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

FORM 10-Q/A

(Amendment No. 1)

(Mark One)

[x] **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2015
or
[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period _______ to _______

Commission file number: **001-33660**

CLEARONE, INC.
(Exact name of registrant as specified in its charter)

Utah	**87-0398877**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification number)
5225 Wiley Post Way, Suite 500, Salt Lake City, Utah	**84116**
(Address of principal executive offices)	(Zip Code)

+1 (801) 975-7200
(Registrant's telephone number, including area code)

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

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 [ ] No [x]

See the definition of "large accelerated filer, "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Larger Accelerated Filer [ ]	Accelerated Filer [ ]
Non-Accelerated Filer [ ] (Do not check if a smaller reporting company)	Smaller Reporting Company [x]

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

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares of ClearOne common stock outstanding as of January 8, 2016 was 9,148,596.

EXPLANATORY NOTE

This Amendment No. 1 to ClearOne, Inc.'s (the "Company's") Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2015 (the "Amendment"), as filed with the Securities and Exchange Commission (the "SEC") on August 12, 2015 (the "Original Filing"), is being filed to amend Part I, Item 1 and Part II, Item 6 of the Original Filing following the re-review of the Company's unaudited interim financial information for the quarterly period ended June 30, 2015 (the "Re-review") by its current independent registered public accounting firm, Tanner LLC ("Tanner"). This Amendment is being filed to: (i) update disclosures in Part I, Item 1 with the inclusion of a Report of Independent Registered Public Accounting Firm on this Form 10-Q/A and updates of references to the Form 10-K/A resulting from the review and re-audit by Tanner, respectively; (ii) amend

Part II, Item 6 of the Original Filing to include new certifications, as reflected in Exhibits 31.1, 31.2, 32.1 and 32.2; (iii) to replace the related XBRL files as Exhibit 101 to this Form 10-Q/A which incorporates XBRL references to subsequent events occurring after the Original 10-Q was filed; and (iv) to provide an acknowledgment from Tanner regarding the unaudited interim financial statements, as reflected in Exhibit 15.1. No other changes have been made to the Original Filing, and, except as set forth in Note 11 to the financial statements within the changes described above, this Amendment does not reflect events or transactions occurring after the date of the Original Filing or modify or update those disclosures that may have been affected by events or transactions occurring subsequent to such filing date.

BACKGROUND

As previously disclosed, on October 8, 2015 ClearOne, Inc. (the Company) received notice from its registered public accounting firm, McGladrey LLP ("McGladrey"), that McGladrey resigned effective October 8, 2015. McGladrey's resignation was not due to any reason related to the Company's financial reporting or accounting operations, policies or practices. In its resignation letter, McGladrey stated it had concluded that its independence had been impaired because an associated entity of McGladrey has provided certain prohibited non-audit services under applicable Securities and Exchange Commission rules and related Public Company Accounting Oversight Board professional practice standards to an international subsidiary of the Company.

On October 13, 2015, the Company engaged Tanner LLC (Tanner) to serve as its new independent registered public accounting firm for (a) the audit for the fiscal year ending December 31, 2015; (b) interim reviews for the periods ending September 30, 2015, March 31, 2016, June 30, 2016 and September 30, 2016; and (c) for the (i) re-audit and report of Independent Registered Public Accounting Firm relating to the Company's consolidated financial statements for the year ended December 31, 2014; and (ii) the re-review of the Company's financial statements for the interim periods ended March 31, 2015 and June 30, 2015. The Company’s unaudited interim financial statements for the quarter ended June 30, 2015 that are presented in this amended quarterly report have been prepared in accordance with U.S. Securities and Exchange Commission (“SEC”) rules.

CLEARONE, INC.

