ACQUIRED SALES CORP
Form 10-K
December 20, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Year Ended September 30, 2010
File Number: 000-51230

ACQUIRED SALES CORP.
(Exact name of registrant as specified in its charter)

Nevada (State of jurisdiction of Incorporation)	87-0479286 (I.R.S. Employer Identification No.)
31 N. Suffolk Lane, Lake Forest, Illinois (Address of principal executive offices)	60045 (Zip Code)

(847) 404-1964
(Registrants telephone number, including area code)

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, $0.001 par value per share

(Title of Class)

Indicate by check mark if the Registrant is a well known seasoned issuer, as defined by Rule 405 of the Securities Act. Yes o No x

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

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

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Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, interactive Data File required to be submitted and posted pursuant to Rule 405 of Item 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 o No x

Indicate by check mark if disclosure of delinquent filers pursuant to Rule 405 of Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes o No x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated file. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	o	Accelerated filer	o
Non-accelerated filer (Do not check if a smaller reporting company)	o	Smaller reporting company	x

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

The issuer had no revenues for the year ended September 30, 2010.

Aggregate market value of the voting stock held by non-affiliates computed by reference to the closing price at which the common stock sold on the Pink Sheets on December 16, 2010 was $406,598. The voting stock held by non-affiliates on that date consisted of 4,065,985 shares of common stock.

Number of shares outstanding of each of the issuer's class of common stock as of December 16, 2010:
Common Stock: 5,832,482
Preferred Stock: 0

- We are a development stage company with no operating history and, accordingly, you will have no basis upon which to evaluate our ability to achieve our business objectives. We have entered into a new development stage and have not generated any revenue during this time. Therefore, our ability to begin new operations is dependent upon raising money and acquiring an operating company. Because we do not have an operating history, you will have no basis upon which to evaluate our ability to achieve our business objectives, which are to raise money and acquire one or more domestic and/or foreign operating businesses, possibly in the software or manufactured housing communities industry. We will not generate any revenues until, at the earliest, if at all, after the consummation of a business combination. We cannot assure you that we can raise the money needed to consummate a business combination. We cannot assure you as to when, or if, a business combination will occur. If we are unable to successfully achieve our business objectives, our company and our stock price would be negatively impacted.

- Achieving our business objectives may present conflicts of interest for our current directors and officers. If our current directors and officers choose to remain with us after raising money and a business combination, then they will be negotiating the terms of the money raising and the business combination, as well as the terms upon which they will continue to serve as our directors and officers. As such, our current directors and officers may have a conflict of interest in negotiating the terms of any money raising and business combination and, at the same time, negotiating the terms upon which they will continue to serve as our directors and officers. This could have a negative impact on our company and our stock price.

  - Some or all of our current directors and officers may resign in conjunction with bringing in new management of our company, or upon raising money, or upon consummation of a business combination. We cannot make any assurances regarding the future roles of our current directors and officers. We have no employment agreements with any of our existing management. Some or all of our current directors and officers may resign in conjunction with bringing in new management of our company, or upon raising money, or upon consummation of a business combination. This could have a negative impact on our company and our stock price.

- Attracting new directors and officers may be expensive, and may require that we enter into long term employment agreements, issue stock options, and otherwise incentivize the new directors and officers. We may need to attract new directors and officers in order to achieve our business objectives, which are to raise money and acquire one or more domestic and/ or foreign operating businesses, possibly in the technology sector. Attracting new directors and officers may be expensive, and may require that we enter into long term employment agreements, issue stock options, and otherwise incentivize the new directors and officers. This could have a negative impact on our company and our stock price.

- We will have only a limited ability to evaluate potential new directors and officers, and the management of target businesses. We may make a determination that our current directors and officers should not remain, or should reduce their roles, following money raising or a business combination, based on an assessment of the experience and skill sets of new directors and officers and the management of target businesses. We cannot assure you that our assessment of these individuals will prove to be correct. This could have a negative impact on our company and our stock price.

- Our chief executive officer has significant influence over us. The Roberti Jacobs Family Trust irrevocably conveyed all of its voting power to Gerard M. Jacobs, our chief executive officer and chairman of our board of directors. In addition, Mr. Jacobs entered into irrevocable proxy agreements with stockholders owning an aggregate of 2,900,000 shares of our outstanding common stock. As a result of these agreements, Mr. Jacobs has voting control over 4,066,497 or 69.7% of our outstanding common stock. Consequently, Mr. Jacobs exerts significant influence over us through his ability to influence the election of directors and all other matters that require action by our stockholders. The voting power of Mr. Jacobs could have the effect of preventing or delaying a change in control of our company which he opposes even if our other stockholders believe it is in their best interests. In addition, Mr. Jacobs has the ability to influence our day-to-day operations.

- Our directors and officers allocate their time to other businesses, thereby causing conflicts of interest in their determination as to how much time to devote to our affairs. This could have a negative impact on our ability to consummate money raising or a business combination. Our directors and officers are not required to, and do not, commit their full time to our affairs, thereby causing conflicts of interest in allocating their time between our operations and the operations of other businesses. We do not intend to have any full-time employees prior to the consummation of a money raising or a business combination. Each of our directors and officers is engaged in several other business endeavors and is not obligated to contribute any specific number of hours per day or per week to our affairs. This situation limits our current directors' and officers' ability to devote time to our affairs and could have a negative impact on our ability to raise money or consummate a business combination. This could have a negative impact on our company and our stock price.

- We may engage in a business combination with one or more target businesses that have relationships with entities that may be affiliated with our officers and directors, which may raise potential conflicts of interest. We may decide to acquire one or more businesses affiliated with our officers and directors. Even if our board of directors independently determines that the target business or businesses have sufficient fair market value, potential conflicts of interest may still exist and, as a result, the terms of the business combination may not be as advantageous to our public stockholders as it might have been absent any conflicts of interest. This could have a negative impact on our company and our stock price.

- We may have insufficient resources to cover our operating expenses and the expenses of raising money and consummating a business combination. We have limited cash to cover our operating expenses for the next 24 months and to cover the expenses incurred in connection with money raising and a business combination. It is possible that we could incur substantial costs in connection with money raising or a business combination. If we do not have sufficient proceeds available to cover our expenses, we may be forced to obtain additional financing, either from our management or third parties. We may not be able to obtain additional financing on acceptable terms, if at all, and neither our management nor any third party is obligated to provide any financing. This could have a negative impact on our company and our stock price.

- The nature of our proposed operations is speculative and the success of our proposed plan of operation will depend to a great extent on the operations, financial condition and management of the companies with which we may merge or which we acquire. While management intends to seek a merger or acquisition of privately held entities with established operating histories, there can be no assurance that we will be successful in locating an acquisition candidate meeting such criteria. In the event we complete a merger or acquisition transaction, of which there can be no assurance, our success if any will be dependent upon the operations, financial condition and management of the acquired company, and upon numerous other factors beyond our control. If the operations, financial condition or management of the acquired company were to be disrupted or otherwise negatively impacted following an acquisition, our company and our stock price would be negatively impacted.

