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

FORM 10-Q

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

For the quarterly period ended June 30, 2023

[ ] **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.)
28050 US Hwy 19N	
Clearwater, Florida	**33761**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **813-289-7620**

(Registrant's telephone number, including area code)
(Former name, former address and former fiscal year, if changed since last report)

8000 North Federal Highway, Suite 100
Boca Raton, Florida 33487
561-939-3300

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]
	Emerging growth company □

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 [ ]

Securities registered pursuant to Section 12(b) of the Act:

Title of each class		Trading Symbol(s)		Name of each exchange on which registered
Common stock Par Value $0.00001		CLRI		NONE

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 228,880,695 shares as of August 11, 2023.

CLEARTRONIC, INC. AND SUBSIDIARIsES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 2023 (unaudited)	September 30, 2022
Current assets:		
Cash	$ 426,498	$ 468,167
Accounts receivable, net	609,113	538,030
Inventory	20,429	21,097
Prepaid expenses and other current assets	91,327	53,611
Interest receivable - related party	2,029	—
Total current assets	**1,149,396**	**1,080,905**
Property and Equipment, net	17,883	15,142
Operating lease - right-of-use asset	35,897	—
Other assets:		
Due from related party	53,302	53,302
Total other assets	53,302	53,302
Total assets	**$ 1,256,478**	**$ 1,149,349**
LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)		
Current liabilities:		
Accounts payable and accrued expenses	$ 87,159	$ 75,217
Deferred revenue, current portion	1,000,974	1,012,211
Operating lease liability	23,905	—
Total current liabilities	**1,112,038**	**1,087,428**
Long term liabilities:		
Deferred revenue, net of current portion	82,400	113,300
Operating lease liability - long term	12,886	—
Total long term liabilities	**95,286**	**113,300**
Total liabilities	**1,207,324**	**1,200,728**
Commitments and Contingencies (See Note 6)		
Stockholders' equity/(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, 3,189,503 and 3,341,503 shares issued and outstanding, respectively.	32	34
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 - $.00001 par value; 5,000,000,000 shares authorized, 228,880,695 and 228,120,695, shares issued and outstanding, respectively.	2,289	2,281
Additional paid-in capital	15,240,106	15,240,112
Accumulated Deficit	(15,193,315)	(15,293,848)
Total stockholders' equity (deficit)	49,154	**(51,379)**
Total liabilities and stockholders' equity/(deficit)	**$ 1,256,478**	**$ 1,149,349**

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

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

	For the Three Months Ended June 30, 2023	For the Three Months Ended June 30, 2022	For the Nine Months Ended June 30, 2023	For the Nine Months Ended June 30, 2022
Revenue	**$ 560,374**	**$ 538,102**	**$ 1,577,692**	**$ 1,527,910**
Cost of Revenue	**80,710**	**89,938**	**229,747**	**248,074**
Gross Profit	**479,664**	**448,164**	**1,347,945**	**1,279,836**
Operating Expenses:				
Selling expenses	114,475	65,032	249,137	164,575
Administrative expenses	353,923	263,012	970,679	824,042
Depreciation expense	1,332	959	3,694	2,733
Research and development	2,000	—	25,815	3,153
Total Operating Expenses	**471,730**	**329,003**	**1,249,325**	**994,503**
Gain on the settlement and reversal of accounts payable	—	47,792	—	47,792
Interest income/expense, net	686	(133)	1,913	(402)
Total Other Income/(Expenses)	686	47,659	1,913	47,390
Income before income taxes	8,620	166,820	100,533	332,723
Provision for income taxes from continuing operations	—	—	—	—
Net Income	**8,620**	**166,820**	**100,533**	**332,723**
Preferred stock dividends Series A Preferred	**(10,231)**	**(10,232)**	**(30,694)**	**(30,695)**
Net income (loss) attributable to common stockholders	**$ (1,611)**	**$ 156,588**	**$ 69,839**	**$ 302,028**
Net income (loss) per common share - basic	**$ (0.00)**	**$ 0.00**	**$ 0.00**	**$ 0.00**
Net income (loss) per common share - diluted	**$ (0.00)**	**$ 0.00**	**$ 0.00**	**$ 0.00**
Weighted Average of number of shares outstanding - basic	**228,826,849**	**228,120,695**	**228,745,310**	**228,280,177**
Weighted Average of number of shares outstanding - diluted	**599,428,484**	**599,482,330**	**599,346,945**	**599,641,812**

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

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

	For the Nine Months Ended June 30, 2023	For the Nine Months Ended June 30, 2022
NET INCOME	$ 100,533	$ 332,723
Cash Flows From Operating Activities		
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation expense	3,694	2,733
Amortization of operating lease - right-of-use asset	11,966	—
Gain on the settlement and reversal of accounts payable	—	(47,792)
Provision for bad debt	—	8,000
(Increase) decrease in assets:		
Accounts receivable	(71,083)	(148,650)
Inventory	668	1,564
Prepaid expenses and other current assets	(39,745)	20,658
Due from related party	—	(8,501)
Increase (decrease) in liabilities:		
Accounts payable	11,942	3,687
Deferred revenue	(42,137)	(333,320)
Operating lease liability	(11,072)	—
Net Cash Used In by Operating Activities	(35,234)	(168,898)
Cash Flows From Investing Activities		
Purchase of fixed assets	(6,435)	(5,058)
Net Cash Used in Investing Activities	(6,435)	(5,058)
Cash Flows From Financing Activities	—	—
Net (decrease) increase in cash	(41,669)	(173,956)
Cash at beginning of period	468,167	401,001
Cash at end of period	$ 426,498	$ 227,045
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 117	$ 402
Cash paid for taxes	$ 400	$ 690
Supplemental disclosure of non-cash investing and financing activities:		
Series C Convertible Preferred shares exchanged for common stock	$ 8	$ —
Right-of-use asset obtained in exchange for operating lease liability	$ 47,863	$ —

