PARKS AMERICA, INC
Form 10-Q
May 13, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

X .

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2013

OR

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

For the transition period from __________ to __________

COMMISSION FILE NUMBER 000-51254

Parks! America, Inc.

(Exact Name of small business issuer as specified in its charter)

Nevada	**91-0626756**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1300 Oak Grove Road

Pine Mountain, GA 31822

(Address of principal executive offices) (Zip Code)

Issuer's telephone Number: **(706) 663-8744**

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 X . No .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Date 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 .

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

Large 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 .

As of May 1, 2013, the issuer had 74,106,537 outstanding shares of Common Stock.

1

PARKS! AMERICA, INC and SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

PARKS! AMERICA, INC and SUBSIDIARIES

TABLE OF CONTENTS

	Page
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Balance Sheets	4
Consolidated Statements of Operations	5
Consolidated Statement of Changes in Stockholders Equity	6
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

As of March 31, 2013 and September 30, 2012

		March 31,		September 30,
ASSETS		**2013**		**2012**
Current Assets				
Cash unrestricted	$	159,449	$	147,962
Inventory		145,701		147,792
Prepaid expenses		43,842		44,808
Total Current Assets		348,992		340,562
Property and Equipment, net		6,243,661		6,196,845
Other Assets				
Intangible assets, net		185,314		5,097
Deposits		8,500		8,500
Total Other Assets		193,814		13,597
TOTAL ASSETS	$	6,786,467	$	6,551,004
LIABILITIES AND STOCKHOLDERS EQUITY				
Current Liabilities				
Accounts payable	$	81,460	$	134,758
Accrued expenses		121,827		113,854
Notes payable lines of credit		350,000		0
Notes payable related parties		171,761		0
Current maturities of long term debt		83,113		1,773,935
Total Current Liabilities		808,161		2,022,547
Long-term Debt				
Long term obligations		3,550,088		1,745,503
TOTAL LIABILITIES		4,358,249		3,768,050
STOCKHOLDERS EQUITY				
Common stock; 300,000,000 shares authorized, at $.001 par value; 74,106,537 and 73,956,537 shares issued and outstanding, respectively		74,106		73,956
Capital in excess of par		4,794,006		4,792,656
Treasury stock		(3,250)		(3,250)
Accumulated deficit		(2,436,644)		(2,080,408)
TOTAL STOCKHOLDERS EQUITY		2,428,218		2,782,954
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	$	6,786,467	$	6,551,004

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

For the Three Month and Six Months Ended March 31, 2013 and April 1, 2012

	For 3 Months Ended		For 6 Months Ended	
	March 31, 2013	April 1, 2012	March 31, 2013	April 1, 2 012
NET SALES	$ 542,693	$ 565,824	$ 1,120,118	$ 1,080,549
Sale of animals	4,390	7,779	4,390	8,004
TOTAL NET SALES	547,083	573,603	1,124,508	1,088,553
OPERATING EXPENSES				
Cost of sales	108,821	135,565	186,327	209,606
Selling, general and administrative	547,060	418,333	1,148,074	908,774
Depreciation & amortization	65,789	77,554	139,611	155,110
(Gain) loss on disposal of operating assets	0	(5,959)	(11,160)	(5,959)
Total Operating Expenses	721,670	625,493	1,462,852	1,267,531
INCOME FROM OPERATIONS	(174,587)	(51,890)	(338,344)	(178,978)
OTHER INCOME (EXPENSES)				
Other income (expense)	(1,798)	11,085	4,371	15,633
Gain on retirement of debt	105,656	0	105,656	0
Interest expense	(73,072)	(72,998)	(127,919)	(130,691)
Total Other Income (Expenses)	30,786	(61,913)	(17,892)	(115,058)
NET INCOME LOSS BEFORE INCOME TAXES	(143,801)	(113,803)	(356,236)	(294,036)
PROVISION FOR TAXES	0	0	0	0
NET PROFIT (LOSS)	$ (143,801)	$ (113,803)	$ (356,236)	$ (294,036)
WEIGHTED OUTSTANDING SHARES (in 000's)	74,107	73,957	74,107	73,893
NET INCOME (LOSS) PER SHARE / FULLY DILUTED SHARE	($0.00)	($0.00)	($0.00)	($0.00)

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY (UNAUDITED)

As of March 31, 2013

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Treasury Stock	Accumulated Deficit	Total
Balance at October 2, 2011	73,781,537	$ 73,781	$ 4,791,081	$ (3,250)	$ (2,376,260)	$ 2,485,352
Issuance of common stock to directors and officers	175,000	175	1,575	0	0	1,750
Net Income for the Year Ended September 30, 2012	0	0	0	0	295,852	295,852
Balance at September 30, 2012	73,956,537	$ 73,956	$ 4,792,656	$ (3,250)	$ (2,080,408)	$ 2,782,954
Issuance of common stock to directors and officers	150,000	150	1,350	0	0	1,500
Net (Loss) Income for the Period Ended March 31, 2013	0	0	0	0	(356,236)	(356,236)
Balance at March 31, 2013	74,106,537	$ 74,106	$ 4,794,006	$ (3,250)	$ (2,436,644)	$ 2,428,218

