

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## **Triton Emission Solutions Inc.**

**Form: 10-Q**

**Date Filed: 2010-11-15**

Corporate Issuer CIK: 1143238

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**

For the quarterly period ended September 30, 2010

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 000-33309

**GLOBETRAC INC.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

33-0953557

(I.R.S. Employer Identification No.)

1100 Melville Street, Suite #610, Vancouver, British Columbia,

Canada

(Address of principal executive offices)

V6E 4A6

(Zip Code)

1-800-648-4287

(Registrant's telephone number, including area code)

n/a

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

Indicate by check mark whether the registrant (1) 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** ☐ **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 (s. 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** ☐ **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. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

**Larger accelerated filer**

☐

**Accelerated filer**

☐

**Non-accelerated filer**

☐

**(Do not check if a smaller reporting company)**

**Smaller reporting company**

☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ **Yes** ☒ **No**

**APPLICABLE ONLY TO CORPORATE ISSUERS**

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

Class

common stock - \$0.001 par value

Outstanding at November 12, 2010

89,883,198

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**GLOBETRAC INC.  
BALANCE SHEETS**

	<b>September 30, 2010</b>	<b>December 31, 2009</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
Current assets		
Cash	\$ 7,035	\$ 13,438
Accounts receivable	7,771	4,886
Prepays	<u>999</u>	<u>999</u>
Total current assets	<u>\$ 15,805</u>	<u>\$ 19,323</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities		
Accounts payable	\$ 56,030	\$ 59,074
Accrued liabilities	400	5,913
Accrued professional fees	43,500	50,000
Convertible note payable, including accrued interest	12,519	-
Due to related parties	<u>64,806</u>	<u>42,248</u>
Total current liabilities	<u>177,255</u>	<u>157,235</u>
Commitments and contingencies	-	-
Stockholders' deficit		
Preferred stock \$0.001 par value, 5,000,000 authorized, none issued and outstanding at September 30, 2010 and December 31, 2009	-	-
Common stock \$0.001 par value, 200,000,000 common shares authorized, 89,883,198 issued and outstanding at September 30, 2010 and December 31, 2009	89,883	89,883
Additional paid in capital	1,167,085	1,167,085
Accumulated deficit	(1,431,830)	(1,408,292)
Accumulated other comprehensive income	<u>13,412</u>	<u>13,412</u>
Total stockholders' deficit	<u>(161,450)</u>	<u>(137,912)</u>
Total liabilities and stockholders' deficit	<u>\$ 15,805</u>	<u>\$ 19,323</u>

The accompanying notes are an integral part of these financial statements

**GLOBETRAC INC.**  
**STATEMENTS OF OPERATIONS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009**  
**(UNAUDITED)**

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
Royalty income	\$ 16,154	\$ 16,818	\$ 39,354	\$ 50,388
Operating expenses:				
General and administrative	25,148	29,235	62,873	93,044
Net loss from operations before interest	(8,994)	(12,417)	(23,519)	(42,656)
Interest	(19)	-	(19)	-
	<u>\$ (9,013)</u>	<u>\$ (12,417)</u>	<u>\$ (23,538)</u>	<u>\$ (42,656)</u>
Net loss per share - basic and diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of shares outstanding - basic and diluted	<u>89,883,198</u>	<u>89,883,198</u>	<u>89,883,198</u>	<u>89,883,198</u>

The accompanying notes are an integral part of these financial statements

**GLOBETRAC INC.**  
**STATEMENT OF STOCKHOLDERS' DEFICIT AND COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009**

	<u>Common Stock Issued</u>		<u>Additional</u>		<u>Accumulated</u>	<u>Accumulated</u>	
	<u>Number of</u>	<u>Amount</u>	<u>Paid-in</u>		<u>Deficit</u>	<u>Other</u>	<u>Total</u>
	<u>Shares</u>		<u>Capital</u>			<u>Comprehensive</u>	
						<u>Income (Loss)</u>	
Balance at January 1, 2009	89,883,198	\$ 89,883	\$ 1,167,085	\$ (1,335,134)	\$	16,808	\$ (61,358)
Net loss for the nine months ended September 30, 2009	-	-	-	(42,656)		-	(42,656)
Foreign currency exchange gain	-	-	-	-		(3,396)	(3,396)
Net comprehensive income	-	-	-	-		-	(46,052)
Balance at September 30, 2009 (unaudited)	89,883,198	89,883	1,167,085	(1,377,790)		13,412	(107,410)
Net loss for the three months ended December 31, 2009	-	-	-	(30,502)		-	(30,502)
Balance at December 31, 2009	89,883,198	89,883	1,167,085	(1,408,292)		13,412	(137,912)
Net loss for the nine months ended September 30, 2010	-	-	-	(23,538)		-	(23,538)
Balance at September 30, 2010 (unaudited)	<u>89,883,198</u>	<u>\$ 89,883</u>	<u>\$ 1,167,085</u>	<u>\$ (1,431,830)</u>	<u>\$</u>	<u>13,412</u>	<u>\$ (161,450)</u>

Note: There is no Preferred Stock issued and outstanding.