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

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2023
(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	Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at September 30, 2022	**512,996**	**$ 5**	**—**	**$ —**	**3,341,50**	**$ 34**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,120,695**	**$ 2,281**	**$15,240,112**	**$ (15,293,848)**	**$ (51,379)**
Series C Convertible Preferred shares exchanged for common stock	—	—	—	—	(152,000)	(2)	—	—	—	—	760,000	8	(6)	—	—
Net income for the nine months ended June 30, 2023	—	—	—	—	—	—	—	—	—	—	—	—	—	100,533	100,533
Balance at June 30, 2023 (Unaudited)	**512,996**	**$ 5**	**—**	**$ —**	**3,189,503**	**$ 32**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,880,695**	**$ 2,289**	**$15,240,106**	**$ (15,193,315)**	**$ 49,154**
Balance at March 31, 2023	**512,996**	**$ 5**	**—**	**$ —**	**3,209,503**	**$ 33**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,780,695**	**$ 2,288**	**$15,240,106**	**$ (15,201,935)**	**$ 40,534**
Series C Convertible Preferred shares exchanged for common stock	—	—	—	—	(20,000)	(1)	—	—	—	—	100,000	1	—	—	—
Net income for the three months ended June 30, 2023	—	—	—	—	—	—	—	—	—	—	—	—	—	8,620	8,620
Balance at June 30, 2023 (Unaudited)	**512,996**	**$ 5**	**—**	**$ —**	**3,189,503**	**$ 32**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,880,695**	**$ 2,289**	**$15,240,106**	**$ (15,193,315)**	**$ 49,154**

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

CLEARTRONIC, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2022
(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	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	capital	deficit	Deficit
Balance at September 30, 2021	**512,996**	**$ 5**	**—**	**$ —**	**3,341,503**	**$ 34**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,578,995**	**$ 2,286**	**$15,240,107**	**$ (15,694,743)**	**$ (452,274)**
Share cancellation	—	—	—	—	—	—	—	—	—	—	**(458,300)**	**(5)**	**5**	—	—
Net income for the nine months ended June 30, 2022	—	—	—	—	—	—	—	—	—	—	—	—	—	332,723	332,723
Balance at June 30, 2022 (Unaudited)	**512,996**	**$ 5**	**—**	**$ —**	**3,341,503**	**$ 34**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,120,695**	**$ 2,281**	**$15,240,112**	**$ (15,362,020)**	**$ (119,551)**
Balance at March 31, 2022 (Unaudited)	**512,996**	**$ 5**	**—**	**$ —**	**3,341,503**	**$ 34**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,120,695**	**$ 2,281**	**$15,240,112**	**$ (15,528,840)**	**$ (286,371)**
Net income for the three months ended June 30, 2022	—	—	—	—	—	—	—	—	—	—	—	—	—	166,820	166,820
Balance at June 30, 2022 (Unaudited)	**512,996**	**$ 5**	**—**	**$ —**	**3,341,503**	**$ 34**	**670,904**	**$ 7**	**3,000,000**	**$ 30**	**228,120,695**	**$ 2,281**	**$15,240,112**	**$ (15,362,020)**	**$ (119,551)**

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

Notes to Condensed Consolidated Financial Statements
June 30, 2023
(Unaudited)

NOTE 1 - ORGANIZATION

Cleartronic, Inc. (the "Company") was incorporated in Florida on November 15, 1999. All current operations are conducted through the Company's wholly owned subsidiary, ReadyOp Communications, Inc. ("ReadyOp"), a Florida corporation incorporated on September 15, 2014. ReadyOp facilitates the marketing and sales of subscriptions to the ReadyOp™ and ReadyMed ™ platforms and the AudioMate IP gateways discussed below.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

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

BASIS OF PRESENTATION

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP"). The unaudited interim financial information furnished herein reflects all adjustments, consisting only of normal recurring items, which in the opinion of management are necessary to fairly state the Company's financial position, results of operations and cash flows for the dates and periods presented and to make such information not misleading.

These unaudited financial statements should be read in conjunction with the Company's audited financial statements for the year ended September 30, 2022, contained in our General Form for Registration of Securities of Form 10-K as filed with the Securities and Exchange Commission (the "Commission") on December 29, 2022. The results of operations for the three and nine months ended June 30, 2023, are not necessarily indicative of results to be expected for any other interim period or the fiscal year ending September 30, 2023.

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 property and equipment, 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 on June 30, 2023 and September 30, 2022.

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. When a client is invoiced, the amount is recorded as an asset in Accounts Receivable and as Deferred Revenue in Current Liabilities. When payment is received the amount is moved to Cash on the balance sheet and Accounts Receivables are reduced. The amount listed as Deferred Revenue is amortized monthly over the license period.

The Company provided $18,000 and $18,000 for allowances of doubtful accounts as of June 30, 2023 and September 30, 2022, respectively.

PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist primarily of deferred subscriber costs and prepaid expenses. Deferred subscriber costs totaling $51,000 and $38,250 at June 30, 2023 and September 30, 2022, respectively. Prepaid expenses totaling $40,327 and $15,361 at June 30, 2023 and September 30, 2022, respectively.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and depreciated or amortized using the straight-line method over the estimated useful life of the asset or the underlying lease term for leasehold improvements, whichever is shorter or when the property and equipment is put into service.

CONCENTRATION OF CREDIT RISK

The Company currently maintains cash balances at one FDIC-insured banking institution. Deposits held in non interest-bearing transaction accounts are insured up to a maximum of $250,000 at all FDIC-insured institutions. As of June 30, 2023 and September 30, 2022, the Company had $139,559 and $208,135, respectively, in excess of FDIC insurance limits.

RESEARCH AND DEVELOPMENT COSTS

The Company expenses research and development costs as incurred.

For the three months ended June 30, 2023 and 2022, the Company had $2,000 and $46,923 respectively, in research and development costs. Salary expenses for the three months ended June 30, 2022 were reclassified for consistency with the current year presentation.

