

PARKS AMERICA, INC
Form 10-Q
May 06, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended March 29, 2015

OR

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
(State or other jurisdiction of
incorporation or organization)

91-0626756
(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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See 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 Smaller reporting company (Do not check if a smaller reporting company)

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

Yes No

As of May 1, 2015, the issuer had 74,381,537 outstanding shares of Common Stock.

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PARKS! AMERICA, INC. and SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

As of March 29, 2015 and September 28, 2014

	March 29, 2015	September 28, 2014
ASSETS		
Cash unrestricted	\$ 283,236	\$ 661,842
Cash restricted (Note 3)	456,492	-
Inventory	160,994	136,334
Prepaid expenses	85,178	87,899
Total current assets	985,900	886,075
Property and equipment, net	6,125,631	6,117,869
Intangible assets, net	163,865	169,070
Other assets	8,500	8,500
Total assets	\$ 7,283,896	\$ 7,181,514
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable	\$ 69,024	\$ 118,523
Accrued expenses	196,918	193,042
Accrued judgment under appeal (Note 9)	304,328	304,328
Notes payable - line of credit	350,000	-
Notes payable - related parties	200,000	-
Current maturities of long-term debt	105,679	102,739
Total current liabilities	1,225,949	718,632
Long-term debt	3,434,583	3,491,984
Total liabilities	4,660,532	4,210,616
Stockholders equity		
Common stock; 300,000,000 shares authorized, at \$.001 par value; 74,381,537 and 74,231,537 shares issued and outstanding, respectively	74,381	74,231
Capital in excess of par	4,801,506	4,797,006
Treasury stock	(3,250)	(3,250)
Accumulated deficit	(2,249,273)	(1,897,089)
Total stockholders equity	2,623,364	2,970,898
Total liabilities and stockholders equity	\$ 7,283,896	\$ 7,181,514

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 Months and Six Months Ended March 29, 2015 and March 30, 2014

	For the three months ended		For the six months ended	
	March 29,	March 30,	March 29,	March 30,
	2015	2014	2015	2014
Net sales	\$ 583,000	\$ 526,525	\$ 1,204,975	\$ 1,052,977
Sale of animals	-	30,623	24,067	64,813
Total net sales	583,000	557,148	1,229,042	1,117,790
Cost of sales	95,187	95,075	166,034	180,374
Selling, general and administrative	575,334	587,611	1,140,938	1,158,817
Depreciation and amortization	81,250	78,105	162,500	155,415
(Gain) loss on disposal of operating assets, net	-	(3,964)	-	(3,964)
Loss from operations	(168,771)	(199,679)	(240,430)	(372,852)
Other income, net	1,371	1,379	3,437	5,257
Interest expense	(57,027)	(55,452)	(109,987)	(111,525)
Amortization of loan fees	(2,602)	(2,602)	(5,204)	(5,204)
Loss before income taxes	(227,029)	(256,354)	(352,184)	(484,324)
Income tax provision	-	-	-	-
Net loss	\$ (227,029)	\$ (256,354)	\$ (352,184)	\$ (484,324)
Loss per share - basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average shares				
outstanding (in 000's) - basic				
and diluted	74,381	74,232	74,314	74,177

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)**

For the Six Months Ended March 29, 2015 and Year Ended September 28, 2014

	Shares	Amount	Capital in Excess of Par	Treasury Stock	Accumulated Deficit	Total
Balance at September 29, 2013	74,106,537	\$ 74,106	\$ 4,794,006	\$ (3,250)	\$ (1,889,507)	\$ 2,975,355
Issuance of common stock to Directors	125,000	125	3,000	-	-	3,125
Net loss for the year ended September 28, 2014	-	-	-	-	(7,582)	(7,582)
Balance at September 28, 2014	74,231,537	74,231	4,797,006	(3,250)	(1,897,089)	2,970,898
Issuance of common stock to Directors	150,000	150	4,500	-	-	4,650
Net loss for the six months ended ended March 29, 2015	-	-	-	-	(352,184)	(352,184)
Balance at March 29, 2015	74,381,537	\$ 74,381	\$ 4,801,506	\$ (3,250)	\$ (2,249,273)	\$ 2,623,364

