest and factor fees of $37,514 in the three months ended December 31, 2015, primarily due to prepayment penalties, discounts and accrued interest paid on a convertible note that was repaid in November 2015.

**Net Loss Applicable to Common Stock**

Net loss applicable to common stock was $371,532 for the three months ended December 31, 2016 compared to a net loss of $87,610 for the three months ended December 31, 2015. Net loss per common share was $0.00 and $0.00 for the three months ended December 31, 2016 and 2015, respectively.

**LIQUIDITY AND CAPITAL RESOURCES**

Net cash used in operating activities was $30,538 for the three month ended December 31, 2016 compared to $37,208 for the three months ended December 31, 2015. This decrease was mainly attributable to the increase in amortization and prepaid expenses and an increase in accrued expenses and deferred revenue.

Net cash provided by financing activities was $247,873 for the three months ended December 31, 2016 compared to $43,419 for the three months ended December 31, 2015. This increase was primarily due to increased proceeds from the sale of Preferred stock.

A recent investment in our Preferred stock has given us the ability to operate short term without the need to raise additional capital. We will continue to make a concentrated effort to restructure the company through the issuance of Preferred stock in exchange for cancellation of debt and issuance of stock in lieu of cash paid for services. There can be no assurance that the Company’s efforts in this restructure will be successful or that present flow of cash will be sufficient to meet current and future obligations.

We have incurred losses since our inception and continue to require additional capital to fund operations and development. As such, our ability to pay our already incurred obligations is mostly dependent on the Company being able to have substantially increased revenues and raising substantial additional capital through the sale of its equity or debt securities. There can be no assurance that the Company will be successful in accomplishing any of the foregoing.

We believe that in order to fund our business plan, we will need approximately $500,000 in new equity or debt capital. In the past, in addition to revenues and deferred revenues, we have obtained funds from the private sale of our debt and equity securities. We intend to continue to seek private financing from existing stockholders and others.

The costs to operate our current business are approximately $60,000 per month. In order for us to cover our monthly operating expenses, we would have to generate revenues of approximately $120,000 per month. Accordingly, in the absence of revenues, we will need to secure $60,000 in equity or debt capital each month to cover our overhead expenses. In order to remain in business for one year without any revenues we would need to secure $720,000 in equity or debt capital. If we are unsuccessful in securing sufficient capital or revenues, we would have to cease business in approximately 90 days.

**Critical Accounting Estimates**

See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended September 30, 2016 for information regarding our critical accounting estimates

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

Not applicable.



**Item 4. Controls and Procedures.**

**Disclosure Controls and Procedures**

An evaluation was conducted by our chief executive officer ("CEO") and chief financial officer ("CFO") of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of December 31, 2016. Based on that evaluation, the CEO and CFO concluded that our controls and procedures were effective as of such date to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 (i) is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and (ii) is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosures.

Management is aware that there is a lack of segregation of duties due to the small number of employees dealing with general administrative and financial matters. However, at this time management has decided that considering the abilities of the employees now involved and the control procedures in place, the risk associated with such lack of segregation is low and the potential benefits of adding employees to clearly segregate duties do not justify the substantial expenses associated with such increases. Management may reevaluate this situation as circumstances dictate.

**Changes in Internal Control over Financial Reporting**

There was no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**PART II - OTHER INFORMATION**

**Item 1. Legal Proceedings.**

There have been no material developments during the quarter ended December 31, 2016 in any material pending legal proceedings to which we are a party or of which any of our property is the subject.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

In November 2016, the Company acquired the ReadyOp software platform and the client list from Collabria LLC in exchange for 3,000,000 shares of the Company's Series E preferred stock with a fair value of $292,240.

In November 2016, an investor and director purchased 525,746 shares of Series A 8% Convertible Preferred stock for $262,873 in cash. The cash will be used for general working capital purposes.

The registrant claimed exemption from the registration provisions of the Securities Act of 1933 with respect to the securities pursuant to Section 4(2) thereof inasmuch as no public offering was involved. The shares were not offered or sold by means of: (i) any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium, or broadcast over television or radio, (ii) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising, or (iii) any other form of general solicitation or advertising and the purchases were made for investment and not with a view to distribution. The purchaser was, at the time of the purchase, an accredited investor, as that term is defined in Regulation D under the Securities Act of 1933, and had access to sufficient information concerning the registrant and the offering.



