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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2019.

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

For the transition period from________ to ________

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.)

000-55329
(Commission File Number)

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

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

(Former name, former address and former fiscal year, if changed since last report)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No[ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer ____	Accelerated filer ____
Non-accelerated filer [X]	Smaller reporting company [X]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 12(a) of the Exchange Act [ ]

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

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

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

APPLICABLE ONLY TO CORPORATE ISSUERS:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock Par value $0.00001	CLRI	NONE

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 210,382,723 shares as of August 14, 2019.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 2019 (unaudited)	September 30, 2018
Current assets:		
Cash	$ 30,440	$ 413
Accounts receivable, net	162,671	109,660
Inventory	4,684	13,790
Prepaid expenses and other current assets	688	688
Assets from discontinued operations	3,335	285
Total current assets	**201,818**	**124,836**
Other assets:		
Other assets	18,656	8,656
ReadyOp software platform (net of amortization)	27,177	76,074
ReadyOp customer list (net of amortization)	-	8,046
Total other assets	**45,833**	**92,776**
Total assets	**$ 247,651**	**$ 217,612**

LIABILITIES AND STOCKHOLDERS' DEFICIT

	June 30, 2019 (unaudited)	September 30, 2018
Current liabilities:		
Accounts payable	$ 513,198	$ 502,178
Accrued expenses	136,763	169,673
Deferred revenue, current portion	489,323	354,362
Notes payable stockholders	83,302	147,589
Customer deposits	26,756	12,756
Liabilities from discontinued operations, current portion	147,791	106,806
Total current liabilities	**1,397,133**	**1,293,364**
Long Term Liabilities		
Deferred revenue, net of current portion	117,579	112,333
Liabilities from discontinued operations, net of current portion	13,172	**-**
Total long term liabilities	**130,751**	**112,333**
Total liabilities	**1,527,884**	**1,405,697**
Commitments and Contingencies (See Note 7)		
Stockholders' deficit:		
Series A preferred stock - $.00001 par value; 1,250,000 shares authorized, 512,996 issued and outstanding, respectively.	5	5
Series B preferred stock - $.00001 par value; 10 shares authorized, 0 shares issued and outstanding, respectively.	-	-
Series C preferred stock - $.00001 par value; 50,000,000 shares authorized, 4,433,375 shares issued and outstanding, respectively	45	45
Series D preferred stock - $.00001 par value; 10,000,000 shares authorized, 670,904 shares issued and outstanding, respectively.	7	7
Series E preferred stock - $.00001 par value, 10,000,000 shares authorized, 3,000,000 shares issued and outstanding, respectively.	30	30
Common stock - $.00001 par value; 5,000,000,000 shares authorized, 210,382,723 and 203,899,190 shares issued and outstanding, respectively	2,104	2,039
Additional paid-in capital	15,041,538	14,854,301
Accumulated Deficit	(16,323,962)	(16,044,512)
Total stockholders' deficit	(1,280,233)	**(1,188,085)**
Total liabilities and stockholders' deficit	**$ 247,651**	**$ 217,612**

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

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

	For the three months ended June 30, 2019	For the three months ended June 30, 2018	For the nine months ended June 30, 2019	For the nine months ended June 30, 2018
Revenue	**$ 365,296**	**$ 192,131**	**$ 835,631**	**$ 561,404**
Cost of Revenue	**81,435**	**35,749**	**178,541**	**88,456**
Gross Profit	**283,861**	**156,382**	**657,090**	**472,948**
Operating Expenses:				
Selling expenses	155,077	107,255	410,315	278,241
Administrative expenses	99,939	78,358	275,828	267,555
Amortization	16,299	28,380	56,943	85,140
Research and development	44,248	49,417	157,789	171,992
Total Operating Expenses	**315,563**	**263,410**	**900,875**	**802,928**
Other Income (Expense)	(1,799)	(3,243)	(11,913)	2,014
Loss from continuing operations before income taxes	(33,501)	(110,271)	(255,698)	(327,966)
Income taxes from continuing operations	-	-	-	-
Loss from continuing operations	(33,501)	(110,271)	(255,698)	(327,966)
Discontinued operations				
Income (loss) from discontinued operations	14,337	(3,476)	(23,752)	(12,374)
Income taxes from discontinued operations	-	-	-	-
Income (loss) from discontinued operations	14,337	(3,476)	(23,752)	(12,374)
Net loss	**(19,164)**	**(113,747)**	**(279,450)**	**(340,340)**
Preferred stock dividends Series A Preferred	**(10,231)**	**(10,857)**	**(30,694)**	**(33,517)**
Net loss attributable to common stockholders	**$ (29,395)**	**$ (124,604)**	**$ (310,144)**	**$ (373,857)**
Net loss per share - basic and diluted				
Loss from Continuing Operations	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Income (loss) from discontinued operations	**$ 0.00**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Net loss per common share - basic and diluted	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Weighted Average of number of shares outstanding basic and diluted	**207,647,935**	**203,899,190**	**206,414,819**	**203,899,190**

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

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(Unaudited)