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

PARKS! AMERICA, INC. and SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

For the Six Months Ended March 29, 2015 and March 30, 2014

	For the six months ended	
	March 29,	March 30,
	2015	2014
OPERATING ACTIVITIES:		
Net loss	\$ (352,184)	\$ (484,324)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation and amortization expense	162,500	155,415
Amortization of loan fees	5,204	5,204
(Gain) loss on disposal of assets	-	(3,964)
Stock-based compensation	4,650	3,125
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	-	10,875
(Increase) decrease in inventory	(24,660)	(25,900)
(Increase) decrease in prepaid expenses	2,721	(5,480)
Increase (decrease) in accounts payable	(49,499)	4,287
Increase (decrease) in accrued expenses	3,876	(9,695)
Net cash used in operating activities	(247,392)	(350,457)
INVESTING ACTIVITIES:		
Acquisition of property and equipment	(170,261)	(120,732)
Proceeds from the disposition of property and equipment	-	4,700
(Increase) decrease in restricted cash	(456,492)	-
Net cash used in investing activities	(626,753)	(116,032)
FINANCING ACTIVITIES:		
Proceeds from lines of credit	350,000	200,000
Proceeds from related party borrowings	200,000	200,000
Payments on notes payable	(54,461)	(53,315)
Net cash provided by financing activities	495,539	346,685
Net increase (decrease) in cash	(378,606)	(119,804)
Cash at beginning of period	661,842	313,529
Cash at end of period	\$ 283,236	\$ 193,725
Supplemental Cash Flow Information:		
Cash paid for interest	\$ 108,803	\$ 109,833
Cash paid for income taxes	\$ 9,000	\$ 20,000

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

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

March 29, 2015

NOTE 1. ORGANIZATION

Parks! America, Inc. (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 pursuant to a Share Exchange Agreement that resulted in the Company 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. The Company's 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 its 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. The Company's wholly owned subsidiaries are Wild Animal Safari, Inc. a Georgia corporation (Wild Animal Georgia) and Wild Animal, Inc., a Missouri corporation (Wild Animal Missouri). 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. On a combined basis, net sales for the third and fourth quarter of the last two fiscal years represented approximately 70% to 72% of annual net sales.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The Company's unaudited consolidated financial statements for the three months and six months ended March 29, 2015 and March 30, 2014 are presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The Company believes that the disclosures made are adequate to make the information presented not misleading. The information reflects all adjustments that, in the opinion of

management, are necessary for a fair presentation of the financial position and results of operations for the periods set forth herein. In the opinion of management interim results reflect all normal and recurring adjustments, and are not necessarily indicative of the results for a full fiscal year.

These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended September 28, 2014.

Principles of Consolidation: The accompanying unaudited 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.

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

Estimates and Assumptions: Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. 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.

Fiscal Year End: The Company's fiscal year-end is the Sunday closest to September 30, and its quarterly close dates are also determined by the Sunday closest to the end of each quarterly reporting period. For the 2015 fiscal year, September 27 will be the last Sunday, and for the 2014 fiscal year, September 28 was the last Sunday. This fiscal calendar aligns 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.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

March 29, 2015

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Uncertainties: The accompanying financial statements have been prepared on a going concern basis. The January 9, 2013 refinancing of all the Company's then outstanding debt lowered the Company's required annual debt service payments by approximately \$174,000, see NOTE 4. LONG-TERM DEBT for more information. Management believes this refinancing provides the Company additional margin to continue to fund its operations and meet its debt service obligations. However, the ability of the Company to continue as a going concern during the next twelve months continues to depend on the ability of the Company to generate revenues from operations, to maintain its existing sources of capital and to meet its existing debt service obligations or obtain additional sources of capital. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

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

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

Trade Accounts Receivable: The Parks are cash businesses; therefore, the Company typically carries little or no accounts receivable. Periodically the Company will carry accounts receivable primarily from animal sales. The Company had no accounts receivable as of March 29, 2015 and September 28, 2014.

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.