- We cannot assess specific business risks because we have not identified all business opportunities in which we may attempt to obtain an interest. Due to the fact that we have not identified all potential target businesses for acquisition nor are we bound to make any specific acquisitions, we cannot describe the specific risks presented by such businesses. Among other risks, such target business may involve an unproven product, technology or marketing strategy, the ultimate success of which cannot be assured. The target business may be in competition with larger, more established firms which may have many competitive advantages over the target business. Our investment in a target business may be highly risky and illiquid, and could result in a total loss to us if the acquired business is unsuccessful. In that case, our company and our stock price would be negatively impacted. Please refer to the Form 8-K filed subsequent to the 12-month period ended September 30, 2010 on November 5, 2010 regarding our potential acquisition of Cogility Software Corp.

- We will be dependent on outside advisors to assist us. In order to supplement the business experience of management, we may employ accountants, technical experts, appraisers, attorneys or other consultants or advisors. The selection of any such advisors will be made by management and without any control from shareholders. Additionally, it is anticipated that such persons may be engaged by us on an independent basis without a continuing fiduciary or other obligation to us.

- We may be unable to protect or enforce the intellectual property rights of any target business that we acquire or the target business may become subject to claims of intellectual property infringement. After completing a business combination, the procurement and protection of trademarks, copyrights, patents, domain names, and trade secrets may be critical to our success. We will likely rely on a combination of copyright, trademark, trade secret laws and contractual restrictions to protect any proprietary technology and rights that we may acquire. Despite our efforts to protect those proprietary technology and rights, we may not be able to prevent misappropriation of those proprietary rights or deter independent development of technologies that compete with the business we acquire. Litigation may be necessary in the future to enforce our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others. It is also possible that third parties may claim we have infringed their patent, trademark, copyright or other proprietary rights. Claims or litigation, with or without merit, could result in substantial costs and diversions of resources, either of which could have an adverse effect on our competitive position and business. Further, depending on the target business or businesses that we acquire, it is likely that we will have to protect trademarks, patents, and domain names in an increasing number of jurisdictions, a process that is expensive and may not be successful in every location. These factors could negatively impact our company and our stock price.

- Our limited funds and the lack of full-time management will likely make it impracticable to conduct a complete and exhaustive investigation and analysis of a business opportunity. Our management's decision to commit our capital or other resources to an acquisition will likely be made without detailed feasibility studies, independent analysis, market surveys, etc. We will be particularly dependent in making decisions upon information provided by the promoter, owner, sponsor, or others associated with the business opportunity seeking our participation. There are numerous individuals, publicly held companies, and privately held companies seeking merger and acquisition prospects. There is significant competition among such groups for attractive merger and acquisition prospects. However, the number of suitable and attractive prospects is limited and we may find a scarcity of suitable companies with audited financial statements seeking merger partners.

- If we are deemed to be an investment company, we may be required to institute burdensome compliance requirements and our activities may be restricted, which may make it difficult for us to complete a business combination. Although we will be subject to regulation under the Securities Act and the Exchange Act, management believes we will not be subject to regulation under the Investment Company Act insofar as we will not be engaged in the business of investing or trading in securities. In the event we engage in business combinations which result in us holding passive investment interests in a number of entities, we could be subject to regulation under the Investment Company Act. In such event, we will be required to register as an investment company and could be expected to incur significant registration and compliance costs. We have obtained no formal determination from the SEC as to our status under the Investment Company Act, and consequently, any violation of such Act will subject us to material adverse consequences.

- There is a lack of meaningful public market for our securities. Although our common stock is available for trading on the Pink Sheets, at present no active market exists for our common stock and there is no assurance that a regular trading market will develop and if developed, that it will be sustained. A purchaser of stock may, therefore, be unable to resell our common stock should he or she desire to do so. Furthermore, it is unlikely that a lending institution will accept our common stock as pledged collateral for loans.

- Our acquisitions of businesses may be extremely risky and we could lose all or part of our investments. We may invest in technology businesses or other risky industries. An investment in these companies may be extremely risky because, among other things, the companies we are likely to focus on:

- typically have limited operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;

- tend to be privately-owned and generally have little publicly available information and, as a result, we may not learn all of the material information we need to know regarding these businesses;

- are more likely to depend on the management talents and efforts of a small group of people; and, as a result, the death, disability, resignation or termination of one or more of these people could have an adverse impact on the operations of any business that we may acquire;

- may have less predicable operating results;

- may from time to time be parties to litigation;

- may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence; and

- may require substantial additional capital to support their operations, finance expansion or maintain their competitive position.

- We must pay expenses on behalf of our officers and directors and indemnify them for wrongdoing. Our Bylaws specifically limit the liability of our officers and directors to the fullest extent permitted by law. As a result, aggrieved parties may have a more limited right to action than they would have had if such provisions were not present. The Bylaws also provide for indemnification of our officers and directors for any losses or liabilities they may incur as a result of the manner in which they operated our business or conducted internal affairs, provided that in connection with these activities they acted in good faith and in a manner which they reasonably believed to be in, or not opposed to, our best interest. Use of our capital or assets for such indemnification would reduce amounts available for the operations or for distribution to our investors, which would adversely affect our company and our stock price.

- General economic conditions may adversely affect our financial condition and results of operations. Periods of economic slowdown or recession in the United States and in other countries, rising interest rates or declining demand for technology products, or the public perception that any of these events may occur, could result in a general decline in technology products sales, which would adversely affect our financial position, results of operations, cash flow, and ability to satisfy our debt service obligations and to generate revenues. These factors could negatively affect our company and our stock price.

- A relatively small number of stockholders and managers have significant influence over us. A small number of our stockholders and members of our board of directors and management acting together would be able to exert significant influence over us through their ability to influence the election of directors and all other matters that require action by our stockholders. The voting power of these individuals could have the effect of preventing or delaying a change in control of our company which they oppose even if our other stockholders believe it is in their best interests. In addition, all of our executive officers have the ability to influence our day-to-day operations. These factors could negatively affect our company and our stock price.

- We are dependent upon the efforts of unpaid directors and officers. Our current directors and officers do not receive any salaries or other monetary remuneration for their time and efforts expended on our behalf. There is no assurance that such directors and officers will continue to serve without any monetary remuneration. If our current directors and officers were to resign, our company and the price of our stock would be negatively impacted.

- There is a significant likelihood of dilution of our existing stockholders. It is likely that the anticipated value of the business and/or assets that we acquire relative to the current value of our securities will result in the issuance of a relatively large number of shares and, as a result, substantial additional dilution to the percentage ownership of our current stockholders. If such dilution were to occur, the price of our stock would be negatively impacted.

- There is a possibility of further dilution to our stockholders' ownership as a result of a reverse split of our common stock. We intend effectuate a 1-for-20 reverse split of our common stock. The reasons for a reverse stock split are to maintain a minimum share price in connection with attempted qualification for a stock exchange. A negative result of such a measure is that the number of shares owned by the stockholders will decrease and the number of shares available for issuance from our authorized stock pool would increase. The result would be greater potential dilution of stockholders ownership than would result from dilution in connection with issuance of stock that has not been reverse split.

PART I

ITEM 1. BUSINESS

We were organized under the laws of the State of Nevada on January 2, 1986. In August 2001, we ceased all of our prior operations and remained dormant from then until May 27, 2004 when we began our current development stage activities. We have had no material operations in the past three years.