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

For the Six Months Ended March 31, 2013 and April 1, 2012

	Six Months	
CASH FLOWS FROM OPERATING ACTIVITIES	**March 31, 2013**	**April 1, 2012**
Net (loss) for the period	$ (356,236)	$ (294,036)
Adjustments to Reconcile Net Income to Net Cash Used in Operating Activities:		
Depreciation expense and amortization	139,611	155,110
(Gain) on disposal of assets	(11,160)	0
Share-based compensation	1,500	1,750
(Gain) from retirement of debt	(105,656)	0
Changes in Assets and Liabilities		
(Increase) decrease in prepaid expenses	966	15,016
(Increase) decrease in inventory	2,091	6,000
(Increase) decrease in accounts receivable	0	20,253
Increase (decrease) in accrued expenses	7,973	(71,594)
Increase (decrease) in accounts payable	(53,298)	(19,131)
Net Cash Used In Operating Activities	(374,209)	(186,632)
Cash Flows from Investing Activities:		
Acquisition of property and equipment	(172,809)	(44,036)
Capitalization of loan fees	(182,675)	0
Net Cash Used In Investing Activities	(355,484)	(44,036)
Cash Flows from Financing Activities:		
Proceeds (payments) on lines of credit (LOC)	350,000	451,000
Pay-off all mortgages	(3,413,782)	(111,390)
Proceeds from refinancing	3,633,201	0
Proceeds from related party borrowings	171,761	0
Net Cash Provided By Financing Activities	741,180	339,610
Net Increase in Cash	11,487	108,942
Cash at beginning of period	147,962	41,097
Cash at end of period	$ 159,449	$ 150,039
Supplemental Cash Flow Information:		
Cash paid for interest	$ 129,502	$ 141,633
Cash paid for income taxes	$ 0	$ 0

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

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

1. ORGANIZATION

Parks! America (Parks! or the Company) was originally incorporated on July 30, 1954 as Painted Desert Uranium & Oil Co., Inc. in Washington State. On October 1, 2002, Painted Desert Uranium & Oil Co., Inc. changed its name to Royal Pacific Resources, Inc. and its corporate domicile to the State of Nevada.

On December 19, 2003, Royal Pacific Resources, Inc. acquired the assets of Great Western Parks LLC, including the Crossroads Convenience Center LLC., pursuant to a Share Exchange Agreement that resulted in our assuming control and changing the corporate name to Great American Family Parks, Inc. The acquisition was accounted for as a reverse acquisition in which Great Western Parks was considered to be the acquirer of Royal Pacific Resources for reporting purposes. Our common stock outstanding increased from 2,533,000 to 29,600,000 as a result of the acquisition. On June 11, 2008 the Company changed its name from Great American Family Parks, Inc. to Parks! America, Inc.

The Company owns and operates through wholly-owned subsidiaries two regional theme parks and is in the business of acquiring, developing and operating local and regional theme parks and attractions in the United States. Our wholly-owned subsidiaries are Wild Animal, Inc., a Missouri corporation (Wild Animal - Missouri) and Wild Animal Safari, Inc. a Georgia corporation (Wild Animal - Georgia). Wild Animal - Georgia owns and operates the Wild Animal Safari theme park in Pine Mountain, Georgia (the Georgia Park). Wild Animal - Missouri owns and operates the Wild Animal Safari theme park located in Strafford, Missouri (the Missouri Park). On June 13, 2005, the Company acquired the Georgia Park and on March 5, 2008, the Company acquired the Missouri Park.

The Parks are open year round but experience increased seasonal attendance during the months of April through August.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include accidents occurring at our parks, competition from other parks, weather conditions during our primary tourist season, the price of animal feed, the price of gasoline, changes in consumer spending patterns and general economic conditions.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. We believe that the disclosures are adequate to make the financial information presented not misleading. These condensed financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended September 30, 2012. All adjustments were of a normal recurring nature unless otherwise disclosed. In the opinion of management, all adjustments necessary for a fair statement of the results of operations for the interim period have been included. The results of operations for such interim periods are not necessarily indicative of the results for the full year.

Accounting Method: The Company recognizes income and expenses based on the accrual method of accounting.

Reclassifications: Certain accounts and financial statement captions in the prior periods have been reclassified to conform to the current period financial statements.

Basic and Diluted Net Income (loss) Per Share: Basic net income (loss) per share amounts are computed based on the weighted average number of shares actually outstanding. Diluted net income (loss) per share amounts are computed using the weighted average number of common shares and common equivalent shares outstanding as if shares had been issued on the exercise any common share rights unless the exercise becomes anti-dilutive and then only the basic per share amounts are shown in the report.

Basic and diluted net income (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding in each period.

Dividend Policy: The Company has not yet adopted a policy regarding payment of dividends.

Trade Accounts Receivable: The theme parks are a cash business therefore there are typically no receivables on the books of the Company. As of March 31, 2013 and September 30, 2012, respectively, the Company had no outstanding receivables.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

Revenue Recognition: The major source of income is received from theme park admissions. Theme park revenues from admission fees are recognized upon receipt of the cash at the time of our customers visit to the parks. No theme park ticket sales are made in advance. Short term seasonal passes are sold primarily during the summer seasons and are negligible to our results of operations and are not material. The Company is currently developing a new product line of selling surplus animals created from the natural breeding process that occurs within the parks. All sales will be reported as a separate line item.

Advertising and Market Development: The Company expenses advertising and marketing costs as incurred.

Income Taxes: The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax basis of the assets and liabilities and are measured using the enacted tax rates and laws is recorded, when it is more likely than not, that such tax benefits will not be realized.

Financial and Concentrations Risk: The Company does not have any concentration or related financial credit risks except for. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits.

Principles of Consolidation: The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries (Wild Animal-Georgia and Wild Animal-Missouri). All material inter-company accounts and transactions have been eliminated in consolidation.

Fiscal Year End: During 2011, the Company changed its fiscal year-end from December 31 to September 30, and changed its quarterly close dates to the last Sunday that falls at the end of each reporting period. For the quarter ended December 31, 2012 the Sunday closest to the end of the reporting period was December 30, 2012. This decision was made to align the Company s fiscal periods more closely with the seasonality of its business. The high season typically ends after the Labor Day holiday weekend. The period from October through early March is geared towards maintenance and preparation for the next busy season which typically begins at Spring Break and runs through Labor Day.

Property and Equipment: Property and equipment are stated at cost. Depreciation is computed on the straight line method over the estimated useful lives of the assets, which range from five to thirty nine years. A summary is included below.