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

	March 29,	September 28,	Depreciable
	2015	2014	Lives
Land	\$ 2,507,180	\$ 2,507,180	not applicable
Buildings and structures	3,160,867	3,108,495	15 - 40 years
Facilities and equipment	996,117	935,854	5 - 15 years
Furniture and fixtures	76,646	75,189	7 years
Ground improvements	785,336	785,336	15 years
Park animals	616,878	609,578	5 - 10 years
Rides and entertainment	52,747	22,000	7 years
Vehicles	332,574	314,451	3-5 years
Total cost	8,528,345	8,358,083	
Less accumulated depreciation	(2,402,714)	(2,240,214)	
Property and equipment, net	\$ 6,125,631	\$ 6,117,869	

Other Intangible Assets: Other intangible assets include franchising fees, loan fees, payroll software, which are reported at cost. Loan fees are amortized over the life of the respective loan, currently 20 years for the term loan and seven years for the line-of-credit. See NOTE 4. LONG-TERM DEBT for more information. Franchising fees are amortized over a period of 60 months and payroll software over a period of 36 months.

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.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

March 29, 2015

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition: The major source of income is received from Park admissions. Park revenues from admission fees are recognized upon receipt of the cash at the time of our customers' visit to the Parks. Park ticket sales are typically not made in advance. Short-term seasonal passes are sold primarily during the summer season and are negligible to our results of operations and are not material. The Company has developed a business of selling surplus animals created from the natural breeding process that occurs within the parks. All animal sales are reported as a separate line item.

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

Stock Based Compensation: The Company recognizes stock based compensation costs on a straight-line basis over the requisite service period associated with the grant. 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. Each director is typically granted 25,000 restricted shares annually, usually toward the end of the calendar year.

Income Taxes: The Company utilizes the asset and liability method of accounting for income taxes, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting basis and the tax basis of the assets and liabilities, and are measured using the enacted tax rates and laws. Management periodically reviews the Company's deferred tax assets to determine whether their value can be realized based on available evidence. A valuation allowance is established when management believes it is more likely than not, that such tax benefits will not be realized. Changes in valuation allowances from period to period are included in the Company's income tax provision in the period of change.

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 of 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 applicable weighted average number of common shares outstanding in each period.

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

Recent Accounting Pronouncements: The Company does not expect recently issued accounting standards or interpretations to have a material impact on the Company's financial position, results of operations, cash flows or financial statement disclosures.

NOTE 3. RESTRICTED CASH

As of February 5, 2015, the Company was required to post a security of \$456,492 (the Security Amount) in connection with the Company's appeal of a summary judgment and award of costs more fully described in NOTE 9. COMMITMENTS AND CONTINGENCIES herein. The Company deposited the Security Amount, in cash, in a newly established account with Fifth Third Bank, an Ohio Banking Corporation (Fifth Third). On April 8, 2015, Fifth Third issued a Letter of Credit equal to the Security Amount to the Harper Defendants (as that term is defined in Note 9). The Company anticipates the Letter of Credit will be in place until the appeal of the summary judgment award is resolved. The Company is restricted from using the Security Amount in its Fifth Third Bank deposit account as long as the Letter of Credit is outstanding.

PARKS! AMERICA, INC. and SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

March 29, 2015

NOTE 4. LONG-TERM DEBT

On January 9, 2013, the Company completed a refinancing transaction (the Refinancing Loan) with Commercial Bank & Trust Company of Troup County (CB&T) as lender. The Refinancing Loan was for a principal amount of \$3,752,000 and has a 20-year term. The Refinancing Loan bears interest at the rate of Prime Rate plus 2.50% or 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 was required to make interest-only payments. The minimum required monthly payment is approximately \$26,343 during the first five years of the Refinancing Loan term. The closing costs for the Refinancing Loan totaled \$175,369 and are being amortized over the 20-year life of the loan.

As a result of the Refinancing Loan, the Company lowered its anticipated annual debt service payments. Prior to the Refinancing Loan, the Company s then outstanding mortgages required annual payments totaling \$490,000 as compared to new estimated annual payments totaling \$316,000, reducing our annual debt service payments by \$174,000 compared with the previous year.