	For the Nine Months ended June 30, 2019	For the Nine Months ended June 30, 2018
NET LOSS	$ (279,450)	$ (340,340)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Amortization of ReadyOp software platform	48,897	48,897
Amortization of ReadyOp customer list	8,046	36,243
Provision for bad debt	22,000	8,000
(Increase) decrease in assets:		
Accounts receivable	(75,011)	(65,103)
Inventory	9,106	20,417
Prepaid expenses and other current assets	(10,000)	4,135
Assets from discontinued operations	(3,051)	11,907
Increase (decrease) in liabilities:		
Accounts payable	(15,927)	8,843
Accrued expenses	(3,403)	99,428
Deferred revenue	140,207	124,754
Customer deposit	14,000	(10,000)
Liabilities from discontinued operations	64,260	88,527
Net Cash (Used in) Provided by Operating Activities	(80,326)	35,708
Cash Flows From Investing Activities		
Issuance of note receivable - discontinued operations	(25,000)	(50,000)
Repayment of note receivable - discontinued operations	25,000	-
Net Cash Used in Investing Activities	-	(50,000)
Cash Flows From Financing Activities		
Proceeds from issuance of installment loan-discontinued operations	43,810	-
Repayment of installment loan - discontinued operations	(26,966)	-
Proceeds from notes payable stockholders	713	30,000
Repayment of notes payable stockholders	-	(15,782)
Proceeds from issuance of Common Stock	100,000	-
Dividends paid	(7,204)	-
Net Cash Provided by Financing Activities	110,353	14,218
Net increase (decrease) in cash	30,027	(74)
Cash at beginning of period	413	7,560
Cash at end of period	$ 30,440	$ 7,486
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 4,771	$ 1,338
Cash paid for taxes	$ -	$ -
<u>Supplemental disclosure of non-cash investing and financing activities:</u>		
Common stock issued for conversion of note payable, accrued interest and accrued dividends - related parties	$ 94,506	$ -

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

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2019
(Unaudited)

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Series D Preferred Stock		Series E Preferred Stock		Common Stock		Additional paid-in capital	Accumulated deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at September 30, 2018	**512,996**	**$ 5**	**-**	**$ -**	**4,433,375**	**$ 45**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**203,899,190**	**$ 2,039**	**$ 14,854,301**	**$ (16,044,512)**	**$ (1,188,085)**
Common stock issued for cash	-	-	-	-	-	-	-	-	-	-	3,333,334	33	99,967	-	100,000
Common stock issued for conversion of note payable, accrued interest and dividend - related parties	-	-	-	-	-	-	-	-	-	-	3,150,199	32	94,474	-	94,506
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	(7,204)	-	(7,204)
Net loss for the nine months ended June 30, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	(279,450)	(279,450)
Balance at June 30, 2019 (Unaudited)	**512,996**	**$ 5**	**-**	**$ -**	**4,433,375**	**$ 45**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**210,382,723**	**$ 2,104**	**$15,041,538**	**$ (16,323,962)**	$ (1,280,233)
Balance at March 31, 201 (Uaudited)	**512,996**	**$ 5**	**-**	**$ -**	**4,433,375**	**$ 45**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**207,232,524**	**$ 2,072**	**$14,954,268**	**$ (16,304,798)**	**$(1,348,371)**
Common stock issued for conversion of note payable, accrued interest and dividend - related parties	-	-	-	-	-	-	-	-	-	-	3,150,199	32	94,474	-	94,506
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	(7,204)	-	(7,204)
Net loss for the three months ended June 30, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	(19,164)	(19,164)
Balance at June 30, 2019 (Unaudited)	**512,996**	**$ 5**	**-**	**$ -**	**4,433,375**	**$ 45**	**670,904**	**$ 7**	**3,000,000**	**$30**	**210,382,723**	**$ 2,104**	**$ 15,041,538**	**$(16,323,962)**	**$(1,280,233)**

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

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2018
(Unaudited)

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Series D Preferred Stock		Series E Preferred Stock		Common Stock		Additional paid-in capital	Accumulated deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at September 30, 2017	**566,496**	**$ 6**	**1**	**$ -**	**2,563,375**	**$ 26**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**203,899,190**	**$ 2,039**	**$ 14,854,319**	**$ (15,511,703)**	**$ (655,276)**
Series A Convertible Preferred shares exchanged for Series C Convertible Preferred shares	**(53,500)**	**(1)**	**-**	**-**	**1,070,000**	**11**	**-**	**-**	**-**	**-**	**-**	**-**	**(10)**	**-**	**-**
Net loss for the nine months ended June 30 ,2018	-	-	-	-	-	-	-	-	-	-	-	-	-	(340,340)	(340,340)
Balance at June 30, 2018 (Unaudited)	**512,996**	**$ 5**	**1**	**$ -**	**3,633,375**	**$ 37**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**203,899,190**	**$ 2,039**	**$ 14,854,309**	**$ (15,852,043)**	**$ (995,616)**
Balance March 31, 2018 (Unaudited)	**566,496**	**$ 6**	**1**	**$ -**	**2,563,375**	**$ 26**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**203,899,190**	**$ 2,039**	**$ 14,854,319**	**$ (15,738,296)**	**$ (881,869)**
Series A Convertible Preferred shares exchanged for Series C Convertible Preferred shares	**(53,500)**	**(1)**	**-**	**-**	**1,070,000**	**11**	**-**	**-**	**-**	**-**	**-**	**-**	**(10)**	**-**	**-**
Net loss for the three months ended June 30, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	(113,747)	(113,747)
Balance at June 30, 2018 (Unaudited)	**512,996**	**$ 5**	**1**	**$ -**	**3,633,375**	**$ 37**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**203,899,190**	**$ 2,039**	**$ 14,854,309**	**$ (15,852,043)**	**$ (995,616)**

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

CLEARTRONIC, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
June 30, 2019
(unaudited)

NOTE 1 - ORGANIZATION

Cleartronic, Inc. (the "Company") was incorporated in the state of Florida on November 15, 1999. The Company's subsidiaries are VoiceInterop ("VoiceInterop") and ReadyOp Communications, Inc. ("ReadyOp")