QUARTERLY REPORT ON FORM 10-Q/A FOR THE QUARTER ENDED JUNE 30, 2015

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PART I – FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholder
ClearOne, Inc.:

We have reviewed the consolidated balance sheet of ClearOne, Inc. (the Company) as of June 30, 2015, the related consolidated statements of income and comprehensive income and cash flows for the three and six-month periods ended June 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Company's management. We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion. Based on our review, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles. We have audited, in accordance with standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of ClearOne, Inc. as of December 31, 2014, and the related consolidated statements of income and comprehensive income, equity, and cash flows for the year then ended (not presented herein); and in our report dated January 13, 2016 we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2014 and the consolidated statement of equity for the year ended December 31, 2014, is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

/s/ Tanner LLC
Salt Lake City, Utah
January 13, 2016

CLEARONE, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except par value)

ASSETS	June 30, 2015	December 31, 2014
Current assets:		
Cash and cash equivalents	$ 10,873	$ 7,440
Marketable securities	6,385	6,994
Receivables, net of allowance for doubtful accounts of $52 and $58, respectively	8,557	9,916
Inventories	14,340	12,766
Distributor channel inventories	1,629	1,698
Deferred income taxes	3,824	3,824
Prepaid expenses and other assets	2,545	2,143
Total current assets	48,153	44,781
Long-term marketable securities	18,756	19,162
Long-term inventories, net	680	876
Property and equipment, net	1,811	2,039
Intangibles, net	7,267	7,896
Goodwill	12,724	12,724
Deferred income taxes	1,278	1,265
Other assets	114	117
Total assets	$ 90,783	$ 88,860
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 3,033	$ 3,057
Accrued liabilities	2,908	2,694
Deferred product revenue	4,744	5,004
Total current liabilities	10,685	10,755
Deferred rent	196	248
Other long-term liabilities	1,237	1,841
Total liabilities	12,118	12,844
Shareholders' equity:		
Common stock, par value $0.001, 50,000,000 shares authorized, 9,128,053 and 9,097,827 shares issued and outstanding	9	9
Additional paid-in capital	45,513	44,939
Accumulated other comprehensive (loss)	(81)	(8)
Retained earnings	33,224	31,076
Total shareholders' equity	78,665	76,016
Total liabilities and shareholders' equity	$ 90,783	$ 88,860

See accompanying notes

CLEARONE, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Dollars in thousands, except per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2015	**2014**	**2015**	**2014**
Revenue	$ 14,013	$ 14,111	$ 27,600	$ 26,819
Cost of goods sold	5,022	6,047	10,147	11,053
Gross profit	8,991	8,064	17,453	15,766
Operating expenses:				
Sales and marketing	2,753	2,976	5,375	5,713
Research and product development	2,054	2,330	3,996	4,571
General and administrative	1,891	1,712	3,890	3,680
Total operating expenses	6,698	7,018	13,261	13,964
Operating income	2,293	1,046	4,192	1,802
Other income, net	85	64	190	145
Income before income taxes	2,378	1,110	4,382	1,947
Provision for income taxes	863	228	1,595	578
Net income	$ 1,515	$ 882	$ 2,787	$ 1,369
Basic earnings per common share	$ 0.17	$ 0.10	$ 0.31	$ 0.15
Diluted earnings per common share	$ 0.16	$ 0.09	$ 0.29	$ 0.14
Basic weighted average shares outstanding	9,119,907	9,266,071	9,110,062	9,174,816
Diluted weighted average shares outstanding	9,603,682	9,677,726	9,560,914	9,618,172
Comprehensive income:				
Net income	$ 1,515	$ 882	$ 2,787	$ 1,369
Other comprehensive income:				
Change in unrealized gains (losses) on available-for-sale securities, net of tax	(77)	65	(23)	138
Change in foreign currency translation adjustment	129	—	(50)	—
Comprehensive income	$ 1,567	$ 947	$ 2,714	$ 1,507