The accompanying notes are an integral part of these financial statements

**GLOBETRAC INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009**  
**(UNAUDITED)**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Net loss	\$ (23,538)	\$ (42,656)
Changes in operating assets and liabilities:		
Accounts receivable	(2,885)	34,135
Prepays	-	(7,891)
Accounts payable	(3,044)	12,382
Accrued liabilities	(5,513)	1,001
Accrued professional fees	(6,500)	(5,775)
Due to related parties	22,558	534
Accrued interest payable on convertible note	19	-
Net cash used in operating activities	(18,903)	(8,270)
Cash flows from financing activities:		
Convertible note payable	12,500	-
Net cash from financing	12,500	-
Effect of foreign currency exchange	-	(3,396)
Net decrease in cash	(6,403)	(11,666)
Cash, beginning of period	13,438	26,538
Cash, end of period	<u>\$ 7,035</u>	<u>\$ 14,872</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Income taxes	\$ -	\$ -
Interest	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**GLOBETRAC INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**  
**UNAUDITED**

**NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS**

**Nature of Operations**

GlobeTrac Inc. (GlobeTrac or the Company) was incorporated in the state of Delaware on March 2, 2000 as 411 Place.com, Inc. On February 28, 2001, the Company changed its name to Artescope, Inc. and on July 29, 2002 changed its name to GlobeTrac Inc. The Company's principal executive offices are headquartered in Canada. On August 27, 2002 the Company acquired 100% of the shares of Global Axxess Corporation Limited (Global Axxess), a company incorporated in Ireland. On June 12, 2008 the Company sold its shares of Global Axxess, its only subsidiary. Global Axxess owned 100% of the issued and outstanding shares of Globetrac Limited (Limited), a company incorporated in the United Kingdom, until March 20, 2007 when Limited was officially dissolved and all of Limited's assets and liabilities were assumed by GlobeTrac. As a result of terminating its operations in Europe, the Company is seeking new business opportunities.

The Company was in the business of selling, marketing, distributing and installing global wireless tracking and telematics equipment in Europe until November 1, 2004 when they exchanged certain of their assets and certain liabilities in Globetrac Limited and their rights to the global wireless tracking and telematics business in Europe for a six percent royalty on gross sales of all existing and qualified potential customers that the Company has in Europe.

In these notes, the terms "Company", "we", "us" or "our" mean GlobeTrac Inc. whose operations are included in these unaudited financial statements.

**Basis of Presentation**

The unaudited financial statements included herein have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. They do not include all information and notes required by generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material change in the information disclosed in the notes to the financial statements included in the Annual Report on Form 10-K of GlobeTrac Inc. for the year ended December 31, 2009. In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2010 are not necessarily indicative of the results that may be expected for any other interim period or the entire year. For further information, these unaudited financial statements and the related notes should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2009 included in the Company's report on Form 10-K.

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

**Accounting Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash Equivalents**

For purposes of the balance sheets and statements of cash flows, the Company considers all amounts on deposit with financial institutions and highly liquid investments with an original maturity of 90 days or less to be cash equivalents. At September 30, 2010 and December 31, 2009, the Company had no cash equivalents.

**Accounts Receivable**

Receivables represent valid claims against debtors for royalties arising on or before the balance sheet date and are reduced to their estimated net realizable value. An allowance for doubtful accounts is based on an assessment of the collectibility of all past due accounts. At September 30, 2010 and December 31, 2009, our allowance for doubtful accounts was \$0.

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**GLOBETRAC INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**  
**UNAUDITED**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue Recognition**

Royalty revenue is recognized when pervasive evidence of an agreement exists, when it is received or when the royalty income is determinable and collectibility is reasonably assured.

**Financial Instruments**

***Foreign Exchange Risk***

The Company is subject to foreign exchange risk on our royalty revenue which is denominated in UK pounds and some purchases which are denominated in Canadian dollars. Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the United States dollar. Foreign exchange rate fluctuations may adversely impact the Company's results of operations as exchange rate fluctuations on transactions denominated in currencies other than our functional currency (the US dollar) result in gains and losses that are reflected in our Income Statement. To the extent the U.S. dollar weakens against foreign currencies, the translation of these foreign currency-denominated transactions will result in increased net revenue. Conversely, the Company's net revenue will decrease when the U.S. dollar strengthens against foreign currencies. The Company does not believe that it has any material risk due to foreign currency exchange.

Foreign exchange gains or losses were immaterial for the nine months ending September 30, 2010.

***Fair Value of Financial Instruments***

The Company's financial instruments include cash, accounts receivable, accounts payable, accrued liabilities and accrued professional fees. The fair value of these financial instruments approximate their carrying values due to their short maturities.

***Concentration of Credit Risk***

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and trade accounts receivable.

At September 30, 2010 and December 31, 2009, the Company had approximately \$7,000 and \$13,000 respectively, in cash on deposit with a large chartered Canadian bank. At September 30, 2010 and December 31, 2009, \$5,425 and \$0 respectively, of this cash was not insured. As part of its cash management process, the Company performs periodic evaluations of the relative credit standing of this financial institution. The Company has not experienced any losses in cash balances and does not believe it is exposed to any significant credit risk on its cash.

