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

FORM 10-K/A

☒ **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2013

☐ **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 its Charter)

Florida	**65-0958798**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8000 North Federal Highway, Suite 100 **Boca Raton, FL** (Address of principal executive offices)	**33487** (Zip Code)

Registrant's Telephone Number, Including Area Code: **(561) 939-3300**

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered under Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

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

Large accelerated filer Accelerated filer ¨☐	ccelerated filer¨☐
Non-accelerated filer (Do not check if a smaller reporting company) ☐	Smaller reporting company ☒

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter. 4,207,943 as of March 31, 2013, based upon 56,105,910 shares at $0.075 per share as reported on the OTC Bulletin Board.

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: 2,108,130,970 shares of common stock as of January 13, 2014.

EXPLANATORY NOTE

The Company is filing this amended report to include the XBRL exhibits

PART I

Item 1. Business.

Explanatory Note

We do not currently have sufficient capital to engage in any of the present or proposed business activities described below. The costs to operate our business are approximately $50,000 per month. In order for us to cover our monthly operating expenses, we must generate revenues of approximately $125,000 per month. Accordingly, in the absence of revenues, we must secure $50,000 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 must secure $600,000 in equity or debt capital. If we are unsuccessful in securing sufficient capital or revenues, we will be unable to resume any business activities. We have not obtained any commitments for additional capital, and there can be no assurance that we will be able to obtain any additional capital on terms not unfavorable to us, if at all.

To the extent not superseded by the disclosure in this Annual Report, the disclosure under captions "Risk Factors" and "Forward Looking Statements," in the registrant's prospectus dated August 7, 2008 filed pursuant to Rule 424(b)(3) under the Securities Act of 1933 is hereby incorporated by reference.

In this Annual Report, "Cleartronic," "we," "us," "our" and "the Company" refer to Cleartronic, Inc., a Florida corporation, and our wholly owned subsidiary, unless the context otherwise requires.

Overview

From March 2005 to October 2007, we were primarily engaged in providing telecommunications services to our customers employing Voice over Internet Protocol (VoIP) technology. In October 2007, we sold substantially all of our assets utilized in that business.

We are now a provider of Internet Protocol, or IP, unified group communication solutions. The products used in our solutions include our own proprietary products as well as products from other software and hardware vendors. An integral component of our unified group communication solution is WAVE™ software developed by Twisted Pair Solutions, Inc. of Seattle, WA.

We have designed and customized standards based audio and voice collaboration solutions for prospective customers as part of a unified group communication system. We have considered all aspects of a potential customer's information technology resources and existing telecommunications network in creating a design best suited for that customer. Substantially all of our designs for unified group communication solutions have required the integration of WAVE software as a core component. We have designed, built and installed fifteen unified group communication solutions as of the filing date of this Annual Report, fourteen of which utilize WAVE software.

Revenues have been generated from the design, construction and installation of the systems. We have also generated revenues from maintenance and support contracts once a unified group communication solution has been installed and tested.

We have also sold our proprietary line of IP Gateways which we have branded the AudioMate 360 Series. These units are currently being sold directly to end-users and by Value Added Resellers ("VARs") to their end-user customers. As of the date of this filing, we have approximately 75 active VARs, and we have sold our gateways to more than 1,000 end-users in the United States and eighteen foreign countries.

In May 2008, we changed our corporate name from GlobalTel IP, Inc. to Cleartronic, Inc. All of our operations are conducted through our wholly owned subsidiary, VoiceInterop, Inc., a Florida corporation.

Need for Unified Group Communications

Although public safety personnel regularly use cellular phones, personal digital assistants (PDAs), and other commercial wireless devices and services, we believe that these devices are currently not sufficiently suited for public safety mission critical communications during critical incidents. As an example, hundreds of firefighters and police officers rushed to rescue victims from the attack on the World Trade Center on September 11, 2001. As police and firefighters swarmed the building searching for survivors, incident commanders outside were hearing warnings from helicopters circling the scene from above that the towers were beginning to glow and were dangerously close to collapse. Radio communications were a lifeline for the hundreds of police officers who received the word to evacuate the building—all but 60 police officers escaped with their lives. Tragically, hundreds of New York firefighters did not receive that warning because they were using a different radio communications system. Unaware of the impending collapse, at least 121 firefighters, most within striking distance of safety, died. A report from the University of New Hampshire based ATLAS Project stated, "From numerous interviews gathered as part of a fire department inquiry into the events of September 11th, it would appear that non-interoperability was at least partially responsible for the loss of 343 firefighters at the World Trade Center."

We believe that public safety officials should not depend solely on commercial communication systems that can be overloaded and that may be unreliable during critical incidents when public demand can overwhelm the systems. Public safety officials have unique and demanding communications requirements. Optimal public safety radio communication systems require:

- Dedicated channels and priority access that is available at all times to handle unexpected emergencies.
- Reliable one-to-many broadcast capability, which is not generally available in cellular systems.
- Highly reliable and redundant networks that are engineered and maintained to withstand natural disasters and other emergencies.
- The best possible coverage within a given geographic area, with a minimum of dead zones.
- Unique equipment designed for quick response in emergency situations—dialing, waiting for call connection, and busy signals are unacceptable during critical events when seconds can mean the difference between life and death.

We believe that the WAVE software when properly used can add value, redundancy and alternative methods of communicating for radios and radio systems and the personnel who use them.

Twisted Pair Solutions, Inc.'s WAVE Software

Twisted Pair Solutions' WAVE software has been designed to enable and manage real-time, secure group communications over the IP network, linking people and devices. WAVE connects people who are using disparate and often incompatible communications technologies, such as two-way radios, personal computers, cell phones, and IP phones, into a single, interoperable and manageable communications system via IP communications technology.

WAVE technology consists of software building blocks and development tools designed to convert all forms of communication to IP packets, use a network to carry those packets between endpoints, and build distributed intelligence and management capabilities at the network edge to connect the endpoints together. The technology converts communications from individual users' devices into group-level IP packets that can be forwarded to other devices and users. Once brought into a WAVE domain, these interoperable communication sessions are subject to management and security controls, and may be bridged, recorded, joined into conferences, or routed to devices outside of the system.

WAVE supports both voice and data media types. In addition, status, presence and adaptive transport network management provide for rich collaboration among group communications participants. The result is that groups of people can talk and share real-time data, with full control, regardless of the devices or systems used. With audio data convertedinto IP packets and streamed across a network, a new set of devices can directly link together and participate simply and easily in critical communications.

We have been advised by Twisted Pair Solutions that claims based upon the WAVE technology are the subject of a patent application filed by or on behalf of it with the United States Patent and Trademark Office. There can be no assurance that any patent will be issued as a result of the application or, if issued, that it will be meaningful. Furthermore the validity of issued patents is frequently challenged by others. One or more patent applications may have been filed by others previous to the Twisted Pair Solutions' filing, which encompass the same or similar claims.

We have no right to sell, license or otherwise utilize WAVE other than through our written agreements with Twisted Pair Solutions as described below.

Our Agreements with Twisted Pair Solutions, Inc.

Reseller Agreement

In May 2006, we entered into a reseller agreement with Twisted Pair Solutions. Subject to the terms and conditions of the agreement, Twisted Pair Solutions appointed us as a nonexclusive authorized worldwide reseller of its products. We have the right to purchase products from Twisted Pair Solutions and to resell the products to end users.

We have agreed to provide all necessary implementation services and support, including but not limited to the tools, expertise, and resources required for design, installation, integration, and/or upgrades, for all products sold by us as a reseller through either our own internal resources or contracting with Twisted Pair Solutions' approved subcontractor partners. We do not now have and there can be no assurance that we will ever have the resources to perform the required implementation services and support.

We have further agreed to maintain trained sales representatives and sales and integration engineers in the number determined by Twisted Pair Solutions. We do not now have and there can be no assurance that we will ever have the resources to maintain such representatives and engineers.

For each product we resell, we are responsible for either the sale of the appropriate annual renewal and update subscription or submittal to Twisted Pair Solutions of written waiver of software updates signed by the end user. In the event an end user purchases or renews the update subscription directly from Twisted Pair Solutions, we will not receive any compensation associated with the sale.

Twisted Pair Solutions has granted to us a non-exclusive, limited license during the term of the agreement to use both Twisted Pair Solutions' name and any stylized form or logo used by Twisted Pair Solutions and the applicable product trademarks solely in connection with our distribution, advertising and promotion of the products. The exclusive ownership of the trademarks has been retained by Twisted Pair Solutions.

The prices we pay for the products will be set by Twisted Pair Solutions. Twisted Pair Solutions may change prices, discount schedules, and any other similar terms on sixty days notice to us. Subject to Twisted Pair Solutions' ability to impose maximum resale price limitations, we are free to determine our resale prices. There can be no assurance that the prices we are required to pay to Twisted Pair Solutions or the maximum resale price limitations will not significantly adversely affect our ability to make sales or operate profitably.

Other than with respect to patents, each party's liability to the other party under the agreement is limited to the total payment made by us to Twisted Pair Solutions in the most recent full calendar year. In the event that any claims are successfully made against us with respect to Twisted Pair Solutions' products, it is likely that our exposure will be substantially greater than Twisted Pair Solution's obligation to us.

The agreement may be terminated by Twisted Pair Solutions or us at any time without cause upon thirty days prior written notice to the other party. If Twisted Pair Solutions were to terminate the agreement, we would not be entitled to purchase or resell any of its products under the agreement.

Sale of Unified Group Communication Solutions

We offer to design and customize, standards based audio and voice collaboration solutions for prospective customers that will result in a unified group communication system. We intend to consider aspects of a potential customer's information technology resources and existing telecommunications network in creating a design best suited for that customer. We anticipate that substantially all of our designs for unified group communication solutions will require the integration of WAVE software as a core component. We have designed, built and installed fifteen unified group communication solutions as of the date of this Annual Report, fourteen of which utilize WAVE software. In our most recent group communication project we utilized proprietary software developed and supported by our operating entity VoiceInterop. We anticipate that we will use our own proprietary software in future installations and rely less on using WAVE software.

Revenue from installations can be generated from the amount we charge to design, build, install and support a system. We also intend to generate revenues from a maintenance contract once a unified group communication solution is installed and tested. There can be no assurance that we will realize any meaningful levels of revenues from the design and building of unified group communication solutions in the future, if at all.

Prior to and subsequent to sales we have made to three airport authorities, we have had discussions with approximately 15 other airport authorities as well as airlines in the United States and abroad to design, build and install voice interoperability solutions. Those discussions have not resulted in any sales.

We have developed an Internet Protocol gateway which we call the AudioMate 360. The AudioMate 360 has been designed to provide an Internet Protocol gateway to users of unified group communications. The AudioMate 360 is available in different configurations which enable it to be used with various types of communications equipment.

Although other devices are available that perform the same or similar functions, we believe that our price for the AudioMate 360 is substantially lower than the prices others are presently charging for similar devices. If we are unable to provide the AudioMate 360 to our prospective customers at substantially lower prices than others are charging for similar gateways, our business will be materially adversely affected.

Sales and Marketing

We have marketed our unified group communication solutions and AudioMate 360 IP gateways through our Director of Sales and Marketing. The majority of our sales leads have come through our strategic partners and our website.

If we are able to continue our business activities, we intend to continue to develop a network of channel partners and VARs. As of September 30, 2013, we had ten channel partners in our network of over 75 VARs. These existing and potential channel partners and VARs range in size from single-site, regional firms with specialized products and services to multi-national firms that provide a full range of IT products and services.

We have also received sales prospects from our website. We intend to use search engine optimization to increase the number of inquiries that we receive from our website and if we become adequately funded, we intend to hire additional direct sales people.

Competition

The unified group communications industry is extremely competitive. Over the past year, the number of companies entering our industry has increased dramatically. Competitive pricing pressures can negatively impact profit margins, if any. Competitors include Cisco Systems, Inc., Tyco Electronics Ltd., Catalyst Communications Technologies, Inc., Telex, Inc., Federal Signal Corporation and Mutual-Link, Inc. as well as Twisted Pair Solutions and its other resellers and licensees.

These and other potential competitors are generally large and well capitalized and have substantially more experience than we do in our industry.

We expect to face intense competition from traditional telephone companies, wireless companies, cable companies and alternative voice communication providers. We may also face intense competition from cable companies which have added or are planning to add VoIP services to their existing product lines.

The traditional wireline and wireless telephone service providers and cable companies are substantially larger and better capitalized than we are and have the advantage of a large existing customer base. Because substantially all of our prospective customers are already purchasing communications services from one or more of these providers, our success may be dependent upon, among other things, our ability to attract target customers away from their existing providers. These potential competitors could focus their substantial financial resources to develop competing technology that may be more attractive to potential customers than what we offer.

Our competitors' financial resources may allow them to offer services at prices below cost or without charge in order to maintain and gain market share or otherwise improve their competitive positions. Our competitors also could use their greater financial resources to offer more attractive service packages that include on-site installation and more robust customer service. In addition, because of the other services our competitors provide, they may choose to offer unified group communication services as part of a bundle that includes other products, such as VoIP telephone service, video, high speed Internet access and wireless telephone service, which we do not and cannot offer. This bundle may enable our competitors to offer unified group communication service at price levels with which we may not be able to compete or to offer functionality that integrates that service with their other offerings, both of which may be more desirable to consumers. Any of these competitive factors could make it difficult or impossible for us to attract and retain customers, cause us to lower our prices in order to compete and reduce our market share and revenues.

