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

FORM10-Q

(Mark One)

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

For the quarterly period ended June 30, 2009

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

For the transition period from ________ to ________

Commission File Number: **333-135585**

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 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: 67,244,509 shares as of August 12, 2009

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CLEARTRONIC, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 2009 (Unaudited)	September 30, 2008 (Audited)
Current assets:		
Cash	$ 1,877	$ 20,711
Accounts receivable, net	13,594	54,321
Inventory	35,262	48,809
Prepaid expenses and other current assets	7,470	704,356
Total current assets	**58,203**	**828,197**
Property and equipment, net	**97,321**	**121,248**
Total assets	**$155,524**	**$949,445**

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

	June 30, 2009 (Unaudited)	September 30, 2008 (Audited)
Current liabilities:		
Accounts payable	$397,136	$243,579
Accrued expenses	132,903	101,537
Deferred revenue, current portion	23,503	1,022,126
Notes payable - shareholder	30,000	-
Notes payable - related party	-	39,000
Total current liabilities	**583,542**	**1,406,242**
Deferred revenue, net of current portion	**10,127**	**15,000**
Total liabilities	**593,669**	**1,421,242**
Stockholders' equity (deficit):		
Common stock - $.001 par value; 750,000,000 shares authorized, 59,342,286 and 48,165,081 shares issued and outstanding, respectively	65,225	48,165
Additional paid-in capital	4,694,803	4,466,909
Stock subscription receivable	-	(5,475)
Accumulated Deficit	(5,198,173)	(4,981,396)
Total stockholders' equity (deficit)	**(438,145)**	**(471,797)**
Total liabilities and stockholders' equity (deficit)	**$155,524**	**$949,445**

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

	For the three months ended June 30, 2009	For the three months ended June 30, 2008	For the nine months ended June 30, 2009	For the nine months ended June 30, 2008
Revenue	$ 532,213	$ 11,966	$ 1,593,395	$ 254,555
Cost of revenue	347,581	13,178	1,027,25	194,950
Gross profit	184,632	(1,212)	566,141	59,605
Operating Expenses:				
Selling expenses	50,555	42,952	135,521	179,646
Administrative expenses	91,650	361,388	514,577	1,062,379
Research and development	32,447	60,363	86,286	200,134
Depreciation	7,602	13,911	22,697	42,261
Total operating expenses	182,254	478,614	759,081	1,484,420
Other expenses	(11,548)	(5,900)	(23,607)	(13,946)
Gain from sale of equipment	-	460	(230)	460
Loss from continuing operations	(9,170)	(485,266)	(216,777)	(1,438,301)
Loss from discontinued operations	-	-	-	(25,153)
Net loss	$ (9,170)	$ (485,266)	$ (216,777)	$ (1,463,454)
(Loss) per share				
Continuing operations	$ (0.000)	$ (0.013)	$ (0.004)	$ (0.041)
Discontinued operations	$ -	$ -	$ -	$ (0.001)
(Loss) per share - basic and diluted	$ (0.000)	$ (0.013)	$ (0.004)	$ (0.042)
Weighted average of shares outstanding:				
Basic and diluted	60,129,249	38,385,877	51,874,795	34,742,086

GLOBALTEL IP, INC. AND SUBSIDIARIES
(Unaudited)

Condensed Consolidated Statements of Cash Flows

	For the three months ended June 30, 2009	For the three months ended June 30, 2008	For the nine months ended June 30, 2009	For the nine months ended June 30, 2008
NET LOSS	$ (9,170)	$ (485,266)	$ (216,777)	$ (1,463,454)
Adjustments to reconcile net loss to net cash used in operating activities:				
Bad Debts	-	52,812	-	$ 52,812
Depreciation	7,601	13,911	22,082	42,261
Gain on sale of property and equipment	-	(460)	-	(2,918)
Common stock and warrants issued for services	30,000	5,000	144,375	150,000