See accompanying notes

CLEARONE, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	Six months ended June 30,	
	2015	**2014**
Cash flows from operating activities:		
Net income	$ 2,787	$ 1,369
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization expense	1,033	870
Amortization of deferred rent	(47)	(46)
Stock-based compensation expense	455	168
Provision for (recoveries of) doubtful accounts, net	(6)	11
Write-down of inventory to net realizable value	130	424
Loss on disposal of assets	—	2
Tax benefit from exercise of stock options	(29)	(90)
Deferred income taxes	(13)	(333)
Changes in operating assets and liabilities:		
Receivables	1,319	(555)
Inventories	(1,439)	(749)
Prepaid expenses and other assets	(377)	739
Accounts payable	(19)	(570)
Accrued liabilities	(1,072)	441
Income taxes payable	969	(34)
Deferred product revenue	(222)	1,086
Other long-term liabilities	(604)	87
Net cash provided by operating activities	2,865	2,820
Cash flows from investing activities:		
Payment towards business acquisitions	—	(13,078)
Purchase of property and equipment	(182)	(371)
Purchase of intangibles	—	(90)
Proceeds from maturities and sales of marketable securities	4,197	—
Purchases of marketable securities	(3,204)	(311)
Net cash provided by (used in) investing activities	811	(13,850)
Cash flows from financing activities:		
Net proceeds from equity-based compensation programs	90	1,265
Tax benefits from equity-based compensation programs	29	90
Stock registration costs	—	(55)
Dividends paid	(319)	—
Payments for stock repurchases	—	(1,169)
Net cash provided by (used in) financing activities	(200)	131
Effect of exchange rate changes on cash and cash equivalents	(43)	—
Net increase (decrease) in cash and cash equivalents	3,433	(10,899)
Cash and cash equivalents at the beginning of the period	7,440	17,192
Cash and cash equivalents at the end of the period	$ 10,873	$ 6,293

See accompanying notes

CLEARONE, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

The following is a summary of supplemental cash flow activities:

	Six months ended June 30,	
	2015	**2014**
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ 2,280	$ 657
Issuance of common stock in connection with acquisition of business	—	1,679

See accompanying notes

1. Business Description, Basis of Presentation and Significant Accounting Policies

Business Description:

ClearOne, Inc. and its subsidiaries (collectively, "ClearOne" or the "Company") are a global company that designs, develops and sells conferencing, collaboration, streaming and digital signage solutions for audio and visual communications. The performance and simplicity of its advanced comprehensive solutions offer unprecedented levels of functionality, reliability and scalability.

Basis of Presentation:

The fiscal year for ClearOne is the 12 months ending on December 31st. The consolidated financial statements include the accounts of ClearOne and its subsidiaries. All significant inter-company accounts and transactions have been eliminated.

These accompanying interim condensed consolidated financial statements for the three and six months ended June 30, 2015 and 2014, respectively, have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and are not audited. Certain information and footnote disclosures that are usually included in financial statements prepared in accordance with generally accepted accounting principles in the United States ("GAAP") have been either condensed or omitted in accordance with SEC rules and regulations. The accompanying consolidated financial statements contain all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of our financial position as of June 30, 2015 and December 31, 2014, the results of operations for the three and six months ended June 30, 2015 and 2014, and the cash flows for the six months ended June 30, 2015 and 2014. The results of operations for the three and six months ended June 30, 2015 and 2014 are not necessarily indicative of the results for a full-year period. These interim condensed consolidated financial statements should be read in conjunction with the financial statements included in our Annual Report on Form 10-K/A for the year ended December 31, 2014 filed with the SEC on January 13, 2016.

Significant Accounting Policies:

The significant accounting policies were described in Note 1 to the audited consolidated financial statements included in the Company's annual report on Form 10-K/A for the year ended December 31, 2014 filed with the SEC on January 13, 2016. There have been no changes to these policies during the six months ended June 30, 2015 that are of significance or potential significance to the Company.