There can be no assurance that we will be able to increase our revenues or achieve profitability.

Manufacturing and Suppliers

We have outsourced the manufacturing of our hardware products. This outsourcing has allowed us to:

- avoid costly capital expenditures for the establishment of manufacturing operations;
- focus on the design, development, sales and support of our hardware products; and
- leverage the scale, expertise and purchasing power of specialized contract manufacturers.

Currently, we have arrangements for the production of our gateways with a contract manufacturer in Florida. Our reliance on contract manufacturers involves a number of potential risks, including the absence of adequate capacity, ownership of certain elements of electronic designs, and reduced control over delivery schedules. Our contract manufacturers can provide us with a range of operational and manufacturing services, including component procurement and performing final testing and assembly of our products. We intend to depend on our contract manufacturers to procure components and to maintain adequate manufacturing capacity.

We have also relied on a small number of suppliers for several key components utilized in the assembly of our products. For

example, our contract manufacturer has purchased a key component that is essential to the production of our gateways from a single source supplier. We have not identified any alternative suppliers for that component. Our contract manufacturer has maintained relatively low inventories and acquired components only as needed. As a result, our ability to efficiently respond to customer orders, if any, may be constrained by, among other things, the then-current availability or terms and pricing of necessary components. We cannot assure you that we will be able to obtain a sufficient quantity of these components in a timely manner to meet the demands of our customers or that prices of these components will not increase. Any delays or any disruption of the supply of these components could also materially and adversely affect our operating results.

Intellectual Property

If we are able to resume our business activities, our business will be dependent on our intellectual property, some of which we have developed for our software and hardware applications. We do not have any patents, trademarks or trade secret confidentiality agreements. For projects that are in development, we intend to rely on intellectual property rights afforded by trademark and trade secret laws, as well as confidentiality procedures and licensing arrangements, to establish and protect our rights to our technology and other intellectual property. There is no assurance that these procedures and arrangements will be adequate in protecting our intellectual property.

We have filed a patent application with the United States Patent and Trademark Office in connection with various configurations of our AudioMate 360 Internet Protocol gateway. We may file similar patent applications in additional countries. The claims in the patent application relate to various aspects of the AudioMate 360. On March 13, 2012, the United States Patent Office notified the Company that US Patent number 8,135,001 B1 had been granted for the thirty four claims of the Company's patent application for Multi Ad Hoc Interoperable Communicating Networks. There can be no assurance that any of the claims are meaningful. Furthermore, the validity of issued patents is frequently challenged by others. One or more patent applications may have been filed by others previous to our filing, which encompass the same or similar claims.

Because of our limited resources, we may be unable to protect a patent or to challenge others who may infringe upon a patent. Because many holders of patents in our industry have substantially greater resources than we do and patent litigation is very expensive, we may not have the resources necessary to successfully challenge the validity of patents held by others or withstand claims of infringement or challenges to any patent we may obtain. Even if we prevail, the cost and management distraction of litigation could have a material adverse affect on us.

Because Internet Protocol gateways and their related manufacturing processes are covered by a large number of patents and patent applications, infringement actions may be instituted against us if we use or are suspected of using technology, processes or other subject matter that is claimed under patents of others. An adverse outcome in any future patent dispute could subject us to significant liabilities to third parties, require disputed rights to be licensed or require us to cease using the infringed technology.

If trade secrets and other means of protection upon which we may rely may not adequately protect us, our intellectual property may become available to others. Although we may rely on trade secrets, copyright law, employee and third-party nondisclosure agreements and other protective measures to protect some of our intellectual property, these measures may not provide meaningful protection to us.

The laws of many foreign countries do not protect intellectual property rights to the same extent as do the laws of the United States, if at all.

Employees

As of January 13, 2014, we have no employees, and we have two consultants, including our executive officer.

Item 1A. Risk Factors.

Not applicable.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties.

We lease approximately 3,400 square feet for our principal offices in Boca Raton, Florida from an unaffiliated party at a monthly rental of approximately $6,900. The lease, which provides for annual increases of base rent of 4%, expires on November 30, 2014.

Item 3. Legal Proceedings.

We know of no material, existing or pending legal proceedings against us, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers, or affiliates, or any registered or beneficial holder of more than 5% of our voting securities, or any associate of such persons, is an adverse party or has a material interest adverse to our company.

Item 4. (Removed and Reserved).

PART II

Item 5. Market For Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

On November 28, 2012, the Board of Directors authorized a 3000 to 1 reverse stock split of its common shares. The reverse split was approved by the Financial Industry Regulatory Authority (FINRA) on December 4 and became effective on December 28, 2012.

Our common stock is quoted on the Over-The-Counter Bulletin Board ("OTCBB") under the symbol "CLRI". The following table sets forth, for the periods indicated, the reported high and low closing bid quotations for our common stock as reported on the OTCBB for each quarterly period within our two most recent fiscal years. The bid prices reflect inter-dealer quotations, do not include retail markups, markdowns, or commissions, and do not necessarily reflect actual transactions.

Common Stock

Quarter Ended	High Bid	Low Bid
September 30, 2013	$ .05	$ .04
June 30, 2013	$ .10	$ .05
March 31, 2013	$ .12	$ .06
December 31, 2012	$ .06	$ .05
September 30, 2012	$ 7.50	$ .90
June 30, 2012	$ 27.00	$ 3.00
March 31, 2012	$ 21.00	$ 6.00
December 31, 2011	$ 14.40	$ 6.00

Holders

As of December 31, 2013, we have approximately 154 stockholders of record of our issued and outstanding common stock based upon a shareholder list provided by our transfer agent.

Dividend Policy

We have never paid dividends on our common stock and do not anticipate paying cash dividends in the foreseeable future. We intend to retain any earnings for the operation and expansion of our business. Other than financial ability, we have no legal, contractual or corporate constraints against the payment of dividends. Commitments we may make in the future may, however, contractually limit or prohibit the payment of dividends.

The Company is obligated to pay dividends on its Series A Convertible Preferred Stock. Each Series A Preferred Holder is entitled to receive cumulative dividends at the rate of 8% of $1.00 per annum on each outstanding share of Series A Preferred then held by such Series A Preferred Holder, on a pro rata basis. The Company has accrued dividends payable to preferred shareholders through September 30, 2013. No cash dividends have been paid to date.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth, as of September 30, 2013, certain information related to our compensation plans under which shares of our common stock are authorized for issuance.

Plan Category	COLUMN A: Number of Securities to be Issued upon Exercise of Outstanding Options Warrants and Rights		Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in COLUMN A)
Equity compensation plans approved by security holders	367 (1)	$	$237.06	75,000,000(2)
Equity compensation plans not approved by security holders				1,871,301(3)
Total	367	$	$237.06	76,871,301

(1) Includes outstanding options granted pursuant to GlobalTel IP 2005 Incentive Equity Plan, which terminated by its terms on October 17, 2010.

(2) Includes shares available for future issuance under the Cleartronic 2011 Equity Incentive Plan.

(3) Includes shares remaining for issuance under the 2009 Consultant Stock Plan.

Recent Sales of Unregistered Securities

In October 2012, we issued 1,000,000 shares of the Company's common stock to its CEO as compensation for entering an employment agreement with the Company.

In October 2012, we sold 14,000 shares of Series C Convertible Preferred Stock to two individuals for $35,000 in cash.

In October 2012, issued 429,600 shares of Series C Convertible Preferred Stock In exchange for 1,074,000 shares of Series A Convertible Preferred Stock.

During October and November 2012, a noteholder converted $7,700 of convertible promissory notes into 27,501 shares of the Company's common stock.

Between October and December 2012, three note-holders converted $143,703 in principal and accrued interest into 57,481 shares of Series C Convertible Preferred stock valued at $41,961. The Company recognized a gain on the conversions of $101,742.

In January 2013, the CEO of the Company exercised the conversion of 8,000 shares of Series C Preferred stock at the stated conversion rate of 250,000 shares of common stock for each share of Series C Preferred stock resulting in the issuance of 2,000,000,000 restricted shares of common stock.

In February 2013, a shareholder converted 250,000 shares of Series A Preferred stock into 25,000,000 shares of common stock.

In March 2013, five shareholders converted a total of 250,000 shares of Series A Preferred Stock into 25,000,000 shares of common stock.

In March 2013, the Company issued 5,800,000 shares of common stock to nine consultants for services previously rendered and to be rendered valued at a total of $580,000.

In July 2013, the Company issued 1,000,000 shares of common stock to one consultant for services previously rendered and to be rendered valued at $50,000.

During the twelve months ended September 30, 2013, the Company entered into exchange agreements with 82 common stockholders to exchange 61,434 shares of common stock into 2,190,045 shares of Series C Convertible Preferred stock. The total fair value of the Series C Convertible Preferred Stock issued as consideration in the exchange was approximately $1,287,000. The total market value of the common stock exchanged was approximately $21,100. The Company recognized a loss for the difference between the consideration given and the market value of the stock of approximately $1,266,000. The Company will cancel all shares of common stock received in the exchange.

During the twelve months ended September 30, 2013, the Company issued 24,000 shares of Series C Convertible Preferred stock to 2 consultants for services valued at $17,520. The Company also converted $623,215 in accounts payable and accrued expenses into 211,786 shares of Series C Convertible Preferred stock valued at $136,883. The Company recognized a gain of $ 357,543 on the conversion of accounts payable and accrued expenses.

During the twelve months ended September 30, 2013, the Company issued 32,595 shares of Series C Convertible Preferred stock warrant and option holders for the cancellation of 5,162 warrants and 399 options. The Company recognized a loss on the exchange of $7,769.

In November 2013, an investor purchased 40,000,000 shares of common stock for $200,000 cash.

In November 2013, the Company issued 35,000 shares of Series C Preferred stock to a consulting firm for services valued at $10,000.

In December 2013, an investor purchased 10,000,000 shares of common stock for $100,000 cash.

Item 6. Selected Financial Data.

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the results of operations and financial condition for the fiscal years ending September 30, 2013 and 2012 should be read in conjunction with our consolidated financial statements and the notes to those consolidated financial statements that are included elsewhere in this report. Our discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations, and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those set forth elsewhere in this report. We use words such as "anticipate," "estimate," "plan," "project," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions to identify forward-looking statements.

Overview

From inception on November 15, 1999 through February 28, 2005, we were a development stage company or inactive, generated no revenue and incurred cumulative net losses of $488,642. In February 2005, we acquired certain VoIP assets from Interactive Media Technologies, Inc. ("IMT") under an Asset Purchase Agreement. These assets enabled us to begin generating revenue by providing VoIP services to customers. Due to increased competition and additional government regulation and taxation it became increasingly difficult to earn a profit marketing VoIP services and in August and October 2007 we sold certain equipment and software used to operate the VoIP business, the proceeds of which were used to reduce our liabilities. These assets were not then being utilized by us. Following the asset sale we decided to concentrate on marketing unified group communications services to public and private enterprises, market our Audiomate 360 series of IP gateways and to continue to develop an application service provider solution for voice interoperability.

We have provided Internet Protocol, or IP, unified group communication solutions for enterprises. The products used in our solutions include our own proprietary products as well as products from other software and hardware vendors. An integral component of our unified group communication solution is WAVE™ software developed by Twisted Pair Solutions, Inc. of Seattle, WA.

We have designed and customized standards based audio and voice collaboration solutions for prospective customers that will result in a for unified group communication systems. We consider all aspects of a potential customer's information technology resources and existing telecommunications network in creating a design best suited for that customer. Substantially all of our designs for unified group communication solutions require the integration of WAVE software as a core component. We have designed, built and installed eleven unified group communication solutions as of the date of this filing all of which utilize WAVE software.

We have marketed our products and services primarily through a consultant who serves as Director of Sales and Marketing. We intend to develop a network of channel partners and distributors which when and if established we believe will increase the revenue we receive from the sale of our products and services.

We outsource the manufacturing of our products to a contract manufacturer. Our outsourced manufacturing model allows us to scale our business without the significant capital investment and on-going expenses required to establish and maintain a manufacturing operation. Our AM360 gateways are manufactured by a contract manufacturer located in Pompano Beach, Florida. Our contract manufacturer provides us with a range of operational and manufacturing services, including component procurement, final testing and assembly of our products. We work closely with our contract manufacturer to manage the cost of components, since our total manufacturing costs are directly tied to component costs. We do not provide forecasts to our contract manufacturer, and we order products from our contract manufacturers on an as needed basis. We do not maintain a large finished goods inventory which limits our ability to fill customers' orders should they demand product quickly.

Our plans to continue our business and make investments in certain areas as described below are contingent upon substantial amounts of capital becoming available to us. We do not now have any such capital and there can be no assurance that we can obtain any capital on terms not unfavorable to us, if at all.

We are headquartered in Boca Raton, Florida and all of our personnel work at this location.