**Item 3. Defaults upon Senior Securities.**

None.

**Item 5. Other Information.**

**(a)** None.

**(b)** There were no changes to the procedures by which security holders may recommend nominees to our board of directors.

**Item 6. Exhibits.**

101 XBRL Exhibts

| Exhibit Number | Description |
|---|---|
| 3.1 | Articles of Incorporation (1) |
| 3.2 | Articles of Amendment to Articles of Incorporation, filed March 12, 2001.(1) |
| 3.3 | Articles of Amendment to Articles of Incorporation, filed October 4, 2004. (1) |
| 3.4 | Articles of Amendment to Articles of Incorporation, filed March 31, 2005. (1) |
| 3.5 | Articles of Amendment to Articles of Incorporation, filed May 9, 2008. (2) |
| 3.6 | Articles of Amendment to Articles of Incorporation, filed June 28, 2010. (3) |
| 3.7 | Articles of Amendment to Articles of Incorporation, filed May 6, 2011. (4) |
| 3.8 | Bylaws. (1) |
| 3.9 | Articles of Amendment to the Articles of Incorporation, filed April 19, 2012 (5) |
| 3.10 | Articles of Amendment to the Articles of Incorporation, filed on September 7, 2012 (6) |
| 3.11 | Articles of Amendment to the Articles of Incorporation, filed on September 19, 2012 (7) |
| 3.12 | Articles of Amendment to the Articles of Incorporation, filed on October 5, 2012 (8) |
| 31.1 | Section 302 Certification by the Corporation's Principal Executive Officer * |
| 31.2 | Section 302 Certification by the Corporation's Principal Financial Officer * |
| 32.1 | Section 906 Certification by the Corporation's Principal Executive Officer and Principal Financial Officer * |
| 101 | XBRL Exhibts * |



* Filed herewith.

(1) Filed as an exhibit to the registrant's registration statement on Form SB-2 filed with the Securities and Exchange Commission on July 3, 2006 and hereby incorporated by reference.

(2) Filed as an exhibit to Amendment No. 6 to the registrant's registration statement on Form S-1 filed with the Securities and Exchange Commission on May 28, 2008, and hereby incorporated by reference

(3) Filed as an exhibit to the registrant's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on February 14, 2011 and hereby incorporated by reference.

(4) Filed as an exhibit to the registrant's current report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2011 and hereby incorporated by reference.

(5) Filed as an exhibit to the registrant's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on May 15, 2012 and hereby incorporated by reference.

(6) Filed as an exhibit to the registrant's current report on Form 8-K filed with the Securities and Exchange Commission on September 7, 2012 and hereby incorporated by reference.

(7) Filed as an exhibit to the registrant's current report on Form 8-K filed with the Securities and Exchange Commission on September 19, 2012 and hereby incorporated by reference.

(8) Filed as an exhibit to the registrant's current report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2012 and hereby incorporated by reference.

## SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**CLEARTRONIC, INC.**

Date: February 14, 2017

By: /s/Michael M. Moore
Michael M. Moore
Chief Executive Officer

**Exhibit 31.1**

# CERTIFICATION

I, Michael M. Moore, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cleartronic, Inc.;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2017

/s/Michael M. Moore
Michael M. Moore, Chief Executive Officer

**Exhibit 31.2**

# CERTIFICATION

I, Larry Reid, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cleartronic, Inc.;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2017

/s/Larry M/ Reid
Larry M. Reid, Chief Financial Officer

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Cleartronic, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that the Quarterly Report on Form 10-Q for the quarter ended December 31, 2016 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 14, 2017

*By* /s/ Michael M. Moore
Chief Executive Officer

*By:* /s/ Larry M. Reid
Chief Financial Officer

Exhibit 31.1

**CERTIFICATION**

I, Michael M. Moore, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cleartronic, Inc.;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 14, 2017

/s/Michael M. Moore
Michael M. Moore, Chief Executive Officer

**Exhibit 31.2**

# CERTIFICATION

I, Larry Reid, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cleartronic, Inc.;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2017

/s/Larry M Reid
Larry M. Reid, Chief Financial Officer

**Exhibit 32.1**

## CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Cleartronic, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that the Quarterly Report on Form 10-Q for the quarter ended December 31, 2016 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 14, 2017

*By* /s/ Michael M. Moore
Chief Executive Officer

*By:* /s/ Larry M. Reid
Chief Financial Officer