	March 31, 2013	September 30, 2012	Depreciable Lives
Land	$ 2,507,180	$ 2,507,180	none
Buildings	2,958,706	2,952,983	40 years
Facilities and Improvements & Equipment	881,373	754,312	5 - 15 years
Furniture & Fixtures	75,663	75,189	7 years
Ground Improvements	753,797	751,149	15 years
Park animals	599,758	589,234	5 - 10 years
Rides & entertainment	22,000	22,000	7 years
Vehicles	306,816	291,429	5 years
Sub-total	8,105,293	7,943,476	
Accumulated Depreciation	(1,861,632)	(1,746,631)	
Total Net Assets	$ 6,243,661	$ 6,196,845	

Inventory: Inventory consists of park supplies, and is stated at the lower of cost or market. Cost is determined on the first-in, first-out method. Inventories are reviewed and reconciled annually, because inventory levels turn over rapidly.

Estimates and Assumptions: Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

Other Intangible assets: Historically, other intangible assets included franchising fees, loan fees, payroll software, and they were reported at cost. As of March 31, 2013 franchise fees and payroll software are amortized to $0. The closing costs associated with the Company s refinancing on January 9, 2013 totaled $186,851 and will be amortized over the life of the loan. See Footnote 3 - LONG-TERM DEBT for more information.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets: The Company reviews its major assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If an asset is considered impaired, then impairment will be recognized in an amount determined by the excess of the carrying amount of the asset over its fair value.

Financial Instruments: The carrying amounts of financial instruments are considered by management to be their estimated fair values due to their short-term maturities. Securities that are publicly traded are valued at their fair market value based as of the balance sheet date presented.

Uncertainties: The accompanying financial statements have been prepared on a going concern basis. The ability of the Company to continue as a going concern during the next twelve months depends on the ability of the Company to generate revenues from operations, to maintain its existing sources of capital and to obtain refinancing on existing debt maturities or obtain new sources of financing sufficient to sustain operations. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Stock Based Compensation: Prior to January 1, 2006 the company accounted for stock based compensation under recognition and measurement principles of ASC 718 and as permitted under APB Opinion No. 25, and related interpretations. Effective January 1, 2006 the company adopted ASC 718 using the modified prospective method which recognizes compensation costs on a straight-line basis over the requisite service period of the ASC 718 requires that cash flows resulting from tax deductions in excess of the cumulative compensation cost recognized for options exercised be classified as cash inflows from financing activities and cash outflows from operating activities. The company also applies ASC 718 and EITF No. 96-18 stock based compensation to non-employees. No activity has occurred in relation to stock options during any period presented. The Company awards shares to its Board of Directors for service on the Board. The shares issued to the Board are restricted and are not to be re-sold unless an exemption is available, such as the exemption afforded by Rule 144 promulgated under the Securities Act of 1933, as amended (the Securities Act). The Company recognizes the expense based on the fair market value at time of the grant. Directors are granted 25,000 shares a year for each year of service in December.

The Company does not expect recently issued accounting standards or interpretations to have a material impact on the Company s financial position, operations or cash flows.

3. LONG-TERM DEBT

On January 9, 2013 the Company completed a refinancing transaction (the Refinancing Loan) with Commercial Bank & Trust Co. as lender. The Refinancing Loan was for a principal amount of $3,752,000 and has a twenty year term. The Refinancing Loan bears interest at the rate of Prime Rate plus 2.50% (currently 5.75%) during the first five years of the Loan term. Thereafter, the interest rate will be re-priced every five years based on the then-Prime Rate plus 2.50%. During the first four months following the closing of the Refinancing Loan the Company may make interest-only payments. The estimated full monthly payment will be $26,112 during the first five years of the Loan term.

The closing costs for the Refinancing Loan totaled $175,369 and they are being amortized over the 20 year life of the Loan. The Company used the proceeds from the Refinancing Loan to pay off all of its then outstanding debt (including the seller financing from the purchase of the Missouri Park) and will spend approximately $230,000 for new construction and renovations at the Parks.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

During fiscal year 2012, the Company s mortgages required total monthly payments of $40,876 (annual payments totaling $490,512) as compared to the new estimated annual payments of $313,344, or $26,112 monthly. The Company anticipates that the Refinancing Loan will reduce the Company s total debt service payments by $177,168 annually.

	March 31, 2013	September 30, 2012
The Commercial Bank and Trust of Troup County loan required monthly payments of $18,048.55 based on a 14 year amortization. The loan has a fixed interest rate of 6.5%, and a balloon payment due in June 2014. The loan was secured by a first priority security agreement and a first priority security deed on the assets of the Georgia Park. This note was retired on January 9, 2013,	$ Retired	$ 1,843,278
In addition, the Company refinanced its revolving line of credit loan from Commercial Bank & Trust Company of Troup County (CB&T) for working capital purposes for $350,000. This revolving line of credit is for seven (7) years and the loan cost was $11,482 which will be amortized over the loan term. The LOC was not used as of September 30, 2012 and was drawn down to $350,000 as of March 31, 2013. All advances are recorded as current liabilities. The LOC interest rates are tied to prime but have a minimum rate of 5.25% for $350,000.		
On March 5, 2008 the Company issued a note payable to Oak Oak, Inc. in the amount of $1,750,000 for debt incurred in the purchase of the Missouri park. The note bears interest at 8% and is payable in 36 monthly installments of $12,841, and a final balloon payment at the end of the 3rd year. In March, 2011, the Company made an additional one-time lump sum payment of $50,000 that allowed it to extend the loan for an additional 2 years on the same terms until March 2013. This note was repaid in full on January 9, 2013 and as part of the terms of the original note, the Company was entitled to a discount of $105,656 if this note was paid in full before maturity. This discount is recorded as a gain in other income.	Retired	1,617,622
On March 5, 2008 the Company obtained a loan from Commercial Bank & Trust in the amount of $500,000 to improve and upgrade facilities of the Missouri Park. This loan bears interest at a rate of 7.25% and is payable in 60 monthly payments of $9,986. This loan was repaid in full on January 9, 2013.	Retired	58,538
On January 9, 2013 the Company completed a refinancing transaction with Commercial Bank & Trust Co. as lender. The Refinancing Loan was for a	3,633,201	0

principal amount of $3,752,000 and has a twenty year term. The Refinancing Loan bears interest at the rate of Prime Rate plus 2.50% (currently 5.75%) during the first five years of the Loan term. Thereafter, the interest rate will be re-priced every five years based on the then-Prime Rate plus 2.50%. During the first four months of the Refinancing Loan the Company makes interest-only payments. The Company has $118,799 still available to draw on this loan for improvements being done at the parks. The estimated full monthly payment will be $26,112, after all funding is in place, during the first five years of the Loan term.