Critical Accounting Policies

Our significant accounting policies and recently issued accounting pronouncements are described in Notes 1 and 2 to the consolidated financial statements included in Item 8 of this Annual Report on Form 10-K. We believe the following represent our critical accounting policies:

Estimates and Assumptions The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and of revenues and expenses during the reporting period. Estimates are made when accounting for revenue (as discussed below under "Revenue Recognition"), depreciation, amortization, bad debt reserves, income taxes and certain other contingencies. We are subject to risks and uncertainties that may cause actual results to vary from estimates. We review all significant estimates affecting the consolidated financial statements on a recurring basis and record the effects of any adjustments when necessary.

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 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 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 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.

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.

Stock-Based Compensation. Effective January 1, 2006, the Company adopted the fair value recognition provisions of Accounting Standards Codification 718-10 "Compensation" (ASC 718-10) using the modified retrospective transition method. ASC718-10 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 ASC 718-10 and certain SEC rules and regulations. The Company has applied the provisions of SAB 107 in its adoption of ASC 718-10.

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 Accounting Standards Codification ("FASB ASC Section 505-50-30"). 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, the instrument 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.

Recent Accounting Pronouncements

Recent accounting pronouncements issued by FASB, the AICPA and the SEC, did not, or are not believed by management to have a material impact on the Company's present or future financial statements.

Basis of Presentation

Revenue. We have derived our revenue from sales of our unified group communication solutions, AudioMate 360 sales and related support and services. Our typical solution sale included a combination of third party hardware, WAVE software and installation and integration services. Channel partners buy our products directly from us. Prices to a given channel partner for hardware and software products depend on that channel partner's volume, as well as our own strategic considerations.

Support and services revenue has primarily consisted of post-contractual support and maintenance contracts. Post-contractual support includes software updates which grant rights to unspecified software license upgrades and maintenance releases issued during the support period. Post-contractual support also includes both Internet and phone-based technical support. Post-contractual support revenue is recognized ratably over the contractual service period.

Cost of revenue. Cost of product revenue consisted primarily of hardware costs, royalties and license fees for third-party software included in our systems, salary and related overhead costs of operations personnel and freight. The majority of these costs vary with the unit volumes of product sold. Cost of support and services revenue consists of salary and related overhead costs of personnel engaged in support and services, and hence is substantially fixed in the near term.

Research and development expenses. Research and development expenses primarily included personnel costs, outside engineering costs, professional services, prototype costs, test equipment, software usage fees and facilities expenses. Research and development expenses are recognized when incurred. We have devoted substantial resources to the development of additional functionality for existing products and the development of new products and related software applications. We intend to continue to make significant investments in our research and development efforts because we believe they are essential to maintaining and improving our competitive position. Accordingly, we expect research and development expenses to continue to increase in absolute dollars.

Selling expenses. Selling expenses primarily include personnel costs, sales commissions, travel, marketing

promotional and lead generation programs, advertising, trade shows, professional services fees and facilities expenses. We plan to continue to invest in development of our distribution channels by increasing the size of our field sales force and the number of our channel partners to enable us to expand our business. In conjunction with channel partner growth, we plan to increase the investment in our training and support of channel partners to enable them to more effectively sell our products. We also plan to continue investing in our domestic and international marketing activities to help build brand awareness and create sales leads for our channel partners. We expect that sales and marketing expenses will increase in absolute dollars and remain one of our largest operating expense categories.

Administrative expenses. Administrative expenses relate to our executive, finance, human resources, legal and information technology organizations. Our general and administrative expenses have primarily included consultant expenses, professional fees for legal, accounting, tax, compliance and information systems, travel, recruiting expense, and facilities expenses. In addition, as if we are able to continue and then we expand our business, we expect to increase our administrative expenses.

Other income (expenses). Other income (expenses) has primarily consisted of interest and finance charges paid, dividend expense and other miscellaneous income (expenses).

Income tax provision. We recognize income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recorded for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a tax rate change on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The Company records a valuation allowance to reduce net deferred tax assets to the amount considered more likely than not to be realized. Changes in estimates of future taxable income can materially change the amount of such valuation allowances.

Results of Continuing Operations – Comparison of the Fiscal Years Ended September 30, 2013 and September 30, 2012

Revenues

Revenues declined 21% to $427,286 in 2013 from $542,675 during 2012. The Company has had difficulty in increasing or maintaining sales of unified communication projects and equipment because of insufficient funds to market our products and services.

Cost of Revenue and Gross Margin

Cost of revenues declined from $389,429 in 2012 to $248,994 in 2013. Gross margins increased to 42% or $178,292 in 2013 compared with 28% or 153,248 in 2012. The primary reason for the increase in gross margin was due to increased sales of proprietary software and hardware which generate higher margins than sales of third party hardware and software.

Operating Expenses

Operating expenses increased approximately 96% in 2013 to $2,109,671 compared to $1,075,069 during 2012. Operating expenses include selling expenses, administrative expenses, research and development costs and depreciation. This increase was primarily due to the recognition of stock compensation issued under a new employment agreement with the Company's CEO and recognition of stock compensation used to pay for outside consulting services.

Selling expenses decreased 50% from $168,923 in 2012 to $83,832 in 2013 primarily due to the decreased use of third party sales consultants and lower consulting and travel expenses due to a decrease in outside sales consultants. Administrative expenses increased approximately 184% from $710,080 in 2012 to $2,015,197 in 2013 primarily due to increased management and financial consulting expenses partially offset by lower rent expense.

Research and development expenses decreased 96% to $8,300 in 2013 from $186,208 in 2012 due to minimal development expense related to the expansion the AM360 family of IP gateway devices and discontinuing the development of a demand response energy solution for the consumer market.

Depreciation expenses decreased approximately 76% primarily due to certain non-core assets reaching the end of their depreciation period.

Interest and Other Expense

Interest and other expense was $933,050 for 2013 compared with $327,389 for 2012. The main reason for the increase was due to the loss incurred on the exchange of Series C Preferred shares for the return and cancellation of common shares. This loss was partially offset by a gain on a derivative financial instrument, as well as a gain on conversion of debt and a reduction in dividend and interest expenses.

Net Loss

Net losses were $2,864,429 and $1,249,212 for 2013 and 2012, respectively.

Trends and Uncertainties

We have chosen to concentrate on developing the business of providing unified group communication solutions to public and private enterprises and marketing our AudioMate 360 series of Internet Protocol gateways. Our ability to grow our unified communications business and market our AudioMate 360 gateways are critical to our future financial position and operations.

Liquidity and Capital Resources

Cash and cash equivalents decreased by $27,232 during the fiscal year ended September 30, 2013 to $11,108. Net cash used in operating activities for the fiscal year ended September 30, 2013 was $113,787 as compared to $189,976 for the prior fiscal year due primarily to a the issuance of common and preferred stock for professional services and cancellation of accrued expenses and accounts payable. We funded our operating activities during the most recent fiscal year through financing activities that generated net proceeds of approximately $87,000.

At September 30, 2013, our total liabilities were $1,065,789, which included $442,752 in accounts payable, $236,680 in accrued expenses, $8,428 in customer deposits, $330,738 in notes payable stockholders and $47,191 in deferred revenue.

Based on our initial unified communication installations and the development of our AudioMate 360 series of IP gateways, we have developed a business plan. The business plan calls for us to continue to market and sell unified communications hardware and software directly to enterprise customers. In addition, we intend to market our AudioMate 360 series of IP gateways both directly to clients and through strategic partners and VARs. Our strategic partners and VARs have introduced us to customers in the past, and we will continue to rely on them to introduce us to additional customers. We have also received sales prospects from our website. We intend to use search engine optimization to increase the number of inquiries that we receive from our website, and if we have sufficient available funds, we intend to hire direct sales people. Our business plan further calls for us to seek additional strategic partners such as consulting firms, equipment manufacturers and communications companies.

We believe that in order to fund our business plan, we will need approximately $1.0 million 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 have also had discussions with several securities broker-dealers with respect to a private or public offering of our securities. Although none of such discussions has resulted in any funding, we intend to continue to have such discussions in the future. We also intend to continue to seek private financing from certain of our existing stockholders and others.

Our current operating expenses are approximately $50,000 per month. In order for us to cover our monthly operating expenses, we must generate approximately $125,000 per month in revenue. Accordingly, in the absence of sufficient revenues, we must raise $50,000 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 must secure $600,000 in equity or debt capital. If we are unsuccessful in securing sufficient capital or revenues, we will be unable to resume our business activities.

On September 30, 2013, we had current assets of $125,130 and current liabilities of $1,055,085. Our independent certified public accountants have stated in their report on our audited consolidated financial statements for the fiscal year end that there is a substantial doubt about our ability to continue as a going concern. In the absence of significant revenue and profits, we will be completely dependent on additional debt and equity financing. There can be no assurance that any funds will be available to us, or if available, that they will be sufficient to fund our capital expenditures, working capital and other cash requirements. Furthermore, there can be no assurance that any such additional funding that may be available can be obtained on terms not unfavorable to us. If we are unable to raise needed funds on acceptable terms, we will not be able to execute our business plan, develop or enhance existing services, take advantage of future opportunities, if any, or respond to competitive pressures or unanticipated requirements. If we do not obtain sufficient capital, we will not be able to continue operations.

Recent Developments

In October 2012, the Board of Directors voted to amend the Company's Articles of Incorporation to designate the Series C and Series D Convertible Preferred Stock setting forth the rights and preferences of the Series C and D Convertible Preferred Stock, par value $.00001 per share. Among other things, the Certificate of Designation for the Series C Preferred (i) authorizes fifty million (50,000,000) shares of the Corporation's preferred stock to be designated as "Series C Convertible Preferred Stock"; (ii) grants conversion rights to the holders of the Series C Preferred Stock; (iii) provides that each share of Series C Preferred Stock shall ten votes for any election or other vote placed before the shareholders of the Corporation; (iv) provides for anti-dilutive rights; (v) provides for liquidation rights; (vi) establishes the initial price at $2.50 per share; (vii) entitles the holder of the Series C Preferred Stock to receive dividends when, as and if declared by the Board of Directors. Among other things, the Certificate of Designation for the Series D Preferred (i) authorizes ten million (10,000,000) shares of the Corporation's preferred stock to be designated as "Series D Convertible Preferred Stock"; (ii) grants conversion rights to the holders of the Series D Preferred Stock; (iii) provides that each share of Series D Preferred Stock shall ten votes for any election or other vote placed before the shareholders of the Corporation; (iv) provides for anti-dilutive rights; (v) provides for liquidation rights; (vi) establishes the initial price at $5.00 per share; (vii) entitles the holder of the Series D Preferred Stock to receive dividends when, as and if declared by the Board of Directors.

On November 28, 2012, the Board of Directors authorized a 3000 to 1 reverse stock split of its common shares. The reverse split was approved by the Financial Industry Regulatory Authority (FINRA) on December 4 and became effective on December 28, 2012.

In December 2013, the Board of Directors voted to amend the Company's Articles of Incorporation to change the conversion rights of the Series C and Series D Convertible Preferred Stock. Each share of the Series C and Series D Preferred Stock is convertible into five shares of common stock.

Off-Balance Sheet Transactions

There are no off-balance sheet transactions.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 8. Financial Statements and Supplementary Data.

Our Consolidated Financial Statements and related notes begin on Page F-1 of this Annual Report.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

There have been no changes in or disagreements with our independent auditors.

Item 9A. Controls and Procedures.

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as of the end of the period covered in this report, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2013. This evaluation was carried out under the supervision and with the participation of our principal executive officer (CEO) and principal financial officer (CFO), who concluded, that because of the material weakness in our internal control over financial reporting described below that, our disclosure controls and procedures were not effective as of September 30, 2013. A material weakness is a deficiency or a combination of deficiencies in internal controls over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under that Act is accumulated and communicated to management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management is also responsible for establishing internal control over financial reporting as defined in Rules 13a-15(f) and 15(d)-15(f) under the Securities Exchange Act of 1934.

Our internal controls over financial reporting are intended to be designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Our internal controls over financial reporting are expected to include those policies and procedures that management believes are necessary that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the consolidated financial statements.

As of September 30, 2013, management assessed the effectiveness of the our internal controls over financial reporting (ICFR) based on the criteria set forth in the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on that assessment, management concluded that, during the period covered by this report, such internal controls and procedures were not effective as of September 30, 2013 and that material weaknesses in ICFR existed as more fully described below.

As defined by Auditing Standard No. 5, "An Audit of Internal Control Over Financial Reporting that is Integrated with an Audit of Financial Statements and Related Independence Rule and Conforming Amendments," established by the Public Company Accounting Oversight Board ("PCAOB"), a material weakness is a deficiency or combination of deficiencies that result in a more than a remote likelihood that a material misstatement of annual or interim consolidated financial statements will not be prevented or detected. In connection with the assessment described above, management identified the following control deficiencies that represent material weaknesses as of September 30, 2013:

(1) Lack of an independent audit committee or audit committee financial expert. Although our board of directors serves as the audit committee it has no independent directors. Further, we have not identified an audit committee financial expert on our board of directors. These factors are counter to corporate governance practices as defined by the various stock exchanges and may lead to less supervision over management.

(2) Inadequate staffing and supervision within our bookkeeping operations. We have only a single consultant involved in bookkeeping functions. This prevents us from segregating duties within our internal control system. The inadequate segregation of duties is a weakness because it could lead to the untimely identification and resolution of accounting and disclosure matters or could lead to a failure to perform timely and effective reviews which may result in a failure to detect errors in spreadsheets, calculations, or assumptions used to compile the consolidated financial statements and related disclosures as filed with the Securities and Exchange Commission.