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

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

In March 2018, the Company approved the spin-off VoiceInterop into a separate company under a Form S-1 registration to be filed with the United States Securities and Exchange Commission. On May 13, 2019, VoiceInterop filed an S-1 registration with the United States Securities and Exchange Commission. All VoiceInterop transactions of been recorded as discontinued operations. (See Note 8)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The accompanying unaudited interim consolidated financial statements contain the consolidated accounts of Cleartronic, Inc. and its subsidiaries, ReadyOp Communications, Inc. and VoiceInterop, Inc. All material intercompany transactions and balances have been eliminated. All VoiceInterop transactions have been recorded as discontinued operations. (See Note 8)

BASIS OF PRESENTATION

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q of Regulation S-K. They may not include all information and footnotes required by United States generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there have been no material changes in the information disclosed in the notes to the financial statements for the year ended September 30, 2018 included in the Company's Annual Report on Form 10-K filed with the United States Securities and Exchange Commission. The unaudited interim consolidated financial statements should be read in conjunction with those financial statements included in the Form 10-K. In the opinion of management, all adjustments considered necessary for a fair presentation, consisting solely of normal and recurring adjustments have been made. Operating results for the nine months ended June 30, 2019 are not necessarily indicative of the results that may be expected for the fiscal year ending September 30, 2019.

USE OF ESTIMATES

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

Significant estimates include the assumptions used in valuation of deferred tax assets, estimated useful life of intangible assets, valuation of inventory and allowance for doubtful accounts.

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 June 30, 2019 and September 30, 2018.

ACCOUNTS RECEIVABLE

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

The Company provided $38,000 and $16,000 allowances for doubtful accounts as of June 30, 2019 and September 30, 2018, respectively.

ASSET ACQUISITION

In November 2016, the Company acquired the ReadyOp software platform and the Collabria customer base from Collabria LLC. In exchange for these assets the Company issued 3,000,000 shares of restricted Series E Convertible Preferred stock valued at $292,240. This valuation was based on internal calculations and validated by a third party valuation expert. The ReadyOp software platform was valued at $195,600 to be amortized over three years, amortization expense recognized for the three month periods ended June 30, 2019 and 2018 was $16,299 and $16,297, respectively. The amortization expense for the nine month periods ended June 30, 2019 and 2018 was $48,897 and $48,897, respectively.

The Collabria customer base was valued at $96,640 to be amortized over two years, amortization expense recognized for the three month periods ended June 30, 2019 and 2018 was $0 and $12,083, respectively. The amortization expense for the nine month periods ended June 30, 2019 and 2018 was $8,046 and $36,243, respectively.

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 nine months ended June 30, 2019 and 2018, the Company had $157,789 and $171,992, respectively, in research and development costs from continuing operations. For the three months ended June 30, 2019 and 2018, the Company had $44,248, and $49,417, respectively, in research and development costs from continuing operations.

REVENUE RECOGNITION AND DEFERRED REVENUES

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," which supersedes the revenue recognition requirements in Accounting Standards Codification 605, "Revenue Recognition." This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. In August 2015, the FASB issued ASU No. 2015-14, which deferred the effective date of the new revenue standard by one year, and allowed entities the option to early adopt the new revenue standard as of the original effective date. There have been multiple standards updates amending this guidance or providing corrections or improvements on issues in the guidance. The requirements for these standards relating to Topic 606 are effective for interim and annual periods beginning after December 15, 2017. This standard permitted adoption using one of two transition methods, either the retrospective or modified retrospective transition method. The Company adopted these standards at the beginning of fiscal year 2019 using the modified retrospective method. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. The adoption of these standards did not have a material impact on the Company's condensed consolidated statements of operations during the nine months ended June 30, 2019.

The Company revenue recognition policy follows guidance from Accounting Standards Codification (ASC) 606, Revenue from contract with customers. Revenue is recognized when the Company transferred promised goods and services to the customer and in the amount that reflect the consideration to which the company expected to be entitled in exchange for those goods and services.

The Company applies the following five-step model in order to determine this amount:

i. Identification of Contact with a customer;

ii. Identify the performance obligation of the contract

iii. Determine transaction price;

iv.Allocation of the transaction price to the performance obligations; and

v. Recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company generates revenue primarily through the sale of integrated hardware and software licenses. The portion of the contract that is associated with ongoing hosting and related customer service is amortized monthly over the license period. The Company incurs certain incremental contract costs (referred to as deferred subscriber acquisition costs, net) including selling expenses (primarily commissions) related to acquiring customers. Deferred subscriber acquisition costs, net are included in prepaid and expenses and other current assets on the condensed consolidated balance sheet. Commissions paid in connection with acquiring new customers are determined based on the value of the contractual fees. Deferred subscriber acquisition costs will be amortized over the license period.

In transactions in which hardware is sold to the customer, the Company recognizes revenue over the related software license period as the hardware cannot be used without a license and has no other alternative use.

The Company allocates the transaction price to each performance obligation based on a relative standalone selling price. Revenue associated with the sale and installation of system licenses is recognized once installation is complete.

Customer billings for services not yet rendered are deferred and recognized as revenue as services are provided. These fees are recorded as current deferred revenue on the condensed consolidated balance sheet as the Company expects to satisfy any remaining performance obligations as well as recognize the related revenue within the next twelve months. Accordingly, the Company has applied the practical expedient regarding deferred revenue to exclude the value of remaining performance obligations if (i) the contract has an original expected term of one year or less or (ii) the Company recognizes revenue in proportion to the amount it has the right to invoice for services performed.