Total Debt	3,633,201	3,519,438
Less current portion of long-term debt	(83,113)	(1,773,935)
Long-term Debt	$ 3,550,088	$ 1,745,503

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

At March 31, 2013 the scheduled future principal maturities are as follows:

2013	$	83,113
2014		105,125
2015		111,331
2016		117,904
2017		124,865
thereafter		3,090,863
		3,633,201
Less: current portion		(83,113)
Long-term portion	$	3,550,088

4. LINES OF CREDIT

The Company maintains a $350,000 line of credit loan from Commercial Bank & Trust Company of Troup County (CB&T) for working capital purposes. This line of credit (LOC) has an initial term of seven (7) years, subject to the satisfactory performance by the Company. The LOC was not used as of September 30, 2012 and was drawn down to $350,000 as of March 31, 2013, respectively. All advances are recorded as current liabilities. The LOC interest rate is tied to prime but has a minimum rate of 5.25%.

The board of directors of the Company approved the offer of two of the Company s directors of to loan the Company an additional $170,000 ($85,000 from each director) on the same terms and conditions as the LOC with CB&T. As of the date of this report, these loans have closed and were fully funded by the directors.

5. STOCKHOLDERS EQUITY

As policy, capital stock shares issued for service to the Company are valued based on market price on the date of issuance. During October 2012, the Company awarded 150,000 shares to six directors for their service on the Board of Directors at a fair market value of $0.01 per share or $1,500. This amount was reported as an expense to operations in 2012.

Officer, directors and their controlled entities own approximately 43% of the outstanding common stock of the Company as of March 31, 2013.

6. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Employment Agreements:

Effective as of June 1, 2009 the Company entered into an employment agreement with Dale Van Voorhis (the Van Voorhis Employment Agreement) to serve as the Company s Chief Operating Officer. As consideration for his services, Mr. Van Voorhis receives an initial base compensation of $75,000 which is reviewed annually by the Board of Directors. The Van Voorhis Agreement has a term of five years and entitles Mr. Van Voorhis to participate in any deferred compensation plan the Company may adopt during the term of his employment with the Company.

The Company entered into an employment agreement as of June 1, 2009, as amended on March 20, 2013 with Jon Laria (such amended agreement the Laria Employment Agreement) pursuant to which Mr. Laria serves as the Company s Chief Financial Officer. The Laria Employment Agreement has an initial term of five years and thereafter will automatically continue on a month-to-month basis. As consideration for his services Mr. Laria receives an initial base compensation of $50,000 per year which is reviewed annually by the Board of Directors. Upon conversion to a month-to-month agreement Mr. Laria will be entitled to a 5% annual automatic pay raise. Under the terms of this Agreement, Mr. Laria is entitled to participate in any deferred compensation plan the Company may adopt during the term of his employment with the Company.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2013

On April 1, 2008 the Company entered into an employment agreement with Jim Meikle (the 2008 Meikle Agreement) pursuant to which Mr. Meikle was hired to serve as the President and Chief Executive Officer of each of the Company s wholly owned subsidiaries. The 2008 Meikle Employment Agreement expired on March 31, 2013 and was replaced by an employment agreement between the Company and Mr. Meikle dated as of April 1, 2013 (the 2013 Meikle Employment Agreement). Pursuant to the 2013 Meikle Employment Agreement, Mr. Meikle receives an initial base compensation in the amount of $135,000 which is reviewed annually by the Board of Directors. The 2013 Meikle Agreement has a term of two years and entitles Mr. Meikle to participate in any deferred compensation plant the Company may adopt during the term of his employment with the Company.

Each of the foregoing employment agreements contains provisions for severance compensation in the event an agreement is (i) terminated early by the Company without cause or (ii) in the event of a change in control of the Company. This additional severance compensation payable totals $410,000.

Reorganization of Officers

On January 27, 2011 following the departure of the Company s then President, the Company announced the following actions concerning the Company s executive officers, effective immediately: Dale Van Voorhis was appointed Chief Executive Officer of the Company; James R. Meikle was appointed Chief Operating Officer of the Company and Jeff Lococo was appointed Secretary of the Company.

7. INCOME TAXES

For the six month period ended March 31, 2013, the Company has reported a loss of $356,236. The current loss will be added to the Company s net operating loss carryforward. The Company has fully reserved for the net deferred tax asset generated by the cumulative net operating losses. The cumulative net operating loss carry-forward is approximately $4,553,000 at March 31, 2013 and will begin to expire in the year 2026.

The cumulative tax effect at the expected rate of 34% of significant items comprising our net deferred tax amount is $1,548,000; however this entire potential asset is reserved as of March 31, 2013. Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards of approximately $4,553,000 for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry forwards may be limited as to use in future years.

8. BUSINESS SEGMENT

We operate two wild animal attractions that are in the same business. Their operations are substantially identical. The only material difference is their geographic location. In previous years, we reported the two parks as different segments; in 2013, with a new loan that covers both parks, and after multiple discussions with lenders who view the Company as having one business/one segment management determined that the parks are now one business and that we do not have multiple segments. While we maintain discrete financial information for each park for review and cost control, the basis for decision making is based on the company s total operating performance, primarily earnings before interest, depreciation and amortization, and taxes. However, we do not believe that eliminating segment information from our financial statements represents a material change.