Our management determined that these deficiencies constituted material weaknesses.

Due to our small size and a lack of personnel resources, we are not able to, and do not intend to, immediately take any action to remediate these material weaknesses. However, we will implement further controls as circumstances permit. Notwithstanding the assessment that our ICFR was not effective and that there were material weaknesses as identified herein, we believe that our consolidated financial statements contained in this Annual Report fairly present our financial position, results of operations and cash flows for the years covered thereby in all material respects.

There was no change in our internal control over financial reporting that occurred during the fourth quarter of our fiscal year ended September 30, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

In October 2012, the Board of Directors voted to amend the Company's Articles of Incorporation to designate the Series C and Series D Convertible Preferred Stock setting forth the rights and preferences of the Series C and D Convertible Preferred Stock, par value $.00001 per share. Among other things, the Certificate of Designation for the Series C Preferred (i) authorizes fifty million (50,000,000) shares of the Corporation's preferred stock to be designated as "Series C Convertible Preferred Stock"; (ii) grants conversion rights to the holders of the Series C Preferred Stock; (iii) provides that each share of Series C Preferred Stock shall ten votes for any election or other vote placed before the shareholders of the Corporation; (iv) provides for anti-dilutive rights; (v) provides for liquidation rights; (vi) establishes the initial price at $2.50 per share; (vii) entitles the holder of the Series C Preferred Stock to receive dividends when, as and if declared by the Board of Directors. Among other things, the Certificate of Designation for the Series D Preferred (i) authorizes ten million (10,000,000) shares of the Corporation's preferred stock to be designated as "Series D Convertible Preferred Stock"; (ii) grants conversion rights to the holders of the Series D Preferred Stock; (iii) provides that each share of Series D Preferred Stock shall ten votes for any election or other vote placed before the shareholders of the Corporation; (iv) provides for anti-dilutive rights; (v) provides for liquidation rights; (vi) establishes the initial price at $5.00 per share; (vii) entitles the holder of the Series D Preferred Stock to receive dividends when, as and if declared by the Board of Directors.

On November 28, 2012, the Board of Directors authorized a 3000 to 1 reverse stock split of its common shares. The reverse split was approved by the Financial Industry Regulatory Authority (FINRA) on December 4 and became effective on December 28, 2012.

In December 2013, the Board of Directors voted to amend the Company's Articles of Incorporation to change the conversion rights of the Series C and Series D Convertible Preferred Stock. Each share of the Series C and Series D Preferred Stock is convertible into five shares of common stock.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Executive Officers, Directors and Significant Employee

Set forth below are the name, age, position, and a brief account of the business experience of of our principal executive officer and director. Our directors hold office until the next annual meeting of shareholders and until the director's successor is elected and qualified or until the director's resignation or removal. Our executive officer holds office until the next annual meeting of shareholders. The experience and background of the director, is summarized below and was a significant factor in previously being nominated as a director of the Company.

NAME	AGE	POSITIONS
Larry M. Reid	69	Chief Executive Officer, Chief Financial Officer and a director

Larry M. Reid has been a member of our Board of Directors since 1999 and our Chief Financial Officer since March 2005. He has served as President since February 2012. He was also our President . from September 2006 to July 2011 and from 1999 to March, 2005 at which time he became our Executive Vice President and Chief Financial Officer. From December 2001 until September 2005, Mr. Reid was the Chief Financial Officer and a director of Connectivity Inc., which was primarily engaged in the manufacture and distribution of emergency call boxes. In April 2003, Connectivity, Inc. was acquired by Arrow Resources Development, Inc. at which time Mr. Reid became the Executive Vice President and a director of that

company.

There are no family relationships among our directors, executive officers, or persons nominated or chosen by us to become directors or executive officers.

Our director or executive officer has not, during the past ten years:

- Had any petition under the federal bankruptcy laws or any state insolvency law filed by or against, or had a receiver, fiscal agent, or similar officer appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;

- Been convicted in a criminal proceeding or a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

- Been the subject of any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:

  (i) Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;

  (ii) Engaging in any type of business practice; or

  (iii) Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodities laws;

- Been the subject of any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any federal or state authority barring, suspending, or otherwise limiting for more than 60 days the right of such person to engage in any activity described in (i) above, or to be associated with persons engaged in any such activity;

- Been found by a court of competent jurisdiction in a civil action or by the SEC to have violated any federal or state securities law, where the judgment in such civil action or finding by the SEC has not been subsequently reversed, suspended, or vacated;

- Been found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal commodities law, where the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended, or vacated;

- Been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

  (i) Any federal or state securities or commodities law or regulation; or

(ii) Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or

(iii) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

- Been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Securities Exchange Act of 1934), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

We have not adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We have not done so because of our small size and limited resources.

We have never adopted any procedures by which security holders may recommend nominees to our board of directors.

We do not have an audit committee because we do not have D&O insurance and are unable to attract outside board members.

Item 11. Executive Compensation.

Summary Compensation Table

The following table discloses all plan and non-plan compensation awarded to, earned by, or paid to the following for all services rendered in all capacities to us: (a) all individuals serving as our principal executive officer (PEO) or acting in a similar capacity during the fiscal year ended September 30, 2013, regardless of compensation level; (b) all individuals serving as our principal financial officer (PFO) or acting in a similar capacity during the fiscal year ended September 30, 2013, regardless of compensation level; (c) our two most highly compensated executive officers other than the PEO who were serving as executive officers at September 30, 2013 and whose total compensation was in excess of $100,000; and (d) up to two additional individuals for whom disclosure would have been provided pursuant to (c) of this paragraph but for the fact that the individual was not serving as an executive officer of us at September 30, 2013 and whose total compensation was in excess of $100,000 (the "Named Executive Officers"):

SUMMARY COMPENSATION TABLE

Name and principal position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Compensation ($)	Non-qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Dana Waldman	2013 (1)	$ 0	$ ---	$ ---	$ ---	$ ---	$ ---	$ --	$ --
Chief Executive Officer	2012 (1)	$ 20,000	$ ---	$ ---	$ ---	$ ---	$ ---	$ --	$ 20,000
Larry M. Reid	2013	$ 38,000	$ --	$ - -	$ ---	$ ---	$ ---	$ --	$ 38,000
Chief Executive & Financial Officer	2012	$ 96,000	$ —	$ —	$ —	$ —	$ —	$ 26,000	$ 122,000
Michael J. Gutowski	2013 (2)	$ 0	$ ---	$ ---	$ ---	$ ---	$ ---	$ - -	$ --
Vice President of Sales and Marketing,	2012	$ 40,000	$ —	$ —	$ —	$ —	$ —	$	$ 40,000

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(1) Mr. Waldman resigned as Chief Executive Officer and a director on February 6, 2012.

(2) Mr. Gutowski resigned as Vice President and a director on June 2, 2012.

Employment Agreements

There are no employment agreements in place with the executive officer.

Outstanding Equity Awards at Fiscal Year End

There were no equity awards outstanding at September 30, 2013.

Compensation of Directors

During our fiscal year ended September 30, 2013, we did not compensate our director for acting in that capacity. We have no arrangements pursuant to which any of our directors were or are to be compensated or are expected to be compensated in the future for any service provided as a director.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Equity Securities Authorized for Issuance With Respect to Equity Compensation Plans

Please see the section titled "Securities Authorized for Issuance under Equity Compensation Plans" under Item 5 above.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information as of December 31, 2013 with respect to any person (including any "group") who is known to us to be the beneficial owner of more than 5% of our common stock and as to each class of our equity securities beneficially owned by our directors and directors and officers as a group:

Name and Address of Beneficial Owner	Shares of Common Stock Beneficially Owned (1)(2)	Approximate Percent of Class
Officers and directors:		
Larry M. Reid 8000 North Federal Highway Boca Raton, FL 33487	2,000,404,250	94.9%
Officer and director as a group (1 person):		

(1) Unless otherwise noted below, we believe that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

(2) For purposes hereof, a person is deemed to be the beneficial owner of securities that can be acquired by such person within 60 days from December 31, 2013 upon the exercise of warrants or options or the conversion of convertible securities. Each beneficial owner's percentage ownership is determined by assuming that any such warrants, options or convertible securities that are held by such person (but not those held by any other person) and which are exercisable within 60 days from December 31, 2013 have been exercised.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Certain Relationships and Related Transactions

Director Independence

We currently have no members of our Board who qualify as "independent" as the term is used in Section 803A and Rule 10A-3(b)(ii) promulgated thereunder of the Securities Exchange Act of 1934, as amended, and the listing standards of the Nasdaq Capital Market

Item 14. Principal Accounting Fees and Services.

Audit Fees

The aggregate fees billed for our fiscal years ended September 30, 2013 and September 30, 2012 for professional services rendered by the principal accountants for the audit of our annual consolidated financial statements for services that are normally provided by the accountants in connection with statutory and regulatory filings or engagements for those fiscal years were $22,000 and $22,500, respectively. We do not have an audit committee.

Audit-Related Fees

The aggregate fees billed for our fiscal years ended September 30, 2013 and September 30, 2012 for assurance and related services by the principal accountants that were reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported under the caption "Audit Fees" above were $26,000 and $12,000, respectively.

Tax Fees

The aggregate fees billed for our fiscal years ended September 30, 2013 and September 30, 2012 for professional services rendered by the principal accountants for tax compliance, tax advice, and tax planning were $0 and $0 respectively.

All Other Fees

The aggregate fees billed for our fiscal years ended September 30, 2013 and September 30, 2012 for products and services provided by the principal accountants, other than the services reported above in this Item 14, were $0 and $0, respectively.

Less than 50% of the hours expended on the principal accountant's engagement to audit our consolidated financial statements for the fiscal year ended September 30, 2013, were attributed to work performed by persons other than the principal accountant's full-time, permanent employees.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

The following consolidated financial statements have been filed as part of this Annual Report on pages F-1-F-21:

Report of Independent Accountants

Statement of Operations for the Years Ended September 30, 2013 and 2012

Balance Sheets for the Years Ended September 30, 2013 and 2012

Statements of Cash Flows for the Years Ended September 30, 2013 and 2012

Statements of Changes in Stockholders Deficit for the Years Ended September 30, 2013 and 2012

Notes to Consolidated Financial Statements for the Years Ended September 30, 2013 and 2012

No financial statement schedules have been filed as part of this Annual Report:

The following exhibits have been filed as part of this Annual Report:

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. (5)

3.6 Amended and Restated Bylaws. (8)

3.7 Articles of Amendment to Articles of Incorporation filed June 24, 2010. (10)

3.8 Articles of Amendment to Articles of Incorporation filed April 19, 2012. (11)

3.9 Articles of Amendment to Articles of Incorporation filed August 31, 2012. (13)

3.10 Articles of Amendment to Articles of Incorporation filed September 13, 2012. (14)

3.11 Articles of Amendment to Articles of Incorporation filed September 27, 2012. (15)

3.12 Articles of Amendment to Articles of Incorporation filed December 28, 2013. *

4.1 Form of Specimen Stock Certificate for the registrant's Common Stock. (1)

4.2 GlobalTel IP, Inc. 2005 Incentive Equity Plan. (1)

4.3 Form of option issued pursuant to GlobalTel, Inc. 2005 Incentive Equity Plan. (1)

4.4 Convertible Debenture in the principal amount of $100,000 issued to Judith Holding Ltd. (2)

4.5 Convertible Debenture in the principal amount of $100,000 issued to Josephine and Santo Sciarrino. (2)

4.6 Convertible Debenture in the principal amount of $25,000 issued to James Drew. (2)

4.7 Form of Warrant. (7)

4.8 Form of Secured Promissory Note. (7)

4.9 Convertible Promissory Note in the principal amount of $60,000 issued to Asher Enterprises. (11)

4.10 Convertible Promissory Note in the principal amount of $37,500 issued to Asher Enterprises. (11)

4.11 Promissory Note issued in the principal amount of $10,000 issued to Dominic Albi. (12)

4.12 Convertible Promissory Note in the principal amount of $37,500 issued to Asher Enterprises. (*)

10.1 Application Service Provider License Agreement between Twisted Pair Solutions, Inc. and the registrant of August 6, 2006, as amended. (4) (Portions of the exhibit have been omitted pursuant to a request for confidential treatment.)

10.2 Authorized Reseller Agreement between Twisted Pair Solutions, Inc. and the registrant of May 10, 2006. (4) (Portions of the exhibit have been omitted pursuant to a request for confidential treatment.)