The adoption of this standard did not have a material impact on the Company's condensed consolidated statements of operations during the nine months ended June 30, 2019.

EARNINGS PER SHARE

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

As of June 30, 2019 and 2018, we had no options and warrants outstanding. As of June 30, 2019 and 2018, the Company had 512,996 and 512,996 shares of Series A Convertible Preferred stock outstanding, respectively. As of June 30, 2019, 512,996 shares of Series A Convertible Preferred stock outstanding are convertible into 51,299,600 shares of common stock. As of June 30, 2018, 40,750 shares of Series A Preferred stock was convertible into 4,075,000 shares of common, the balance was subject to a two-year waiting period before conversion.

As of June 30, 2019 and 2018, we had 4,433,375 and 3,633,375 shares of Series C Convertible Preferred stock outstanding, respectively, which are convertible into 22,166,875 and 18,166,875 shares of common stock, respectively.

As of June 30, 2019 and 2018, we had 670,904 shares of Series D Preferred stock outstanding which are convertible into 3,354,520 shares of common stock.

As of June 30, 2019, we had 3,000,000 shares of Series E Convertible Preferred stock outstanding which are convertible into 300,000,000 shares of common stock. As of June 30, 2018, we had 3,000,000 Series E Convertible Preferred stock outstanding which were subject to a two-year waiting period before conversion.

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 observable. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value.

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

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 net realizable value on a first-in, first-out basis. The Company's policy is to record a reserve for technological obsolescence or slow-moving inventory items. The Company only carries finished goods to be shipped along with completed circuit boards and parts necessary for final assembly of finished product. All existing inventory is considered current and usable. The Company recorded no reserve for obsolete inventory as of June 30, 2019 and September 30, 2018, respectively.

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

The Company accounts for stock-based instruments issued for services in accordance with ASC 718 "Compensation – Stock Compensation." ASC 718 requires companies to recognize in the statement of operations the grant-date fair value of stock options and other equity based compensation issued. The value of the portion of a stock award that is ultimately expected to vest is recognized as an expense over the requisite service periods using the straight-line attribution method.

ADVERTISING COSTS

Advertising costs are expensed as incurred. The Company had advertising costs of $1,797 and $883 during the three months ended June 30, 2019 and 2018, respectively, and $5,591 and $4,827 during the nine months ended June 30, 2019 and 2018, respectively.

RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, the Financial Accounting Standards Board ("FASB")issued Accounting Standards Update ("ASU") No. 2016-02, *Leases*, which will amend current lease accounting to require lessees to recognize (i) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and (ii) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2016-02 does not significantly change lease accounting requirements applicable to lessors; however, certain changes were made to align, where necessary, lessor accounting with the lessee accounting model. This standard will be effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. We are currently reviewing the provisions of this ASU to determine if there will be any impact on our results of operations, cash flows or financial condition.

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," which supersedes the revenue recognition requirements in Accounting Standards Codification 605, "Revenue Recognition." This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. In August 2015, the FASB issued ASU No. 2015-14, which deferred the effective date of the new revenue standard by one year, and allowed entities the option to early adopt the new revenue standard as of the original effective date. There have been multiple standards updates amending this guidance or providing corrections or improvements on issues in the guidance. The requirements for these standards relating to Topic 606 are effective for interim and annual periods beginning after December 15, 2017. This standard permitted adoption using one of two transition methods, either the retrospective or modified retrospective transition method. The Company adopted these standards at the beginning of fiscal year 2019 using the modified retrospective method. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods.

In June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-07, "*Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*." This ASU relates to the accounting for non-employee share-based payments. The amendment in this Update expands the scope of Topic 718 to include all share-based payment transactions in which a grantor acquired goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The ASU excludes share-based payment awards that relate to (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under Topic 606, revenue from Contracts from Customers. The share-based payments are to be measured at grant-date fair value of the equity instruments that the entity is obligated to issue when the good or service has been delivered or rendered and all other conditions necessary to earn the right to benefit from the equity instruments have been satisfied. This standard will be effective for public business entities for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. We are currently reviewing the provisions of this ASU to determine if there will be any impact on our consolidated results of operations, cash flows or financial condition. The adoption of these standards did not have a material impact on the Company's condensed consolidated statements of operations during the nine months ended June 30, 2019.

NOTE 3 - GOING CONCERN

The Company's condensed consolidated financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company believes the acquisition of the ReadyOp software platform was a prudent purchase by the Company. Additional revenue has been generated for the Company and management believes revenue will continue to increase each quarter. In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management is currently seeking funding from significant shareholders and outside funding sources sufficient to meet its minimal operating expenses. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its capital funding plans.

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

NOTE 4 - NOTES PAYABLE

Notes payable to Stockholders

As of June 30, 2019 and September 30, 2018, the Company had unsecured notes payable to stockholders totaling $83,302 and $147,589, respectively. These notes range in interest from 8% to 15% which are payable quarterly. Three notes with principal balances totaling $65,000 mature on June 30, 2019, and are currently in default. The remaining note matures on December 31, 2019. On June 18, 2019, the note holders converted $65,000 of notes payable, $22,302 of accrued interest and $7,204 of accrued dividends into 3,150,199 shares of common stock at a conversion price of $0.03 per share (See Note 5 and 6).

In October 2017 and February 2018, the Company repaid the principal amount of a note payable totaling $15,782 to a shareholder.