Accounts receivable consists of royalty income from one customer and is not collateralized. Management continually monitors the financial condition of its customer to reduce the risk of loss. The Company routinely assesses the financial strength of its source of revenue income and as a consequence, concentration of credit risk is limited. At September 30, 2010, and December 31, 2009, the Company had \$7,771 and \$4,886 in royalties' receivable from this customer.

**Comprehensive Income**

Comprehensive income reflects changes in equity that results from transactions and economic events from non-owner sources. The Company had \$0 and \$3,396 in other comprehensive losses for the nine months ended September 30, 2010 and 2009, respectively, from its foreign currency translation.

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**GLOBETRAC INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**  
**UNAUDITED**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

Income tax expense is based on pre-tax financial accounting income. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets, including tax loss and credit carryforwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred income tax expense represents the change during the period in the deferred tax assets and deferred tax liabilities. The components of the deferred tax assets and liabilities are individually classified as current and non-current based on their characteristics. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

**Stock-Based Compensation**

The Company accounts for Stock-Based Compensation in accordance with Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 718 "Compensation – Stock Compensation", which requires recording expense for stock compensation based on a fair value based method.

The Company uses the "modified prospective method" which requires the Company to recognize compensation costs for all stock-based payments granted, modified or settled in financial statements.

The Company had no outstanding options or warrants at September 30, 2010 and December 31, 2009.

**Basic and Diluted Net Earnings (Loss) Per Common Share (EPS)**

Basic net earnings (loss) per share is computed by dividing the net earnings (loss) attributable to the common stockholders by the weighted average number of common shares outstanding during the reporting period. Diluted net income per common share includes the potential dilution that could occur upon exercise of the options and warrants to acquire common stock computed using the treasury stock method which assumes that the increase in the number of shares is reduced by the number of shares which could have been repurchased by the Company with the proceeds from the exercise of the options and warrants (which were assumed to have been made at the average market price of the common shares during the reporting period).

The Company has convertible debt at September 30, 2010 and December 31, 2009, of \$12,519 and \$0 respectively

**Segment Reporting**

The Company is centrally managed, has limited operations and operates in one business segment.

**Recent Accounting Pronouncements**

In June 2009, the Financial Accounting Standards Board (FASB) issued Statement No. 168, *Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles—a replacement of FASB Statement No. 162 (ASC 105, Generally Accepted Accounting Principles)* "ASC 105". ASC 105 became the single source of authoritative nongovernmental U.S. generally accepted accounting principles ("GAAP"), superseding existing FASB, American Institute of Certified Public Accountants ("AICPA"), Emerging Issues Task Force ("EITF"), and related accounting literature. ASC 105 reorganizes the thousands of GAAP pronouncements into roughly 90 accounting topics and displays them using a consistent structure. Also included is relevant Securities and Exchange Commission guidance organized using the same topical structure in separate sections. ASC 105 will be effective for financial statements issued for reporting periods that end after September 15, 2009, which means July 1, 2009 for GlobeTrac, Inc. The adoption of the Codification did not have an impact on our financial position or results of operations.

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**GLOBETRAC INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**  
**UNAUDITED**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*FASB ASC 810 Consolidation* ("ASC 810") became effective for us on January 1, 2010, and was amended to change how a company determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated. The determination of whether a company is required to consolidate an entity is based on, among other things, an entity's purpose and design and a company's ability to direct the activities of the entity that most significantly impact the entity's economic performance. The new authoritative accounting guidance requires additional disclosures about the reporting entity's involvement with variable-interest entities and any significant changes in risk exposure due to that involvement as well as its affect on the entity's financial statements. The new authoritative accounting guidance under ASC 810 was effective January 1, 2010 and did not have a significant impact on our financial statements.

*FASB ASC 860 Transfers and Servicing* ("ASC 860") was amended to enhance reporting about transfers of financial assets, including securitizations, and where companies have continuing exposure to the risks related to transferred financial assets. The new authoritative accounting guidance eliminates the concept of a "qualifying special-purpose entity" and changes the requirements for derecognizing financial assets. The new authoritative accounting guidance also requires additional disclosures about all continuing involvements with transferred financial assets including information about gains and losses resulting from transfers during the period. The new authoritative accounting guidance under ASC 860 was effective January 1, 2010 and did not have a significant impact on our financial statements.

In April 2010, the FASB issued ASU 2010-17, Revenue Recognition – Milestone Method ("ASU 2010-17"). ASU 2010-17 provides guidance on the criteria that should be met for determining whether the milestone method of revenue recognition is appropriate. A vendor can recognize consideration that is contingent upon achievement of a milestone in its entirety as revenue in the period in which the milestone is achieved only if the milestone meets all criteria to be considered substantive. The following criteria must be met for a milestone to be considered substantive. The consideration earned by achieving the milestone should (1) be commensurate with either the level of effort required to achieve the milestone or the enhancement of the value of the item delivered as a result of a specific outcome resulting from the vendor's performance to achieve the milestone; (2) related solely to past performance; and (3) be reasonable relative to all deliverables and payment terms in the arrangement. No bifurcation of an individual milestone is allowed and there can be more than one milestone in an arrangement. Accordingly, an arrangement may contain both substantive and nonsubstantive milestones. ASU 2010-17 is effective on a prospective basis for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. Management is currently evaluating the potential impact of ASU 2010-17 on our financial statements.