	March 29, 2015	September 28, 2014
On January 9, 2013, the Company completed a refinancing transaction with CB&T as lender. The Refinancing Loan was for a principal amount of \$3,752,000 and has a 20-year term.	\$ 3,540,262	\$ 3,594,723
Less current portion of long-term debt	(105,679)	(102,739)
Long-term debt	\$ 3,434,583	\$ 3,491,984

At March 29, 2015, the scheduled future principal maturities by fiscal year are as follows:

2015	\$ 57,491
2016	118,360
2017	125,348
2018	132,749
2019	140,587

thereafter		2,965,727
Total	\$	3,540,262

NOTE 5. LINES OF CREDIT

The Company maintains a \$350,000 line of credit (the LOC) loan from CB&T for working capital purposes. This LOC has an initial term of seven years, through January 8, 2020, subject to the satisfactory performance by the Company. The LOC interest rate is tied to prime but has a minimum rate of 5.25%. The closing costs for the LOC totaled \$11,482 and are being amortized over the initial seven-year term of the loan. As of March 29, 2015, the Company had drawn \$350,000 on the LOC. The LOC was not utilized as of September 28, 2014.

Effective March 13, 2015, the Company established an additional \$100,000 line of credit with CB&T for working capital purposes. This line of credit will expire on September 13, 2015, subject to the satisfactory performance by the Company and bears interest at a rate of 5.75%. The closing costs for this line of credit were \$1,031. As of March 29, 2015, the Company had not utilized this line of credit.

During the Company s 2015 and 2014 fiscal years, the Company s Board of Directors approved the offer of two of the Company s Directors to loan the Company additional funds to support its seasonal working capital requirements. These loans have been made on the same terms and conditions as the LOC with CB&T. As of March 29, 2015, \$200,000 was the outstanding balance for these Director loans. As of September 28, 2014, there was no outstanding balance against these Director loans.

When applicable, all advances on the Company s LOCs and Director loans are recorded as current liabilities.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

March 29, 2015

NOTE 6. STOCKHOLDERS EQUITY

Common stock shares issued for service to the Company are valued based on market price on the date of issuance. On December 18, 2014, the Company awarded a total of 150,000 shares of its common stock to six Directors for their service on the Board of Directors at a fair market value of \$0.031 per share or \$4,650, which was reported as an expense in the first quarter of the 2015 fiscal year. On December 19, 2013, the Company awarded 125,000 shares of its common stock to five Directors for their service on the Board of Directors at a fair market value of \$0.025 per share or \$3,125, which was reported as an expense in the first quarter of the 2014 fiscal year.

Officers, Directors and their controlled entities own approximately 43.5% of the outstanding common stock of the Company as of March 29, 2015.

NOTE 7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Employment Agreements:

Effective June 1, 2009, the Company entered into an employment agreement with Dale Van Voorhis (the 2009 Van Voorhis Employment Agreement) to serve as the Company's Chief Operating Officer. Effective January 27, 2011, Mr. Van Voorhis was appointed as the Company's Chief Executive Officer. The 2009 Van Voorhis Employment Agreement expired on May 31, 2014 and was replaced by an employment agreement between the Company and Mr. Van Voorhis dated as of June 1, 2014 (the 2014 Van Voorhis Employment Agreement). Pursuant to the 2014 Van Voorhis Employment Agreement, Mr. Van Voorhis receives an initial base compensation in the amount of \$90,000 per year, which is reviewed annually by the Board of Directors. The 2014 Van Voorhis Employment Agreement has a term of two 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.

On April 1, 2008, the Company entered into an employment agreement with Jim Meikle (the 2008 Meikle Employment 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. Effective January 27, 2011, Mr. Meikle was appointed as

the Company's Chief Operating Officer. Effective April 1, 2015, the Company and Mr. Meikle entered into the 2015 Meikle Employment Agreement. Pursuant to the 2015 Meikle Employment Agreement, Mr. Meikle receives an initial base compensation in the amount of \$135,000 per year, which is reviewed annually by the Board of Directors. The 2015 Meikle Employment Agreement has a term of two years and entitles Mr. Meikle to participate in any deferred compensation plan the Company may adopt during the term of his employment with the Company.

Effective January 1, 2014, the Company entered into an employment agreement with Todd R. White (the White Employment Agreement) to serve as the Company's Chief Financial Officer. Pursuant to the White Employment Agreement, Mr. White received an initial base compensation of \$50,000 per year, which is to be reviewed annually by the Board of Directors. Mr. White also received a \$10,000 signing bonus. Effective January 1, 2015, Mr. White's annual base compensation was increased to \$60,000. The White Employment Agreement has a term of five years and entitles Mr. White to participate in any deferred compensation plan 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 \$455,000.