For the nine months ended June 30, 2023 and 2022, the Company had $25,815 and $143,199 respectively, in research and development costs. Salary expenses for the nine months ended June 30, 2022 were reclassified for consistency with the current year presentation.

REVENUE RECOGNITION AND DEFERRED REVENUES

The Company revenue recognition policy follows guidance from Accounting Standards Codification (ASC) 606, Revenue from contract with customers. Revenue is recognized when the Company has transferred promised goods and services to the customer and in the amount that reflects the consideration to which the company expects 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 software licenses and integrated hardware. 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 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 expensed as incurred on the date the revenue associated with the cost is recognized. As of June 30, 2023 and September 30, 2022, respectively, the Company recorded $51,000 and $38,250, respectively, in deferred subscriber costs, which are included as a component of prepaid expense.

In transactions in which hardware is sold to a customer, the Company recognizes the revenue when the hardware has been shipped to the customer. The hardware supplied by the Company does not require a related software license and can be operated and fully functional without the Company's software.

From time to time clients request special training meetings. We send employees to these meeting and charge our clients on a per diem basis. These charges are recorded as consulting fees on our income statement.

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 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. As of June 30, 2023 and September 30, 2022, respectively, the Company recorded $1,083,374 and $1,125,511, respectively, in deferred revenue.

DISAGGREGATED REVENUE

The following table sets forth the approximate net sales by primary category:

	For the three months ended	
	June 30, 2023	June 30, 2022
Licensing of ReadyOp Software	$ 527,074	$ 459,983
Hardware Sales and Consulting	33,300	78,119
Total	$ 560,374	$ 538,102

	For the nine months ended	
	June 30, 2023	June 30, 2022
Licensing of ReadyOp Software	$ 1,480,287	$ 1,370,606
Hardware Sales and Consulting	97,405	157,304
Total	$ 1,577,692	$ 1,527,910

DEFERRED REVENUE

The following table provides a summary of the changes included in deferred revenue during the nine months ended June 30, 2023 and year ended September 30, 2022:

	For the nine months ended June 30, 2023	For the Year ended September 30, 2022
Beginning balance	$ 1,125,511	$ 1,131,796
Additions to contract liabilities (1)	1,535,555	2,011,278
Deductions to contract liabilities (2)	(1,577,692)	(2,017,563)
Ending balance	$ 1,083,374	$ 1,125,511

(1) Customer billings for services not yet rendered
(2) Revenue recognized in the current year related to the beginning liability

EARNINGS PER SHARE

Earnings per share ("EPS") are the amount of earnings attributable to each share of common stock. For convenience, the term is used to refer to either earnings or loss per share. EPS is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Pursuant to ASC Paragraphs 260-10-45-10 through 260-10-45-16, basic EPS shall be computed by dividing income available to common stockholders (the numerator) by the weighted-average number of common shares outstanding (the denominator) during the period. Income available to common stockholders shall be computed by adding both the dividends declared in the period on preferred stock (whether or not paid) and the dividends accumulated for the period on cumulative preferred stock (whether or not earned) from income from continuing operations (if that amount appears in the income statement) and also from net income. The computation of diluted EPS is similar to the computation of basic EPS except that the denominator is increased to include the number of additional common shares that would have been outstanding if the dilutive potential common shares had been issued during the period to reflect the potential dilution that could occur from common shares issuable through contingent shares issuance arrangement, stock options or warrants.

Pursuant to ASC Paragraphs 260-10-45-45-21 through 260-10-45-45-23 Diluted EPS shall be based on the most advantageous conversion rate or exercise price from the standpoint of the security holder. The dilutive effect of outstanding call options and warrants (and their equivalents) issued by the reporting entity shall be reflected in diluted EPS by application of the treasury stock method unless the provisions of paragraphs 260-10-45-35 through 45-36 and 260-10-55-8 through 55-11 require that another method be applied. Equivalents of options and warrants include non-vested stock granted to employees, stock purchase contracts, and partially paid stock subscriptions (see paragraph 260–10–55–23). Anti-dilutive contracts, such as purchased put options and purchased call options, shall be excluded from diluted EPS. Under the treasury stock method: a. Exercise of options and warrants shall be assumed at the beginning of the period (or at time of issuance, if later) and common shares shall be assumed to be issued. b. The proceeds from exercise shall be assumed to be used to purchase common stock at the average market price during the period. (See paragraphs 260-10-45-29 and 260-10-55-4 through 55-5.) c. The incremental shares (the difference between the number of shares assumed issued and the number of shares assumed purchased) shall be included in the denominator of the diluted EPS computation.

As of June 30, 2023 and 2022, we had no options and warrants outstanding.

As of June 30, 2023 and 2022, we had 512,996 shares of Series A Convertible Preferred stock outstanding, which are convertible into 51,299,600 shares of common stock.

As of June 30, 2023 and 2022, we had 3,189,503 and 3,341,503 shares of Series C Convertible Preferred stock outstanding, respectively, which are convertible into 15,947,515 and 16,707,515 shares of common stock, respectively.

As of June 30, 2023 and 2022, 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, 2023 and 2022, we had 3,000,000 shares of Series E Convertible Preferred stock outstanding which are convertible into 300,000,000 shares of common stock.