10.3 Consulting Agreement of June 1, 2007 MANNetworks LLC and the registrant. (4)

10.4 Lease Agreement of December 1, 2010 between BGNP Associates, LLC and the Registrant. (9)

10.5 Consultant Services Agreement of July 25, 2007 between John Boteler and the registrant. (4)

10.6 Amendment to Consultant Services Agreement of October 1, 2008 between Michael J. Gutowski and the registrant. (9)

10.7 Amendment to Consultant Services Agreement of October 1, 2008 between Larry Reid and the registrant. (9)

10.8 Form of Security Agreement. (7)

10.9 Amendment to Waldman and Associates Contract of January 22, 2010 and the registrant. (9)

10.10 Employment Agreement of October 12, 2012 between Larry Reid and the registrant. (16)

21.1 Subsidiaries of the Registrant. (5)
31.1 Rule 13a-(a)/15d–14(a) Certification. *
31.2 Rule 13a-(a)/15d-14(a) Certification. *
101.INS XBRL Instanace Document*
101.SCH XBRL Taxonomy Extension Document. *
101.CAL XBRL Taxonomy Calculation Linkbase. *
101.DEF XBRL Taxonomy Extension Definition Linkbase. *
101.LAB XBRL Taxonomy Lable Linkbase. *
101.PRE XBRL Taxonomy Extension Presentation Linkbase. *

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* Filed herewith.

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

(2) Filed on March 22, 2007 as an exhibit to Amendment No. 2 to the registrant's registration statement on Form SB-2 and hereby incorporated by reference.

(3) Filed on July 5, 2007 as an exhibit to Amendment No. 4 to the registrant's registration statement on Form SB-2 and hereby incorporated by reference.

(4) Filed on March 17, 2008 as an exhibit to Amendment No. 5 to the registrant's registration statement on Form S-1 and hereby incorporated by reference.

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

(6) Filed on January 12, 2010 as an exhibit to the registrant's Annual Report on Form 10-K and hereby incorporated by reference.

(7) Filed on January 28, 2010 as an exhibit to the registrant's Current Report on Form 8-K and hereby incorporated by reference.

(8) Filed on July 26, 2010 as an exhibit to the registrant's Current Report on Form 8-K and hereby incorporated by reference.

(9) Filed on December 30, 2011 as an exhibit to the registrant's Annual Report on Form 10-K and hereby incorporated by reference.

(10) Filed on February 14, 2012 as an exhibit to the registrant's Annual Report on Form 10-Q and hereby incorporated by reference.

(11) Filed on May 14, 2012 as an exhibit to the registrant's Annual Report on Form 10-Q and hereby incorporated by reference.

(12) Filed on August 20, 2012 as an exhibit to the registrant's Annual Report on Form 10-Q and hereby incorporated by reference.

(13) Filed on September 7, 2012 as an exhibit to the registrant's Annual Report on Form 8-K and hereby incorporated by reference.

(14) Filed on September 19, 2012 as an exhibit to the registrant's Annual Report on Form 8-K and hereby incorporated by reference.

(15) Filed on October 5, 2012 as an exhibit to the registrant's Annual Report on Form 8-K and hereby incorporated by reference.

(16) Filed on October 12, 2012 as an exhibit to the rgisttrant's Annual Report on Form 8-K and hereby incorporated by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Cleartronic, Inc.

Date: January 13, 2014

By:/s/ Larry Reid
Larry Reid
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ Larry Reid Larry Reid	Chief Executive Officer and Chairman of the Board	January 13, 2014

REPORT ON AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

YEARS ENDED SEPTEMBER 30, 2013 AND 2012

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Consolidated Statement of Cash Flows	F-4
Consolidated Statements of Stockholders' Deficit	F-5
Notes to the Consolidated Financial Statements	F-6

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Cleartronic, Inc. and Subsidiary

We have audited the accompanying consolidated balance sheet of Cleartronic, Inc. and Subsidiary as of September 30, 2013 and 2012 and the related consolidated statements of operations, changes in stockholders' deficit, and cash flows for each of the years in the two year period ended September 30, 2013. Cleartronic, Inc. and Subsidiary's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining on a test basis, evidence supporting the amount and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cleartronic, Inc. and Subsidiary as of September 30, 2013 and 2012, and the consolidated results of its operations and its consolidated cash flows for each of the years in the two year period ended September 30, 2013 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has had recurring losses from operations and has a net capital deficiency which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Goldstein Schechter Koch P.A.

Hollywood, Florida
January 13, 2014

CLEARTRONIC, INC. AND SUBSIDIARY
BALANCE SHEETS
SEPTEMBER 30, 2013 AND 2012

ASSETS

	2013	2012
Current assets:		
Cash	$ 11,188	$ 38,420
Accounts receivable, net	22,404	2,468
Inventory	22,881	30,067
Prepaid expenses and other current assets	68,657	293,713
Deferred loan costs	-	2,369
Total current assets	**125,130**	**367,037**
Property and equipment, net	**-**	**2,342**
Total assets	**$ 125,130**	**$ 369,379**

LIABILITIES AND STOCKHOLDERS' DEFICIT

	2013	2012
Current liabilities:		
Accounts payable	$ 442,752	$ 991,843
Accrued expenses	236,680	201,657
Deferred revenue, current portion	36,487	31,110
Customer deposits	8,428	-
Convertible notes payable, net of discount of $0 and $51,078, respectively	-	51,122
Derivative liability	-	143,678
Notes payable - stockholders	330,738	286,142
Total current liabilities	**1,055,085**	**1,705,552**
Long Term Liabilities		
Deferred revenue, net of current portion	10,704	28,002
Total long term liabilities	**10,704**	**28,002**

Total liabilities	1,065,789	1,733,554
Commitments and Contingencies		
Stockholders' deficit:		
Series A preferred stock - $.00001 par value; 200,000,000 shares authorized, 574,000 and 1,074,000 shares issued and outstanding, respectively	6	11
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, 2,521,907 and 0 shares issued and outstanding, respectively	25	-
Series D preferred stock - $.00001 par value; 10,000,000 shares authorized, 0 shares issued and outstanding	-	-
Common stock - $.00001 par value; 5,000,000,000 shares authorized, 2,058,069,648 and 136,916 shares issued and outstanding, respectively	20,581	1
Additional paid-in capital	10,839,980	7,572,635
Accumulated Deficit	(11,801,251)	(8,936,822)
Total stockholders' deficit	(940,659)	(1,364,175)
Total liabilities and stockholders' deficit	$ 125,130	$ 369,379

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

CLEARTRONIC, INC. AND SUBSIDIARY
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
Revenue	$ 427,286	$ 542,675
Cost of revenue	248,994	389,429
Gross profit	178,292	153,246
Operating expenses:		
Selling expenses	83,832	168,923
Administrative expenses	2,015,197	710,080
Research and development	8,300	186,208
Depreciation	2,342	9,858
Total operating expenses	2,109,671	1,075,069
Loss from operations	(1,931,379)	(921,823)
Other income (expenses)		
Gain (loss) on derivative financial instrument	18,055	(47,256)
Gain (loss) on debt conversion, net	472,127	(18,286)
Loss on share exchange	(1,273,732)	-
Interest and other expenses	(149,500)	(261,847)
Total other income (expenses)	(933,050)	(327,389)
Net loss	$ (2,864,429)	$ (1,249,212)
Loss per common share - basic and diluted	$ (0.00209)	$ (19.12)
Weighted average number of shares outstanding - basic and diluted	1,369,700,683	65,349

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

CLEARTRONIC, INC. AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
Net (Loss)	$ (2,864,429)	$ (1,249,212)

Adjustments to reconcile net (loss) to net cash (used in) operating activities:		
Depreciation	2,342	9,858
(Gain) loss on derivative financial instrument	(18,055)	47,256
Amortization of notes payable discount	51,618	71,122
Amortization of deferred loan costs	1,331	2,631
Common stock and warrants issued for services	1,801,859	71,500
(Gain) loss on debt conversion, net	(472,127)	18,286
Loss on share exchange	1,273,732	-
Change in allowance for doubtful accounts	-	2,200
Change in reserve for inventory obsolescence	-	5,000
(Increase) decrease in assets:		
Accounts receivable	(19,936)	(4,668)
Inventory	7,186	10,931
Prepaid expenses and other current assets	-	(176,057)
Increase (decrease) in liabilities:		
Accounts payable	23,624	678,392
Accrued expenses	67,965	305,329
Customer deposits	8,428	-
Deferred revenue	22,675	17,456
Net cash (used in) operating activities	**(113,787)**	**(189,976)**
Cash Flows From Financing Activities		
Proceeds from issuance of preferred stock	35,000	-
Payments of convertible notes payable and related liabiilties	(125,000)	
Proceeds from notes payable - stockholders	196,555	190,000
Payments of notes payable - stockholders	(20,000)	(792)
Net cash provided by financing activities	**86,555**	**189,208**
Net decrease in cash	**(27,232)**	**(768)**
Cash - Beginning of year	**38,420**	**39,188**
Cash - End of year	**$ 11,188**	**$ 38,420**
Supplemental cash flow information:		
Cash paid for interest	$ 32,806	$ 21,872

Non-cash financing transactions:

During the year ended September 30, 2013, the Company converted $623,215 in accounts payable and accrued expenses to common stock and Series C preferred stock.

During the year ended September 30, 2013, the Company converted $143,703 in notes payable and accrued interest to stock holders to common stock and Series C preferred stock.

During the year ended September 30, 2013, the Company converted $7,700 in convertible notes payable and $27,363 of derivative liability to common stock.

During the ended September 30, 2013, the Company issued common stock for $668,251 in prepaid consulting services.

During the year ended September 30, 2012, the Company issued 16,333 common shares to non-employees for services rendered for $71,500

During the year ended Septemer 30, 2012, the Company issued 34,569 common shares and 1 Series B preferred share to consultants and directors for the conversion of $249,146 in accounts payable and accrued expenses.

During the year ended September 30, 2012, the Company issued 1,095 warrants to purchase common shares to consultants for services rendered for $12,000.

During the year ended September 30, 2012, the Company issued 34,010 common shares to convertible note holders for conversion of notes valued at $82,800 and related derivative liability of $61,168.

During the year ended September 30, 2012, the Company issued 7,117 common shares to a preferred shareholder in lieu of accrued dividends amounting to $106,745.

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

CLEARTRONIC, INC. AND SUBSIDIARY

STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Common Stock		Additional paid-in capital	Accumulated deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
BALANCE AT SEPTEMBER 30, 2011	1,074,000	$ 10.74	-	$ -	-	$ -	44,886	$ 0.45	$ 6,989,277	$ (7,687,610)	$ (698,322)
Shares issued for non-employee services	-	-	-	-	-	-	16,333	0.16	71,500	-	71,500

Shares issued for debt conversion	-	-	-	-	-	-	34,010	0.34	143,967	-	143,967
Shares issued in lieu of cash dividends	-	-	-	-	-	-	7,117	0.07	106,745	-	106,745
Shares and warrants issued for conversion of accounts payable and accrued expenses	-	-	1	-	-	-	34,570	0.35	261,146	-	261,146
Net (loss) for the year ended September 30, 2012	-	-	-	-	-	-	-	-	-	(1,249,212)	(1,249,212)
BALANCE AT SEPTEMBER 30, 2012	**1,074,000**	**$ 10.74**	**1**	**$ -**	**-**	**$ -**	**136,916**	**$ 1.37**	**$ 7,572,635**	**$ (8,936,822)**	**$ (1,364,175)**
Shares issued for cash	-	-	-	-	14,000	0.14	-	-	35,000	-	35,000
Shares issued for conversion of notes payables and accured interest	-	-	-	-	57,481	0.57	-	-	41,960	-	41,961
Shares issued for conversion of convertible debt and derivative liability	-	-	-	-	-	-	27,500	0.28	22,221	-	22,221
Shares issued for conversion of accounts payable	-	-	-	-	211,786	2.12	141,666	1.42	265,668	-	265,672
Shares issued for non-employee services	-	-	-	-	24,000	0.24	6,825,000	68.25	670,180	-	670,248
Shares issued for employee services	-	-	-	-	-	-	1,000,000	10.00	908,990	-	909,000
Shares cancelled in exchange for Preferred C	-	-	-	-	2,190,045	21.90	(61,434)	(0.61)	1,265,938	-	1,265,959
Preferred C in exchange for cancellation of options and warrants	-	-	-	-	32,595	0.33	-	-	13,330	-	13,330
Common shares in exchange for conversion of Preferred A	(500,000)	(5.00)	-	-	-	-	50,000,000	500.00	(495)	-	-
Common shares in exchange for conversion of Preferred C	-	-	-	-	(8,000)	-	2,000,000,000	20,000.00	(20,000)	-	-
Removal of derivative liability for payment of conversion of debt	-	-	-	-	-	-	-	-	64,553	-	64,553
Net (loss) for the year ended September 30, 2013	-	-	-	-	-	-	-	-	-	(2,864,429)	(2,864,429)
BALANCE AT SEPTEMBER 30, 2013	**574,000**	**$ 5.74**	**1**	**$ -**	**2,521,907**	**$ 25.30**	**2,058,069,648**	**$ 20,580.71**	**$ 10,839,980**	**$ (11,801,251)**	**$ (940,659)**

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

CLEARTRONIC, INC. AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

NOTE 1 - ORGANIZATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Cleartronic, Inc. (the "Company") was incorporated in Florida on November 15, 1999 originally formed as a website developer under the name Menu Sites, Inc., which operations ceased in 2002. The Company became a provider of Voice Over Internet Protocol (VoIP) services and re-seller of international pre-paid telecommunication services, and was renamed GlobalTel IP, Inc. In November 2007, the Company formed, as Florida corporations, two wholly owned subsidiaries: Gulf Telco, Inc. and VoiceInterop, Inc.