We propose to seek, investigate and, if warranted, acquire an interest in one or more businesses. As of the date hereof, we have some business opportunities or ventures under contemplation for acquisition or merger. We propose to investigate potential opportunities, particularly focusing upon existing privately held businesses whose owners are willing to consider merging their businesses into our company in order to establish a public trading market for their common stock, and whose managements are willing to operate the acquired businesses as divisions or subsidiaries of our company. The businesses we acquire may or may not need an injection of cash to facilitate their future operations.

We are interested in software and manufactured housing communities, but we currently do not intend to restrict our search for investment opportunities to any particular industry or geographical location and may, therefore, engage in essentially any business. Our executive officers will review material furnished to them by the proposed merger or acquisition candidates and will ultimately decide if a merger or acquisition is in our best interests and the interests of our shareholders. We intend to source business opportunities through our officers and directors and their contacts. Those contacts include professional advisors such as attorneys and accountants, securities broker dealers, venture capitalists, members of the financial community, other businesses and others who may present solicited and unsolicited proposals. Management believes that business opportunities and ventures may become available to it due to a number of factors, including, among others: (1) management's willingness to consider a wide variety of businesses; (2) management's contacts and acquaintances; and (3) our flexibility with respect to the manner in which we may be able to structure, finance, merge with or acquire any business opportunity.

The analysis of new business opportunities will be undertaken by or under the supervision of our executive officers and directors. Inasmuch as we will have limited funds available to search for business opportunities and ventures, we will not be able to expend significant funds on a complete and exhaustive investigation of such business or opportunity. We will, however, investigate, to the extent believed reasonable by our management, such potential business opportunities or ventures by conducting a so-called "due diligence investigation".

In a so-called "due diligence investigation", we intend to obtain and review materials regarding the business opportunity. Typically such materials will include information regarding a target business' products, services, contracts, management, ownership, and financial information. In addition, we intend to cause our officers or agents to meet personally with management and key personnel of target businesses, ask questions regarding our prospects, tour facilities, and conduct other reasonable investigation of the target business to the extent of our limited financial resources and management and technical expertise.

There is no guarantee that we can obtain the funding needed for our operations, including the funds necessary to search for and investigate acquisition candidates, and to close an acquisition including paying the substantial costs of legal, accounting and other relevant professional services.

We are currently insolvent. We have very little cash on hand and our payables are greater than our cash on hand. We have no income generating ability and are therefore reliant on raising money from loans or stock sales. These conditions raise substantial doubt about our ability to continue as a going concern. Nevertheless, our financial statements are presented on the assumption that we will continue as a going concern.

Business Acquisition

The structure of our participation in a business opportunity or venture will be situational. We may structure our acquisitions as an asset purchase, merger, or an acquisition of securities. It is likely that the anticipated value of the business and/or assets that we acquire relative to the current value of our securities will result in the issuance of a relatively large number of shares and, as a result, substantial additional dilution to the percentage ownership of our current stockholders. Moreover, our present management and shareholders may not have control of a majority of our voting shares following a business acquisition or other reorganization transaction. It is possible that the shareholders of the acquired entity will gain control of our voting stock and our directors may resign and new directors may be appointed without any vote by the shareholders. Those directors are entitled to replace our officers without stockholder vote.

We are not an "investment adviser" under the Federal Investment Advisers Act of 1940, which classification would involve a number of negative considerations. Accordingly, we will not furnish or distribute advice, counsel, publications, writings, analysis or reports to anyone relating to the purchase or sale of any securities within the language, meaning and intent of Section 2(a)(11) of the Investment Advisers Act (15 U.S.C. 80b2(a)(11)).

We may become involved in a business opportunity through purchasing or exchanging the securities of such business. We do not intend, however, to engage primarily in such activities and we are not registered as an "investment company" under the Federal Investment Company Act of 1940. We believe such registration is not required.

We must conduct our activities so as to avoid becoming inadvertently classified as a transient "investment company" under the Federal Investment Company Act, which classification would affect us adversely in a number of respects. Section 3(a) of the Investment Company Act provides the definition of an "investment company" which excludes an entity which does not engage primarily in the business of investing, reinvesting or trading in securities, or which does not engage in the business of investing, owning, holding or trading "investment securities" (defined as "all securities other than United States government securities or securities of majority-owned subsidiaries",) the value of which exceeds 40% of the value of its total assets (excluding government securities, cash or cash items). We intend to implement our business plan in a manner which will result in the availability of this exemption from the definition of "investment company." We propose to engage solely in seeking an interest in one or more business opportunities or ventures.

Effective January 14, 1981, the SEC adopted Rule 3a-2 which deems that an issuer is not engaged in the business of investing, reinvesting, owning, holding or trading in securities for purposes of Section 3(a)(1) cited above if, during a period of time not exceeding one year, the issuer has a bona fide intent to be engaged primarily, or as soon as reasonably possible (in any event by the termination of a one year period of time), in a business other than that of investing, reinvesting, owning, holding or trading in securities and such intent is evidenced by our business activities.

Offices

Our corporate headquarters are located at 31 N. Suffolk Lane, Lake Forest, Illinois 60045. We do not have a dedicated corporate office. There are no agreements or understandings with respect to any office facility subsequent to the completion of an acquisition. We may relocate our corporate headquarters in connection with a change in the management of our company, or in connection with the completion of a merger or acquisition.

Employees

We currently have no salaried employees. We expect to address our need for employees in connection with money raising and acquisitions. We expect to use attorneys and accountants as necessary.

Reports to Security Holders.

Acquired Sales Corp. ("Acquired Sales") is subject to reporting obligations under the Exchange Act. These obligations include an annual report under cover of Form 10-K, with audited financial statements, unaudited quarterly reports and the requisite proxy statements with regard to annual shareholder meetings. The public may read and copy any materials Acquired Sales files with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information of the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0030. The SEC maintains an Internet site (http://www.sec.gov) that- contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

ITEM 2. DESCRIPTION OF PROPERTY

Acquired Sales is provided rent-free office space by an officer and director of Acquired Sales at 31 N. Suffolk Lane, Lake Forest, Illinois 60045. Acquired Sales is generally not responsible for reimbursement of out-of-pocket office expenses such as telephone, postage or supplies.

Acquired Sales owns no property.

ITEM 3. LEGAL PROCEEDINGS

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Please refer to the Information Statement on Schedule 14C filed on December 10, 2010.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) Market Information; Re-sale.

Acquired Sales' common stock is listed for trading on the Pink Sheets under the symbol AQSP, but has limited trading for the past several years. Approximately 1,166,497 unregistered shares of common stock were issued by Acquired Sales when it had no significant operations. Under certain amendments in 2009 by the Securities and Exchange Commission to Rule 144 and Rule 145 of the Securities Act of 1933, as amended, Rule 144 is available for the resale of restricted or unrestricted securities that were initially issued by a reporting or non-reporting shell company or an issuer that has been at any time previously a reporting or non-reporting shell company, only if the following conditions are met:

- The issuer of the securities that was formerly a reporting or non-reporting shell company has ceased to be a shell company;
- The issuer of the securities is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act;
- The issuer of the securities has filed all reports and material required to be filed under Section 13 or 15(d) of the Exchange Act, as applicable during the preceding 12 months;
- At least one year has elapsed from the time that the issuer filed current Form 10 information with the Commission reflecting its status as an entity that is not a shell company.

Thus, such shares are not eligible for sale under the provisions of Rule 144 and therefore may not be re-sold into the public market until registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended or for at least one year from Acquired Sales ceasing to be a shell corporation, which has yet to occur.