Recent Accounting Pronouncements:

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. Early adoption is not permitted. The updated standard becomes effective for the Company on January 1, 2017. The Company has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

(Dollars in thousands)

2. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per common share:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Numerator:				
Net income	$ 1,515	$ 882	$ 2,787	$ 1,369
Denominator:				
Basic weighted average shares outstanding	9,119,907	9,266,071	9,110,062	9,174,816
Dilutive common stock equivalents using treasury stock method	483,775	411,655	450,852	443,356
Diluted weighted average shares outstanding	9,603,682	9,677,726	9,560,914	9,618,172
Basic earnings per common share	$ 0.17	$ 0.10	$ 0.31	$ 0.15
Diluted earnings per common share	$ 0.16	$ 0.09	$ 0.29	$ 0.14
Weighted average options outstanding	1,037,978	900,512	1,037,560	971,963
Anti-dilutive options not included in the computations	74,209	145,459	171,459	130,730

3. Business Combination

Acquisition of Sabine

On March 7, 2014, the Company completed the acquisition of Sabine, Inc. ("Sabine") through a stock purchase agreement ("SPA"). Through the acquisition, the Company now manufactures, designs and sells professional wireless microphone systems for live and installed audio under the Sacom and ClearOne brand. It also makes an FBX Feedback Exterminator for reliable automatic feedback control. With the addition of Sabine, the Company now has reliable and exclusive access to the supply of wireless microphones that are a critical component of its complete microphone portfolio.

Pursuant to the SPA, the Company (i) paid initial consideration of $8,141 in cash, (ii) accrued for possible additional earn-out payments over the next two years, estimated to be $657, and (iii) issued 150,000 shares of restricted common stock of the Company, valued at $1,679 (determined on the basis of the closing market price of the Company's stock on the acquisition date). The purchase price was paid out of cash on hand. The SPA contains representations, warranties and indemnifications customary for a transaction of this type.

The following table summarizes the consideration paid for the acquisition:

	Consideration
Cash	$ 8,141
Common stock	1,679
Contingent consideration	657
Total	$ 10,477

The fair values of Sabine assets acquired and liabilities assumed are based on the information that was available during the measurement period of twelve months from the date of acquisition. The fair value of identified assets and liabilities acquired and goodwill is as follows:

(Dollars in thousands)

	Fair value
Cash	$ 125
Accounts receivable	255
Inventories	844
Prepaid and other	105
Intangibles	3,970
Property, plant and equipment	292
Other long-term assets	11
Goodwill	5,510
Deferred tax asset	245
Trade accounts payable	(420)
Accrued liabilities	(405)
Stock registration costs	(55)
Total	$ 10,477

The goodwill of $5,510 related to the acquisition of Sabine is composed of expected synergies in utilizing Sabine technology in ClearOne product offerings, reduction in future combined research and development expenses, and intangible assets including acquired workforce that do not qualify for separate recognition. The goodwill balance of $5,510 related to the acquisition of Sabine is expected to be deductible for tax purposes.

Supplemental Pro Forma Information:

1) Revenue and net loss from the Sabine business from March 8, 2014 to June 30, 2014 were $84 and $163 respectively.
2) Revenue and earnings of the combined entity as though the business combination occurred as of January 1, 2014 were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Revenue	$ 14,013	$ 14,111	$ 27,600	$ 27,088
Earnings	1,515	934	2,787	1,184
Basic earnings per common share	$ 0.17	$ 0.10	$ 0.31	$ 0.13
Diluted earnings per common share	$ 0.16	$ 0.10	$ 0.29	$ 0.12

3) There were no material, nonrecurring pro forma adjustments directly attributable to the acquisition included in this Supplemental Pro Forma Information.

Acquisition of Spontania Business of Spain-based Dialcom Networks, S.L.

On April 1, 2014 ClearOne, Inc. closed on the acquisition of the Spontania business of Spain-based Dialcom Networks, S.L. The Spontania cloud-based service empowers customers to deploy HD video conferencing, web collaboration, and more with equipment most businesses have and use every day - video-conferencing endpoints, desktops, laptops, web browsers, tablets, and smartphones. With Spontania there is no hardware investment and the service operates off of a reservation-less model, enabling on-demand video communications from virtually anywhere, anytime, with anyone on any device.