**NOTE 3 – GOING CONCERN**

The Company was in the business of selling, marketing, distributing and installing global wireless tracking and telematics equipment in Europe until November 1, 2004 when it exchanged its rights to sell, market, distribute and install global wireless tracking and telematics equipment in Europe as well as specific assets and liabilities, for a royalty of 6% on future gross sales to current customers and qualified potential customers in Europe. There is no cap on the royalties and royalties are to be paid for the duration of 11 years, ending October 31, 2015. The Company has an accumulated deficit of \$1,431,830 at September 30, 2010. Additional financing will be required by the Company to fund and support its operations. Management plans to mitigate its losses in future years by controlling its operating expenses and seeking out new business opportunities. However, there is no assurance that the Company will be able to obtain additional financing, control their operating expenses or be successful in locating or acquiring a viable business. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

**NOTE 4 – DUE TO RELATED PARTIES**

	September 30, 2010	December 31, 2009
Due to a company sharing a common director (a)	\$ 31,700	\$ 9,142
Due to a company controlled by a relative of a major shareholder	33,106	33,106
Due to related parties	<u>\$ 64,806</u>	<u>\$ 42,248</u>

(a) During the nine months ended September 30, 2010 and 2009 the Company was billed \$49,500 and \$70,875 respectively, in administrative fees by a company sharing a common director.

**GLOBETRAC INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**  
**UNAUDITED**

**NOTE 5 – ROYALTY AGREEMENT**

On November 1, 2004 the Company agreed, pursuant to a termination and transfer agreement, to discontinue, marketing, distributing and installing global wireless tracking and telematics equipment in Europe, which was carried on through its wholly-owned subsidiary, GlobeTrac Limited, in exchange for certain assets and liabilities and a six percent royalty to be paid to GlobeTrac Inc. on gross sales of all existing and qualified potential customers that the Company had in Europe. This royalty agreement expires on October 31, 2015.

**NOTE 6 – COMMITMENT**

The Company had no contingencies or long-term commitments at September 30, 2010.

**NOTE 7 – FAIR VALUE**

Effective January 1, 2009, the Company adopted ASC 820-10, Fair Value Measurements and Disclosures – Overall. ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are those other than quoted prices included within Level 1 that are observable for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Company does not have any financial assets or liabilities at September 30, 2010 for which fair value measurements are applicable.

**NOTE 8 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events for recognition or disclosure in the financial statements filed on Form 10-Q with the SEC and no other events, other than those described in these notes, have occurred that require disclosure.

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

### Forward Looking Statements

The information in this quarterly report on Form 10-Q contains forward-looking statements. These forward-looking statements involve risks and uncertainties, including statements regarding our capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as *may, will, should, expect, plan, intend, anticipate, believe, estimate, predict, potential* or *continue*, the negative of such terms or other comparable terminology. Actual events or results may differ materially from those events or results included in the forward-looking statements. In evaluating these statements, you should consider various factors, including the risks outlined from time to time in the reports we file with the Securities and Exchange Commission. Some, but not all, of these risks include, among other things:

- \*our inability to obtain the financing we need to continue our operations;

- \*changes in regulatory requirements that adversely affect our business;

- \*a decline in our royalty revenue; and

- \*risks over which we have no control, such as a general downturn in the economy which may adversely affect our royalty revenue and ability to obtain working capital.

We do not intend to update forward-looking statements. You should refer to and carefully review the information in future documents we file with the Securities and Exchange Commission.

### General

This discussion and analysis should be read in conjunction with our interim unaudited financial statements and related notes included in this Form 10-Q and the audited financial statements and related notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009. The inclusion of supplementary analytical and related information herein may require us to make estimates and assumptions to enable us to fairly present, in all material respects, our analysis of trends and expectations with respect to our results of operations and financial position taken as a whole. Actual results may vary from the estimates and assumptions we make.

When we use the words "we", "us" or "our" in this report, we are referring to GlobeTrac Inc. which we sometimes refer to in this report as "GlobeTrac".

### Overview

We were incorporated in the state of Delaware on March 2, 2000 as 411 Place.com Inc. On February 28, 2001, we changed our name to Artescope, Inc. and on July 29, 2002 changed the name to GlobeTrac Inc. Our principal executive offices are headquartered in Canada. On August 27, 2002, we acquired 100% of the shares of Global Axxess Corporation Limited (Global Axxess), a company incorporated in Ireland. On June 12, 2008 we sold our shares of Global Axxess, our only subsidiary. Global Axxess owned 100% of the issued and outstanding shares of Globetrac Limited (Limited), a company incorporated in the United Kingdom, until March 20, 2007 when Limited was officially dissolved and all of Limited's assets and liabilities were assumed by GlobeTrac. As a result of terminating our operations in Europe, we are seeking new business opportunities.