In October 2017, the Company issued two promissory notes to a shareholder and director in the amount of $15,000 each. The notes bear 8% interest and mature on June 30, 2019.

Interest expense on the notes payable to stockholders was $3,990 and $3,243 for the three months ended June 30, 2019 and 2018, respectively, and $11,155 and $10,081 for the nine months ended June 30, 2019 and 2018, respectively.

Installment Loan Payable

On December 14, 2018, VoiceInterop entered into a Business Loan Agreement with WebBank whereby VoiceInterop borrowed $59,751, of this amount $15,491 was recorded as debt issuance cost. The agreement calls for 308 installments of $194 paid over 432 days. The debt issuance cost is amortized over the life of the loan. As of June 30, 2019, the loan balance is $24,092, net of debt issuance cost of $8,499. The amount is included in liabilities from discontinued operations (see Note 8).

NOTE 5 - EQUITY TRANSACTIONS

Common stock issued for cash

In December 2018, the Company sold 3,333,334 shares of common stock to unrelated parties for $100,000 in cash.

Common stock issued for notes payable

On June 18, 2019, the note holders converted $65,000 of notes payable, $22,302 of accrued interest and $7,204 of accrued dividends into 3,150,199 shares of common stock (See Note 4).

Preferred Stock Dividends

As of June 30, 2019 and September 30, 2018, the cumulative arrearage of undeclared dividends for Series A Preferred stock totaled $112,173 and $88,683, respectively.

As discussed above, on June 18, 2019, the shareholder converted $7,204 of accrued dividends into shares of common stock (See Note 4 and 6).

Preferred stock issued for acquisition of assets

In November, 2016, the Board of Directors approved the Asset Purchase Agreement between the Company and Collabria LLC (“Collabria”). Under the terms of the Agreement, the Company acquired all of the intellectual property of Collabria, including its ReadyOp command, control and communication platform trade named ReadyOp (the “ReadyOp Platform”). In addition, the Company acquired Collabria’s customer base (“Collabria Client List”). The Company assumed no liabilities of Collabria under this Agreement. The terms of the Agreement called for the Company to issue 3,000,000 (Three million) shares of restricted Series E Convertible Preferred stock to Collabria with a fair value of $292,240. As of March 1, 2019, each one (1) share of Series E Preferred shall be convertible into one hundred (100) shares of fully paid and non-assessable Common Stock at the sole option of the holder of Series E Preferred.

Subscription Agreements between VoiceInterop, Inc., our wholly-owned subsidiary and private investors

During the year ended September 30, 2018, Voiceinterop committed to sell 600,000 shares of its common stock to private investors for $68,000. The shares issuance is contingent upon a spin-off of the Company from Cleartronic, Inc. into a separate company. As of June 30, 2019, $68,000 is recorded as due to unrelated parties as the spin-off has not been completed and the shares have not been issued. This amount is included in liabilities from discontinued operations (See Note 8).

Declaration of Stock Dividend

On April 23, 2018, the board of Directors declared a stock dividend for certain shareholders of the Company. That each common shareholder would receive .075 shares of VoiceInterop common stock for each one (1) share of Cleartronic stock held by the shareholder, and that each shareholder of Series C and D Preferred stock shall receive .375 shares of VoiceInterop common stock for each one (1) share of Series C or Series D Preferred stock held by the shareholder.

The record date of the dividend distribution shall be defined as the first business day following an effective statement from the United States Securities and Exchange Commission (“SEC”) regarding a pending S-1 filing. On May 13, 2019 Voiceinterop filed an S-1 registration statement with the SEC. As of the date of this report, the S-1 registration statement has not yet been approved by the SEC.

NOTE 6 - RELATED PARTY TRANSACTIONS

The Company leases its office space from another entity that is also a stockholder. Rent expense paid to the related party was $11,947 and $11,652 for the three months ended June 30, 2019 and 2018, respectively. Rent expense paid to the related party was $35,643 and $34,657 for the nine months ended June 30, 2019 and 2018, respectively.

In October 2017 and February 2018, the Company repaid the principal amount of a note payable totaling $15,782 to a shareholder.

In October 2017, the Company issued two promissory notes to a shareholder and director in the amounts of $15,000 each. The notes bear interest at 8% per annum and mature June 30, 2019.

On June 18, 2019, the note holders converted $65,000 of notes payable, $22,302 of accrued interest and $7,204 of accrued dividends into 3,150,199 shares of common stock (See Note 4 and 5).

On December 17, 2018, VoiceInterop entered into an unsecured promissory note with a shareholder which bears interest at 35% and matures on February 10, 2019. On February 14, 2019 the Company granted a 30 day extension to the shareholder. On March 6, 2019, a shareholder repaid the full principal amount of $25,000 along with $1,770 in accrued interest of a promissory note held by the Company. The interest income is included in income from discontinued operations (See Note 8).

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Obligation Under Operating Lease

The Company leases approximately 1,700 square feet for its principal offices in Boca Raton, Florida at a monthly rental of approximately $3,500, which expired in November 2018. VoiceInterop executed a new 3-year lease with its current landlord on December 1, 2018 for the same office space. The lease provided one month free as a concession. The monthly rent is $3,630 and provides for annual increases of base rent of 4% until the expiration date. The lease expires on November 30, 2021.

Rent expense incurred during the nine months ended June 30, 2019 and 2018 was $35,643 and $52,331, respectively. Rent expense incurred during the three months ended June 30, 2019 and 2018 was $11,947 and $17,345, respectively.

VoiceInterop subleases part of its office space to two entities for approximately $1,150 per month. Sublease rental income received during the three and nine months ended June 30, 2019 was $2,870 and $8,616, respectively.