In May 2008, the Company changed its name to Cleartronic, Inc. In August 2008, the Company ceased re-selling international pre-paid telecommunication services, sold certain of its VoIP assets, and discontinued all business in its subsidiary Gulf Telco. The Company began to transition its remaining VoIP business into managed unified group communication operations and the development of VoIP related products in its subsidiary, VoiceInterop, 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. VoiceInterop is the Company's operating subsidiary.

On September 13, 2012, the Board of Directors voted to decrease the par value of the Company's authorized and outstanding common and preferred stock to $.00001 per share. On November 28, 2012, the Board of Directors authorized a 3000 to 1 reverse stock split of its common shares. The reverse split was approved by the Financial Industry Regulatory Authority (FINRA) on December 4 and became effective on December 28, 2012. All share and per share amounts included in the consolidated financial statements have been adjusted retroactively to reflect the effects of the par value change and the reverse stock split.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements and accompany notes have been prepared in conformity with accounting principles generally accepted in the United States of America. The consolidated financial statements include the accounts of Cleartronic, Inc. and its subsidiary, VoiceInterop, Inc. All intercompany transactions and balances have been eliminated.

USE OF ESTIMATES

In preparing the consolidated 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 September 30, 2013 and 2012.

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 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.

The Company provided an allowance for doubtful accounts for the years ended September 30, 2013 and 2012 of $3,200.

LONG-LIVED ASSETS

The Company periodically evaluates whether events and circumstances have occurred that may warrant revision of the estimated useful life of long-lived assets. If and when such factors, events or circumstances indicate possible impairment to long lived-assets, the Company makes an estimate of undiscounted cash flows over the remaining lives of the respective assets in measuring recoverability from future operations. There was no impairment of assets for the years ended September 30, 2013 and 2012.

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 years ended September 30, 2013 and 2012, the Company had $8,300 and $186,208, respectively, in research and development costs.

COMPREHENSIVE INCOME

The Company had no comprehensive income during the years ended September 30, 2013 and 2012.

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 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 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

In accordance with accounting guidance now codified as FASB ASC 260 “Earning 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.

As of September 30, 2013 and 2012, we had outstanding options and warrants exercisable for an aggregate of 6,363 and 12,258 shares of common stock, respectively. As of September 30, 2013 and 2012, we had 574,000 and 1,074,000 shares of Series A Convertible Preferred stock outstanding convertible into 57,400,000 and 107,400,000 common shares, respectively. As of September 30, 2013 we had 2,521,907 shares of Series C Convertible Preferred stock outstanding which are convertible into 630,476,750,000 shares of common stock. As of September 30, 2012 there were convertible notes convertible in 695,588 shares of common stock. There were no Series C Convertible Preferred shares outstanding on September 30, 2012.

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 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 unobservable. 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 deferred revenue. The carrying amounts of such financial instruments in the accompanying 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.

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 reserve was $5,000 as of September 30, 2013 and 2012.

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.

As of September 30, 2013 all property and equipment had been fully depreciated.

INCOME TAXES

The Company accounts for income taxes in accordance with accounting guidance now codified as FASB ASC Topic 740, "Income Taxes," which requires that the Company recognizes income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recorded for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a tax rate change on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The Company records valuation allowance to reduce net deferred tax assets to the amount considered more likely than not to be realized. Changes in estimates of future taxable income can materially change the amount of such valuation allowances.

STOCK-BASED COMPENSATION

Effective January 1, 2006, the Company adopted the fair value recognition provisions of Accounting Standards Codification 718-10 "Compensation" (ASC 718-10) using the modified retrospective transition method. ASC 718-10 (formerly 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 ASC 718-10 and certain SEC rules and regulations. The Company has applied the provisions of SAB 107 in its adoption of ASC 718-10.

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 Accounting Standards Codification ("FASB ASC Section 505-50-30"). 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, the instrument 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 are 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. As of September 30, 2013 there were no derivative liabilities.

ADVERTISING COSTS

Advertising costs are expensed as incurred. The Company had advertising costs of $2,458 during the year ended September 30, 2013 and $3,890 during the year ended September 30, 2012.

NOTE 2 - RECENT ACCOUNTING PRONOUNCEMENTS

Recent accounting pronouncements issued by the FASB, the AICPA and the SEC, did not, or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 3 - GOING CONCERN

During the years ended September 30, 2013 and 2012, and since inception, the Company has experienced cash flow problems. From time-to-time, the Company has experienced difficulties meeting its obligations as they became due. As reflected in the accompanying consolidated financial statements, the Company incurred net losses from operations of approximately $2,864,000 for the year ended September 30, 2013 and had working capital deficit of approximately $930,000 for the year ended September 30, 2013. The Company also had an accumulated deficit of approximately $11,801,000 and a stockholders' deficit of approximately $941,000 at September 30, 2013.These matters raise substantial doubt about the Company's ability to continue as a going concern.

The Company is seeking strategic partners, distributors and authorized dealers that can 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 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 consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classifications of liabilities that might be necessary should the Company be unable to continue its existence.

NOTE 4 - INSTALLATION CONTRACT

In January 2012, the Company entered into a contract to furnish materials, equipment and supervision as well as labor and other services for installation of a communication system to a regional airport for a total contract price of approximately $234,000.

The Company recorded the revenues associated with the contract in accordance with ASC 605-25 Multiple Element Arrangements. Accordingly, management identified the separate units of accounting for delivered and deliverable items, which included equipment, software, labor and installation fees. Equipment and software consisted of items sold by the Company in its normal course of business and were recorded at the standard sales price. Labor revenue was recorded at the Company's standard hourly rates. The project was determined to be substantially completed on March 31, 2012 as all equipment and software had been delivered to the customer and all necessary labor had been completed. Of the total contract amount received, equipment, software and labor revenues recognized were approximately $83,000.

For the year ended September 30, 2013 the Company had no revenue from installation contracts.

NOTE 5 - PROPERTY AND EQUIPMENT

The Company's property and equipment as of September 30, 2013 and 2012 consisted of the following:

	2013	2012	ESTIMATED USEFUL LIFE (IN YEARS)
Software	$ 47,823	$ 47,823	4
Network equipment	32,653	32,653	4
RoIP equipment and software	3,873	3,873	5
Office equipment and furniture	30,226	30,226	5
Testing and R & D equipment	21,550	21,550	5
	136,125	136,125	
Less accumulated depreciation	(136,125)	(133,783)	
Net property and equipment	$ 0	$ 2,342	

Depreciation expense totaled $2,342 and $9,858 for the years ended September 30, 2013 and 2012, respectively.

NOTE 6 - DEFERRED TAX ASSETS

The Company calculates its deferred tax assets based upon its consolidated net operating loss (NOL) carryovers available to offset future taxable income, net of other tax credit(s) or tax deferred liabilities, if any. No deferred tax assets for the years ended September 30, 2013 and 2012 have been recorded since any available deferred tax assets are fully offset by increases in its valuation allowances. The Company increased its valuation allowance based on its history of consolidated net losses.

Deferred income taxes reflect the tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes plus any available consolidated, net deferred tax credits. Significant components of the Company's net deferred income tax assets (liabilities) are:

	2013	2012
Consolidated NOL carryover	$ 11,284,000	$ 8,404,000
Deferred tax asset from NOL carryover arising from current net effective tax rate	$ 4,400,000	$ 3,278,000
Net deferred income tax asset	4,400,000	3,278,000

Less: valuation allowance	(4,400,000)	(3,278,000)
Total deferred income tax assets	$ 0.00	$ 0.00

A reconciliation of the Federal and respective State income tax rate as a percentage of income before taxes is as follows:

	2013	2012
Federal statutory income tax rate	34.0%	34.0%
State taxes, net of federal benefit	5.0%	5.0%
Effective rate for deferred tax asset	39.0%	39.0%
Less: Valuation allowance	(39.0%)	(39.0%)
Effective income tax rate	0.0%	0.0%

A valuation allowance is required if it is more likely than not that some or the entire portion of the deferred tax asset will not be realized. For income tax purposes, the Company had approximately $11,284,000 in consolidated net operating loss carry forwards, subject to limitations, that expire in the years 2014 through 2030. The valuation allowance increased approximately $1.1 million in 2013 due to an increase in the consolidated NOL carryover of approximately $2.9 million.

In May 2007, the FASB issued FASB Staff Position ("FSP") FIN 48-1 "Definition of Settlement in FASB Interpretation No. 48" (FSP FIN 48-1). Now codified FASB ASC 740-10-25-9 provides guidance on how to determine whether a tax position is effectively settled for purpose of recognizing previously unrecognized tax benefits. FSP FIN 48-1 is effective retroactively to January 1, 2007. The implementation of this standard did not have a material impact on our consolidated financial position or results of operation.

NOTE 7 - NOTES PAYABLE - STOCKHOLDERS

In March 2013, the Company entered into a promissory note for $150,000 with a stockholder. The note bears a 10% interest rate, is unsecured and is due on December 31, 2013.

In April 2013, the Company entered into a promissory note for $10,000 with a stockholder. The note bears a 10% interest rate, is unsecured and is due on December 31, 2013.

In May 2013, the Company entered into two promissory notes for $14,325 with a stockholder. The notes bear a 10% interest rate, are unsecured and are due on December 31, 2013.

As further disucssed in Note 9, during the twelve months ended September 30, 2013, the Company repaid approximately $132,000 in notes payable to stockholders through the issuance of 57,481 shares of Series C Convertible Preferred Stock.

During prior years the Company entered into 3 promissory notes with one stockholder for a total amount of $110,000. Those notes bear a 10% interest rate, are unsecured and were due on December 31, 2013.

The Company had other notes payable due to five stockholders totaling $176,142 as of September 30, 2012. These notes ranged in interest from 10% to 15% which were payable quarterly. All of these notes matured on December 31, 2012. As further discussed in Note 9, approximately $132,000 of these promissory notes plus accrued interest notes were converted to shares of Series C preferred stock. One note for $20,726 was extended to December 31, 2013.

Interest expense on notes payable – stockholders was $30,984 in 2013 and $38,588 in 2012.

NOTE 8 - CONVERTIBLE PROMISSORY NOTE AND EMBEDDEDED DERIVATIVE LIABILITIES

The Company previously entered into securities purchase agreements (the “Purchase Agreement”) with an investor and issued convertible promissory notes in the amount of $60,000, $37,500 and $37,500, respectively (the “Notes”).The Notes bore interest at 8% per annum and mature on August 15, October 23, 2012, and May 24, 2013, respectively. The Notes were convertible into unregistered shares of the Company’s common stock (the “Common Stock”), at the Conversion Price, as defined below, in whole, or in part, at any time beginning 180 days after the issuance of the note. The Conversion Price of the Notes was be equal to 58% multiplied by the Variable Conversion Rate which is equal to the average of the three (3) lowest closing bid prices of the Common Stock during the ten (10) trading day period prior to the date of conversion. In any event of default before the maturity date payment is immediately due in the amount 150% of the outstanding unpaid principal along with interest and any penalties.

The convertible notes payable dated November 15, 2011 and January 19, 2012 were amended on August 22, 2012. Under the terms of the amendments, the conversion rate was changed to 40% multiplied by the Variable Conversion Rate redefined as the lowest closing bid price during the ninety trading days prior to the date of the conversion.

On August 17, 2012 the Company defaulted on a Convertible Promissory Note dated November 15, 2011. As a result of the default the Company is required to pay 150% on the remaining principal amount of $44,000 and is subject to a default interest rate of 22% until paid in full. The default penalty of $22,000 is included in accrued expenses as of September 30, 2012. On October 23, 2012 the Company defaulted on a Convertible Promissory Note dated January 19, 2012. The default penalty of $18,750 is also included in Accrued expenses as of September 30, 2012

In May 2012, the noteholder converted $8,000 of the November 15, 2011 convertible note into 1,481 shares of the Company’s common stock.

In June 2012, the noteholder converted $8,000 of the November 15, 2011 convertible note into 2,930 shares of the Company’s common stock.

In August 2012, the noteholder converted $8,000 of the November 15, 2011 convertible note into 4,598 shares of the Company’s common stock.

In September 2012, the noteholder converted $8,800 of the November 15, 2011 convertible note into 18,334 shares of the Company’s common stock.

As a result of the partial conversion of the notes, $61,168 was reclassified from derivative liability to additional paid in capital.

Interest expense on the convertible notes payable for the year ended September 30, 2012 was $96,307 including $71,122 of discount amortization.

During October and November 2012, $7,700 of principal was converted to 27,500 shares of common stock. As a result of the partial conversion of the notes, $22,221 was reclassified from derivative liability to additional paid-in capital and a gain on conversion was recognized of $12,842.

On March 8, 2013 the Company paid all of the outstanding principal, accrued interest and penalties totaling $125,000 on three outstanding convertible promissory notes.

Derivative analysis

The Notes were convertible into common stock of the Company at variable conversion rates that provided a fixed return to the note-holder. Under the terms of the notes, the Company could be required to issue additional shares in the event of a default. Due to these provisions, the conversion feature was subject to derivative liability treatment under Section 815-40-15 of the FASB Accounting Standard Codification (“Section 815-40-15”) (formerly FASB Emerging Issues Task Force (“EITF”) 07-5). The Notes were measured at fair value using a lattice model at each reporting period with gains and losses from the change in fair value of derivative liabilities recognized on the consolidated statement of operations. The conversion feature was recorded as a discount to the notes due to the beneficial conversion feature upon origination.