(Increase) decrease in assets:				
Accounts receivable	(9,550)	(7,567)	40,728	(48,964)
Inventory	34,250	(19,886)	13,546	47,426
Prepaid expenses and other current assets	255,518	(746,592)	696,886	(750,499)
Increase (decrease) in liabilities:				
Accounts payable	(11,347)	(33,841)	153,557	(53,091)
Accrued expenses	47,907	(6,619)	62,795	(16,763)
Deferred revenue	(381,102)	1,102,982	(1,003,496)	1,140,482
Net Cash Used in Operating Activities	(35,893)	(125,526)	(86,304)	(902,708)
Cash Flows From Investing Activities:				
Purchase of property and equipment	-	(6,662)	-	(12,849)
Proceeds from sale of property and equipment	-	2,352	1,845	19,352
Payments received on note receivable	-	11,090	-	28,972
Net Cash Provided by Investing Activities:	-	6,780 #	1,845	35,475
Cash Flows From Financing Activities				
Repayments of note payable-related party	-	(18,230)	-	(35,444)
Proceeds from note payable-related party	-	-		58,009
Proceeds from notes payable	-	-	30,000	-
Proceeds from issuance of common stock and warrants	16,374	135,500	30,150	692,200
Proceeds from stock subscription receivable	-	-	5,475	-
Net Cash Provided by Financing Activities	16,374	117,270 #	65,625	714,765
Net Increase (Decrease) In Cash	(19,519)	(1,476) #	(18,834)	(152,468)
Cash - Beginning of Period	21,396	1,833	20,711	152,825
Cash - End of Period	$ 1,877	$ 357	$ 1,877	$ 357
SUPPLEMENTAL CASH FLOW INFORMATION:				
Cash paid for interest	$ 780	$ 4,982	$ 4,623	$ 17,644

SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

The Company converted a note payable balance of $39,000 to an officer to 4,489,705 shares of common stock during the nine months ended June 30, 2009

The Company issued 7,312,500 common shares for services rendered by non-employees during the nine months ended June 30, 2009 >

The Company issued 2,417,608 shares of common stock as consideration for forgivenesss of accrued salaries and consulting fees totaling $31,429 during the nine months ended June 30, 2009

The Company issued a note receivable of $68,000 in connection with the sale of property and equipment during the nine months ended June 30, 2008

CLEARTRONIC, INC. AND SUBSIDARIES

Notes to Condensed Consolidated Financial Statements

June 30, 2009

NOTE 1 -ORGANIZATION

Cleartronic, Inc. (the "Company") was incorporated in Florida on November 15, 1999. The Company was originally formed as a website developer under the name Menu Sites, Inc., which ceased operations in 2002. In 2005, the Company became a provider of Voice Over Internet Protocol (VOIP) services and re-seller of international pre-paid telecommunication services through Interactive Media Technologies, Inc., ("IMT"), a related party, and was renamed GlobalTel IP, Inc. In August 2008, the Company ceased re-selling international pre-paid telecommunication services and sold back to IMT certain VoIP assets and began to transition its remaining VoIP business into managed unified group communication operations and development of VoIP related products and services.

In November 2007, the Company formed, as Florida corporations, two wholly-owned subsidiaries: Gulf Telco, Inc. and VoiceInterop, Inc. VoiceInterop, Inc. is the operating subsidiary of the Company and Gulf Telco, Inc. is currently inactive. In May 2008, the Company changed its name to Cleartronic, Inc. The Company now 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. The Company introduced its (patent pending) line of AudioMate360 IP gateway appliances in 2008 and continues to develop an Application Service Provider solution for voice interoperability to be marketed as a hosted interoperability solution for potential customers.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION
The accompanying unaudited interim consolidated financial statements contain the consolidated accounts of Cleartronic, Inc., VoiceInterop, Inc. and Gulf Telco, 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, 2008 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 and nine months ended June 30, 2009 are not necessarily indicative of the results that may be expected for the fiscal year ending September 30, 2009.

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.

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 an allowance for doubtful accounts of $1,000 at June 30, 2009 and September 30, 2008.