Revenue and Accounts Receivable Concentration

No customer accounted for more than 10% of the Company's revenue for the nine months ended June 30, 2019. One customer accounted for 11% of the Company's revenue for the nine months ended June 30, 2018. As of June 30, 2019, three customers accounted for approximately 24%, 13% and 11% of the Company's total outstanding accounts receivable. As of September 30, 2018, two customers accounted for 13% and 11% of the Company's total outstanding accounts receivable.

Major Supplier and Sole Manufacturing Source

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

Employment Agreements

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

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

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

Exclusive Licensing Agreement

On May 5, 2017, the Company entered into an Exclusive Licensing Agreement with Sublicensing Terms (the "Agreement") with the University of Southern Florida Research Foundation, Inc. ("USFRF") relating to an exclusive license of certain patent rights in connection with one of USFRF's U.S. Patent Applications. Both parties recognize that the research and development work provided by the Company was sufficient for USFRF to enter into the Agreement with the Company.

The Agreement is effective April 25, 2017 and continues until the later of the date that no Licensed Patent remains a pending application or an enforceable patent or the date on which the Licensee's obligation to pay royalties expires.

The Company paid USFRF a License Issue Fee of $3,000 and $7,253 as reimbursement of expenses associated with the filing of the Licensed Patent. The Company agreed to complete the first commercial sale of products to the retail customer on or before January 31, 2019 or USFRF has the right to terminate the agreement. In addition, the Company agreed that it will have made and tested a prototype by August 31, 2018 or USFRF has the right to terminate the agreement. The company agreed to pay USFRF a royalty of 3% for sales of all Licensed Products and Licensed Processes and agreed to pay USFRF minimum royalty payments as follows:

Payment	Year
$1,000	2019
$4,000	2020
$8,000	2021

-and every year thereafter on the same date, for the life of the agreement.

In the event the Company proposes to sell any Equity Securities, then USFRF will have the right to purchase 5% of the securities issued in such offering on the same terms and conditions are offered to other purchasers in such financing.

NOTE 8 – DISCONTINUED OPERATIONS

In March 2018, the Company approved the spin-off Voiceinterop into a separate company under a Form S-1 registration to be filed with the United States Securities and Exchange Commission.

On April 23, 2018, the board of Directors declared a stock dividend for certain shareholders of the Company. The Company will distribute to its shareholders owning Common Stock and Series C and D Preferred stock an aggregate of 17,697,448 shares of shares of Common Stock of Voiceinterop. That each common shareholder would receive .075 shares of Voiceinterop common stock for each one (1) share of Cleartronic stock held by the shareholder, and that each shareholder of Series C and D Preferred stock shall receive .375 shares of Voiceinterop common stock for each one (1) share of Series C or Series D Preferred stock held by the shareholder.

The record date of the dividend distribution shall be defined as the first business day following an effective statement from the United States Securities and Exchange Commission ("SEC") regarding a pending S-1 filing. On May 13, 2019 Voiceinterop filed an S-1 registration statement with the SEC. As of the date of this report, the S-1 registration statement has not yet be declared effective the SEC. Because of this pending registration, all VoiceInterop transactions have been recorded as discontinued operations.

As of June 30, 2019 and September 30, 2018, assets and liabilities from discontinued operations are listed below:

	June 30, 2019 (unaudited)	September 30, 2018
Current assets:		
Cash	$ 1,735	$ 285
Accounts receivable, net	1,600	-
Assets from discontinued operations	**$ 3,335**	**$ 285**
Current liabilities:		
Accounts payable and accrued expenses	$ 38,885	$ 10,086
Deferred revenue, current portion	16,413	28,720
Deferred rent, current portion	401	-
Installment loan, net, current portion	24,092	-
Due to unrelated parties	68,000	68,000
Current liabilities from discontinued operations	**147,791**	**106,806**
Long Term Liabilities		
Deferred revenue, net of current	11,282	-
Deferred rent, long term portion	1,890	-
Long term liabilities from discontinued operations	**13,172**	**-**
Liabilities from discontinued operations	**$ 160,963**	**$ 106,806**

The following table illustrates the reporting of the discontinued operations included in the Statements of Operations for the three month periods ended June 30, 2019 and 2018:

	For the three months ended June 30, 2019	For the three months ended June 30, 2018
Revenue	$ 18,661	$ 32,899
Cost of Revenue	2,294	823
Gross Profit	**16,367**	**32,076**
Operating Expenses:		
Selling expenses	3,130	3,845
Administrative expenses and professional fees	(5,002)	31,107
Total Operating Expenses	**(1,872)**	**35,552**
Income (Loss) from operations	**18,239**	**(3,476)**
Other Income (Expense)		
Other Income	4,851	-
Interest and other expense	(8,753)	-
Total Other (Expense)	**(3,902)**	**-**
Income (Loss) Before Income Taxes	**14,337**	**(3,476)**
Provision for Income Taxes	-	-
Income (Loss) from discontinued operations	**$ 14,337**	**$ (3,476)**

The following table illustrates the reporting of the discontinued operations included in the Statements of Operations for the nine month periods ended June 30, 2019 and 2018.