The aggregate purchase price under the terms of the transaction was approximately €3.66 million in cash (approximately US$5.1 million), after certain closing adjustments. ClearOne did not assume any debt or cash. The cash purchase price was paid out of cash on hand. The addition of this technology was an integral part of the company’s strategy to build an all-inclusive video collaboration portfolio.

(Dollars in thousands)

The fair value of identified assets and liabilities acquired from the Spontania acquisition was as follows:

	Fair value
Intangibles	$ 1,335
Property and equipment	47
Goodwill	3,741
Accrued liabilities	(71)
Total	$ 5,052

The goodwill of $3,741 relates to the acquisition of Spontania cloud-based technology and intangible assets including acquired workforce that does not qualify for separate recognition. The goodwill of $3,741 from the Spontania acquisition is expected to be deductible for tax purposes.

Supplemental Pro Forma Information:

Revenue and earnings of the combined entity as though the business combination occurred as of January 1, 2014 is not available. The Spontania business was part of a business unit of Dialcom Networks, S.L., and thus separate stand-alone financial information for Spontania is not available.

Acquisition Expenses:

During the six months ended June 30, 2015 and the six months ended June 30, 2014, the company incurred $133 and $437 in total acquisition related expenses for the Sabine and Spontania acquisitions, all of which are categorized under general and administrative expenses in the respective Consolidated Statement of Operations.

***Retroactive Restatement**:*

Following the completion of the valuation process for the acquisition of Sabine we reported intangible amortization to reflect the final adjusted values on Form 10-K, as amended, for the year ended December 31, 2014. For the quarter and six months ended June 30, 2015 we reported amortization based on the final valuation of intangible items. For the comparative quarter and six months ended June 30, 2014 we have restated net income to reflect the inclusion of the revised amortization applicable to those periods. Net income changed from $934 and $1,424 originally reported for the three and six months ended June 30, 2014 to $882 and $1,369. The reported retained earnings balance of $29,247 at June 30, 2014 under the restatement would be $29,158. The restatement resulted in changes in basic and diluted earnings per share for the three months ended June 30, 2014 from $0.10 and $0.10 to $0.10 and $0.09, respectively. The restatement did not result in a reportable change to earnings per share for the six months ended June 30, 2014.

4. Marketable Securities

The Company has classified its marketable securities as available-for-sale securities. These securities are carried at estimated fair value with unrealized holding gains and losses included in accumulated other comprehensive income/loss in stockholders' equity until realized. Gains and losses on marketable security transactions are reported on the specific-identification method. Dividend and interest income are recognized when earned.

The amortized cost, gross unrealized holding gains, gross unrealized holding losses, and fair value for available-for-sale securities by major security type and class of security at June 30, 2015 and December 31, 2014 were as follows:

	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Estimated fair value
June 30, 2015				
Available-for-sale securities:				
Corporate bonds and notes	$ 18,966	$ 92	$ (90)	$ 18,968
Municipal bonds	6,152	23	(2)	6,173
Total available-for-sale securities	$ 25,118	$ 115	$ (92)	$ 25,141

	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Estimated fair value
December 31, 2014				
Available-for-sale securities:				
Corporate bonds and notes	$ 19,804	$ 89	$ (55)	$ 19,838
Municipal bonds	6,292	28	(2)	6,318
Total available-for-sale securities	$ 26,096	$ 117	$ (57)	$ 26,156

Maturities of marketable securities classified as available-for-sale securities were as follows at June 30, 2015:

	Amortized cost	Estimated fair value
June 30, 2015		
Due within one year	$ 6,410	$ 6,384
Due after one year through five years	18,350	18,399
Due after five years through ten years	358	358
Total available-for-sale securities	$ 25,118	$ 25,141