At September 30, 2010, our only source of income is a six percent commission/royalty that we receive from WebTech Wireless Inc. ("WebTech"), based on all qualified sales of any product or service offered by WebTech. A qualified sale means all of WebTech's invoiced sales of products or services to a customer that has ordered at least one product or service before November 26, 2005, whether sold by WebTech or by a licensee, affiliate or agent of WebTech. A list of customers was provided to WebTech by GlobeTrac. There is no cap on the royalty receivable and royalties are to be paid by WebTech for eleven years, beginning November 1, 2004 and ending October 31, 2015.

### Results of Operation

Our operating results for the three and nine months ended September 30, 2010 and 2009 and the changes between those periods summarized as follows:

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	Three Months Ended September 30,		Increase (Decrease) Between the Three Months Ended September 30, 2010 and 2009	Nine Months Ended September 30,		Increase (Decrease) Between the Nine Months Ended September 30, 2010 and 2009
	2010	2009		2010	2009	
Royalty income	\$ 16,154	\$ 16,818	\$ (664)	\$ 39,354	\$ 50,388	\$ (11,034)
Operating expenses:						
General and administrative	25,148	29,235	(4,087)	62,873	93,044	(30,171)
Net loss before interest	(8,994)	(12,417)	(3,423)	(23,519)	(42,656)	(19,137)
Interest	19	-	19	19	-	19
Net loss	\$ (9,013)	\$ (12,417)	\$ (3,404)	\$ (23,538)	\$ (42,656)	\$ (19,118)

### **Revenues**

Our royalty revenue decreased by \$664 or 4% from \$16,818 for the three months ended September 30, 2009 to \$16,154 for the three months ended September 30, 2010.

Our royalty revenue decreased by \$11,034 or 22% from \$50,388 for the nine months ended September 30, 2009 to \$39,354 for the nine months ended September 30, 2010.

All of our revenue was the result of a 6% royalty which relates to the Termination and Transfer Agreement signed on October 18, 2005. The revenue we receive from WebTech is in British Pounds. The 22% decrease in revenue during the nine months ended September 30, 2010 was due primarily to a decrease in the revenue earned in British Pounds of 20%. We do not expect revenue to increase unless we locate a new revenue generating business opportunity.

### **Operating Expenses**

Our operating expenses decreased by \$4,087 or 14% from \$29,235 for the three months ended September 30, 2009 to \$25,148 for the three months ended September 30, 2010. This decrease was primarily caused by decreases in administration fees of \$6,673 due to a reduction in the amount charged by the company doing our administration and a decrease in professional fees of \$899 due to reduced legal costs. These decreases were offset by increases in state franchise taxes of \$698 and foreign exchange of \$2,929.

Our operating expenses decreased by \$30,171 or 32% from \$93,044 for the nine months ended September 30, 2009 to \$62,873 for the nine months ended September 30, 2010. This decrease was primarily caused by decreases in administration fees of \$21,727 and professional fees of \$6,012 due to reduced legal costs and a credit for audit fees that were overaccrued in the prior period. Filing fees and office expenses also decreased by \$1,671 and \$1,029 respectively due to overaccrual of expenses in prior periods. These decreases in expenses were offset by increases in foreign exchange of \$3,029.

Over the next year our plan is to continue to control our operating costs. We expect our operating costs to remain approximately the same over the next year, unless we locate a new viable business.

### **Franchise Tax**

Our franchise tax expense decreased by \$2,757 from \$0 for the nine months ended September 30, 2009 to a recovery of \$2,757 for the nine months ended September 30, 2010. This recovery was caused by an overaccrual of franchise tax in 2008 that had been based on 2007's franchise tax expense. These charges were not repeated in 2009 because they mostly related to late filing fees from prior years.

### **Liquidity and Capital Resources**

## ***Going Concern***

The notes to our financial statements at September 30, 2010 disclose our uncertain ability to continue as a going concern. We were in the business of selling, marketing, distributing and installing global wireless tracking and telematics equipment in Europe until November 1, 2004 when we exchanged our rights to sell, market, distribute and install global wireless tracking and telematics equipment in Europe as well as specific assets and liabilities, for a royalty of 6% on future gross sales to current customers and qualified potential customers in Europe. There is no cap on the royalties and royalties are to be paid for the duration of 11 years, ending October 31, 2015. We have accumulated a deficit of \$1,431,830 since inception and additional financing will be required to fund and support our operations. We plan to mitigate our losses in future years by controlling our operating expenses and seeking out new business opportunities. However, there is no assurance that we will be able to obtain additional financing, control our operating expenses or be successful in locating or acquiring a viable business. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

As of September 30, 2010, we had a cash balance of \$7,035, a working capital deficit of \$161,450 and negative cash flows from operations of \$18,903 for the nine months then ended. During the nine months ended September 30, 2010, we primarily funded our operations with the royalty revenue we received from WebTech and by increases in the amounts due to related parties.