9. COMMITMENTS AND CONTINGENCIES

On May 16, 2011 the U.S. Department of Agriculture s Animal and Plant Health Inspection Service (USDA APHIS) issued a citation to the Company alleging violations of certain USDA APHIS regulations and assessed a penalty in the amount of $76,857. On July 8, 2011 the Company submitted a reply to the USDA APHIS citation which contained, among other things; mitigating factors which the Company believed should be considered in determining the amount of the fine. As of July 1, 2012, USDA APHIS responded to the Company with a reduced assessment of $11,170. The Company reduced its reserve by $65,687 to reflect this revised assessment during the second quarter of 2012. The Company also addressed the compliance issues raised in the citation and is implementing new operational controls to address these matters going forward.

10. SUBSEQUENT EVENTS

In accordance with ASC 855-10, the Company has analyzed its operations subsequent to March 31, 2013 to the date these financial statements were issued, and have determined that it does not have any material subsequent events to disclose in these consolidated financial statements other than the events described above.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Management s discussion and analysis of results of operations and financial condition (MD&A) is a supplement to the accompanying consolidated financial statements and provides additional information on the Company s businesses, current developments, financial condition, cash flows and results of operations. The following discussion should be read in conjunction with our consolidated financial statements and notes thereto included elsewhere in this report and with our annual report on Form 10-K for the period ended September 30, 2012.

Forward-Looking Statements

Except for historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve risks and uncertainties, including, among other things, statements regarding our business strategy, exploration strategy, future revenues and anticipated costs and expenses. Such forward-looking statements include, among others, those statements including the words expects, anticipates, intends, believes and similar language o discussions of our outlook, plans, goals, strategy or intentions. Our actual results may differ significantly from those projected in the forward-looking statements. For example, assumptions that could cause actual results to vary materially from future results include, but are not limited to: competition from other parks, weather conditions during our primary tourist season, the price of animal feed and the price of gasoline. In addition, factors that might cause or contribute to our results differing materially from forward looking statements include, but are not limited to, those discussed herein as well as in the RISK FACTORS section herein. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this report. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the SEC, we assume no obligation to update any of these forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting these forward-looking statements.

Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, there are a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements.

Overview

Through our wholly-owned subsidiaries, we own and operate two regional theme parks and are in the business of acquiring, developing and operating local and regional theme parks and attractions in the United States. Our wholly-owned subsidiaries are Wild Animal, Inc., a Missouri corporation (Wild Animal - Missouri) and Wild Animal

Safari, Inc. a Georgia corporation (Wild Animal Georgia). Wild Animal-Georgia owns and operates the Wild Animal Safari theme park in Pine Mountain, Georgia (the Georgia Park). Wild Animal - Missouri owns and operates the Wild Animal Safari theme park located in Strafford, Missouri (the Missouri Park).

Our goal is to build a family of theme parks primarily through acquisitions of small, local and regional, privately-owned existing parks and to develop a series of compatible, themed attractions,. The Company also may pursue contract management opportunities for themed attractions owned by third parties.

Our philosophy is, if possible, to acquire existing attractions and/or properties. When evaluating possible acquisitions, we rely on the following primary criteria:

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Properties that have an operating history;

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Properties that our management team believe have the potential to increase profits and operating efficiencies; and

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Properties where there is additional, underutilized land available for expansion of operations.

We believe that acquisitions should not unnecessarily encumber the Company with additional debt that cannot be justified by current operations. By using a combination of equity, debt and other financing options, we intend to carefully monitor shareholder value in conjunction with the pursuit of growth.

As we look at our operations as of March 31, 2013, our principal goal is the continued growth of the Missouri Park s revenue. Management believes that our operations during three months ended March 31, 2013 were adversely affected due to abnormally cold weather during such period.

Since the Company s acquisition of the Missouri Park in March, 2008 we have worked to upgrade the Park s physical facilities and dramatically improve its concessions. We raised new capital due to our January 9, 2013 refinancing. As a result we have increased capital spending to upgrade the Parks and to add new attractions.

Our current size and operating model leaves us little room for mistakes. Our highest priority is to continue to improve the Missouri Park operating profit.

On January 9, 2013, the Company completed a $3,752,000 loan transaction, the proceeds of which were used primarily to refinance the Company s outstanding debt. For more information regarding this refinancing see Note 3 - Long-Term Debt to the Company s financial statements

Results of Operations For the Three Month Period Ended March 31, 2013 as Compared to Three Month Period Ended April 1, 2012

Total Net Sales

The Company s total net sales for the three month period ended March 31, 2013 decreased by $26,520, or 5%, to $547,083 versus the three month period ended April 1, 2012. The Georgia Park s revenue increased by $16,667 as a result of higher revenue per customer during the three month period ended March 31, 2013 versus the same period in 2012. Extreme weather during the quarter forced the Missouri Park to close on multiple occasions, causing a dramatic decrease in Park attendance. Revenue from the Missouri Park decreased by $43,188, or 35%, as compared to this same three month period in 2012.

Operating Expenses

The operating margin for both Parks decreased by $86,080 to an operating loss of $28,880 during the three month period ended March 31, 2013 versus a profit of $57,200 during the three month period ended April 1, 2012, primarily due to lower sales in 2013 and last year s results including a $65,956 credit to operating expenses for the reversal of a USDA fine at the Georgia park and settled substantially lower than the original assessment.

Corporate Expenses and Other

Corporate spending increased by $36,617 to $145,707 during the three month period ended March 31, 2013, primarily as a result of higher legal fees. The Company commenced a lawsuit in September, 2009 against a group led by Larry Eastland, a former officer and director of the Company. The litigation was inactive until June 11, 2012 at which time the Company amended its complaint against the Eastland group to, among other things, join as defendants Stanley Harper, LEA Capital Advisors, LLC (an entity controlled by Mr. Eastland) and Computer Contact Service, Inc. (an entity controlled by Mr. Harper) for breaches of contract and fiduciary duty with regards to the Company s purchase of TempSERV on September 30, 2007 and its subsequent re-conveyance of TempSERV to Computer Contact Service, Inc. as of January 1, 2009.