The repayment of the convertible notes effectively removed the derivative liability and the Company recognized a gain of approximately $123,000 and additional paid-in capital of approximately $65,000. The net gain (loss) on the change in fair value of the derivative liability was $18,055 and ($47,256) for

the years ended September 30, 2013 and September 30, 2012, respectively. The derivative value of the remaining Notes at September 30, 2012, yielded a derivative liability at fair value of $ 143,678.

NOTE 9 - EQUITY TRANSACTIONS

Preferred Stock

In June 2010, the Board of Directors voted to amend the Company's Articles of Incorporation in order to authorize the issuance of 200 million shares of Preferred Stock with a par value of $0.001 per share. Concurrently, the Board designated the preferred stock as Series A Convertible Preferred Stock. Each share of Series A Convertible Preferred stock is convertible into the Company's common stock after two years at a conversion price of $0.01 per share at the holder's option. Each Series A Preferred Holder is also entitled to receive cumulative dividends at the rate of 8% of $1.00 per annum on each outstanding share of Series A Preferred then held by such Series A Preferred Holder, on a pro rata basis.

In August 2012, the Board of Directors voted to amend the Company's Articles of Incorporation to designate the Series B Preferred Stock setting forth the rights and preferences of the Series B Preferred Stock. Among other things, the Certificate of Designation (i) authorizes ten (10) shares of the Corporation's preferred stock to be designated as "Series B Preferred Stock"; (ii) grants no conversion rights to the holders of the Series B Preferred Stock; (iii) provides that the holders of Series B Preferred Stock shall vote with the holders of the Corporation's common stock and any class or series of capital stock of the Corporation hereafter created; and (iv) provides that if at least one share of Series B Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series B Preferred stock at any given time, regardless of their number, shall have voting rights equal to two (2) times the sum of: i) the total number of shares of Common Stock which are issued and outstanding at the time of voting, plus ii) the total number of shares of any Preferred Stocks which are issued and outstanding at the time of voting.

On September 13, 2012, the Board of Directors voted to decrease the par value of the Company's authorized preferred stock from $.001 per share to $.00001 per share.

In October 2012, the Board of Directors voted to amend the Company's Articles of Incorporation to designate the Series C and Series D Convertible Preferred Stock setting forth the rights and preferences of the Series C and D Convertible Preferred Stock, par value $.00001 per share. Among other things, the Certificate of Designation for the Series C Preferred (i) authorizes fifty million (50,000,000) shares of the Corporation's preferred stock to be designated as "Series C Convertible Preferred Stock"; (ii) grants conversion rights to the holders of the Series C Preferred Stock; (iii) provides that each share of Series C Preferred Stock shall ten votes for any election or other vote placed before the shareholders of the Corporation; (iv) provides for anti-dilutive rights; (v) provides for liquidation rights; (vi) establishes the initial price at $2.50 per share; (vii) entitles the holder of the Series C Preferred Stock to receive dividends when, as and if declared by the Board of Directors. Among other things, the Certificate of Designation for the Series D Preferred (i) authorizes ten million (10,000,000) shares of the Corporation's preferred stock to be designated as "Series D Convertible Preferred Stock"; (ii) grants conversion rights to the holders of the Series D Preferred Stock; (iii) provides that each share of Series D Preferred Stock shall ten votes for any election or other vote placed before the shareholders of the Corporation; (iv) provides for anti-dilutive rights; (v) provides for liquidation rights; (vi) establishes the initial price at $5.00 per share; (vii) entitles the holder of the Series D Preferred Stock to receive dividends when, as and if declared by the Board of Directors.

In September 2012, the Board of directors authorized the issuance of one share of Series B Preferred Stock along with 6,567 shares of its common stock to its sole director in lieu of accrued consulting fees amounting to $27,850.

In October 2012, the Company issued 14,000 shares of series C Preferred stock for cash proceeds of $35,000.

During the year ended September 30, 2013, the Company entered into exchange agreements with 82 common stockholders to exchange 61,434 shares of common stock into 2,190,045 shares of Series C Convertible Preferred stock. The total fair value of the Series C Convertible Preferred Stock issued as consideration in the exchange was approximately $1,287,000. The total market value of the common stock exchanged was approximately $21,100. The Company recognized a loss for the difference between the consideration given and the market value of the stock of approximately $1,266,000. The Company will cancel all shares of common stock received in the exchange.

Between October and December 2012, three note-holders converted $143,703 in principal and accrued interest into 57,481 shares of Series C Convertible Preferred stock valued at $41,961. The Company recognized a gain on the conversions of $101,742.

During the year ended September 30, 2013, the Company issued 24,000 shares of Series C Convertible Preferred stock to 2 consultants for services valued at $17,520. The Company also converted $623,215 in accounts payable into 211,786 shares of Series C Convertible Preferred stock valued at $136,883. The Company recognized a gain of $357,543 on the conversion of accounts payable and accrued expenses.

During the year ended September 30, 2013, the Company issued 32,595 shares of Series C Convertible Preferred stock warrant and option holders for the cancellation of 5,162 warrants and 399 options. The Company recognized a loss on the exchange of $7,769.

Dividends payable on Series A Convertible Preferred Stock of approximately $84,925 and $21,657 are included in Accrued Expenses as of September 30, 2013 and 2012, respectively.

Common Stock

On September 13, 2012, the Board of Directors voted to increase the Company's authorized shares of common stock to 5,000,000,000 shares and to decrease the par value to $.00001 per share.

Common Stock issued for services

In January 2012, the Company issued 1,666 shares of the Company's common stock to one consultant in exchange for services valued at approximately $12,500.

In February 2012, the Company issued 1,250 shares of the Company's common stock to one consultant in exchange for services valued at approximately $11,250.

In March 2012, the Company issued 6,667 shares of the Company's common stock to one consultant in exchange for services valued at approximately $37,500. The Company cancelled 5,000 of these shares in September 2012 due to non-performance.

In July 2012, the Company issued 11,750 shares of the Company's common stock to one consultant in exchange for services valued at approximately $35,250.

In October 2012, the Company issued 1,000,000 shares of restricted common stock to the Company's CEO under the terms of an employment agreement for services valued at $909,000.

In October 2012, the Company issued 25,000 shares of common stock to a consultant for professional services valued at $22,728.

In March 2013, the Company issued 5,800,000 shares of common stock to nine consultants for services to be rendered valued at a total of $580,000.

In July 2013, the Company issued 1,000,000 shares of common stock to nine consultants for services to be rendered valued at a total of $50,000.

Common stock issued for conversion of accounts payable and accrued expenses

In December 2011, the Company issued 1,224 shares of the Company's common stock to one consultant in exchange for services valued at $7,342.

In April 2012, two officers and directors of the Company converted accrued consulting fees of $36,000 into 3,286 shares of common stock and the 1,279 shares of the Company's common stock to one consultant for conversion of accrued expenses valued at $14,000.

In June 2012, an officer and director of the Company converted accrued consulting fees of $56,703 into 4,785 shares of common stock and a former officer and director of the Company converted accrued consulting fees of $56,251 into 4,747 shares of common stock.

In September 2012, an officer and director of the Company converted accrued consulting fees of $27,850 into 6,568 shares of common stock and one share of Series B Preferred stock. The Company also issued 12,681 shares of the Company's common stock to three consultants for conversion of accrued expenses valued at approximately $51,000.

In October 2012, the Company issued 141,666 shares of common stock to five consultants for the conversion of $93,750 of accounts payable. The Company recognized a loss on the conversion of accounts payable of $35,037.

Common Stock issued in lieu of cash dividends

In September 2012, the Company issued 7,117 shares of the Company's common stock in lieu of accrued dividends due to the stockholder in the amount of approximately $106,745.

Common stock issued for conversion of preferred stock

In January 2013, the CEO of the Company exercised the conversion of 8,000 shares of Series C Preferred stock at the stated conversion rate of 250,000 shares of common stock for each share of Series C Preferred stock resulting in the issuance of 2,000,000,000 restricted shares of common stock.

In February 2013, a shareholder converted 250,000 shares of Series A Preferred stock into 25,000,000 shares of common stock.

In March 2013, five shareholders converted a total of 250,000 shares of Series A Preferred Stock into 25,000,000 shares of common stock.

Common Stock issued for conversion of notes payable

In May 2012, $50,000 of a notes payable - stockholder were converted into 6,667 shares of the Company's common stock.

In May 2012, the convertible noteholder converted $8,000 of the November 15, 2011 convertible note into 1,481 shares of the Company's common stock.

In June 2012, the convertible noteholder converted $8,000 of the November 15, 2011 convertible note into 2,930 shares of the Company's common stock.

In August 2012, the convertible noteholder converted $8,000 of the November 15, 2011 convertible note into 4,598 shares of the Company's common stock.

In September 2012, the convertible noteholder converted $8,800 of the November 15, 2011 convertible note into 18,334 shares of the Company's common stock.

During October and November 2012, a noteholder converted $7,700 of a convertible promissory note into 27,501 shares of the Company's common stock.

Consultant Stock Plans

During the year ended September 30, 2011, the Company adopted the Cleartronic, Inc. 2011 Consultant Stock Plan to assist the Company in obtaining and retaining the services of persons providing consulting services to the Company. In April 2011, the Company filed a registration statement with the Securities and Exchange Commission registering 6,666 shares of the Company's common stock for issuance under the plan.

During the year ended September 30, 2005, the Company adopted the GlobalTel IP, Inc. 2005 Incentive Equity Plan (the "Plan") allocating up to 1,666 shares of the Company's common stock to offer incentives to key employees, contractors, directors and officers.

The following table summarizes information about stock options outstanding at September 30, 2013:

	Stock Options	
	Options	Wtd. Avg. Exercise Price
Outstanding at September 30, 2011	2,367	$261.00
Granted/Issued	--	--
Exercised	--	--
Expired/Canceled	(184)	$825.00
Outstanding at September 30, 2012	2,183	$189.00
Granted/Issued	--	--
Exercised	--	--
Expired/Canceled	(399)	$135.00
Outstanding at September 30, 2013	1,784	$196.00

The following table summarizes the number of outstanding options with their corresponding contractual life, as well as the exercisable weighted average (WA) outstanding exercise price, and number of vested options with the corresponding exercise price by price range.

	Outstanding			Exercisable	
Range	Outstanding Options	WA Remaining Contractual Life	WA Outstanding Exercise Price	Vested Options	WA Vested Exercise Price
$0.00 to $0.030	1,084	2.25 yrs	$90.00	1,084	$90.00
$0.04 to $0.120	700	.25 yrs	$360.00	700	$360.00
	1,784		$189.00	1,784	$189.00

In October 2010, the 2005 Incentive Equity Plan expired. During the year ended September 30, 2013, the Company granted no options, and 399 options expired.

Outstanding options held by officers as of September 30, 2013 amounted to 583 and as of September 30, 2012 amounted to 583.

Warrants

During the year ended September 30, 2013 no warrants were issued and 5,496 warrants were cancelled or expired.

During the year ended September 30, 2012, 1,095 warrants were issued to a consultant for conversion of accrued fees totaling $12,000. In addition, during the year ended September 30, 2012, 167 warrants expired.

The following is a summary of the Company's warrant activity:

	Warrants	**Weighted average exercise price**

Outstanding at September 30, 2011	9,146	$	195.00
Granted	1,096	$	30.00
Expired/Cancelled	(167)	$	825.00
Outstanding at September 30, 2012	10,075	$	167.07
Granted	0		
Expired/Cancelled	(5,496)	$	195.00
Outstanding at September 30, 2013	4,579	$	167.07
Warrants exercisable at September 30, 2013	4,579	$	300.00
Warrants outstanding at September 30, 2013	4,579	$	300.00

The following table summarizes the number of outstanding warrants with their corresponding contractual life, as well as the exercisable weighted average (WA) outstanding exercise price, and number of vested warrants with the corresponding exercise price by price range.

		Outstanding		Exercisable	
Range	Outstanding Warrants	WA Remaining Contractual Life	WA Outstanding Exercise Price	Vested Warrants	WA Vested Exercise Price
$300.00	4,579	.25 yrs	$300.00	4,579	$300.00

NOTE 10 - RELATED PARTY TRANSACTIONS

Included in Accounts Payable is approximately $0 and $125,000 at September 30, 2013 and September 30, 2012, respectively, due to a stockholder who provides engineering and consulting services to the Company.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

OBLIGATIONS UNDER OPERATING LEASES

The Company leases approximately 3,400 square feet for its principal offices in Boca Raton, Florida at a monthly rental of approximately $6,900. The lease, which provides for annual increases of base rent of 4%, expires on November 30, 2014.

The Company subleases a portion of its principal offices to a third party on a month to month basis. For the year ended September 30, 2013 the Company's rent was reduced by approximately $26,000 as a result of the sublease agreement.

Future lease commitments are as follows for the years ended September 30:

2014	$ 82,800
2015	13,800
	$ 96,600

Rental expense incurred during the years ended September 30, 2013 and 2012 was $56,212 and $76,905, respectively.