Lines of Credit:

During the Company's 2015 and 2014 fiscal years, the Company's Board of Directors approved the offer of two of the Company's Directors to loan the Company additional funds to support its seasonal working capital requirements. These loans have been made on the same terms and conditions as the LOC with CB&T. As of March 29, 2015, \$200,000 was the outstanding balance for these Director loans. As of September 28, 2014, there was no outstanding balance against these Director loans.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

March 29, 2015

NOTE 8. INCOME TAXES

For the six month period ended March 29, 2015, the Company has reported a pre-tax loss of \$352,184. For the year ending September 27, 2015, the Company expects to generate pre-tax income and expects to utilize a portion of its Federal net tax operating loss carry-forwards to offset any Federal taxable income in its 2015 fiscal year. The Company expects to generate 2015 fiscal year income that will be subject to State of Georgia income taxes at a rate of approximately 6%.

The cumulative Federal net operating loss carry-forward is approximately \$3,951,000 at September 28, 2014 and will expire beginning in the year 2026. The net deferred tax asset generated by the Federal net operating loss carry-forward has been fully reserved. Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards of approximately \$3,951,000 for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, Federal net operating loss carry forwards may be limited as to use in future years.

NOTE 9. COMMITMENTS AND CONTINGENCIES

In September 2009, the Company filed an action against its former President and CEO in the Eighth Judicial District Court of the State of Nevada (Parks! America, Inc. vs. Eastland; et al., Case No. 09-A-599668). The Company brought this action in an attempt to obtain a Temporary Restraining Order and injunctive relief against the Eastland Defendants (Former President and CEO Larry Eastland and his related companies) as to the Eastland Defendants attempt to install a new board of directors for the Company. The Temporary Restraining Order was granted, as was the Preliminary Injunction.

In June 2012, the Company amended its complaint against the Eastland Defendants to, among other things, add new claims for relief, as well as join as defendants, LEA Capital Advisors, LLC, an entity controlled by Mr. Eastland (together the Eastland Defendants), and Stanley Harper and Computer Contact Service, Inc., an entity controlled by Mr. Harper (together the Harper Defendants) 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 damages in excess of \$1.8 million.

Discovery was conducted on the claims between the parties, after which the Harper Defendants filed for summary judgment asking that the claims against them be dismissed. After briefing and argument, the Court granted summary judgment in favor of the Harper Defendants. Because one of the contracts involved had a provision for legal fees, the Harper Defendants also filed a motion for legal fees and costs. On October 24, 2014, the Court ordered the Company to pay approximately \$304,328 in costs and attorney's fees in favor of the Harper Defendants.

The Company is in the process of appealing the summary judgment and the award of costs. Although we cannot predict the ultimate outcome of this lawsuit, the Company believes the Court's summary judgment and award of costs in favor of the Harper Defendants is in error and is vigorously pursuing its position on appeal. However, as the award of legal fees and costs has been granted, the Company recorded a liability for this award as of September 28, 2014. As detailed in NOTE 3. RESTRICTED CASH, as of February 5, 2015 the Company was required to post a security in the amount of 150%, or \$456,492, of the judgment during its appeal of the summary judgment and award of costs.

The remainder of the District Court case against the Eastland Defendants has been stayed pending the result of the appeal. The Company intends to proceed with its case against the Eastland Defendants regardless of the result of the appeal. If the summary judgment decision is reversed upon appeal, that action will proceed against both the Eastland Defendants and the Harper Defendants.

Except as described above, we are not a party to any pending legal proceeding, nor is our property the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of our business. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

PARKS! AMERICA, INC. and SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)****March 29, 2015****NOTE 10. BUSINESS SEGMENTS**

The Company manages its operations on an individual location basis. Discrete financial information is maintained for each Park and provided to management for review and as a basis for decision-making. The primary performance measures used to allocate resources are Park earnings before interest and tax expense, and free cash flow. This measure of operating profit is used to gauge segment performance because management believes this measure is the most indicative of performance trends and the overall earnings potential of each reportable segment. The following tables present financial information regarding each of the Company's reportable segments:

	For the three months ended		For the six months ended	
	March 29,	March 30,	March 29,	March 30,
	2015	2014	2015	2014
Total net sales:				
Georgia	\$ 487,652	\$ 481,693	\$ 1,027,235	\$ 937,964
Missouri	95,348	75,455	201,807	179,826
Consolidated	\$ 583,000	\$ 557,148	\$ 1,229,042	\$ 1,117,790
Income (loss) before income taxes:				
Georgia	\$ 78,343	\$ 89,277	\$ 225,122	\$ 134,847
Missouri	(90,658)	(111,965)	(181,043)	(213,627)
Segment total	(12,315)	(22,688)	44,079	(78,780)
Corporate	(156,456)	(176,991)	(284,509)	(294,072)
Other income, net	1,371	1,379	3,437	5,257
Interest expense	(57,027)	(55,452)	(109,987)	(111,525)
Amortization of loan fees	(2,602)	(2,602)	(5,204)	(5,204)
Consolidated	\$ (227,029)	\$ (256,354)	\$ (352,184)	\$ (484,324)

	As of	
	March 29,	September 28,
	2015	2014
Total assets:		
Georgia	\$ 4,413,957	\$ 4,590,809
Missouri	2,224,710	2,386,301
Corporate	645,229	204,404

Consolidated	\$	7,283,896	\$	7,181,514
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NOTE 11. SUBSEQUENT EVENTS

In accordance with ASC 855-10, except as noted in NOTE 3. RESTRICTED CASH and NOTE 7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES , the Company has analyzed its operations subsequent to March 29, 2015 to the date these financial statements were issued and has determined that it does not have any material subsequent events to disclose in these unaudited consolidated financial statements.

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 unaudited 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 unaudited consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our Annual Report on Form 10-K for the fiscal year ended September 28, 2014.

Forward-Looking Statements

Except for the historical information contained herein, this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements involve risks and uncertainties, including, among other things, statements concerning: our business strategy; liquidity and capital expenditures; future sources of revenues and anticipated costs and expenses; and trends in industry activity generally. Such forward-looking statements include, among others, those statements including the words such as "may," "will," "should," "expect," "plan," "could," "anticipate," "intend," "believe," "estimate," "predict," "potential," "goal," or "continue" or similar language or by discussions of our outlook, plans, goals, strategy or intentions.

Our actual results may differ significantly from those projected in the forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including, but not limited to, the risks outlined under "RISK FACTORS", that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such 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. Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, we cannot guarantee future results, levels of activity, performance or achievements.

The forward-looking statements we make in this Quarterly Report on Form 10-Q are based on management's current views and assumptions regarding future events and speak only as of the date of this report. 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, except as required by applicable law, including the securities laws of the United States and the rules and regulations of the SEC.

Overview

Through our wholly owned subsidiaries, Wild Animal Safari, Inc. a Georgia corporation (Wild Animal Georgia) and Wild Animal, Inc., a Missouri corporation (Wild Animal Missouri), 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. Wild Animal Georgia owns and operates the Wild Animal Safari theme park located 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 Parks are open year round but experience increased seasonal attendance during the months of April through August. On a combined basis, net sales for the third and fourth quarter of our last two fiscal years represented approximately 70% to 72% of annual net sales.

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. 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 believes 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, if any, should not unnecessarily encumber us 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.

We may also pursue contract management opportunities for themed attractions owned by third parties.

As we look at our operations as of March 29, 2015, one of our highest priorities is to continue to improve the operating profit at our Missouri Park. Since the acquisition of our Missouri Park in March 2008, we have worked to upgrade the Park's physical facilities and dramatically improve its concessions. During the second half of our 2015 fiscal year, we expect to complete the installation of five amusement park kiddie rides at our Missouri Park. These rides will be targeted toward families with children between the ages of three and twelve years old. We believe the addition of these rides will serve to increase attendance, as well as the spending per guest visit, at our Missouri Park. The addition of these rides is a continuation of our ongoing effort to improve the overall guest experience, as well as public perception of our Missouri Park. We believe that years of operation under the prior owners resulted in negative preconceptions about the condition of the Park. We will continue to focus our efforts to promote our Missouri Park and make additional improvements as our capital budget allows. We expect that over the course of several years these efforts will ultimately yield favorable results.