(b) Holders.

As of December 16, 2010, a total of 5,832,482 shares of Acquired Sales' common stock were outstanding and there were 217 holders of record of Acquired Sales' common stock. In addition to our outstanding common stock, on August 1, 2007, Acquired Sales issued warrants exercisable for 175,000 shares of common stock at $0.10 per share. These warrants have not been issued into shares of common stock, but may be exercised at any time in the sole discretion of the holder.

(c) Dividend Policy.

Acquired Sales has not paid any dividends since it is inception. Acquired Sales currently intends to retain any earnings for use in its business, and therefore does not anticipate paying dividends in the foreseeable future.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Results of Operations

For the Year Ended September 30, 2010 compared with Period Ended September 30, 2009

During the year ended September 30, 2010, we had no revenue, had a net loss of ($26,019), and used $14,058 of cash in our operating activities. Our general and administrative increased by $12,277 or 105% to $23,946 for the year ended September 30, 2010 compared to $11,669 for the year ended September 30, 2009. The increased operating expenses resulted principally from increased professional fees paid in 2010 as compared with 2009. The net loss for the year ended September 30, 2010 was ($26,019) compared to a net loss of ($12,336) in the comparable 2009 period.

We intend to evaluate, structure and complete a merger with, or acquisition of, prospects consisting of private companies, partnerships or sole proprietorships. We may seek to acquire a controlling interest in such entities in contemplation of later completing an acquisition.

Liquidity and Capital Resources

As of September 30, 2010, we had no cash on hand, compared to cash on hand of $12 at September 30, 2009. We are totally reliant on our management to fund our operations via loans made to us. For instance, to sustain the company, affiliated parties loaned the company $44,000 since 2009, $20,000 of which was loaned since September 30, 2010. The loans bear interest at the rate of 10% per annum. These conditions raise substantial doubt about our ability to continue as a going concern. Our ability to meet our ongoing financial requirements is dependent on management being able to obtain additional equity and/or debt financing, the realization of which is not assured. In addition, we are dependent on management being willing to continue to serve without monetary remunerations.

ITEM 7. FINANCIAL STATEMENTS

ACQUIRED SALES CORP.
(a development stage enterprise)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

AND

FINANCIAL STATEMENTS

September 30, 2010 and 2009

ACQUIRED SALES CORP.
(a development stage enterprise)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and the Shareholders
Acquired Sales Corporation

We have audited the accompanying balance sheets of Acquired Sales Corporation as of September 30, 2010 and 2009, and the related statements of operations, stockholders' deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Acquired Sales Corporation as of September 30, 2010 and 2009, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company is in the development stage and during the years ended September 30, 2010 and 2009, it incurred losses from operations and had negative cash flows from operating activities. As of September 30, 2010, the Company had not generated any revenue from operations since the date of inception of the development stage through September 30, 2010, and the Company had a capital deficit and a working capital deficit. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of assets and liabilities that might result should the Company be unable to continue as a going concern.

HANSEN, BARNETT & MAXWELL, P.C.

Salt Lake City, Utah
December 15, 2010

ACQUIRED SALES CORP.
(a development stage enterprise)
Balance Sheets

	September 30, 2010		September 30, 2009	
ASSETS				
Current Assets:				
Cash	$	-	$	12
Prepaid expense		-		25
TOTAL ASSETS	$	-	$	37
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current Liabilities:				
Deficit in bank	$	46	$	-
Accounts payable		14,389		2,371
Notes payable - related parties		24,000		10,000
Note interest payable - related party		-		82
Total Current Liabilities		38,435		12,453
Stockholders' Deficit:				
Preferred stock, $0.001 par value, 10,000,000 shares authorized, no shares issued and outstanding		-		-
Common stock, $0.001 par value, 100,000,000 shares authorized, 5,832,482 shares issued and outstanding		5,833		292
Additional paid-in capital		145,967		151,508
Deficit accumulated prior to the development stage		(69,151)		(69,151)
Deficit accumulated during the development stage		(121,084)		(95,065)
Total Stockholders' Deficit		(38,435)		(12,416)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	-	$	37

See accompanying notes to the financial statements.

ACQUIRED SALES CORP.
(a development stage enterprise)
Statements of Operations

	For the Years Ended September 30, 2010	2009	For the period May 27, 2004 (Date of Inception of the Development Stage) through September 30, 2010
Expenses:			
General and administrative	$ (23,946)	$ (11,669)	$ (172,557)
Waiver of tax liability penalty	-	-	60,364
Interest	(2,073)	(667)	(8,891)
Net Loss	$ (26,019)	$ (12,336)	$ (121,084)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	
Basic and diluted weighted average common shares outstanding	5,832,482	5,832,482	

See accompanying notes to the financial statements.

ACQUIRED SALES CORP.
(a development stage enterprise)
Statements of Stockholders' Deficit
for the Period from May 27, 2004 (Date of Inception of the Development Stage)
through September 30, 2007, and for the Years Ended September 30, 2008, 2009 and 2010

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated Prior to the Development Stage	Deficit Accumulated During the Development Stage	Total Stockholders' Equity (Deficit)
Balance, May 27, 2004 (Date of Inception of the Development Stage)	684,990	$ 685	$ (685)	$ (69,151)	$ -	$ (69,151)
Common stock issued for cash, May 2004, $0.02 per share	4,000,000	4,000	36,000	-	-	40,000
Common stock redeemed for cash, May 2004, $0.02 per share	(19,005)	(19)	(171)	-	-	(190)
Capital contributed by officer, September 30, 2004	-	-	20	-	-	20
Conversion of note payable to related party into common stock July 2007, $1.715 per share	1,166,497	1,167	98,833	-	-	100,000
Issuance of 175,000 warrants for services, August 2007, $0.068 per warrant	-	-	11,970	-	-	11,970

Net loss through September 30, 2007	-	-	-	-	(48,023)	(48,023)
Balance, September 30, 2007	5,832,482	5,833	145,967	(69,151)	(48,023)	34,626
Net loss	-	-	-	-	(34,706)	(34,706)
Balance, September 30, 2008	5,832,482	5,833	145,967	(69,151)	(82,729)	(80)
Net loss	-	-	-	-	(12,336)	(12,336)
Balance, September 30, 2009	5,832,482	5,833	145,967	(69,151)	(95,065)	(12,416)
Net loss	-	-	-	-	(26,019)	(26,019)
Balance, September 30, 2010	5,832,482	$ 5,833	$ 145,967	$ (69,151)	$ (121,084)	$ (38,435)

See accompanying notes to the financial statements.