The following table summarizes our sources and uses of cash for the nine months ended September 30, 2010 and 2009:

	<b>September 30,</b>	
	<b>2010</b>	<b>2009</b>
Net cash used in operating activities	\$ (18,903)	\$ (8,270)
Net cash used in investment activities	-	-
Net cash provided by financing activities	12,500	-
Effect of foreign currency exchange	-	(3,396)
Net decrease in cash	<u>\$ (6,403)</u>	<u>\$ (11,666)</u>

### ***Net Cash Used in Operating Activities***

Net cash used in operating activities during the nine months ended September 30, 2010 was \$18,903. This cash was primarily used to cover our net loss of \$23,538 an increase in accounts receivable of \$2,885 and decreases in accounts payable of \$3,044, accrued liabilities of \$5,513 and accrued professional fees of \$6,500. These uses of cash were offset by an increase in the amounts due to related parties of \$22,558.

Net cash used in operating activities during the nine months ended September 30, 2009 was \$8,270. This cash was primarily used to cover our net loss of \$42,656 an increase in prepaids of \$7,891 and a decrease in accrued professional fees of \$5,775. These uses of cash were offset primarily by a decrease in accounts receivable of 34,135, and increases in accounts payable of \$12,382 and accrued liabilities of \$1,001.

### ***Net Cash Used In Investing Activities***

We did not have any investing activities during the nine months ended September 30, 2010 and 2009.

### ***Net Cash Provided By Financing Activities***

During the nine months ended September 30, 2010 we received a loan for \$12,500.

We did not have any financing activities during the nine months ended September 30, 2009.

## ***Challenges and Risks***

We have accumulated a deficit of approximately \$1.4 million to date and will require additional debt or equity financing to continue operations and to seek out new business opportunities. We plan to mitigate our losses in future years through the receipt of the royalty payments from Webtech and locating a viable business.

There is no assurance that we will be able to obtain additional financing, be successful in seeking new business opportunities, receive any royalties from WebTech or that we will be able to reduce operating expenses.

## ***Other Trends, Events or Uncertainties that may Impact Results of Operations or Liquidity Trends, Events, and Uncertainties***

The economic downturn may make it harder for us to raise capital if we need it. Therefore, in the future, the economic downturn may have a material adverse effect on our ability to raise operating capital. Other than as discussed in this 10-Q and our 10-K report for the year ended December 31, 2009, we know of no other trends, events or uncertainties that have or are reasonably likely to have a material impact on our short-term or long-term liquidity.

### **Off-balance Sheet Arrangements**

We have no off-balance sheet arrangements and no non-consolidated, special-purpose entities.

### **Contingencies and Commitments**

We had no contingencies or long-term commitments at September 30, 2010.

### **Contractual Obligations**

We had no contractual obligations at September 30, 2010.

### **Critical Accounting Judgments**

An appreciation of our critical accounting policies is necessary to understand our financial results. These policies may require management to make difficult and subjective judgments regarding uncertainties, and as a result, such estimates may significantly impact our financial results. The precision of these estimates and the likelihood of future changes depend on a number of underlying variables and a range of possible outcomes. Other than our accounting for our royalty revenue, our critical accounting policies do not involve the choice between alternative methods of accounting. We have applied our critical accounting policies and estimation methods consistently.

### ***Revenue Recognition***

Royalty revenue is recognized when pervasive evidence of an agreement exists, when it is received or when the royalty income is determinable and collectibility is reasonably assured.

### ***Accounts Receivable***

Receivables represent valid claims against debtors for royalties arising on or before the balance sheet date and are reduced to their estimated net realizable value. An allowance for doubtful accounts is based on an assessment of the collectibility of all past due accounts. At September 30, 2010, our allowance for doubtful accounts was \$0.

At September 30, 2010, accounts receivable consists of estimated royalty revenue for the months of August and September 2010. Our estimate was based on the amounts we received from WebTech for the months from January to July 2010. As of the date of filing we had not received payment of the accrued royalty revenue and thus our estimated accrual could vary materially from the amount we accrued at September 30, 2010.

### ***Financial Instruments***

#### ***Foreign Exchange Risk***

We are subject to foreign exchange risk on our royalty revenue which is denominated in UK pounds and some purchases which are denominated in Canadian dollars. Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the United States dollar. Foreign exchange rate fluctuations may adversely impact our results of operations as exchange rate fluctuations on transactions denominated in currencies other than our functional currency result in gains and losses that are reflected in our Statement of Operations. To the extent the U.S. dollar weakens against foreign currencies, the translation of these foreign currency-denominated transactions will result in increased net revenue. Conversely, our net revenue will decrease when the U.S. dollar strengthens against foreign currencies. We do not believe that we have any material risk due to foreign currency exchange.

#### ***Fair Value of Financial Instruments***

Our financial instruments include cash, accounts receivable, accounts payable, accrued liabilities and accrued professional fees. We believe the fair value of these financial instruments approximate their carrying values due to their short maturities.

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## **Concentration of Credit Risk**

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash and trade accounts receivable.

At September 30, 2010, we had approximately \$7,035 in cash on deposit with a large chartered Canadian bank. At September 30, 2010, \$1,610 of this cash was insured. As part of our cash management process, we perform periodic evaluations of the relative credit standing of this financial institution. We have not experienced any losses in cash balances and do not believe we are exposed to any significant credit risk on our cash.