The Company has an Accounts Receivable Purchase and Security Agreement with Bridgeport Capital Resources of Birmingham, AL. Under the terms of the agreement the Company sells certain acceptable accounts receivable to Bridgeport Capital at a discount to the receivable face value. Discounts can range between 2.25 and 6.25 percent depending on the length of time the receivable remains outstanding.

CONCENTRATION OF CREDIT RISK
The Company currently maintains cash balances at one banking institution. FDIC deposit insurance has temporarily increased from $100,000 to $250,000 per depositor through December 31, 2009. The Company did not have cash balances excess the FDIC limits at June 30, 2009 and September 30, 2008.

RESEARCH AND DEVELOPMENT COSTS
The Company expenses research and development costs as incurred. For the three months ending June 30, 2009 and 2008, the Company had $32,447 and $60,363 in research and development costs from continuing

operations, respectively. For the nine months ending June 30, 2009 and 2008, the Company had $86,286 and $200,134 in research and development costs from continuing operations, respectively.

REVENUE RECOGNITION AND DEFERRED REVENUES

Unified group communication solutions consist of three elements to be provided to customer: 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 compliance with Staff accounting bulletin (SAB) 104. in order to encompass EITF No. 00-21 , *Revenue Arrangements with Multiple Deliverables* (EITF No. 00-21). 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. Revenues derived from software license sales are recognized in accordance with Statement of Position (SOP) No. 97-2 , “Software Revenue Recognition,” and SOP No. 98-9 , “Modifications of SOP No. 97-2 , Software Revenue Recognition with Respect to Certain Transactions." For 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.

The Company also provides support to customers under separate contracts varying from one to three 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 as of June 30, 2009 and 2008. There were 8,585,000 and 8,952,500 options and warrants outstanding, respectively.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company’s financial instruments consist primarily of cash, accounts receivable, accounts payable, accrued expenses and notes payable. The carrying amounts of such financial instruments approximate their respective estimated fair value due to the short-term maturities and approximate market interest rates of these instruments.

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. No reserve was made for inventory balances as of June 30, 2009.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. For financial statement purposes depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the asset.

Expenditures for replacements, maintenance and repairs that do not extend the lives of the respective assets are charged to expense as incurred. When assets are >retired, sold or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are recognized.

STOCK-BASED COMPENSATION

Effective January 1, 2006, the Company adopted the fair value recognition provisions of SFAS No. 123R "Share Based Payments" using the modified retrospective transition method. SFAS 123R requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense ratably over the requisite service periods. The Company has estimated the fair value of each award as of the date of grant or assumption using the Black-Scholes option pricing model, which was developed for use in estimating the value of traded options that have no vesting restrictions and that are freely transferable. The Black-Scholes option pricing model considers, among other factors, the expected life of the award and the expected volatility of the Company's stock price. In March 2005 the SEC issued SAB No. 107, Share-Based Payment ("SAB 107") which provides guidance regarding the interaction of SFAS 123R and certain SEC rules and regulations. The Company has applied the provisions of SAB 107 in its adoption of SFAS 123R.

ADVERTISING COSTS

Advertising costs are expensed as incurred. The Company had advertising costs of $3,469 during the three months ended June 30, 2009 and $6,003 during the three months ended June 30, 2008. For the nine months ending June 30, 2009 and 2008, the Company had $7,362 and $36,170 in advertising costs, respectively.

NEW ACCOUNTING PRONOUNCEMENT

In June 2009, the FASB issued SFAS No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles—a replacement of FASB Statement No. 162*. SFAS No. 168 establishes the FASB Accounting Standards Codification as the source of authoritative accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. This SFAS is effective for our year-end ending on September 30, 2009. This SFAS is not expected to have a material impact on our consolidated financial position, results of operations and cash flows.

NOTE 3 - GOING CONCERN

The Company's 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 has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

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 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 financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 - EQUITY TRANSACTIONS

Common Stock

In May 2009 the Company sold 1,259,605 shares of common stock for proceeds of $16,375 and a note-holder and officer of the Company converted promissory notes in the amount of $2,925 for 225,000 shares of common stock.

In June 2009 two officers and directors of the Company converted accrued salaries and consulting fees in the amount of $31,429 for 2,417,608 shares of common stock.