The table below details the computation of basic and diluted earnings per share ("EPS") for the three and nine months ended June 30, 2023 and 2022:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022
Net (loss) income attributable to common stockholders for the period	$ (1,611)	$ 156,588
Weighted average number of shares outstanding	228,826,849	228,120,695
Basic earnings per share	$ 0.00	$ 0.00

	For the nine months ended June 30, 2023	For the nine months ended June 30, 2022
Net income attributable to common stockholders for the period	$ 69,839	$ 302,028
Weighted average number of shares outstanding	228,745,310	228,280,177
Basic earnings per share	$ 0.00	$ 0.00

The following table sets for the computation of diluted earnings per share:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022
Net (loss) income attributable to common stockholders for the period	$ (1,611)	$ 156,588
Add: Preferred stock dividends	10,231	10,232
Adjusted net income	$ 8,620	$ 166,820
Weighted average number of shares outstanding	228,826,849	228,120,695
Add: Shares issued upon conversion of preferred stock	370,601,635	371,361,635
Weighted average number of common and common equivalent shares	599,428,484	599,482,330
Diluted earnings per share	$ 0.00	$ 0.00

	For the nine months ended June 30, 2023	For the nine months ended June 30, 2022
Net income attributable to common stockholders for the period	$ 69,839	$ 302,028
Add: Preferred stock dividends	30,694	30,695
Adjusted net income	$ 100,533	$ 332,723
Weighted average number of shares outstanding	228,745,310	228,280,177
Add: Shares issued upon conversion of preferred stock	370,601,635	371,361,635
Weighted average number of common and common equivalent shares	599,346,945	599,641,812
Diluted earnings per share	$ 0.00	$ 0.00

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company measures the fair value of its assets and liabilities under ASC topic 820, "Fair Value Measurements and Disclosures". 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 consolidated balance sheet approximate their fair values due to their relatively short-term nature. 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, 2023 and September 30, 2022, respectively.

At June 30, 2023 inventory was $20,429 of raw materials and $0 of finished goods.

At September 30, 2022, inventory was $21,097 of raw materials and $0 of finished goods.

ADVERTISING COSTS

Advertising costs are expensed as incurred. The Company had advertising costs of $46,693 and $21,223 during the three months ended June 30, 2023 and 2022, respectively.

Advertising costs are expensed as incurred. The Company had advertising costs of $77,460 and $33,044 during the nine months ended June 30, 2023 and 2022, respectively.

RECENT ADOPTED ACCOUNTING PRONOUNCEMENTS

Troubled Debt Restructurings and Vintage Disclosures

In March 2022, the Financial Accounting Standards Board (the “FASB”) issued ASU 2022-02, Financial Instruments – Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures (“ASU 2022-02”), which eliminates the accounting guidance on troubled debt restructurings (“TDRs”) for creditors in ASC 310, Receivables (Topic 310), and requires entities to provide disclosures about current period gross write-offs by year of origination. Also, ASU 2022-02 updates the requirements related to accounting for credit losses under ASC 326, Financial Instruments – Credit Losses (Topic 326), and adds enhanced disclosures for creditors with respect to loan refinancings and restructurings for borrowers experiencing financial difficulty. ASU 2022-02 was effective for the Company January 1, 2023. The adoption of ASU 2022-02 did not have a material impact on the Company’s consolidated financial statements.

RECENT ISSUED ACCOUNTING PRONOUNCEMENTS

The Company continues to monitor new accounting pronouncements issued by the FASB and does not believe any accounting pronouncements issued through the date of this report will have a material impact on the Company’s Financial Statements.

In the current year, the Company adjusted its classification of selling and administrative expenses in the Statement of Operations. For comparative purposes, amounts in the prior years have been reclassified to conform to current year presentations. These reclassifications had no effect on previously reported results of operations or retained earnings.

LEASE ACCOUNTING

We determine if an arrangement is a lease, or contains a lease, at inception and record the leases in our financial statements upon lease commencement, which is the date when the underlying asset is made available for use by the lessor.

We have a lease agreement with lease and non-lease components and have elected to utilize the practical expedient to account for lease and non-lease components together as a single combined lease component, from both a lessee and lessor perspective with the exception of direct sales-type leases and production equipment classes embedded in supply agreements. From a lessor perspective, the timing and pattern of transfer are the same for the non-lease components and associated lease component and, the lease component, if accounted for separately, would be classified as an operating lease.

We have elected not to present short-term leases on the balance sheet as these leases have a lease term of 12 months or less at lease inception and do not contain purchase options or renewal terms that we are reasonably certain to exercise. All other lease assets and lease liabilities are recognized based on the present value of lease payments over the lease term at commencement date. Because our lease does not provide an implicit rate of return, we used our incremental borrowing rate based on the information available at lease commencement date in determining the present value of lease payments.

In general, leases, where we are the lessee, may include options to extend the lease term. These leases may include options to terminate the lease prior to the end of the agreed upon lease term. For purposes of calculating lease liabilities, lease terms include options to extend or terminate the lease when it is reasonably certain that we will exercise such options.

Lease expense for operating leases is recognized on a straight-line basis over the lease term as cost of revenues or operating expenses depending on the nature of the leased asset. Certain operating leases provide for annual increases to lease payments based on an index or rate. We calculate the present value of future lease payments based on the index or rate at the lease commencement date.

Differences between the calculated lease payment and actual payment are expensed as incurred. Amortization of finance lease assets is recognized over the lease term as cost of revenues or operating expenses depending on the nature of the leased asset.

On December 2, 2022, and effective on January 1, 2023, the Company signed a two-year lease of 1,145 square feet for our principal offices in Clearwater, Florida. The monthly rent is $2,134 in year one and increases to $2,198 in year two. The lease expires on December 31, 2024.

The tables below present information regarding the Company's operating lease assets and liabilities at June 30, 2023
:

	June 30, 2023	September 30, 2022
Assets		
Operating lease -right-of-use assets-non-current	$ 35,897	$ —
Liabilities		
Operating lease liability	$ 36,791	$ —
Weighted-average remaining lease term (years)	1.50	—
Weighted-average discount rate	8%	—
The componets of lease expense were as follows:		
Operating lease cost		
Amorization on right-of-use operating lease asset	$ 11,966	$ —
Lease liability expense in connection with obligation repayment	1,731	—
Total operating lease costs	$ 13,697	$ —
Supplemental cash outflows information related to operation lease was as follows:		
Operating cash outflows from operating lease (obligation payment)	$ 12,804	$ —
Right-of-use asset obtained in exchange for new operating lease liability	$ 47,863	$ —

At June 30, 2023, the Company has no financing leases as defined in ASC 842, "Leases."