	For the nine months ended June 30, 2019	For the nine months ended June 30, 2018
Revenue	$ 75,721	$ 167,661
Cost of Revenue	25,395	88,556
Gross Profit	**50,326**	**79,105**
Operating Expenses:		
Selling expenses	10,200	20,140
Administrative expenses and professional fees	66,645	71,339
Total Operating Expenses	**76,845**	**91,479**
Loss from operations	**(26,519)**	**(12,374)**
Other Income (Expense)		
Other Income	19,947	-
Interest and other (expense)	(17,180)	-
Total Other Income	**2,767**	**-**
Loss Before Income Taxes	**(23,752)**	**(12,374)**
Provision for Income Taxes	-	-
Loss from discontinued operations	**$ (23,752)**	**$ (12,374)**

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

FORWARD-LOOKING STATEMENTS

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

Overview

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

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

In March 2018, the Company approved the spin-off of VoiceInterop, Inc. into a separate company under a Form S-1 registration to be filed with the United States Securities and Exchange Commission. The Company is moving forward with the spin-off of VoiceInterop, Inc. Therefore, the Company has presented the operations of this subsidiary as discontinued operations.

FOR THE THREE MONTHS ENDED JUNE 30, 2019 COMPARED TO THE THREE MONTHS ENDED JUNE 30, 2018

Revenue

Revenues increased to $365,296 for the three months ended June 30, 2019 as compared to $192,131 for the three months ended June 30, 2018. The primary reasons for the increase in revenue was due to the increase in sales of ReadyOp software from $185,341 in 2018 to $258,837 in 2019, or approximately 39%, and an increase in sales of ReadyOp gateways from $1,000 to $82,755, for the three month periods ended June 30, 2018 and 2019, respectively. Deferred revenue also increased by approximately 30% to $606,902 as of June 30, 2019 as compared to $466,695 as of September 30, 2018. Approximately 95% of our licenses sold are for one-year terms.

Cost of Revenue

Cost of revenues was $81,435 for the three months ended June 30, 2019 as compared to $35,749 for the three months ended June 30, 2018. Gross profits were $283,861 and $156,382 for the three months ended June 30, 2019 and 2018, respectively. Gross margins decreased from 81% for the three months ended June 30, 2018 to 78% for the three months ended June 30, 2019. The decrease in gross profit margins was primarily due to lower margins associated with sales of the ReadyOp IP Gateways.

Operating Expenses

Operating expenses increased approximately 20% to approximately $315,563 for the three months ended June 30, 2019 compared to $263,410 for the three months ended June 30, 2018. For the three months ended June 30, 2019, selling expenses increased to $155,077 from $107,255 for the three months ended June 30, 2018. The increase was primarily due to hiring additional sales and marketing personnel and increased travel expenses associated with the marketing of ReadyOp software. Administrative expenses increased by $21,581 or approximately 27% which was a result of increased professional fees associated with the spin-off of VoiceInterop. Research and development expenses were $44,248 for the three months ended June 30, 2019 as compared to $49,417 for the three months ended June 30, 2018. The decrease of approximately 10% was primarily due to lower expenses associated with the development of a new technology associated with a patent owned by the University of South Florida Research Foundation. The Company has obtained the exclusive license to develop and market the technology associated with the patent.

Loss from Continuing Operations

The Company's loss from operations decreased to $33,501 during the three months ended June 30, 2019 as compared to $110,271 for the three months ended June 30, 2018. The primary reason for the decrease was due to the increase in gross profit of approximately 81% from $156,382 to $283,861 in the three months ended June 30, 2018 and 2019, respectively.

Income (Loss) from Discontinued Operations

Income from discontinued operations, was $14,337 during the three months ended June 30, 2019 compared to a loss of $3,476 for the three months ended June 30, 2018. The primary reason for the increase was the significant decrease in professional and administrative of approximately $36,109. This decrease was due to the Company negotiating the professional fees and was able to receive a reduction in fees for the three months ended June 30, 2019. The decrease was offset by the decrease in revenues generated by VoiceInterop in the same period.

Net Loss Attributable to Common Stockholders

Net loss attributable to common stockholders was $29,395 for the three months ended June 30, 2019 as compared to a net loss of $124,604 for the three months ended June 30, 2018. The primary reason for the decrease was due to the increase in gross profit of approximately 81% from $156,382 to $283,361 in the three months ended June 30, 2018 and 2019, respectively.

FOR THE NINE MONTHS ENDED JUNE 30, 2019 COMPARED TO THE NINE MONTHS ENDED JUNE 30, 2018

Revenue

Revenues from operations were $835,631 for the nine months ended June 30, 2019 as compared to $561,404 for the nine months ended June 30, 2018. The increase was primarily due to a steady increase in sales of the ReadyOp software platform and increased sales of ReadyOp IP Gateways.

Cost of Revenue

Cost of revenues was $178,541 for the nine months ended June 30, 2019, as compared to $88,456 for the nine months ended June 30, 2018. This increase was a result of the increase in revenue for the same period. Gross profits were $657,090 and $472,948 for the nine months ended June 30, 2019 and 2018, respectively. Gross margins decreased to 79% for the nine months ended June 30, 2019 from 84% for the nine months ended June 30, 2018. The decrease in gross margins was primarily due to lower profit margins associated with sales of ReadyOp IP Gateways.

Operating Expenses

Operating expenses for the nine months ended June 30, 2019 were $900,875 compared to $802,928 for the nine months ended June 30, 2018, an increase of approximately 12%. This increase was primarily due to an increase in selling expenses from $278,241 to $410,315 for the nine months period ended June 30, 2018 and 2019, respectively. This increase of approximately 47% was due to the hiring of additional marketing personel for the ReadyOp software platform partially offset by a decrease in amortization and research and development expenses. Amortization expense declined from $85,140 to $56,943 in the nine months ended June 30, 2018 and 2019, respectively. The decline was due to the ReadyOp customer list being fully amortized in the nine months ended June 30, 2019. Research and development expenses declined approximately 8% from $171,992 in 2018 to $157,789 in the nine months ended June 30, 2019, primarily due to lower expenses associated with the development of a new technology associated with a patent owned by the University of South Florida Research Foundation. The Company has obtained the exclusive license to develop and market the technology associated with the patent.