Debt securities in an unrealized loss position as of June 30, 2015 were not deemed impaired at acquisition and subsequent declines in fair value are not deemed attributed to declines in credit quality. Management believes that it is more likely than not that the securities will receive a full recovery of par value. The available-for-sale marketable securities in a gross unrealized loss position as of June 30, 2015 are summarized as follows:

	Less than 12 months		More than 12 months		Total	
(In thousands)	Estimated fair value	Gross unrealized holding losses	Estimated fair value	Gross unrealized holding losses	Estimated fair value	Gross unrealized holding losses
As of June 30, 2015						
Corporate bonds and notes	$ 7,443	$ (72)	$ 398	$ (18)	$ 7,841	$ (90)
Municipal bonds	743	(1)	230	(1)	973	(2)
	$ 8,186	$ (73)	$ 628	$ (19)	$ 8,814	$ (92)

(Dollars in thousands)

5. Intangible Assets

Intangible assets as of June 30, 2015 and December 31, 2014 consisted of the following:

	Estimated useful lives	June 30, 2015	December 31, 2014
Tradename	5 to 7 years	$ 555	$ 555
Patents and technological know-how	10 years	5,850	5,850
Proprietary software	3 to 15 years	4,341	4,341
Other	5 years	324	324
		11,070	11,070
Accumulated amortization		(3,803)	(3,174)
		$ 7,267	$ 7,896

The amortization of intangible assets for the three and six months ended June 30, 2015 and June 30, 2014 was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Amortization of intangible assets	$ 315	$ 352	$ 629	$ 521

The estimated future amortization expense of intangible assets is as follows:

Years ending December 31,	
2015 (remainder)	$ 629
2016	1,121
2017	925
2018	851
2019	778
Thereafter	2,963
	$ 7,267

6. Inventories

Inventories, net of reserves, as of June 30, 2015 and December 31, 2014 consisted of the following:

	June 30, 2015	December 31, 2014
Current:		
Raw materials	$ 3,237	$ 3,056
Finished goods	12,732	11,408
	$ 15,969	$ 14,464
Long-term:		
Raw materials	$ 59	$ 59
Finished goods	621	817
	$ 680	$ 876

(Dollars in thousands)

Long-term inventory represents inventory held in excess of our current (next 12 months) requirements based on our recent sales and forecasted level of sales. We expect to sell the above inventory, net of reserves, at or above the stated cost and believe that no loss will be incurred on its sale.

Current finished goods include consigned inventory in the amounts of approximately $1,629 and $1,698 as of June 30, 2015 and December 31, 2014, respectively. Consigned inventory represents inventory at distributors and other customers where revenue recognition criteria have not yet been achieved.

The following table summarizes the losses incurred on valuation of inventory at lower of cost or market value and write-off of obsolete inventory during the three and six months ended June 30, 2015 and 2014, respectively.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Net loss on valuation of inventory and write-off of obsolete inventory	$ 83	$ 9	$ 130	$ 424

7. Share-based Compensation

Share-based compensation expense has been recorded as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Cost of goods sold	$ 5	$ 2	$ 11	$ 4
Sales and marketing	39	20	79	40
Research and product development	33	10	66	21
General and administrative	140	52	299	103
	$ 217	$ 84	$ 455	$ 168

As of June 30, 2015, the total remaining unrecognized compensation cost related to non-vested stock options, net of forfeitures, was approximately $1,144, which will be recognized over a weighted average period of 2.47 years.