ACQUIRED SALES CORP.
(a development stage enterprise)
Statements of Cash Flows

	For the Years Ended September 30, 2010	For the Years Ended September 30, 2009	For the period May 27, 2004 (Date of Inception of the Development Stage) through September 30, 2010
Cash Flows from Operating Activities:			
Net loss	$ (26,019)	$ (12,336)	$ (121,084)
Adjustments to reconcile net loss to net cash used in operating activities:			
Expenses paid by capital contributed by officer	-	-	20
Waiver of tax liability penalty	-	-	(60,364)
Issuance of warrants for services	-	-	11,970
Changes in assets and liabilities:			
Prepaid expense	25	(25)	-
Accounts payable	12,018	1,621	14,389
Note interest payable - related party	(82)	82	-
Payroll tax penalties and accrued interest	-	-	(8,787)
Net Cash Used by Operating Activities	(14,058)	(10,658)	(163,856)
Cash Flows from Financing Activities:			
Deficit in bank	46	-	46
Proceeds from issuance of note payable to related parties	14,000	10,000	219,000
Payment of principal on note payable to related parties	-	-	(95,000)
Proceeds from issuance of common stock	-	-	40,000

Redemption of common stock	-	-	(190)
Net Cash Provided by Financing Activities:	14,046	10,000	163,856
Net Increase (Decrease) in Cash	(12)	(658)	-
Cash at beginning of period	12	670	-
Cash at End of Period	$ -	$ 12	$ -
Supplemental Cash Flow Information			
Cash paid for interest	$ 2,155	$ 585	

See accompanying notes to the financial statements.

AQUIRED SALES CORP.
(a development stage enterprise)
Notes to Financial Statements

Note 1: Organization and Summary of Significant Accounting Policies

Acquired Sales Corp. (the "Company") was incorporated under the laws of the State of Nevada on January 2, 1986. In August 2001, the Company ceased all of its prior operations and remained dormant from then until May 27, 2004 when it began new development stage activities.

Development stage enterprise – The Company is a development stage enterprise and has not engaged in any operations that have generated any revenue. The Company's efforts have been devoted primarily to raising capital, borrowing funds and attempting to enter into a reverse acquisition with an operating entity. On November 4, 2010 the Company entered into a letter of intent with Cogility Software Corporation ("Letter of Intent") and commenced taking such other action as required by the Letter of Intent (See Note 6: Subsequent Events).

Use of estimates – These financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. The use of estimates and assumptions may also affect the reported amounts of revenues and expenses. Actual results could differ from those estimates or assumptions.

Basic and diluted loss per share – Basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding and dilutive potential common shares. There were 175,000 warrants outstanding at September 30, 2010 and 2009 that were excluded from the calculation of diluted loss per share as their effect was anti-dilutive.

Business condition – The Company's financial statements have been prepared using accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. During the years ended September 30, 2010 and 2009, the Company had no revenue, had net losses of $26,019 and $12,336, respectively, and used $14,058 and $10,658, respectively, of cash in its operating activities. At September 30, 2010, the Company's current liabilities included a $46 deficit in bank, accounts payable of $14, 389 and notes payable to related parties in the amount of $24,000. At September 30, 2010, the Company had a $38,435 capital deficit and a $38,435 working capital deficit. The Company subsequently received an additional loan from a related party (See Note 6: Subsequent Events). Loans from related parties have provided the needed capital for the Company to date; however, substantial doubt remains about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company's ability to meet its ongoing financial requirements is dependent on management being able to obtain additional equity and/or debt financing, the realization of which is not assured. In addition, the Company is dependent on management being willing to continue to serve without monetary remunerations.

Recently adopted accounting standards – In June 2009, the Financial Accounting Standards Board ("FASB") established the FASB Accounting Standards Codification ("Codification"), which effectively amended the GAAP hierarchy and established only two levels of GAAP, authoritative and non-authoritative. All previously existing accounting standard documents were superseded, and the Codification became the single source of authoritative, nongovernmental GAAP, except for rules and interpretive releases of the United States Securities and Exchange Commission ("SEC"), which are sources of authoritative GAAP for SEC registrants. The Codification was effective for financial statements for interim or annual reporting periods ending after September 15, 2009. The Company adopted and applied the provisions of the Codification upon its effective date.

In February 2010, the FASB issued amended guidance on subsequent events. Under this amended guidance, SEC filers are no longer required to disclose the date through which subsequent events have been evaluated in originally issued and revised financial statements. This guidance was effective immediately and the Company adopted this new guidance upon its effective date.

Other accounting standards that have been issued by the FASB (or rules and interpretive releases of the SEC) are not expected to have a material impact on the Company's financial statements.

Note 2 – Related Party Transactions

During January and November 2009, the Company issued a demand promissory note to the spouse of the Company's sole officer and one of its directors in the amount of $10,000 and $10,000, respectively. These notes bear interest at 10% per annum and are unsecured. During the years ended September 30, 2010 and 2009, the Company incurred interest expense of $1,892 and $667, respectively, and made cash payments for interest in the amounts of $1,974 and $585, respectively.

During April 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $4,000. This note bears interest at 10% per annum and is unsecured. During the year ended September 30, 2010, the Company incurred interest expense of $181 and made cash payments for interest in the same amount.

Subsequent to September 30, 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $20,000. This note bears interest at 10% per annum and is unsecured (See Note 6: Subsequent Events).

During December 2006, the Company borrowed $100,000 pursuant to an unsecured promissory note due on demand and bearing interest at 10% per annum, from an entity related to its current sole officer who is also a director. During the same month, the Company repaid $95,000 of the principal due under the note. During July 2007, the Company borrowed an additional $95,000 from the lender. During July 2007, the Company issued 1,166,497 shares of its common stock at $$0.086 per share, which was equal to market value at that date, to the lender in full satisfaction of the $100,000 note and the lender waived the $42 of interest that had accrued on this debt.

Note 3 – Waiver of Tax Liability Penalty

During the period from December 31, 1998 through December 31, 1999, the business operated by the Company prior to becoming dormant withheld payroll taxes and incurred payroll tax obligations that were not paid to the United States Department of the Treasury, Internal Revenue Service ("IRS") in a timely manner. Subsequently, these taxes were paid; however, penalties for the Company's failure to make these payments in a timely manner were assessed, including interest on the penalties. The Company accrued interest on the unpaid penalties through December 31, 2006. In January 2007, the Company filed with the IRS a request for a compromise and settlement with respect to these outstanding obligations, which was accepted in September 2007. As a result, the Company paid $12,000 to extinguish the liability, $2,838 for legal and filing fees, and $60,364 was recognized as income.

Note 4 – Letter Agreement and Warrants

Effective as of August 2007, the Company entered into a Letter Agreement with a private merchant bank to provide certain services related to the identification, evaluation and financing of potential acquisitions by the Company. Pursuant to the Letter Agreement, the merchant fulfilled their obligation to provide services on December 31,

2007. Under the terms of the agreement, the Company paid a one-time $20,000 fee and prepaid accountable expenses of $10,000. In addition, the Company issued warrants exercisable for 175,000 shares of common stock at $0.10 per share. The Company valued these warrants at August 2007 at $11,970 using the Black-Scholes option pricing model with the following assumptions: 150% volatility; risk free interest rate of 6.25%; 0% yield; and 3.0 year estimated life and charged this amount to expense. Under certain conditions and events, the Company may become obligated to make additional cash payments of six percent of the gross proceeds of an equity investment and three percent of the gross proceeds of a debt investment received by the Company and two percent of the consideration received by the Company as a transactional fee. The Company may also be required to issue additional warrants exercisable at the same price as shares being issued in an equity investment.

Note 5 – Income Taxes

At September 30, 2010, the Company had $109,114 of operating loss carryforwards that expire if unused from 2025 through 2030. Use of the loss carryforwards in the future may be limited due to changes of ownership of the Company.