In June 2009 the Company issued 2,000,000 shares of common stock to a consultant for services rendered valued at approximately $30,000.

NOTE 5 - 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 $24,901 and $25,069 for the three months ended June 30, 2009 and 2008, respectively.

NOTE 7 - DISCONTINUED OPERATIONS

In August 2007, the Company sold certain hardware and software to Interactive Media Technologies, Inc. ("IMT"), a related party. The hardware and software was integral to the Company's ability to provide pre-paid VOIP telecommunication services. As a result of the sale, the Company effectively exited that specific line of business and reported results no longer include any revenues or expenses from VoIP operations.

The Company recognized sales from telecommunications services as services were provided. Services consisted primarily of VoIP telecommunication measured in units of time and therefore the primary criterion for the recognition of revenues was the usage of time by customers. Cost of revenue included the cost of capacity associated with the revenue recognized within the corresponding time period.

The components of the loss from discontinued operations, net of income taxes, are presented below for the three months ended June 30, 2009 and 2008 respectively.

	2009	2008
Revenues	$ -	$ -
Cost of revenues	-	-
Gross profit	-	-
Operating expenses		
Selling	-	-
General and administrative	-	-
Research and development	-	-
Depreciation	-	-
Total operating expenses	-	-
Loss from discontinued operations before income taxes	-	-
Gain from sale of equipment	-	-
Provision for income taxes	-	-
Loss from discontinued operations	$ -	$ -

The components of the loss from discontinued operations, net of income taxes are presented below for nine months ended June 30, 2009 and 2008 respectively.

	2009	2008
Revenues	$ -	$ 22,867
Cost of revenues	-	27,537
Gross profit	-	(4,670)
Operating expenses		
Selling	-	-
General and administrative	-	20,483
Research and development	-	-
Depreciation	-	-
Total operating expenses	-	20,483
Loss from discontinued operations before income taxes	-	(25,153)
Gain from sale of equipment	-	-
Provision for income taxes	-	-
Loss from discontinued operations	$ -	$ (25,153)

Item 2. Management's Discussion and Analysis or Plan of Operation.

Overview

Cleartronic, Inc. (the "Company," formerly GlobalTel IP, Inc.) was incorporated in Florida on November 15, 1999. Originally formed as a website developer, the Company ceased operations in 2002. In 2005, the Company commenced operations as a provider of Voice over Internet Protocol (VoIP) services. In 2007 the Company elected to exit the international VoIP business and concentrate on providing unified group communication solutions. The Company, through its wholly owned subsidiary, VoiceInterop, Inc., now designs, sells and installs unified group communication solutions for public and private enterprises and is developing an Application Service Provider solution for voice interoperability.

FOR THE THREE MONTHS ENDED JUNE 30, 2009 COMPARED TO THE THREE MONTHS ENDED JUNE 30, 2008

The Company's net loss from continuing operations decreased approximately 98% to $9,170 during the three months ended June 30, 2009 as compared to $485,266 for the three months ended June 30, 2008. The primary reasons for this decrease were higher revenues and aggressive reduction of selling and administrative expenses.

Revenues

Revenues increased to $532,213 for the three months ended June 30, 2009 as compared to $11,966 for the three months ended June 30, 2008. Approximately 71% of the increase was attributable to the recognition of approximately $376,000 in software sales previously recorded as deferred revenue. The remainder of the increase was primarily due to increased sales of equipment and software. During the fiscal year ended September 30, 2008, the Company entered into a unified communications contract with a customer for which delivery of equipment associated with that contract is now complete. As a result, the Company has recognized all of the revenue relating to the contract.

Cost of Revenues

Cost of revenues was $347,581 for the three months ended June 30, 2009 as compared to $13,178 for the three months ended June 30, 2008. Due to increased sales of unified communications software and equipment the Company incurred substantial increased costs for both software and equipment. The Company recorded approximately $255,000 in prepaid costs related to recognized deferred revenues during the period.