Future minimum lease payments required under leases that have initial or remaining non-cancelable lease terms in excess of one year at June 30, 2023:

2023 (3 Months)	$ 6,402
2024	26,184
2025	6,594
Total undiscounted cash flows	39,180
Less: amount representing interest	(2,389)
Present value of operating lease liability	36,791
Less: current portion of operation lease liability	23,905
Long-term operating lease liability	$ 12,886

NOTE 3 - PROPERTY AND EQUIPMENT

At June 30, 2023 and September 30, 2022, property and equipment, net, is as follows:

	For the nine months ended June 30, 2023	For the Year ended September 30, 2022
Office Equipment	$ 28,040	$ 21,605
Less: Accumulated Depreciation	(10,157)	(6,463)
Total Property and Equipment, net	$ 17,883	$ 15,142

Depreciation expense for the three months ended June 30, 2023 and 2022, was $1,332 and $959, respectively.

Depreciation expense for the nine months ended June 30, 2023 and 2022, was $3,694 and $2,733, respectively.

NOTE 4 - EQUITY TRANSACTIONS

Preferred Stock Dividends

As of June 30, 2023 and September 30, 2022, the cumulative arrearage of undeclared dividends for Series A Preferred stock totaled $195,837 and $165,035, respectively and $30,694 for the nine months ended June 30, 2023

As of the date of this report, we have 200,000,000 authorized shares of preferred stock, par value $0.00001 per share, of which 7,373,403 shares were issued and outstanding. There are currently 5 series of preferred stock designated as follows:

- 1,250,000 shares have been designated as Series A Preferred Stock, 512,996 of which are issued and outstanding;
- 10 shares have been designated as Series B Preferred Stock, none of which is issued and outstanding;
- 50,000,000 shares have been designated as Series C Preferred Stock, 3,189,503 of which are issued and outstanding; and
- 10,000,000 shares have been designated Series D Preferred stock, of which 670,904 are issued and outstanding; and
- 10,000,000 shares have been designated Series E Preferred stock, of which 3,000,000 are issued and outstanding.

Pursuant to our Articles of Incorporation establishing our preferred stock:

- A holder of shares of the Series A Preferred Stock is entitled to the number of votes equal to the number of shares of the Series A Preferred Stock held by such holder multiplied by one on all matters submitted to a vote of our stockholders. Each one share of our Series A Preferred Stock shall be convertible into 100 shares of our common stock. Each holder of Series A Preferred Stock is entitled to receive cumulative dividends at the rate of 8% of $1.00 per annum on each outstanding share of Series A Preferred Stock then held by such holder, on a pro rata basis.

- A holder of shares of the Series B Preferred Stock is entitled to one vote per share on all matters submitted to a vote of our stockholders. 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 times the sum of the total number of shares of our common stock which are issued and outstanding at the time of voting, plus the total number of shares of any shares of our preferred stock which are issued and outstanding at the time of voting. A holder of shares of the Series B Preferred Stock shall have no conversion rights or rights to dividends.

- A holder of shares of the Series C Preferred Stock is entitled to the number of votes equal to the number of shares of the Series C Preferred Stock held by such holder multiplied by 5 on all matters submitted to a vote of our stockholders. In addition, the holders of our Series C Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion. No dividends have been declared. Finally, each one share of our Series C Preferred Stock shall be convertible into five shares of our common stock.

- A holder of shares of the Series D Preferred Stock is entitled to the number of votes equal to the number of shares of the Series D Preferred Stock held by such holder multiplied by 5 on all matters submitted to a vote of our stockholders. In addition, the holders of our Series D Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion. No dividends have been declared. Finally, each one share of our Series D Preferred Stock shall be convertible into five shares of our common stock.

- A holder of shares of the Series E Preferred Stock is entitled to the number of votes equal to the number of shares of the Series E Preferred Stock held by such holder multiplied by 100 on all matters submitted to a vote of our stockholders. In addition, the holders of our Series E Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion. No dividends have been declared. Finally, each one share of our Series E Preferred Stock shall be convertible into 100 shares of our common stock.

Common stock issued for Conversion of C Preferred

During the nine months ended June 30, 2023, the holder of Series C preferred stock, converted 152,000 shares of Series C Preferred Stock into 760,000 shares of Common Stock at the stated conversion rate with no gain or loss recognized.

Stock repurchase program

On January 6, 2023, the Board of Directors approved a stock repurchase program pursuant to which the Company may repurchase shares of its outstanding common stock. The repurchase program may be extended, suspended, or discontinued at any time. As of June 30, 2023, no common stock was repurchased.

NOTE 5 - RELATED PARTY TRANSACTIONS

Through December 1, 2021, the Company leased its office space from VoiceInterop, the Company's former wholly owned subsidiary and now 96% owned by our shareholders for approximately $1,400 per month. On February 14, 2020, VoiceInterop was deconsolidated and is no longer our subsidiary.

Rent expense incurred during the three months ended June 30, 2023 and 2022 was $0 and $7,029, respectively (See Note 6).

Rent expense incurred during the nine months ended June 30, 2023 and 2022 was $2,343 and $19,944, respectively (See Note 6).

As of December 31, 2022, the Company advanced $53,302 to VoiceInterop, the Company's former wholly owned subsidiary and now 96% owned by our shareholders. The amount is included in due from related party on the consolidated balance sheet. The amount is due on September 30, 2024, and bears interest at 5% effective October 1, 2022. As of June 30, 2023, the Company recorded $2,029 in interest receivable – related party.