The net deferred tax asset at September 30, 2010 and 2009 consisted of the following:

	2010	2009
Warrant outstanding	$ 4,465	$ 4,465
Operating loss carryforwards	37,098	28,252
Total deferred taxassets	41,563	32,717
Less: Valuation allowance	(41,563)	(32,717)
Net Deferred Tax Asset	$ -	$ -

Following is a reconciliation of income taxes calculated at the federal statutory rates to the actual income tax provision:

	2010	2009
Federal income tax benefit at statutory rate of 34%	$ 8,846	$ 4,194
Change in valuation allowance	(8,846)	(4,194)
Provision for income taxes	$ -	$ -

Note 6 – Subsequent Events

Related party transactions – On October 12, 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $20,000. This note bears interest at 10% per annum and is unsecured.

Letter of intent – On November 4, 2010 the Company entered into a letter of intent with Cogility Software Corporation (“Cogility”), a software technology company specializing in Model-Driven Complex Event Processing for the U.S. defense and intelligence communities and private sector corporations with complex information management requirements, for a wholly-owned subsidiary of the Company to acquire Cogility in a stock-for-stock merger (“Merger”). The closing of the Merger contemplated by the letter of intent is subject to a number of conditions including completion of mutually acceptable due diligence, execution of definitive merger documents and obtaining necessary third party approvals. In addition, Cogility will be required to deliver audited financial statements to the Company and the Company will be required to complete a 1-for-20 reverse split of its common stock and warrants as a condition precedent to the closing of the Merger and all necessary filings with the SEC.

Terms of the Merger require that, subsequent to the 1-for-20 reverse split and in conjunction with the completion of the Merger: (1) the Company will issue to its sole officer and its directors options to acquire an aggregate of 630,000 post-split shares of its common stock at an exercise price of $2.00 per share; (2) conditioned upon the completion of a private placement of common stock, preferred stock, convertible preferred stock, debt, or convertible debt by Cogility or the Company either prior to, simultaneously with, or after the closing of the Merger in the amount of $500,000 or more: (a) the Company will issue to its sole officer, in exchange for certain of his options to purchase shares of

Cogility common stock, options to acquire 471,698 post-split shares of the Company's common stock at an exercise price of $2.00 per share, and (b) the Company will issue to its sole officer and two of its directors, in exchange for certain of their options to purchase shares of Cogility common stock, options to acquire an aggregate of 150,000 post-split shares of the Company's common stock at an exercise price of $0.001 per share; (3) the Company will issue an aggregate of 2,175,564 post-split shares of its common stock to Cogility stockholders (which include an affiliate of the Company's sole officer and one of the Company's directors); (4) the Company will issue to Cogility option holders options to acquire an aggregate of 497,170 post-split shares of the Company's common stock at exercise prices ranging from $1.06 to $5.00 per share; and (5) the Company will issue options to acquire an aggregate of 1,500,000 post-split shares of the Company's common stock at an exercise price of $5.00 per share to current or future directors, officers, employees or consultants to the Company or Cogility.

Actions of the Board of Director and Stockholders – On November 15, 2010 the Company’s Board of Directors approved and with a record date of November 23, 2010 a majority of the Company’s stockholders approved by written consent the following actions: a) increase the number of shares of common stock authorized to be issued from 50,000,000 to 100,000,000; b) to change the fiscal year end from September 30 to December 31; c) the conditional 1-for-20 reverse split of common stock and warrants as mentioned above; d) the acquisition of Cogility pursuant to the terms of the Letter of Intent; and e) a stock option plan relating to the options associated with the Cogility Merger.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 8A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, Mr. Gerard M. Jacobs, evaluated the effectiveness of our disclosure controls and procedures. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports, such as this report, that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods 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 by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, Mr. Jacobs concluded that because of the material weakness in internal control over financial reporting described below, our disclosure controls and procedures were not effective as of September 30, 2010.

(b) Management’s annual report on internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal Control Over Financial Reporting" is defined in Exchange Act Rules 13a -15(f) and 15d - 5(f) as a process designed by, or under the supervision of, an issuer's principal executive and principal financial officers, or persons performing similar functions, and effected by an issuer's board of directors, management and other personnel, 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. It includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and disposition of an issuer;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the issuer's assets that could have a material adverse effect on the financial statements.

During September 2010, management conducted an evaluation of the effectiveness of our internal control over financial reporting as of September 30, 2010 based on the framework set forth in the report entitled Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the evaluation, management concluded that our internal control over financial reporting as of September 30, 2010 was not effective. Management identified the following material weaknesses as of September 30, 2010:

- There existed a lack of segregation of duties in regard to the Company's financial reporting, procedures for depositing of funds, procedures for cash disbursements, procedures for checkbook entries, period close procedures, and procedures for financial statement preparation.

Management has determined that the Company should seek to enhance its internal controls over financial reporting during the period in which it remains a shell corporation with the Company's principal executive and principal financial officer, Mr Jacobs, performing all accounting and management functions as may be necessary, and by taking the following steps:

- During November, 2009, the Company increased its Board of Directors to seven members, and added as an additional independent member Mr. Vincent J. Mesolella. Mr. Mesolella is the Chairman of the Narragansett Bay Commission, Providence, Rhode Island. Mr. Mesolella is also the Chief Executive Officer of REI, Inc., a diversified real estate development company. Mr. Mesolella has previously served as the Chairman of the Audit Committee of the Board of Directors of a publicly traded company.
- Beginning in March, 2009, the Company has begun emailing or mailing to Mr. Mesolella a copy of each monthly statement from its bank summarizing all activity in the Company's checking account, for review and questioning as appropriate. The purpose of Mr. Mesolella's involvement is to provide monitoring, oversight and assistance to Mr. Jacobs, our principal financial and executive officer in the preparation and reporting of the Company's financial statements.

Our management is not aware that the material weaknesses in our internal control over financial reporting causes them to believe that any material inaccuracies or errors existed in our financial statement as of September 30, 2010. The reportable conditions and other areas of our internal control over financial reporting identified by us as needing improvement have not resulted in a material restatement of our financial statements. Nor are we aware of any instance where such reportable conditions or other identified areas of weakness have resulted in a material misstatement of omission in any report we have filed with or submitted to the Commission.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting.

Management’s report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit the Company to provide only management’s report in this annual report.

(c) Changes in internal control over financial reporting

There were no changes in our internal controls over financial reporting during the fiscal year ended September 30, 2010, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 8B. OTHER INFORMATION

None.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

The following table sets forth certain information regarding our current Directors and Executive Officers as of September 30, 2010. Each director holds office from election until the next annual meeting of stockholders or until their successors is duly elected and qualified.

Name	Age	Position
Gerard M. Jacobs	55	Chairman, chief executive officer, president, secretary, treasurer
Joshua A. Bloom, M.D.	54	Director
Roger S. Greene	55	Director
James S. Jacobs, MD	56	Director
Michael D. McCaffrey	64	Director
Richard E. Morrissy	56	Director
Vincent J. Mesolella	61	Director

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Our Directors serve in such capacity until the next annual meeting of our shareholders and until their successors have been elected and qualified. Our officers serve at the discretion of our Board of Directors, until their death, or until they resign or have been removed from office. We have an audit, nominating and compensation committee consisting of Joshua A. Bloom, Roger S. Greene, Michael D. McCaffrey, Vincent J. Mesolella and Richard E. Morrissy as members of each. We have not adopted a Code of Ethics or an Audit Committee charter.