8. Shareholders' Equity

The following table summarizes the change in shareholders' equity during the three and six months ended June 30, 2015 and 2014, respectively:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Balance at the beginning of the period	$ 77,109	$ 73,764	$ 76,016	$ 70,335
Net income during the period	1,515	882	2,787	1,369
Treasury stock purchased	—	(1,169)	—	(1,169)
Share-based compensation	217	84	455	168
Tax benefit - stock option exercise	22	5	29	90
Exercise of stock options	70	244	90	1,265
Dividends	(320)	—	(639)	—
Stock issued for acquisitions	—	—	—	1,679
Unrealized gain or loss on investments, net of tax	(77)	65	(22)	138
Foreign currency translation adjustment	129	—	(51)	—
Balance at end of the period	$ 78,665	$ 73,875	$ 78,665	$ 73,875

On July 16, 2015, the Company announced a quarterly cash dividend of $0.035 per share to be paid on August 10, 2015 to shareholders of record as of July 27, 2015.

(Dollars in thousands)

9. Fair Value Measurements

The fair value of the Company's financial instruments reflects the amounts that the Company estimates it will receive in connection with the sale of an asset or pay in connection with the transfer of a liability in an orderly transaction between market participants at the measurement date (exit price). The fair value hierarchy prioritizes the use of inputs used in valuation techniques into the following three levels:

Level 1 - Quoted prices in active markets for identical assets and liabilities.

Level 2 - Observable inputs other than quoted prices in active markets for identical assets and liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. This category generally includes U.S. Government and agency securities; municipal securities; mutual funds and securities sold and not yet settled.

Level 3 - Unobservable inputs.

The substantial majority of the Company's financial instruments are valued using quoted prices in markets that are not active or based on other observable inputs. The following table sets forth the fair value of the financial instruments re-measured by the Company as of June 30, 2015 and December 31, 2014:

	Level 1	Level 2	Level 3	Total
June 30, 2015				
Corporate bonds and notes	$ —	$ 18,968	$ —	$ 18,968
Municipal bonds	—	6,173	—	6,173
Total	$ —	$ 25,141	$ —	$ 25,141

	Level 1	Level 2	Level 3	Total
December 31, 2014				
Corporate bonds and notes	$ —	$ 19,838	$ —	$ 19,838
Municipal bonds	—	6,318	—	6,318
Total	$ —	$ 26,156	$ —	$ 26,156

10. Income Taxes

The Company's forecasted effective tax rate at June 30, 2015 is 36.0%, a 4.0% increase from the 32.0% effective tax rate recorded at December 31, 2014. The forecasted effective tax rate of 36.0% excludes jurisdictions for which no benefit from forecasted current year losses is anticipated. Including losses from such jurisdictions results in a forecasted effective tax rate of 36.6%. Our forecasted effective tax rate could fluctuate significantly on a quarterly basis and could change, to the extent that earnings in countries with tax rates that differ from that of the U.S. differ, from amounts anticipated at June 30, 2015.

After discrete tax benefit of $8, the effective tax rate for the quarter ended June 30, 2015 is 36.4%. The discrete tax benefit is primarily attributable to tax benefits of share-based compensation.

11. Subsequent Events

On July 16, 2015, the company announced a quarterly cash dividend of $0.035 per share to be paid on August 10, 2015 to shareholders of record as of July 27, 2015.

On October 8, 2015, the company received notice from its registered public accounting firm, McGladrey LLP (McGladrey), that McGladrey resigned effective October 8, 2015. A full description the disclosures surrounding the resignation can be found in the related Form 8-K filed on October 14, 2015.

On October 13, 2015, the company engaged Tanner LLC (Tanner) to serve as its new independent registered public accounting firm for (a) the audit for the fiscal year ending December 31, 2015; (b) interim reviews for the periods ending September 30, 2015, March 31, 2016, June 30, 2016 and September 30, 2016; and (c) for the (i) re-audit and report of Independent Registered Public Accounting Firm relating to the Company's consolidated financial statements for the year ended December 31, 2014; and (ii) the re-review of the Company's financial statements for the interim periods ended March 31, 2015 and June 30, 2015. A full description the disclosures surrounding the appointment can be found in the related Form 8-K filed on October 14, 2015.

On November 12, 2015, the company announced a quarterly cash dividend of $0.050 per share to be paid on December 21, 2015 to shareholders of record as of December 4, 2015.