NOTE 6 - COMMITMENTS AND CONTINGENCIES

Obligation Under Operating Lease

On December 2, 2022, and effective on January 1, 2023, the Company signed a two-year lease of 1,145 square feet for our principal offices in Clearwater, Florida. The monthly rent is $2,134 in year one and increases to $2,198 in year two. The lease expires on December 31, 2024. On January 1, 2023, upon adoption of ASC 842, the Company will recognize right-to-use assets as operating leases and operating lease obligations.

On December 1, 2021, the Company signed a one year lease approximately 2,000 square feet for our principal offices in Boca Raton, Florida. The monthly rent is $2,200. The lease expired on November 30, 2022.

Rent expense incurred during the three months ended June 30, 2023 and 2022 was $6,794 and $7,029, respectively.

Rent expense incurred during the nine months ended June 30, 2023 and 2022 was $16,040 and $19,944, respectively.

Revenue and Accounts Receivable Concentration

For the nine months ended June 30, 2023, one customer accounted for 17.23% of the Company's revenues.

For the nine months ended June 30, 2022, one customer accounted for 17% of the Company's revenues.

As of June 30, 2023, no customers accounted for more than 10% of the Company's total outstanding accounts receivable.

As of September 30, 2022, no customer accounted for more than 10% of the Company's total outstanding accounts receivable.

Major Supplier and Sole Manufacturing Source

The Company relies on no major supplier for its products. The Company has contracted with local manufacturing facilities to provide completed circuit boards used in the assembly of its IP gateway devices. Interruption of adequate supply of components, primarily computer chips, to the manufacturing source presents additional risk to the Company. The Company believes that additional commercial facilities exist at competitive rates to match the resources and capabilities of its existing manufacturing source, but the current worldwide shortage of computer chips does limit our ability to supply our proprietary radio gateways to clients and other buyers.

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. Effective April 20, 2022, the annual compensation increased to $220,000.

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. Effective October 1, 2021, the annual compensation increased to $104,000.

Exclusive Licensing Agreement

On May 5, 2017, the Company entered into an Exclusive Licensing Agreement with Sublicensing Terms (the "Agreement") with the University of South 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 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 of $8,000 for fiscal year 2022 and 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. As of June 30, 2023 and 2022, the Company has recorded $7,640 and $4,000 for the minimum royalty for the fiscal year ended 2023 and 2022.

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. All current operations are conducted through the Company's wholly owned subsidiary, ReadyOp Communications, Inc. ("ReadyOp"), a Florida corporation incorporated on September 15, 2014. ReadyOp facilitates the marketing and sales of subscriptions to the *ReadyOp*™ and *ReadyMed*™ platform and the AudioMate IP gateways discussed below.

ReadyOp is a proprietary, innovative web-based planning, communications and operations platform for efficiently and effectively planning, managing, communicating, and directing operations and emergency response. ReadyOp is used by local, state and federal government agencies, corporations, school districts, utilities, hospitals and others to manage and report daily operations as well as the ability to handle incidents and emergency situations. ReadyOp is offered as a software as a service (SAAS) program on an annual contract basis although an increasing number of clients have requested multi-year agreements.

In March 2018, the Company approved the spin-off of VoiceInterop, Inc. ("Voiceinterop"), one of the Company's wholly-owned subsidiaries, into a separate company under a Form S-1 registration filed with the United States Securities and Exchange Commission.

In October 2019, the Company acquired the ReadyMed software platform from Collabria LLC. ReadyMed is a web-based secure communications platform initially designed for the healthcare industry. This includes hospitals, clinics, doctor's offices, health insurance companies, workers compensation insurance companies and many other segments of the healthcare industry. The platform provides caregivers with patient tracking capability and allows physicians and other healthcare entities to track patient progress after medical treatment and/or release from hospital care. The software also enables monitoring and reporting of patients in medium and long-term care. Additionally, the platform provides secure communications capabilities and record keeping to track the healing process of patients, record their recovery and monitor their medications. ReadyMed proved beneficial for multiple clients in the healthcare industry due to the impact of the COVID-19 pandemic. The Company offers both the ReadyOp and ReadyMed capabilities to clients and usually refers to the platform as ReadyOp to avoid confusion in the marketplace of two products.

FOR THE THREE MONTHS ENDED JUNE 30, 2023 COMPARED TO THE THREE MONTHS ENDED JUNE 30, 2022

Revenue

Revenues increased 4.14% to $560,374 for the three months ended June 30, 2023 as compared to $538,102 for the three months ended June 30, 2022. The primary reason for the increase was due to an increase in revenue from the ReadyOp platform from $459,983 in 2022 to $527,074 in 2023. Sales of ReadyOp hardware products decreased from $16,350 in 2022 to $15,200 in 2023. Consulting fees and related income decreased from $61,769 in 2022 to $18,100 in 2023 due to less training activity.

Cost of Revenue

Cost of revenues decreased to $80,710 for the three months ended June 30, 2023 as compared to $89,938 for the three months ended June 30, 2022. Gross profits were $479,664 and $448,164 for the three months ended June 30, 2023 and June 30, 2022, respectively.

Operating Expenses

Operating expenses increased 43.38% to $471,730 for the three months ended June 30, 2023 compared to $329,003 for the three months ended June 30, 2022. The increase was primarily due increases in administrative expense and selling expenses. General and Administrative expenses increased by $90,911 or 34.57% as a result of shifting the salary expenses formerly included in Selling and in Research and Development costs to General and Administrative costs. This increase was primarily due to salary expenses included as part of general business expenses, charitable contributions, and employee holiday bonuses. For the three months ended June 30, 2023, selling expenses were $114,475 compared to $65,032 for the three months ended June 30, 2022, mainly reflecting the shift in salaries to General and Administrative costs and expenses associated with a trade show hosted by the Company. There was also an increase in commissions expense and an increase in advertising and travel expenses in connection with the trade show. Research and development expenses were $2,000 for the three months ended June 30, 2023, as compared to $0 for the three months ended June 30, 2022. This decrease was primarily due to a decrease in a not direct research and development costs.