Gerard M. Jacobs, , age 55, has served as chairman of our board of directors, chief executive officer, president, secretary, treasurer since July 2007. Mr. Jacobs has been a private investor since 2006. In 2001, Gerard M. Jacobs took control of CGI Holding Corporation, and served as its CEO and member of its board of directors until 2006. Under Gerard M. Jacobs' guidance, CGI Holding Corporation changed its name to Think Partnership Inc., made 15 acquisitions primarily of businesses involved in online marketing and advertising, and succeeded in having its common stock listed on the American Stock Exchange. The company is now known as Inuvo Inc. (NYSE:AMEX: INUV). Previously, in 1995, Mr. Jacobs took control of General Parametrics Corporation, and served as its CEO and member of its board of directors until 1999. Under Mr. Jacobs' guidance, General Parametrics changed its name to Metal Management Inc., made 37 acquisitions primarily of businesses involved in scrap metal recycling, and succeeded in building one of the largest scrap metal recycling companies in the world. The company is now part of Sims Metal Management Ltd. (NYSE: SMS). Mr. Jacobs is currently a director of Patient Home Monitoring Corp. (TSXV: PHM). Gerard M. Jacobs received a law degree from the University of Chicago Law School, which he attended as a Weymouth Kirkland Law Scholar, in 1978; and an A.B from Harvard College, in 1976, where he was elected to Phi Beta Kappa. Gerard M. Jacobs’ brother James S. Jacobs, M.D. is also a member of our board of directors.
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Joshua A. Bloom, M.D., age 54, has been a member of our board of directors since July 2007. He has been a practicing physician in Kenosha Wisconsin since completion of his training in 1988. He is board Certified in Internal Medicine, Pulmonary Diseases and in Critical Care Medicine. He has been employed by United Hospital System (formerly known as Kenosha Hospital and Medical Center) in the Clinical Practice Division from 1995 to present. He had been in private practice at the same address from 1988 to 1995. Dr. Bloom has served on the board of directors of Kenosha Health Services Corporation since 1993 and the board of Hospice Alliance, Inc since 1994 and Medical Director there since 1998. He has also served on the board of the Beth Israel Sinai Congregation since 1998 where he served as the President from 2004 until earlier this year. Dr. Bloom received a medical degree from the University of Illinois in 1982 and completed his residency in internal medicine in 1985 and fellowship in Respiratory & Critical Care Medicine in 1988; both at the University of Illinois. He received an MS in Organic Chemistry from the University of Chicago in 1978 and a BS in Chemistry from Yale College in 1977.

Roger S. Greene, age 55, has been a member of our board of directors since July 2007. He is the Managing Director and co-founder of Stanmore Capital Partners, LLC, a merchant banking firm that focuses upon the acquisition of small cash flow positive private companies, primarily in the health care services business. He is also owner and CEO of Marquette Advisors, Inc., a firm that provides consulting in the same areas. Projects have included a roll up of sleep diagnostic centers, acquisitions of companies in the blood plasma collection business and specialty medical education field. Mr. Greene is currently a director of Patient Home Monitoring Corp. (TSXV: PHM). Previously, he has worked with Brazos Fund and Lone Star Fund as general counsel. For Lone Star, Mr. Greene was responsible for negotiation and structuring of asset acquisitions from foreign entities. Prior to that time, he also worked on resolution and management of the assets of American Savings and Loan Association after the acquisition of American Savings Bank by the Robert M. Bass Group. Mr. Greene has also acted as a principal in real estate and operating company acquisitions. Mr. Greene resides in California.

James S. Jacobs, M.D., age 56, has been a member of our board of directors since July 2007. He is a Physician in the Department of Radiation Oncology, at St. Joseph Hospital in Denver, Colorado. He was previously the Resident Physician in Radiation Oncology at Rush Medical Center in Chicago, Illinois. Dr. Jacobs did a residency in Radiation Oncology at Rush Medical Center in Chicago, Illinois and an internal medicine internship and residency at the University of Colorado Medical Center in Denver, Colorado. Dr. Jacobs received a BA in Neuroscience from Amherst College in Amherst, Massachusetts in 1976.

Michael D. McCaffrey, age 64, has been a member of our board of directors since July 2007. He is an attorney practicing in Irvine, California and specializing in commercial and business litigation. Mr. McCaffrey has tried more than 100 jury and non-jury trials, representing numerous large companies, institutional lenders, real estate developers, contractors and various public and private corporations, partnerships and sole proprietorships. He has had sole or primary responsibility for defense and prosecution of significant matters including real property secured transactions; real estate syndication/fraud; partnership disputes/accounting/dissolution actions; corporate control; insurance (policyholders' interests and insurers' interests); employment litigation; prosecution, defense and expert witness on professional liability claims involving attorneys and accountants; construction, including prosecution and defense of major defect cases; and various business tort cases. Mr. McCaffrey received his Juris Doctor in 1974 from the University of Denver College of Law where he was a member of the University of Denver Law Review (qualified by class rank, top 5%) and received a B.S. in Engineering from UCLA in 1968.

Richard E. Morrissy, age 56, has been a member of our board of directors since July 2007. He is the Senior Research Specialist and project coordinator in the Pharmaceutical Sciences, School of Pharmacy, University of Illinois at Chicago. Mr. Morrissy is a project coordinator for the School of Pharmacy. His duties include serving as project coordinator on four clinical trial research projects funded by the National Institutes of Health's National Cancer Institute. The School of Pharmacy projects have involved multiple research projects utilizing Lycopene in restoring DNA damage in men's prostates. The project at UIC's internationally acclaimed Occupational Therapy School involved the setup and running of focus groups with impaired individuals to create a movement and activity computer survey for the World Health Organization. During his tenure, Mr. Morrissy has managed clinical research trials including the submission of institutional review board documents and grant proposals, recruitment of subjects and data management and storage. He has also designed and led focus groups, designed and critiqued research surveys, edited manuscripts and scientific journals. He received a B.A. in History from Western Illinois University in 1976.

Vincent J. Mesolella, age 61, has been a member of our board of directors since October 2009. He has served for the last fifteen years as the Chairman of the Narragansett Bay Commission, Providence, Rhode Island, one of the largest wastewater treatment utilities in the U.S. Mr. Mesolella also served for over twenty years as a member of the Rhode Island House of Representatives, including serving as the Majority Whip. Mr. Mesolella is the founder and Chief Executive Officer of REI, Inc., a diversified real estate investment firm. Mr. Mesolella has served on the board of directors of Think Partnership Inc., an American Stock Exchange company. Mr. Mesolella has raised a great deal of money for charities including the Make-A-Wish Foundation. Mr. Mesolella resides in Rhode Island.

Section 16(a) Beneficial Ownership Compliance.

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our executive officers and directors and persons who own more than 10% of a registered class of our equity securities to file with the Securities and Exchange Commission initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common stock and other equity securities, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by the Securities and Exchange Commission regulations to furnish us with copies of all Section 16(a) reports they file. Such persons are further required by SEC regulation to furnish us with copies of all Section 16(a) forms (including Forms 3, 4 and 5) that they file. Based solely on our review of the copies of such forms received by us with respect to fiscal year 2010, or written representations from certain reporting persons, we believe all of our directors, executive officers and 10% holders have met all applicable filing requirements, except as described in this paragraph:

L. Dee Hall, a beneficial owner of over 10% of our shares outstanding, has not filed a Form 3.

ITEM 10. EXECUTIVE COMPENSATION

None of our executive officers or directors currently receive compensation in excess of $100,000 per year, nor do any currently receive stock options, stock grants or any other form of non-cash remuneration and none currently receive any compensation.