Other Income

Under the terms of the Company s note with the seller of the Missouri Park, the Company was entitled to a discount to this seller financing note if paid in full before its maturity date of March 5, 2013. The Company paid-off this note in full on January 9, 2013 and recorded the gain of $105,656 in Other Income.

Net Loss and Loss Per Share

The Company s net loss increased by $29,998 to a loss of $143,801, or $0.00 per share and fully diluted per share, for the three months ended March 31, 2013 as compared with a loss of $113,803, or $0.00 per share and fully diluted per share, for the three months ended April 1, 2012.

Excluding the impact of the $105,656 gain from the early repayment of the Missouri Park seller-financed debt reported this year and the credit to expenses from the settlement of the USDA fine for $65,956 last year, the Company s net loss was $249,457 in 2013 versus net loss of $179,759 last year. Management believes that this loss is higher in 2013 as compared to the same period in 2012 was primarily due to higher spending on advertising and lower sales (caused by a harsh winter in Missouri) during 2013.

Results of Operations For the Six Month Period Ended March 31, 2013 as Compared to Six Month Period Ended April 1, 2012

Total Net Sales

The Company s total net sales for the six month period ended March 31, 2013 increased by $35,955, or 3%, to $1,120,118 versus the six month period ended April 1, 2012. The Georgia Park s revenue increased by nearly $74,828, or 9%, as a result of average revenue per person during the six month period ended March 31, 2013 versus the six months in 2012. Georgia Park attendance was slightly lower this year versus last year. Net sales from the Missouri Park were down $38,874, or 18%, as compared to this same six month period in 2012. The Missouri Park s attendance was down dramatically due to the severe weather in Springfield MO. January 2013 through March 2013.

Operating Expenses

The operating margin for both Parks decreased by $148,640 to an operating loss of $97,373 during the six month period ended March 31, 2013 versus a profit of $51,267 during the six month period ended April 1, 2012, primarily due to higher advertising costs at both parks in 2013 and last year s results including a $65,956 credit to operating expenses for the reversal of a USDA fine recorded earlier at the Georgia park and settled substantially lower than the original assessment.

Corporate Expenses and Other

Corporate spending increased by $10,726 to $240,971 during the six month period ended March 31, 2013, primarily as a result of higher legal fees as previously discussed.

Other Income

As discussed above, the Company retired the Missouri Park seller financing debt in full on January 9, 2013 and recorded a gain of $105,656 in Other Income because under the terms of this note, the Company was incentivized to pay off the seller in full before March 5, 2013.

Net Loss and Loss Per Share

The Company s net loss increased by $62,200 to a loss of $356,236, or $0.00 per share and fully diluted per share, for the six months ended March 31, 2013 as compared with a loss of 294,036, or $0.00 per share and fully diluted per share, for the six months ended April 1, 2012.

Excluding the impact of the $105,656 gain from paying off the Missouri debt reported this year and the credit to expenses from the settlement of the USDA fine last year for $65,956, net loss was $461,892 in 2013 versus net loss of $359,992 in 2012. The higher loss in 2013 is primarily from higher spending on advertising and to a lesser degree, higher repairs and maintenance spending this year as compared to the same period last year. The Company has invested more this year in marketing and restoration of the properties in anticipation of what the Company will believes will be the best spring and summer season that we ever enjoyed.

Cash Flows from Operating Activities

The Company s slow season starts after Labor Day in September and runs until Spring break which is typically end of March. These two quarters have historically generated negative cash flow and require us to borrow to fund operations and prepare the parks for the busy season during the third and fourth quarter of the year.

To date for the first six months of this year we had negative cash flow of $374,209 as compared with negative $186,632 for the comparable six-month period during out last fiscal year, primarily due to increased spending on advertising, repairs and maintenance this year as compared to the same period in 2012.

Cash Flows from Investing Activities

The Company spent $172,809 on capital improvements at the Parks. In anticipation of our busy season, the Company spent more on repairs and maintenance and adding new attractions at the parks. Improvements at the Missouri Park included: remodeling the Park s gift shop, upgrading the main bathrooms and repaving the Park s main entrance. In addition, we added a new reptile attraction and refurbished many of the animal exhibits. Improvements at the Georgia Park included: renovating many of our animal exhibits, upgrading the rental fleet, building a new food preparation structure for animals on special diets. We also renovated the Park s main food service are and repainted all its main buildings. In addition, the Company invested $182,675 in costs associated with securing the new 20 year mortgage and seven year revolving term loan.

Cash Flows from Investing Activities

On January 9, 2013 the Company completed its loan refinancing and was able to retired all mortgages then outstanding and replaced them with a single new 20-year term loan. As a result of this refinancing, the Company lowered its anticipated annual debt service payments. During the past year, the Company s mortgages required total monthly payments of $40,876 (annual payments totaling $490,512) as compared to the new estimated monthly payments of $26,112 (annual payments totaling $313,344). The new loan will save the Company $177,168 in lower annual debt service payments as compared with the previous year.

Liquidity and Capital Resources

Management believes that it has improved its operations to the point that it can now generate enough cash to fund its operations, make its mortgage payments and spend modestly on capital improvements in the near-term. Any slowdown in revenue or unusual capital outlays may require us to seek additional capital.

The Company s working capital is negative $0.5 million at March 31, 2013 as compared to a negative $1.7 million working capital at September 30, 2012. This improvement in working capital is a result of completing our new term loan and retiring the Missouri Park seller financing loan which was due in March 2013 for $1.6 million. Partially offsetting this was the negative cash flow generated during the slow season requiring us to borrow $520,000 on short-term basis. The Company expects to repay the $520,000 before year-end from the cash flow generated during the next six months, our busy season.