MAJOR CUSTOMERS

Approximately 36% and 60% of the Company's revenues for the years ended September 30, 2013 and 2012 was derived from 3 customers, respectively.

MAJOR SUPPLIER AND SOLE MANUFACTURING SOURCE

During 2013 and 2012, the Company's unified group communication services business relied primarily on one major vendor to supply its software development platform. During the years ended September 30, 2013 and 2012, this vendor represented approximately 17% and 36%, respectively, of the total cost of revenue. The Company has contracted with a single local manufacturing facility to maintain its component parts inventory and to assemble its developed line of IP gateway devices. Interruption to either its software vendor or 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.

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 13, 2014, which is the date the consolidated financial statements were issued.

Preferred Share Designations

In December 2013, the Board of Directors voted to amend the Company's Articles of Incorporation to change the conversion rights of the Series C and Series D Convertible Preferred Stock. Each share of the Series C and Series D Preferred Stock is convertible into five shares of common stock.

Common Stock Issuances

In November 2013, an investor purchased 40,000,000 shares of common stock for $200,000 cash.

In December 2013, an investor purchased 10,000,000 shares of common stock for $100,000 cash.

Preferred Stock Issuances

In November 2013, the Company issued 35,000 shares of Series C Preferred stock to a consulting firm for services valued at $10,000.

Exhibit: 3.12

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION OF CLEARTRONIC, INC.

Pursuant to Sections 607.1002 and 607.0602 of the Florida Business Corporation Act of the State of Florida, the undersigned President and Chief Executive Officer of Cleartronic, Inc. (the "Corporation"), a corporation organization and existing under and by virtue of the laws of the State of Florida and bearing Document Number P99000101137, does hereby certify:

FIRST: Whereas, by virtue of the authority contained in the Articles of Incorporation of the Corporation, the Corporation has authority to issue 200,000,000 shares of preferred stock, par value $.00001 per share, the designation and amount thereof and series, together with the powers, preferences, rights, qualifications, limitations or restrictions thereof, to be determined by the Board of Directors pursuant to the applicable laws of the State of Florida.

SECOND: The Board of Directors has hereby established a Series C and Series D Convertible Preferred Stock, par value $.00001 per share, authorized to be issued by the Corporation as above stated, with the designations and amounts thereof, together with the voting powers, preferences, and relative, participating, optional, and other special rights of the shares of each such series, and the qualifications, limitations, or restrictions thereof, to be as follows.

THIRD: ARTICLE SECOND of the Corporation's Articles of Incorporation shall be amended in its entirety to include the designation of Series C and Series D Convertible Preferred Stock as follows:

"The aggregate number of shares which the Corporation shall have authority to issue is 5,200,000,000 shares of capital, 5,000,000,000 shares of which shall be common stock, par value $.00001 per share ("**Common Stock**"), and 200,000,000 shares of which shall be preferred stock, par value $.00001 per share ("**Preferred Stock**"). Before the issuance of any Preferred Stock, the Board of Directors shall determine, in whole or in part, the preferences, limitations, and relative rights of the Preferred Stock or one or more series within the Preferred Stock.

SERIES C CONVERTIBLE PREFERRED STOCK

The Board of Directors of the Corporation desires, pursuant to its authority as aforesaid, to determine and fix the rights, preferences, privileges and restrictions relating to a class of said Preferred Stock to be designated as follows:

1. Designation: Number of Shares. The designation of said series of Preferred Stock shall be Series C Convertible Preferred Stock, par value $.00001 per share (the "**Series C Preferred**"). The number of designated shares of Series C Preferred stock shall be 50,000,000.

2. Dividends: The holders of Series C preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

3. Conversion into Common Stock. Shares of Series C Preferred shall have the following conversion rights and obligations:

(a) Conversion at Holders' Option. Each one (1) share of Series C Preferred shall be convertible into five (5) of shares of the Corporation's Common Stock, par value $.00001 per share (the "Conversion Rate").

(b) Mechanics of Conversion. If the Series C Preferred Holder exercises its conversion option, the Series C Preferred Holder shall surrender the certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series C Preferred. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such Series C Preferred Holder, a certificate or certificates for the number of shares of Common Stock of the Corporation to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made on the date that the surrendered certificates are delivered in accordance with this Section 2(b) and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(c) No Impairment. This Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 2 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights, as set forth herein, of the holders of the Series C Preferred against impairment.

(d) No Fractional Shares. No fractional shares shall be issued upon the conversion of any share or shares of the Series C Preferred and the number of shares of Common Stock to be issued shall be rounded to the nearest whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series C Preferred the Series C Preferred Holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(e) Notices of Record Date. In the event the Corporation takes record of the holders of any class of securities for the purpose of determining which holders are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities, property, or other right, the Corporation shall mail to each Series C Preferred Holder, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution, or right.

(f) Common Stock Issuable Upon Conversion. The Corporation covenants that, within 30 days of receipt of a conversion notice from any holder of shares of Series C Preferred Stock wherein such conversion would create more shares of Common Stock than are authorized, the Corporation will increase the authorized number of shares of Common Stock sufficient to satisfy such holder of shares of Series C Preferred Stock submitting such conversion notice.

(g) Notices. Any notice required by the provisions of this Section 2 to be given to the holders of shares of Series C Preferred shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his or her address appearing on the books of this Corporation.

(h) The Corporation shall pay the amount of any and all issue taxes (but not income taxes) that may be imposed in respect of any issue or delivery of stock upon the conversion of any shares of Series C Preferred, but all transfer taxes and income taxes that may be payable in respect of any change of ownership of Series C Preferred or any rights represented thereby or of stock receivable upon conversion thereof shall be paid by the person or persons surrendering such stock for conversion.

4. Anti-Dilutive Rights. Shares of Series C Preferred Stock are anti-dilutive to reverse splits, and therefore in the case of a reverse split, are convertible to the number of Common Shares after the reverse split as would have been equal to the ratio established prior to the reverse split. The conversion rate of shares of Series C Preferred Stock, however would increase proportionately in the case of forward splits, and may not be diluted by e reverse split following a forward split.

5. Liquidation Rights. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series C Preferred Stock, the holders of the Series C Preferred Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to $1.00 per share or, in the event of an aggregate subscription subscriptions by a single subscriber for Series C Preferred Stock in excess of $100,000.00, $0.997 per share (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares) (the “Preference Value”), plus all declared but unpaid dividends, for each share of Series C Preferred Stock held by them. After the payment of the full applicable Preference Value of each share of Series C Preferred Stock as set forth herein, the remaining assets of the corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Corporation’s Common Stock.

6. Voting Rights. Each share of Series C Preferred Stock shall have ten votes for any election or other vote placed before the shareholders of the Corporation.

7. Price. The initial price of each share of Series C Preferred Stock shall be $2.50. The price of each share of Series C Preferred Stock may be changed either through a majority vote of the Board of Directors through a resolution at a meeting of the Board, or through a resolution passed at an Action Without Meeting of the unanimous Board, until such time as a listed secondary and/or listed public market develops for the shares.

8. Lock-up Restrictions on Conversion. Shares of Series C Preferred Stock may not be converted into shares of Common Stock for a period of: a) six (6) months after purchase, if the Corporation voluntarily or involuntarily files public reports pursuant to Section 12 or 15 of the Securities Exchange Act of 1934; or b) twelve (12) months if the Company does not file such public reports.

9. Status of Converted or Redeemed. In case any shares of Series C Preferred shall be converted, redeemed, or otherwise repurchased or reacquired, the shares so redeemed, converted, or reacquired shall resume the status of authorized but unissued shares of Preferred Stock and shall no longer be designated as Series C Preferred.”

SERIES D CONVERTIBLE PREFERRED STOCK

The Board of Directors of the Corporation desires, pursuant to its authority as aforesaid, to determine and fix the rights, preferences, privileges and restrictions relating to a class of said Preferred Stock to be designated as follows:

1. Designation: Number of Shares. The designation of said series of Preferred Stock shall be Series D Convertible Preferred Stock, par value $.00001 per share (the "**Series D Preferred**"). The number of designated shares of Series D Preferred stock shall be 10,000,000.

2. Dividends: The holders of Series D preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

3. Conversion into Common Stock. Shares of Series D Preferred shall have the following conversion rights and obligations:

(a) Conversion at Holders' Option. Each one (1) share of Series D Preferred shall be convertible into five (5) shares of the Corporation's Common Stock, par value $.00001 per share (the "Conversion Rate").

(b) Mechanics of Conversion. If the Series D Preferred Holder exercises its conversion option, the Series D Preferred Holder shall surrender the certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series D Preferred. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such Series D Preferred Holder, a certificate or certificates for the number of shares of Common Stock of the Corporation to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made on the date that the surrendered certificates are delivered in accordance with this Section 2(b) and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(c) No Impairment. This Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 2 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights, as set forth herein, of the holders of the Series D Preferred against impairment.

(d) No Fractional Shares. No fractional shares shall be issued upon the conversion of any share or shares of the Series D Preferred and the number of shares of Common Stock to be issued shall be rounded to the nearest whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series D Preferred the Series D Preferred Holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(e) Notices of Record Date. In the event the Corporation takes record of the holders of any class of securities for the purpose of determining which holders are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities, property, or other right, the Corporation shall mail to each Series D Preferred Holder, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution, or right.

(f) Common Stock Issuable Upon Conversion. The Corporation covenants that, within 30 days of receipt of a conversion notice from any holder of shares of Series D Preferred Stock wherein such conversion would create more shares of Common Stock than are authorized, the Corporation will increase the authorized number of shares of Common Stock sufficient to satisfy such holder of shares of Series D Preferred Stock submitting such conversion notice.

(g) Notices. Any notice required by the provisions of this Section 2 to be given to the holders of shares of Series D Preferred shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his or her address appearing on the books of this Corporation.

(h) The Corporation shall pay the amount of any and all issue taxes (but not income taxes) that may be imposed in respect of any issue or delivery of stock upon the conversion of any shares of Series D Preferred, but all transfer taxes and income taxes that may be payable in respect of any change of ownership of Series D Preferred or any rights represented thereby or of stock receivable upon conversion thereof shall be paid by the person or persons surrendering such stock for conversion.

4. Anti-Dilutive Rights. Shares of Series D Preferred Stock are anti-dilutive to reverse splits, and therefore in the

case of a reverse split, are convertible to the number of Common Shares after the reverse split as would have been equal to the ratio established prior to the reverse split. The conversion rate of shares of Series D Preferred Stock, however would increase proportionately in the case of forward splits, and may not be diluted by e reverse split following a forward split.

5. Liquidation Rights. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series D Preferred Stock, the holders of the Series D Preferred Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to $1.00 per share or, in the event of an aggregate subscription subscriptions by a single subscriber for Series D Preferred Stock in excess of $100,000.00, $0.997 per share (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares) (the "Preference Value"), plus all declared but unpaid dividends, for each share of Series D Preferred Stock held by them. After the payment of the full applicable Preference Value of each share of Series D Preferred Stock as set forth herein, the remaining assets of the corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Corporation's Common Stock.

6. Voting Rights. Each share of Series D Preferred Stock shall have ten votes for any election or other vote placed before the shareholders of the Corporation.

7. Price. The initial price of each share of Series D Preferred Stock shall be $5.00. The price of each share of Series D Preferred Stock may be changed either through a majority vote of the Board of Directors through a resolution at a meeting of the Board, or through a resolution passed at an Action Without Meeting of the unanimous Board, until such time as a listed secondary and/or listed public market develops for the shares.

8. Lock-up Restrictions on Conversion. Shares of Series D Preferred Stock may not be converted into shares of Common Stock for a period of: a) six (6) months after purchase, if the Corporation voluntarily or involuntarily files public reports pursuant to Section 12 or 15 of the Securities Exchange Act of 1934; or b) twelve (12) months if the Company does not file such public reports.

9. Status of Converted or Redeemed. In case any shares of Series D Preferred shall be converted, redeemed, or otherwise repurchased or reacquired, the shares so redeemed, converted, or reacquired shall resume the status of authorized but unissued shares of Preferred Stock and shall no longer be designated as Series D Preferred."

FOURTH: The foregoing amendment was duly adopted by the Corporation's Board of Directors on December 4, 2013 pursuant to a unanimous written consent of the Board of Directors in accordance with Section 607.0821 of the Florida Business Corporation Act, and by unanimous written consent of the Majority Shareholder of the Corporation of even date.

IN WITNESS WHEREOF, the undersigned, being the President and Chief Executive Officer of the Corporation, has executed these Articles of Amendment as of December 4, 2013.

CLEARTRONIC, INC.

/s/

Larry Reid

By: Larry Reid
Its: President and Chief Executive Officer

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Exhibit 31.1

CERTIFICATION

I, Larry Reid, certify that:

1. I have reviewed this annual report on Form 10-K 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 consolidated 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 15-d-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 our 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 our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated 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 our 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: January 13, 2014

/s/ Larry Reid

Larry Reid, Principal Executive 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 officers of Cleartronic, Inc. (the "Company"), do hereby certify, to each respective officer's knowledge, that the Annual Report on Form 10-K for the fiscal year ended September 30, 2013 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-K fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods indicated.

January 13, 2014

/s/ Larry Reid

By: Larry Reid
Principal Executive Officer