Operating Expenses

Operating expenses for the three months ended June 30, 2009 were $182,254 compared to $485,266 for the three months ended June 30, 2008, a decrease of approximately 62%. This decrease resulted from less spending on sales and marketing efforts and aggressive cost cutting of salaries, consulting fees and other miscellaneous operating expenses by management. The Company intends to continue to try and reduce operating expenses.

Loss from Continuing Operations

Loss from continuing operations for the three months ended June 30, 2009 was $9,170 compared to a loss of $485,266 for the three months ended June 30, 2008. The decrease in loss from operations in 2009 versus 2008 was due to the Company's increased sales of its products and services and an improvement in gross profit margins from approximately nil in the three months ended June 30, 2008 to approximately 34% for the three months ended June 30, 2009.

Loss from Discontinued Operations

Losses from discontinued operations were nil for the three months ended June 30, 2009 and 2008 respectively.

Net Loss Applicable to Common Stock

Net loss applicable to common stock was $9,170 for the three months ended June 30, 2009 compared to a net loss of $485,266 for the three months ended June 30, 2008. Net loss per common share was $0.0002 and $0.013 for the three months ended June 30, 2009 and 2008, respectively.

FOR THE NINE MONTHS ENDED JUNE 30, 2009 COMPARED TO THE NINE MONTHS ENDED JUNE 30, 2008

The Company's net loss decreased to $216,777 during the nine months ended June 30, 2009 when compared to a loss of $1,463,454 for the nine months ended June 30, 2008. The primary reasons for this decrease were increased revenues, larger gross margins and aggressive cutting of administrative expenses.

Revenues

Revenues from current operations were $1,593,395 for the nine months ended June 30, 2009 as compared to $254,555 for the nine months ended June 30, 2008. Approximately 63% of the increase was attributable to the recognition of approximately $1,007,126 in software sales previously recorded as deferred revenue. The remainder of the increase was primarily due to increased sales of equipment and software. During the fiscal year ended September 30, 2008, the Company entered into a unified communications contract with a customer for which delivery of equipment associated with that contract is now complete. As a result, the Company has recognized all of the revenue relating to the contract. Revenues from discontinued operations was nil for the nine months ended June 30, 2009 and $22,867 for the nine months ended June 30, 2008..

Cost of Revenues

Cost of revenues was $1,027,254 for the nine months ended June 30, 2009, as compared to $194,950 for the nine months ended June 30, 2008. Due to increased sales of unified communications software and equipment the Company incurred substantial increased costs for both software and equipment. Gross profits were $478,614 and $59,605 for the nine months ended June 30, 2009 and 2008 respectively.

Operating Expenses

Operating expenses for the nine months ended June 30, 2009 were $759,081 compared to $1,484,420 for the nine months ended June 30, 2008. This decrease was primarily a result of aggressive cutting of administrative expenses.

Loss from Operations

Loss from operations for the nine months ended June 30, 2009 was $216,777 compared to a loss of $1,463,454 for the nine months ended June 30, 2008. This decrease in loss from operations in 2009 versus 2008 was due primarily to the Company's ability to increase revenue, improve gross margins and cut administrative expenses.

Loss from Discontinued Operations

Loss from discontinued operations was nil or the nine months ended June 30, 2009 and $25,153 for the six months ended June 30, 2008, due to the Company's complete exit from providing VoIP services.

Net Loss Applicable to Common Stock

Net loss applicable to common stock was $216,777 for the nine months ended June 30, 2009 compared to a net loss of $1,463,454 for the nine months ended June 30, 2008. Net loss per common share was $0.004 and $0.042 for the nine months ended June 30, 2009 and 2008, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Net cash used in operating activities was $67,322 for the three months ended June 30, 2009 compared to $125,526 for the three months ended June 30, 2008, due to a decrease in net loss for the period and recognition of $381,102 in deferred revenue.

The Company’s net cash from investing activities was $0 for the three months ended June 30, 2009 compared to $6,780 for the three months ended June 30, 2008.

The Company’s net cash provided by financing activities was $47,803 for the three months ended June 30, 2009 compared to $117,270 for the three months ended June 30, 2008. The decrease was due to decreased debt and equity financing activity.