On November 24, 2015, the company”) received a letter from NASDAQ Stock Market stating that the Company no longer complies with NASDAQ Listing Rule 5250(c)(1) as a result of its former auditor McGladrey LLP’s resignation and withdrawal of its audit report on the Company’s financial statements for the year ended December 31, 2014 solely as a result of its determination that it was not independent of the Company for such period and subsequent interim periods and the Company’s delay in filing its Form 10-Q for the period ended September 30, 2015. A full description the disclosures surrounding the receipt of the letter can be found in the related Form 8-K filed on December 1, 2015.

PART II - OTHER INFORMATION

Item 6. EXHIBITS

Exhibit No.	Title of Document
15.1	Letter from Tanner Regarding Unaudited Interim Financial Information
31.1	Section 302 Certification of Chief Executive Officer (filed herewith)
31.2	Section 302 Certification of Principal Financial Officer (filed herewith)
32.1	Section 906 Certification of Chief Executive Officer (filed herewith)
32.2	Section 906 Certification of Principal Financial Officer (filed herewith)
101.INS	XBRL Instance Document (filed herewith)
101.SCH	XBRL Taxonomy Extension Schema (filed herewith)
101.CAL	XBRL Taxonomy Extension Calculation Linkbase (filed herewith)
101.DEF	XBRL Taxonomy Extension Definitions Linkbase (filed herewith)
101.LAB	XBRL Taxonomy Extension Label Linkbase (filed herewith)
101.PRE	XBRL Taxonomy Extension Presentation Linkbase (filed herewith)

CLEARONE, INC.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		ClearOne, Inc., (Registrant)
January 13, 2016	By:	/s/ Zeynep Hakimoglu
		Zeynep Hakimoglu Chief Executive Officer *(Principal Executive Officer)*
January 13, 2016	By:	/s/ Narsi Narayanan
		Narsi Narayanan Senior Vice President of Finance *(Principal Financial and Accounting Officer)*

EXHIBIT 15.1

January 13, 2016

ClearOne, Inc.
5225 Wiley Post Way, Suite 500
Salt Lake City, Utah 84116

Re: Registration Statements (Nos. 333-205356, 333-148789 and 333-137859) on Form S-8 and Registration Statement (No. 333-195591) on Form S-3.

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated January 13, 2016 related to our reviews of interim financial information. Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/ Tanner LLC

Salt Lake City, UT
January 13, 2016

EXHIBIT 31.1

CERTIFICATION

I, Zeynep Hakimoglu, certify that:

1. I have reviewed this quarterly report of ClearOne, Inc. on Form 10-Q/A;
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 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.
5. The registrant's other certifying officer 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.

January 13, 2016 By: /s/ Zeynep Hakimoglu

Zeynep Hakimoglu
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Narsi Narayanan, certify that:

1. I have reviewed this quarterly report of ClearOne, Inc. on Form 10-Q/A;
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 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.
5. The registrant's other certifying officer 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.

January 13, 2016

By: /s/ Narsi Narayanan

Narsi Narayanan
Senior Vice President of Finance
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350,
As adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Zeynep Hakimoglu, certify, to my best knowledge and belief, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of ClearOne, Inc. on Form 10-Q/A for the quarter ended June 30, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q/A fairly presents, in all material respects, the financial condition and results of operations of ClearOne, Inc.

January 13, 2016	By:	/s/ Zeynep Hakimoglu
		Zeynep Hakimoglu Chief Executive Officer *(Principal Executive Officer)*

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350,
As adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Narsi Narayanan, certify, to my best knowledge and belief, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of ClearOne, Inc. on Form 10-Q/A for the quarter ended June 30, 2015, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q/A fairly presents, in all material respects, the financial condition and results of operations of ClearOne, Inc.

January 13, 2016	By:	/s/ Narsi Narayanan
		Narsi Narayanan Senior Vice President of Finance *(Principal Financial and Accounting Officer)*