Other Income/(Expenses)

The Company’s other income increased by $819 from other income of $686 during the three months ended June 30, 2023 as compared to $133 in other expenses, for the three months ended June 30, 2022. This increase was an increase in interest income on note receivable due from a related party.

Income before Income Taxes

The Company’s income before income taxes was $8,620, during the three months ended June 30, 2023, as compared to $166,820 for the three months ended June 30, 2022. The decrease was primarily due to an increase in administrative and selling expenses and offset by an increase in sales of ReadyOp licenses and hardware and offset by a slight decrease in cost of revenues. The increased costs were partially an increase in costs of the hardware sold.

Net Income Attributable to Common Stockholders

Net loss attributable to common stockholders was $1,611 for the three months ended June 30, 2023 as compared to a net income of $156,588 for the three months ended June 30, 2022. The decrease was primarily due to an increase in administrative and selling expenses and offset by an increase in sales of ReadyOp hardware products and offset by a slight decrease in cost of revenues. The increased costs were primarily due to an increase in subscriptions of ReadyOp software.

FOR THE NINE MONTHS ENDED JUNE 30, 2023 COMPARED TO THE NINE MONTHS ENDED JUNE 30, 2022

Revenue

Revenues increased 3.26% to $1,577,692 for the nine months ended June 30, 2023 as compared to $1,527,910 for the nine months ended June 30, 2022. The primary reason for the increase was an increase in revenue from the ReadyOp platform from $1,370,606 in 2022 to $1,480,287 in 2023. There was also an increase in sales of ReadyOp hardware products from $27,850 in 2022 to $37,325 in 2023. Consulting fees and related income decreased from $129,454 in 2022 to $60,080 in 2023. due primarily to a decrease in sales of thermal scanners as these were primarily purchased by clients for operations during the COVID 19 pandemic.

Cost of Revenue

Cost of revenues decreased to $229,747 for the nine months ended June 30, 2023 as compared to $248,074 for the nine months ended June 30, 2022. Gross profits were $1,347,945 and $1,279,836 for the nine months ended June 30, 2023 and June 30, 2022, respectively. Gross profit margins increased to 85% for the nine months ended June 30, 2023 from 84% for the three months ended June 30, 2022.

Operating Expenses

Operating expenses increased 25.62% to $1,249,325 for the nine months ended June 30, 2023 compared to $994,503 for the nine months ended June 30, 2022. The increase was primarily due to administrative expenses and selling expenses. General and administrative expenses increased by $146,637 or 17.79% as a result of the increase in general business expenses. This increase was primarily due to salary expenses formerly included in Selling and in Research and Development costs now included as part of General business expenses. There were also charitable contributions and employee holiday bonuses paid during the nine month period. For the nine months ended June 30, 2023, selling expenses were $249,137 compared to $164,575 for the nine months ended June 30, 2022. This increase was primarily due to salary expenses now included as part of General business expenses and not selling expenses and expenses associated with a trade show hosted by the Company. There was also an increase in advertising and travel expenses as the Company increased its sales and marketing efforts following the COVID 19 pandemic. Research and development expenses were $25,815 for the nine months ended June 30, 2023, as compared to $3,153 for the nine months ended June 30, 2022. This decrease was primarily due to salary expenses now included as part of general business expenses and not research and development expenses.

Other Income/(Expenses)

The Company's other income decreased by $45,477 from other income of $1,913 during the nine months ended June 30, 2023 as compared to $47,390 in other expenses for the nine months ended June 30, 2022. The primary reason for this decrease was an increase in interest income on note receivable due from a related party and offset by a settlement of certain accounts payable for the nine months ended June 30, 2022.

Income before Income Taxes

The Company's income before income taxes was $100,533, during the nine months ended June 30, 2023, as compared to $332,723 for the nine months ended June 30, 2022. The decrease was primarily due to expensing audit expenses, a move of the corporate headquarters and the addition of new employees. The increased costs were partially offset by an increase in subscriptions of ReadyOp licenses.

Net Income Attributable to Common Stockholders

Net income attributable to common stockholders was $69,839 for the nine months ended June 30, 2023 as compared to a net income of $302,028 for the nine months ended June 30, 2022. The decrease was primarily due to an increase in administrative and offset by an increase in sales of ReadyOp licenses. The increased costs were partially due expenses related to a move of the corporate headquareters and the addition of new employees. The preferred stock dividends remained consistent.

LIQUIDITY AND CAPITAL RESOURCES

For the nine months ended June 30, 2023, net cash used in operations of $35,234 was the result of a net income of $100,533, depreciation expense of $3,694, amortization of operating lease of $11,966, an increase in accounts payable of $11,942, and a decrease in inventory of $668. These were offset by an increase in accounts receivable of $71,083, increase in prepaid expenses of $39,745 and a decrease in deferred revenue of $42,137.

For the nine months ended June 30, 2022, net cash used in operations of $168,898 was the result of a net income of $332,723, depreciation expense of $2,733, provision of bad debt of $8,000, gain on settlement and reversal of accounts payable of $47,792, an increase in accounts receivable of $148,650, and an increase of accounts payable of $3,687. These were offset by an decrease in inventory of $1,564, a decrease in prepaid expenses of $20,658, and a decrease in deferred revenue of $333,320.

Net cash used in investing activities was $6,435 and $5,058 for the nine months ended June 30, 2023 and 2022, respectively, which was for the purchase of fixed assets.

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, 2022 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, 2023. 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

During this quarter, 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

Cleartronic is not engaged in any litigation at the present time and management is unaware of any claims or complaints that could result in future litigation. Management will seek to minimize disputes with the Company's customers but recognizes the inevitability of legal action in today's business environment as an unfortunate price of conducting business.

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

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

Item 3. Defaults Upon Senior Securities

None

Item 5. Other Information

None

Item 6. Exhibits.