Total debt related to our property mortgage and lines of credit (LOC), including current maturities, at March 31, 2013 was $4.1million as compared to $3.5 million at September 30, 2012. The increase in debt was a result of our negative cash flow. The LOC balance (together with outstanding related party notes) at March 31, 2013 and September 30, 2012 was $521,761 and $0 respectively.

At March 31, 2013 the Company had equity of $2.4 million and total debt of $4.1 million (including LOCs) and a debt to equity ratio of 1.68 to 1. The Company s debt to equity ratio was 1.35 to 1 as of September 30, 2012.

Our principal source of income is from cash sales, which is projected to provide sufficient cash flow to fund operations and service our current debt. During the next twelve months, management will focus on increasing net sales, particularly at Missouri Park, and completing several renovation projects currently underway at both parks. As part of the refinancing, the Company secured more than $230,000 for capital improvements and assets. The Company still has $118,799 available to fund these improvements from the new financing agreement signed on January 9, 2013. The total loan commitment was $3,752,000 and to date the Company has borrowed $3,633,201.

Subsequent Events

None

Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, results of operations, liquidity or capital expenditures.

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of any contingent assets and liabilities. On an on-going basis, we evaluate our estimates. We base our estimates on various assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

A number of variables and assumptions could have an affect a valuation of our assets and liabilities. Our assumptions include the following:

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Revenue and profit growth at our Parks will continue;

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The existing Park infrastructure will accommodate the additional customers;

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Cost of improvements and operations will remain a relatively stable budgeted allocation; and

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Per capita spending by the customers will continue to rise in relation to the rise in capital expenditures;

If any one of these assumptions, or combination of assumptions, proves incorrect, then the values assigned to real estate, per capita revenues, attendance and other variables that have remained consistent over the past two years may not be realized. The same would be true if higher than expected revenue streams occurred.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

N/A

ITEM 4. CONTROLS AND PROCEDURES.

Based on an evaluation conducted by management, of the effectiveness of the design and operation of our disclosure controls and procedures, as required by Exchange Act Rule 13a-15(e) they concluded that our disclosure controls and procedures were effective as of March 31, 2013, to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are:

1.

recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, and

2.

accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company'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 accounting principles generally accepted in the United States and includes those policies and procedures that:

(a) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

(c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce this risk.

Based on its assessment, management has concluded that the Company's disclosure controls and procedures and internal control over financial reporting are effective.

PART II

ITEM 1. LEGAL PROCEEDINGS

On May 16, 2011, the U.S. Department of Agriculture s Animal and Plant Health Inspection Service (USDA APHIS) issued a citation to the Company alleging violations of certain USDA APHIS regulations and assessed a penalty in the amount of $76,857. On July 8, 2011 the Company submitted a reply to the USDA APHIS citation which contained, among other things, mitigating factors which the Company believed should be considered in determining the amount of the fine. As of April 1, 2012, USDA APHIS responded to the Company with a reduced assessment of $11,170. The Company reduced its reserve by $65,687 to reflect this revised assessment. The Company also addressed the compliance issues raised in the citation and is implementing new operational controls to address these matters going forward.

The Company commenced a lawsuit in September, 2009 against a group led by Larry Eastland, a former officer and director of the Company. The litigation was inactive until June 11, 2012 at which time the Company amended its complaint against the Eastland group to, among other things, join as defendants Stanley Harper, LEA Capital Advisors, LLC (an entity controlled by Mr. Eastland) and Computer Contact Service, Inc. (an entity controlled by Mr. Harper) for breaches of contract and fiduciary duty with regards to the Company s purchase of TempSERV on September 30, 2007 and its subsequent re-conveyance of TempSERV to Computer Contact Service, Inc. as of January 1, 2009. The Company is seeking an indefinite amount of damages. For more information regarding the original litigation, see our annual report on Form 10-K for the year ended December 26, 2010.

ITEM 1A. RISK FACTORS

Risk Factors Relating to Our Business:

The Theme Park Industry is Highly Competitive and We May Be Unable to Compete Effectively.

The theme park industry is highly competitive, highly fragmented, rapidly evolving, and subject to technological change and intense marketing by providers with similar products. One of our competitors for attracting general recreation dollars, Callaway Gardens, is located within five miles of our Georgia Park. Branson, Missouri is located just 45 minutes from our Missouri Park.

Many of our current competitors are significantly larger and have substantially greater market presence as well as greater financial, technical, operational, marketing and other resources and experience than we have. In the event that such a competitor expends significant sales and marketing resources in one or several markets we may not be able to compete successfully in such markets. The Company believes that competition will continue to increase, placing downward pressure on prices. Such pressure could adversely affect our gross margins if we are not able to reduce costs commensurate with such price reductions. In addition, the pace of technological change makes it impossible for us to predict whether we will face new competitors using different technologies to provide the same or similar products offered or proposed to be offered by us. If our competitors were to provide better and more cost effective products, our business could be materially and adversely affected.

We Face Strong Competition from Numerous Entertainment Alternatives.

In addition to competing with other themed and amusement parks, our venues compete with other types of recreational venues and entertainment alternatives, including but not limited to movies, sports attractions, vacation travel and video games. There can be no assurance that we will successfully differentiate ourselves from these entertainment alternatives or that consumers will consider our entertainment offerings to be more appealing than those of our competitors. The development of technology-based entertainment has provided families with a wider selection of entertainment alternatives close to or in their homes, including home entertainment units, online gaming, and video game parlors. In addition, traditional theme parks have been able to reduce the cost and increase the variety of their attractions by implementing technologies that cannot be readily incorporated by a wild animal park such as the Georgia Park or Missouri Park.

Our Insurance Coverage May Not Be Adequate To Cover All Possible Losses That We Could Suffer, and Our Insurance Costs May Increase.