Loss from Continuing Operations

The Company's loss from continuing operations decreased to $255,698 during the nine months ended June 30, 2019 as compared to a loss of $327,966 for the nine months ended June 30, 2018. The primary reason for this decrease was the increase in gross profit for the nine months ended June 30, 2019 as compared to the comparable period in 2018.

Loss from Discontinued Operations

Loss from discontinued operations, increased to $23,752 during the nine months ended June 30, 2019 as compared to a loss of $12,374 for the nine months ended June 30, 2018. The primary reason for the increase was due to decreased revenue generated by VoiceInterop, offset by a decrease in operating expenses as a result of a reduction in professional fees in the nine months ended June 30, 2019. Revenue was $75,721 was for nine months ended June 30, 2019 compared to $167,662 in the nine months ended June 30, 2018.

Net Loss Attributable to Common Stockholders

Net loss attributable to common stockholders was $310,144 and $373,857 for the nine months ended June 30, 2019 and 2018, respectively. The decrease was primarily due to an increase in gross profit of approximately 38%, from $472,948 to $657,090 in the nine months ended June 30, 2018 and 2019, respectively. Net loss per common share was ($0.00) and ($0.00) for the nine months ended June 30, 2019 and 2018, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Net cash used in operating activities was $80,326 for the nine months ended June 30, 2019 compared to net cash provided by operating activities of $35,708 for the nine months ended June 30, 2018. This increase was mainly attributable to an increase in accounts receivable and accounts payable offset by increases in deferred revenue and customer deposits.

Net cash provided by financing activities was $110,353 for the nine months ended June 30, 2019 compared to $14,218 for the nine months ended June 30, 2018. The increase was primarily due to proceeds received from the issuance Common Stock in the amount of $100,000.

Our obligations are being met on a month-to-month basis as cash becomes available. We have made a concentrated effort to restructure the company through the issuance of Preferred stock for cash and for the acquisition of the ReadyOp software platform. We believe that the ReadyOp software platform will put the Company in a better position to become cash flow positive. There can be no assurance that the Company's efforts in this restructure will be successful or that present flow of cash will be sufficient to meet current and future obligations.

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

In the past, in addition to revenues and deferred revenues, we have obtained funds from the private sale of our debt and equity securities. We intend to continue to seek private financing from existing stockholders and others as may be needed to increase sales and marketing efforts or acquire new technologies and other assets.

The costs to operate our current business are approximately $110,000 per month. In order for us to cover our monthly operating expenses, we would have to generate revenues of approximately $180,000 per month. Accordingly, in the absence of revenues, we will need to secure $180,000 in equity or debt capital each month to cover our overhead expenses. In order to remain in business for one year without any revenues we would need to secure $1,320,000 in equity or debt capital. If we are unsuccessful in securing sufficient capital or revenues, we would have to cease business in approximately 90 days.

Critical Accounting Estimates

See "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended September 30, 2018 for information regarding our critical accounting estimates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

An evaluation was conducted by the registrant's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the effectiveness of the design and operation of the registrant's disclosure controls and procedures as of June 30, 2019. Based on that evaluation, the CEO and CFO concluded that the registrant's controls and procedures were effective as of such date to ensure that information required to be disclosed in the reports that the registrant files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

Change in Internal Controls over Financial Reporting

There was no change in the registrant's internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a–15 or Rule 15d–15 under the Securities Exchange Act of 1934 that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

There have been no material developments during the quarter ended June 30, 2019 in any material legal proceedings to which we are a party or of which any of our property is subject.

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

In June 2019, two shareholders converted $65,000 in notes payable, $22,302 of accrued interest and $7,204 of accrued dividends into 3,150,199 shares of common stock.

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

Item 3. Defaults upon Senior Securities

As of June 30, 2019, the Company had unsecured notes payable to stockholders totaling $65,000. These notes bear interest at 8% which are payable quarterly and mature on June 30, 2019. These notes are currently in default.

Item 5. Other Information

None

Item 6. Exhibits.

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

* Filed herewith.

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

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

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

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

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

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

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

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

SIGNATURES

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

Cleartronic, Inc.

August 14, 2019

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

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

Exhibit 31.1

CERTIFICATION

I, Michael M. Moore, certify that:

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

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

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

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

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

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

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

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

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Board of Directors:

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

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

Date: August 14, 2019

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

Exhibit 31.2

CERTIFICATION

I, Larry Reid, certify that:

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

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

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

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

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

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

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

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

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Board of Directors:

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

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

Date: August 14, 2019

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

Exhibit 32.1

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Cleartronic, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 14, 2019

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

By: /s/ Larry M. Reid
Larry M. Reid
Principal Financial Officer

Exhibit 31.1

CERTIFICATION

I, Michael M. Moore, certify that:

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

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

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

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

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

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

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

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

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Board of Directors:

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

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

Date: August 14, 2019

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

Exhibit 31.2

CERTIFICATION

I, Larry Reid, certify that:

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

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

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

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

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

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

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

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

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Board of Directors:

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

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

Date: August 14, 2019

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

Exhibit 32.1

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Cleartronic, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 14, 2019

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

By: /s/ Larry M. Reid
Larry M. Reid
Principal Financial Officer