Exhibit No.	Identification of Exhibit
3.1**	Articles of Incorporation, filed as exhibit 3.01 to the registrant's registration statement on Form SB-2 on July 3, 2006, Commission File Number 333-135585.
3.2**	Articles of Amendment to Articles of Incorporation filed March 12, 2001, filed as exhibit 3.02 to the registrant's registration statement on Form SB-2 on July 3, 2006, Commission File Number 333-135585.
3.3**	Articles of Amendment to Articles of Incorporation filed October 4, 2004, filed as exhibit 3.03 to the registrant's registration statement on Form SB-2 on July 3, 2006, Commission File Number 333-135585.
3.4**	Articles of Amendment to Articles of Incorporation filed March 31, 2005, filed as exhibit 3.04 to the registrant's registration statement on Form SB-2 on July 3, 2006, Commission File Number 333-135585.
3.5**	Articles of Amendment to Articles of Incorporation filed May 9, 2008, filed as exhibit 3.02 to the registrant's registration statement on Form S-1 on May 28, 2008, Commission File Number 333-135585.
3.6**	Articles of Amendment to Articles of Incorporation filed June 28, 2010, filed as exhibit 3.7 to the registrant's Form 10-Q on February 14, 2011, Commission File Number 333-135585.
3.7**	Articles of Amendment to Articles of Incorporation filed May 6, 2011, filed as exhibit 3.1 to the registrant's Form 8-K on May 6, 2011, Commission File Number 333-135585.
3.8**	Articles of Amendment to Articles of Incorporation filed April 19, 2012, filed as exhibit 3.09 to the registrant's Form 10-Q on May 14, 2012, Commission File Number 333-135585.
3.9**	Articles of Amendment to Articles of Incorporation filed September 7, 2012, filed as exhibit 3.1 to the registrant's Form 8-K on September 7, 2012, Commission File Number 333-135585.
3.10**	Articles of Amendment to Articles of Incorporation filed September 19, 2012, filed as exhibit 3.1 to the registrant's Form 8-K on September 19, 2012, Commission File Number 333-135585.
3.11**	Articles of Amendment to Articles of Incorporation filed October 5, 2012, filed as exhibit 3.1 to the registrant's Form 8-K on October 5, 2012, Commission File Number 333-135585.
3.12**	Articles of Amendment to Articles of Incorporation filed December 28, 2013, filed as exhibit 3.12 to the registrant's Form 8-K on January 14, 2014, Commission File Number 333-135585.
3.13**	Bylaws, filed as exhibit 3.05 to the registrant's registration statement on Form SB-2 on July 3, 2006, Commission File Number 333-135585.
3.14**	Amended and Restated Bylaws, filed as exhibit 3.1 to the registrant's Form 8-K on July 26, 2010, Commission File Number 333-135585.
10.1**	Employment Agreement dated October 5, 2012, between Larry M. Reid and the registrant, filed as exhibit 10.1 to the registrant's Form 8-K on October 12, 2012, Commission File Number 333-135585.

10.2**	Lease Agreement dated November 30, 2014, between BGNP Associates, LLC and Cleartronic, Inc, filed as Exhibit 10.10 to the registrant's Form 10-K on January 13, 2015, Commission File Number 000-55329
10.3**	Employment Agreement dated March 13, 2015, between Larry M. Reid and the registrant, filed as Exhibit 10.1 to the registrant's Form 8-K on March 18, 2015, Commission File Number 000-55329
10.4**	Subscription Agreement between registrant and private accredited investor dated March 31, 2015 for purchase of 278,743 shares of Series D Convertible Preferred stock, filed as exhibit 10.1 to the registrant's Form 8-K on April 10, 2015, Commission File Number 000-55329
10.5**	Subscription Agreement between registrant and private accredited investor dated March 31, 2015 for purchase of 270,024 shares of Series D Convertible Preferred stock, filed as exhibit 10.2 to the registrant's Form 8-K on April 10, 2015, Commission File Number 000-55329
10.6**	Subscription Agreement between registrant and private accredited investor dated March 31, 2015 for purchase of 278,743 shares of Series D Convertible Preferred stock, filed as exhibit 10.3 to the registrant's Form 8-K on April 10, 2015, Commission File Number 000-55329
10.7**	Promissory Note date November 24, 2015 in the original amount of $50,000 issued to Mr. Marc Moore filed as exhibit 10.18 to the registrant's Form 10-K on January 13, 2016, Commission File 000-55329.
10.8**	Asset Purchase Agreement dated November 29, 2016 between the registrant and Collabria LLC. Filed as an exhibit to the registrant's Form 8-K on December 5, 2016.
10.9**	Employment Agreement dated November 28, 2016 between the registrant and Mr. Moore.
10.10**	Promissory Note dated September 27, 2017 in the amount of $35,000 issued to Richard Martin.
10.11**	Promissory Note dated October 12, 2017 in the amount of $15,000 issued to Richard Martin
10.12**	Installment Note dated September 30, 2019 in the amount of $75,279 issued to Richard Martin
10.13**	Lease Agreement dated December 1, 2018, between BGNP Associates, LLC and VoiceInterop, Inc.
10.14**	Promissory Note dated December 2, 2019 in the amount of $50,000 issued to Mr. John F. Marek.
31.1*	Certification of Michael M. Moore, Chief Executive Officer of Cleartronic, Inc., pursuant to 18 U.S.C. §1350, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Larry M. Reid, Chief Financial Officer and Principal Accounting Officer of Cleartronic, Inc., pursuant to 18 U.S.C. §1350, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Michael M. Moore, Chief Executive Officer of Cleartronic, Inc.,pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Larry M. Reid, Chief Financial Officer and Principal Accounting Officer of Cleartronic, Inc., pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002.
101	XBRL Instance Document (XBRL tags are embedded within the Inline iXBRL document)

*Filed herewith.
**Previously filed.

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, 2023

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, 2023

/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, 2023

/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, 2023 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, 2023

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

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

Exhibit 32.2

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, 2023 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, 2023

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

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