Companies engaged in the theme park business may be sued for substantial damages in the event of an actual or alleged accident. An accident occurring at our parks or at competing parks may reduce attendance, increase insurance premiums, and negatively impact our operating results. the Georgia Park contains a drive-through, safari style animal park, and there are inherent risks associated with allowing the public to interact with animals. Although we carry liability insurance to cover this risk, there can be no assurance that our coverage will be adequate to cover liabilities, or that we will be able to afford or obtain adequate coverage should a catastrophic incident occur.

We currently have $6,000,000 of liability insurance. We will continue to use reasonable commercial efforts to maintain policies of liability, fire and casualty insurance sufficient to provide reasonable coverage for risks arising from accidents, fire, weather, other acts of God, and other potential casualties. There can be no assurance that we will be able to obtain adequate levels of insurance to protect against suits and judgments in connection with accidents or other disasters that may occur in our theme parks.

Our Ownership of Real Property Subjects Us to Environmental Regulation, Which Creates Uncertainty Regarding Future Environmental Expenditures and Liabilities.

We may be required to incur costs to comply with environmental requirements, such as those relating to discharges to air, water and land; the handling and disposal of solid and hazardous waste; and the cleanup of properties affected by hazardous substances. Under these and other environmental requirements we may be required to investigate and clean up hazardous or toxic substances or chemical releases at one of our properties. As an owner or operator, we could also be held responsible to a governmental entity or third party for property damage, personal injury and investigation and cleanup costs incurred by them in connection with any contamination. Environmental laws typically impose cleanup responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. The liability under those laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of the responsibility. The costs of investigation, remediation or removal of those substances may be substantial, and the presence of those substances, or the failure to remediate a property properly, may impair our ability to use our property. We are not currently aware of any material environmental risks regarding our properties. However, we may be required to incur costs to remediate potential environmental hazards or to mitigate environmental risks in the future.

The Suspension or Termination of Any of our Business Licenses May Have a Negative Impact On Our Business

We maintain a variety of standard business licenses issued by federal, state and city government agencies that are renewable on a periodic basis. We cannot guarantee that we will be successful in renewing all of our licenses on a periodic basis. The suspension, termination or expiration of one or more of these licenses could have a significant adverse affect on our revenues and profits. In addition, any changes to the licensing requirements for any of our licenses could affect our ability to maintain the licenses.

We Are Dependent Upon the Services of Our Executive Officers and Consultants.

Our success is heavily dependent on the continued active participation of our executive officers. Loss of the services of one or more of these officers could have a material adverse effect upon our business, financial condition or results of operations. In particular, we place substantial reliance upon the efforts and abilities of Dale Van Voorhis, Chairman of the Board of Directors and the Company s Chief Executive Officer and Jim Meikle, the Company s Chief Operating Office, President of Wild Animal-Georgia and Wild Animal-Missouri, a member of the Company s Board of Directors. The loss of Mr. Van Voorhis or Mr. Meikle's services could have a serious adverse effect on our business, operations, revenues or prospects.

Further, our success and achievement of our growth plans depend on our ability to recruit, hire, train and retain other highly qualified technical and managerial personnel. Competition for qualified employees among companies in the theme park industry is intense, and the loss of any such persons, or an inability to attract, retain and motivate any additional highly skilled employees required for the expansion of the Company s activities, could have a materially adverse effect on the Company. The inability of the Company to attract and retain the necessary personnel and consultants and advisors could have a material adverse effect on the Company s business, financial condition or results of operations.

Our Common Stock is Subject to the Penny Stock Rules of the SEC and the Trading Market in Our Securities is Limited, Which Makes Transactions In Our Stock Cumbersome and May Reduce the Value of an Investment in Our Stock.

The Securities and Exchange Commission has adopted Rule 15g-9 which establishes the definition of a "penny stock," for the purposes relevant to us, as any equity security that has a market price of less than $5.00 per share or with an exercise price of less than $5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require:

that a broker or dealer approve a person's account for transactions in penny stocks; and

the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must:

obtain financial information and investment experience objectives of the person; and

make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the Commission relating to the penny stock market, which, in highlight form:

sets forth the basis on which the broker or dealer made the suitability determination; and

that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Generally, brokers may be less willing to execute transactions in securities subject to the "penny stock" rules. This may make it more difficult for investors to dispose of our common stock and cause a decline in the market value of our stock.

Disclosure also has to be made about the risks of investing in penny stocks in both public offerings and in secondary trading and about the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

We Do Not Expect to Pay Dividends for Some Time, if At All.

No cash dividends have been paid on our common stock. We expect that any income received from operations will be devoted to our future operations and growth. We do not expect to pay cash dividends in the near future. Payment of dividends would depend upon our profitability at the time, cash available for those dividends, and other factors.

Future Capital Needs Could Result in Dilution to Investors; Additional Financing Could be Unavailable or Have Unfavorable Terms.

Our future capital requirements will depend on many factors, including cash flow from operations, progress in our present operations, competing market developments, and our ability to market our products successfully. It may be necessary to raise additional funds through equity or debt financings. Any equity financings could result in dilution to our then-existing stockholders. Sources of debt financing may result in higher interest expense. Any financing, if available, may be on terms unfavorable to us.

21

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

N/A

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable

ITEM 5. OTHER INFORMATION.

None

ITEM 6. EXHIBITS.

Exhibit Number	Description of Exhibit
10.1	Employment Agreement with Dale Van Voorhis dated as of June 1, 2009
10.2	Employment Agreement with Jon Laria dated as of June 1, 2009
10.3	Employment Agreement with Jim Meikle dated as of April 1, 2013
31.1	Certification by Chief Executive Officer as required by Rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by Chief Financial Officer as required by Rule 13a-14 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C.§ 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements 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.

PARKS! AMERICA, INC.

May 13, 2013 By: */s/ Dale Van Voorhis*

Dale Van Voorhis

Chief Executive Officer