Accounts receivable consists of royalty income from one source and is not collateralized. We continually monitor the financial condition of our customer to reduce the risk of loss. We routinely assess the financial strength of our source of revenue income and as a consequence, concentration of credit risk is limited. At September 30, 2010, we had \$7,771 in royalties' receivable from this source.

## **Recent Accounting Standards and Pronouncements**

In June 2009, the FASB issued Statement No. 168, *Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles* (ASC 105, *Generally Accepted Accounting Principles*) "ASC 105". ASC 105 will become the single source of authoritative nongovernmental U.S. generally accepted accounting principles ("GAAP"), superseding existing FASB, American Institute of Certified Public Accountants ("AICPA"), Emerging Issues Task Force ("EITF"), and related accounting literature. ASC 105 reorganizes the thousands of GAAP pronouncements into roughly 90 accounting topics and displays them using a consistent structure. Also included is relevant Securities and Exchange Commission guidance organized using the same topical structure in separate sections. ASC 105 was effective for financial statements issued for reporting periods that end after September 15, 2009, which means July 1, 2009 for us. The adoption of the Codification did not have an impact on our financial position or results of operations.

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

GlobeTrac is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

## **Item 4. Controls and Procedures.**

### **Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including John daCosta, GlobeTrac's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Mr. daCosta has evaluated the effectiveness of the design and operation of GlobeTrac's disclosure controls and procedures (as such term is defined in Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934 (the "**Exchange Act**")) as of the end of the period covered by this quarterly report (the "**Evaluation Date**"). Based on such evaluation, Mr. daCosta has concluded that, as of the Evaluation Date, GlobeTrac's disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports GlobeTrac files and submits under the Exchange Act is recorded, processed, summarized and reported as and when required.

### **Changes in Internal Control Over Financial Reporting**

During the quarter of the fiscal year covered by this report, there were no changes in GlobeTrac's internal control over financial reporting or, to GlobeTrac's knowledge, in other factors that have materially affected, or are reasonably likely to materially affect, GlobeTrac's internal control over financial reporting.

## **PART II – OTHER INFORMATION**

### **Item 1. Legal Proceedings.**

GlobeTrac is not a party to any pending legal proceedings and, to the best of GlobeTrac's knowledge, none of GlobeTrac's property or assets are the subject of any pending legal proceedings.



**Item 1A. Risk Factors.**

GlobeTrac is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

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

During the quarter of the fiscal year covered by this report, (i) GlobeTrac did not modify the instruments defining the rights of its shareholders, (ii) no rights of any shareholders were limited or qualified by any other class of securities, and (iii) GlobeTrac did not sell any unregistered equity securities that have not previously been disclosed in a Form 8-K filed with the SEC.

**Item 3. Defaults Upon Senior Securities.**

During the quarter of the fiscal year covered by this report, no material default has occurred with respect to any indebtedness of GlobeTrac. Also, during this quarter, no material arrearage in the payment of dividends has occurred.

**Item 4. Submission of Matters to a Vote of Security Holders.**

No matter was submitted to a vote of security holders through the solicitation of proxies or otherwise, during the quarter of the fiscal year covered by this report.

**Item 5. Other Information.**

During the quarter of the fiscal year covered by this report, GlobeTrac reported all information that was required to be disclosed in a report on Form 8-K.

**Item 6. Exhibits****(a) Index to and Description of Exhibits**

All Exhibits required to be filed with the Form 10-Q are included in this quarterly report or incorporated by reference to GlobeTrac's previous filings with the SEC, which can be found in their entirety at the SEC website at [www.sec.gov](http://www.sec.gov) under SEC File Number 000-33309 and SEC File Number 333-66590.