The Company’s obligations are being met on a month-to-month basis as cash becomes available. There can be no assurance that the Company’s present flow of cash will be sufficient to meet current and future obligations.

The Company has incurred losses since its inception, and continues to require additional capital to fund operations and development. As such, the Company’s ability to pay its 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.

The Company believes that in order to fund its business plan, it will need approximately $500 thousand in new equity or debt capital. In the past, in addition to revenues and deferred revenues, the Company has obtained funds from the private sale of its debt and equity securities. The Company intends to continue to seek private financing from its existing stockholders and others.

The costs to operate the Company’s current business are approximately $75,000 per month. In order for the Company to cover its monthly operating expenses, we would have to generate revenues of approximately $225,000 per month. Accordingly, in the absence of revenues, the Company will need to secure $75,000 in equity or debt capital each month to cover its overhead expenses. In order to remain in business for one year without any revenues the Company would need to secure $900,000 in equity or debt capital. If the Company is unsuccessful in securing sufficient capital or revenues, the Company would have to cease business in approximately 60 days.

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 the Company’s revenues and profitability, (ii) prospective business opportunities and (iii)its strategy for financing its 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 the Company’s plans, objectives and expectations for future operations. Although the Company believes that its expectations with respect to the forward- looking statements are based upon reasonable assumptions within the bounds of its knowledge of its 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 the Company’s 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. The Company undertakes no obligation to release publicly the results of any future revisions it 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.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures. As required Rules 13a-15(e) and 15d-15(e) under the Exchange Act, an evaluation was conducted by the registrant’s chief executive officer (CEO) and principal financial officer (“PFO”) of the effectiveness of the design and operation of the registrant’s disclosure controls and procedures as of June 30, 2009, Based on that evaluation, the CEO and PFO concluded that the registrant’s controls and procedures were effective as of such date to ensure that information required to be disclosed in the reports that the registrant files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

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. During the quarter ended June 30, 2009, there have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

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

In May 2009 the Company sold 1,259,605 shares of common stock for proceeds of $16,375 and a note-holder and officer of the Company converted promissory notes in the amount of $2,925 for 225,000 shares of common stock.

In June 2009 two officers and directors of the Company converted accrued salaries and consulting fees in the amount of $31,429 for 2,417,608 shares of common stock.

In June 2009 the Company issued 2,000,000 shares of common stock to a consultant for services rendered valued at approximately $30,000.

There were no principal underwriters.

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. Each of the purchasers was, at the time of the purchaser's respective 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 6. Exhibits.

3.01	Articles of Incorporation.(1)
3.02	Articles of Amendment to Articles of Incorporation filed March 12, 2001. (1)
3.03	Articles of Amendment to Articles of Incorporation filed October 4, 2004. (1)
3.04	Articles of Amendment to Articles of Incorporation filed March 31, 2005. (1)
3.05	Articles of Amendment to Articles of Incorporation filed May 9, 2008. (2)
3.06	Bylaws. (1)
31.1	Rule 13a-14(a)/14d-14(a) Certification of Larry Reid. (3)
32.1	Section 1350 Certification of Larry Reid (3)

(1) Filed as an exhibit to the registrant's registration statement on Form SB-2 and hereby incorporated by reference.
(2) Filed as an exhibit to Amendment No. 6 to the registrant's registration statement on Form S-1 and hereby incorporated by reference.
(3) Filed herewith.

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: August 12, 2009

By: /s/ Larry Reid
Larry Reid
Principal Executive Officer and Principal
Financial Officer and Chief Accounting
Officer

Exhibit 31.1

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. I am the only certifying officer 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. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the Board of Directors:

(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: August 12, 2009

/s/ Larry Reid
Larry Reid, Principal Executive Officer and Principal 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 June 30, 2009 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: August 12, 2009

/s/ Larry Reid

By Larry Reid

Principal Executive Officer and Principal 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 June 30, 2009 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: August 12, 2009

/s/ Larry Reid

By Larry Reid
Principal Executive Officer and Principal Financial Officer