Aggregate Option Exercise of Last Fiscal year and Fiscal Year-End Option Values

There were no executive officers' unexercised options at September 30, 2010. No shares of Common Stock were acquired upon exercise of options during the fiscal year ended September 30, 2010.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the common stock ownership of (i) each person known by Acquired Sales to be the beneficial owner of five percent or more of Acquired Sales’ common stock as of December 16, 2010. All ownership is of record and beneficial.

Name and Address of Beneficial Owner	Number of Common stock Beneficially Owned	Percentage of Class
Leonard D. Hall 1029 E. 380 North Cir American Fork, Utah, 84003	600,000	10.2%
Gerard M. Jacobs (1) 31 N. Suffolk Lane Lake Forest, Illinois 60045	4,066,497	69.7%
Roberti Jacobs Family Trust u/a/d 11-11-99 (2) 31 N. Suffolk Lane Lake Forest, Illinois 60045	1,166,497	20.0%

(1) Mr. Jacobs, our chairman, chief executive officer, president, secretary, and treasurer has voting control over 4,066,497 or 69.7 of our common stock though a shareholder agreement executed in 2007. Mr. Jacobs' voting control over those shares deem him a beneficial owner of those shares. Other than Mr. Jacobs' beneficial ownership of the 4,066,497 shares, none of our other officers or members of our board of directors hold any of our stock. The 1,166,497 shared owned by the Roberti Jacobs Family Trust as set out in footnote (2) below are included in the 4,066,497 shares deemed beneficially owned by Mr. Jacobs.

(2) The Roberti Jacobs Family Trust irrevocably conveyed all of its voting power to Gerard M. Jacobs pursuant to the 2007 shareholder agreement described above. Mr. Jacobs is one of the grantors of the trust corpus, Mr. Jacobs' mother in law Joan B. Roberti is the trustee, and Mr. Jacobs' children are the beneficiaries. The trust is irrevocable.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Subsequent to September 30, 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $20,000. This note bears interest at 10% per annum and is unsecured

During April 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $4,000. This note bears interest at 10% per annum and is unsecured. During the year ended September 30, 2010, the Company incurred interest expense of $181 and made cash payments for interest in the same amount.

During January 2009 and November 2009, we issued demand promissory notes to CEO and Director Gerard M. Jacobs' spouse in the amount of $10,000 each. The notes bear interest at 10% per annum and are unsecured. During the years ended September 30, 2010 and 2009, the Company incurred interest expense of $1,892 and $667, respectively, and made cash payments for interest in the amounts of $1,974 and $585, respectively.

During December 2006, we borrowed $100,000 pursuant to an unsecured promissory note due on demand and bearing interest at 10% per annum, from the Roberti Jacobs Family Trust, an entity related to Mr. Jacobs. During the same month, we repaid $95,000 of the principal due under the note. During July 2007, we sold 1,166,497 shares of our common stock at $0.086 per share, which was equal to the market value at that date, to the lender. The lender paid

$95,000 of the purchase price of these shares in cash; the other shares were issued in full satisfaction of the remaining $5,000 principal due under the note, and the lender waived the $42 of interest that had accrued on this debt.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K.

Exhibits and Reports on Form 8-K.

(a) Exhibits (filed with this report unless indicated below)

Exhibit 3.1*	Articles of Incorporation dated December 12, 1985
Exhibit 3.2*	Amended Articles of Incorporation Dated July 1992
Exhibit 3.3*	Amended Articles of Incorporation Dated November 1996
Exhibit 3.4*	Amended Articles of Incorporation Dated June 1999
Exhibit 3.5*	Amended Articles of Incorporation Dated January 25, 2006
Exhibit 3.6*	Amended Bylaws
Exhibit 5.01+	Shareholder Agreement
Exhibit 10.1++	Private Merchant Banking Agreement-Anniston Capital, Inc.
Exhibit 10.2++	Warrant Agreement #1-Anniston Capital, Inc.
Exhibit 10.3++	Warrant Agreement #2-Anniston Capital, Inc.
Exhibit 10.4++	$100,000 Promissory Note – December 1, 2007
Exhibit 10.5++	$10,000 Promissory Note – January 30, 2008
Exhibit 10.6++	$10,000 Promissory Note – November 9, 2008
Exhibit 10.7	$4,000 Promissory Note – April 19, 2010
Exhibit 10.8	$20,000 Promissory Note – October 12, 2010
Exhibit 31.1	Certification of principal executive officer and principal financial officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32.1	Certification of principal executive officer and principal financial officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Exhibit previously filed as an exhibit to Form 10-SB12G on March 23, 2007.
\+ Exhibit previously filed as an exhibit to Form 8-K on August 2, 2007.
++ Exhibit previously filed as an exhibit to Form 10-Q on May 17, 2009.

b. Reports on Form 8-K

Subsequent to the end of the twelve month period ended September 30, 2010, on November 5, 2010 we filed an 8-K pursuant to Item 8.01. Other Events, that on November 4, 2010, we entered into a letter of intent with Cogility Software Corporation ("Cogility") wherein we, through a to be formed wholly-owned subsidiary, are to acquire Cogility in a stock-for-stock merger. Cogility is a developer of Model-Driven Complex Event Processing software technology for the U.S. defense and intelligence communities and private sector corporations which have complex information management requirements (www.cogility.com).

The 8-K explains that the closing of the transaction is subject to a number of conditions, including the completion of a 1-for-20 reverse split of Acquired Sales' common stock, completion of mutually acceptable due diligence, delivery of audited financial statements, execution of definitive merger documents, obtaining necessary third party approvals, and completion of all necessary securities filings.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The Board of Directors has appointed Hansen, Barnett & Maxwell, P.C., as the independent registered public accountants to audit our consolidated financial statements for the fiscal year ending September 30, 2010.

Audit Fees. Fees for audit services totaled $15,112 in 2010 and $3,974 in 2009, including fees associated with the annual audit, the review of our quarterly reports on Form 10-Q, comfort letters, consents, assistance with and review of documents to be filed with the SEC and Section 404 consultation services.

Tax Fees. Fees for tax services, including tax compliance, tax advice and tax planning totaled $0 in 2010 and $0 in 2009.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on December 16, 2010.

ACQUIRED SALES CORP.

By: /s/ Gerard M. Jacobs
Gerard M. Jacobs, Chief Executive Officer and Director
(Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated on December 16, 2010.

By: /s/ Gerard M. Jacobs
Gerard M. Jacobs, Chief Executive Officer and Director
(Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer)

/s/ Joshua A. Bloom, M.D.
Joshua A. Bloom, M.D.
Director

/s/ Roger S. Greene
Roger S. Greene
Director

/s/ James S. Jacobs, MD
James S. Jacobs, MD
Director

/s/ Michael D. McCaffrey
Michael D. McCaffrey
Director

/s/ Richard E. Morrissy
Richard E. Morrissy
Director

/s/ Vincent J. Mesolella
Vincent J. Mesolella
Director