<b>Exhibit</b>	<b>Description</b>	<b>Status</b>
<b>3.1</b>	Articles of Incorporation filed as an Exhibit to GlobeTrac's registration statement on Form SB-2 filed on August 2, 2001, and incorporated herein by reference.	Filed
<b>3.2</b>	Bylaws filed as an Exhibit to GlobeTrac's registration statement on Form SB-2 filed on August 2, 2001, and incorporated herein by reference.	Filed
<b>3.3</b>	Certificate of Amendment to Articles of Incorporation changing the Issuer's name to GlobeTrac Inc. filed as an exhibit to GlobeTrac's Form 10-KSB filed on April 15, 2003, and incorporated herein by reference.	Filed
<b>3.4</b>	Notification of Dissolution for Globetrac Limited dated March 14, 2007, filed as an exhibit to GlobeTrac's Form 10-KSB filed on April 16, 2007, and incorporated herein by reference.	Filed
<b>10.1</b>	Master Distributorship Agreement dated June 19, 2002 among WebTech Wireless International, WebTech Wireless Inc. and Global Axxess Corporation Limited filed as an attached exhibit to GlobeTrac's Form 8-K (Current Report) filed on September 11, 2002, and incorporated herein by reference.	Filed
<b>10.2</b>	Loan Agreement dated November 27, 2002 between GlobeTrac Inc. and David Patriquin with attached promissory note dated November 27, 2002 filed as an exhibit to GlobeTrac's Form 10-KSB (Annual Report) filed on April 15, 2003, and incorporated herein by reference.	Filed
<b>10.3</b>	Amendment Letter Agreement dated June 4, 2003, between WebTech Wireless International Inc. and Globetrac Limited for the purpose of amending terms of the Master Distributorship Agreement filed as an exhibit to GlobeTrac's Form 10-KSB (Annual Report) filed on April 7, 2004, and incorporated herein by reference.	Filed
<b>10.4</b>	Amendment Letter Agreement dated March 8, 2004 between WebTech Wireless International Inc. and Globetrac Limited for the purpose of amending terms of the Master Distributorship Agreement filed as an exhibit to GlobeTrac's Form 10-KSB (Annual Report) filed on April 7, 2004, and incorporated herein by reference.	Filed
<b>10.5</b>	Letter Agreement dated November 26, 2004 among Global Axxess Corporation Limited, WebTech Wireless International and WebTech Wireless Inc., filed as an exhibit to GlobeTrac's Form 8-K (Current Report) filed on December 22, 2004, and incorporated herein by reference.	Filed
<b>10.6</b>	Termination and Transfer Agreement dated November 1, 2004 among GlobeTrac Inc., Global Axxess Corporation Limited, Globetrac Limited, WebTech Wireless Inc., and WebTech Wireless International, filed as an exhibit to GlobeTrac's Form 8-K (Current Report) filed on November 14, 2005, and incorporated herein by reference.	Filed

<b>14</b>	Code of Ethics filed as an exhibit to GlobeTrac's Form 10-KSB filed on April 15, 2003, and incorporated herein by reference.	Filed
<b>31</b>	Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Included
<b>32</b>	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Included

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## SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, GlobeTrac Inc. has caused this report to be signed on its behalf by the undersigned duly authorized person.

### GLOBETRAC INC.

Date: **November 15, 2010**

By: */s/ John daCosta*

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**John daCosta**  
**CEO, President and CFO**  
**(Principal Executive Officer and Principal**  
**Financial Officer)**

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

GlobeTrac is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

### **Item 4. Controls and Procedures.**

#### **Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including John daCosta, GlobeTrac's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Mr. daCosta has evaluated the effectiveness of the design and operation of GlobeTrac's disclosure controls and procedures (as such term is defined in Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934 (the "**Exchange Act**")) as of the end of the period covered by this quarterly report (the "**Evaluation Date**"). Based on such evaluation, Mr. daCosta has concluded that, as of the Evaluation Date, GlobeTrac's disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports GlobeTrac files and submits under the Exchange Act is recorded, processed, summarized and reported as and when required.

#### **Changes in Internal Control Over Financial Reporting**

During the quarter of the fiscal year covered by this report, there were no changes in GlobeTrac's internal control over financial reporting or, to GlobeTrac's knowledge, in other factors that have materially affected, or are reasonably likely to materially affect, GlobeTrac's internal control over financial reporting.

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During the quarter of the fiscal year covered by this report, (i) GlobeTrac did not modify the instruments defining the rights of its shareholders, (ii) no rights of any shareholders were limited or qualified by any other class of securities, and (iii) GlobeTrac did not sell any unregistered equity securities that have not previously been disclosed in a Form 8-K filed with the SEC.

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No matter was submitted to a vote of security holders through the solicitation of proxies or otherwise, during the quarter of the fiscal year covered by this report.

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During the quarter of the fiscal year covered by this report, GlobeTrac reported all information that was required to be disclosed in a report on Form 8-K.

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## Item 6. Exhibits

### (a) Index to and Description of Exhibits

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## **SIGNATURES**

In accordance with the requirements of the Securities Exchange Act of 1934, GlobeTrac Inc. has caused this report to be signed on its behalf by the undersigned duly authorized person.

### **GLOBETRAC INC.**

Date: **November 15, 2010**

By: */s/ John daCosta*

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**John daCosta**  
**CEO, President and CFO**  
**(Principal Executive Officer and Principal**  
**Financial Officer)**

**GLOBETRAC INC.  
CERTIFICATIONS PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

**CERTIFICATION**

I, John daCosta, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ending September 30, 2010 of GlobeTrac Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 15, 2010

/s/ John daCosta  
Chief Executive Officer

**GLOBETRAC INC.**  
**CERTIFICATIONS PURSUANT TO**  
**SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

**CERTIFICATION**

I, John daCosta, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ending September 30, 2010 of GlobeTrac Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 15, 2010

/s/ John daCosta  
Chief Financial Officer



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of GlobeTrac Inc. (the "Company") on Form 10-Q for the period ending September 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John daCosta, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934;  
and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John daCosta  
Chief Executive Officer  
November 15, 2010

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of GlobeTrac Inc. (the "Company") on Form 10-Q for the period ending September 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John daCosta, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934;  
and
- (2) The information contained in the Report fairly represents, the financial condition and results of operations of the Company.

/s/ John daCosta  
Chief Financial Officer  
November 15, 2010