We are also committed to leveraging the strong operating model we have established at our Georgia Park, with a focus on increasing Park attendance, as well as increasing the revenue generated per guest visit via concession and gift shop revenues.

On January 9, 2013, we completed a \$3,752,000 loan transaction (the Refinancing Loan), the proceeds of which were used primarily to refinance our then-outstanding debt and fund \$230,000 of new construction and renovations at our Parks.

Our anticipated annual debt service payments were lowered as a result of the Refinancing Loan. Prior to the Refinancing Loan, our then outstanding debt required annual payments totaling \$490,000 as compared to new estimated annual payments totaling \$316,000, reducing our annual debt service payments by \$174,000 compared with the previous year. We anticipate that the reduction of our annual cash requirements for debt service will free up cash flow to fund operations and capital improvements at our Parks.

While the Refinancing Loan provides us with incremental cash flow margin, our current size and operating model leave us little room for error. Any future capital raised by us is likely to result in dilution to existing stockholders. It is possible that cash generated by, or available to, us may not be sufficient to fund our capital and liquidity needs for the near-term.

Results of Operations For the Three Month Period Ended March 29, 2015 as Compared to Three Month Period Ended March 30, 2014

We manage our operations on an individual location basis. Discrete financial information is maintained for each Park and provided to our corporate management for review and as a basis for decision-making. The primary performance measures used to allocate resources are Park earnings before interest and tax expense, and free cash flow. We use this measure of operating profit to gauge segment performance because we believe this measure is the most indicative of performance trends and the overall earnings potential of each reportable segment.

	Georgia Park		Missouri Park		Consolidated	
	2015	2014	2015	2014	2015	2014
Total net sales	\$ 487,652	\$ 481,693	\$ 95,348	\$ 75,455	\$ 583,000	\$ 557,148
Segment income (loss) from operations	78,343	89,277	(90,658)	(111,965)	(12,315)	(22,688)
<i>Segment operating margin</i> <i>%</i>	<i>16.1%</i>	<i>18.5%</i>	<i>-95.1%</i>	<i>-148.4%</i>	<i>-2.1%</i>	<i>-4.1%</i>
Corporate expenses					(156,456)	(176,991)
Other income, net					1,371	1,379
Interest expense					(57,027)	(55,452)
Amortization of loan fees					(2,602)	(2,602)
Loss before income taxes					\$ (227,029)	\$ (256,354)

Total Net Sales

Our total net sales for the three month period ended March 29, 2015 increased by \$25,852, or 4.6%, to \$583,000 versus the three month period ended March 30, 2014. Our Georgia Park's net sales increased by \$5,959 primarily as a result of an increase in average revenue per guest, offset by a decrease in animal sales. Total net sales for our Missouri Park increased by \$19,893, as an increase in average revenue per guest was offset by lower animal sales. Attendance at our Missouri Park increased approximately 5.7%, while attendance at our Georgia Park declined approximately 1.6%, during the three month period ended March 29, 2015.

Segment Operating Margin

Consolidated segment operating margin was a loss of \$12,315 for the three month period ended March 29, 2015, compared to a segment loss of operations of \$22,688 during the three month period ended March 30, 2014. This improvement was driven primarily by higher average revenue per guest, partially offset by lower animal sales. Our Georgia Park's segment income was \$78,343, a decrease of \$10,934, as lower animal sales and higher operating expenses were partially offset by higher revenue per guest. The segment loss for our Missouri Park was \$90,658, an improvement of \$21,307, driven by favorable average revenue per guest, higher attendance and lower operating expenses, partially offset by lower animal sales.

Corporate Expenses and Other

Corporate spending decreased by \$20,535 to \$156,456 during the three month period ended March 29, 2015, compared to the same period in the prior year, primarily as a result of lower legal expenses.

Interest Expense and Other Income

Interest expense, including amortization of loan fees, for the three month period ended March 29, 2015 was \$59,629, an increase of \$1,575 compared with the three month period ended March 30, 2014. This increase is primarily the result of an increase in seasonal borrowings.

Income Taxes

Based on our cumulative net tax operating loss carry-forwards, we do not expect to pay U.S. Federal income taxes for our 2015 fiscal year; therefore, we have not recorded a related tax provision. We expect to generate income during our 2015 fiscal year, which will be subject to State of Georgia income taxes at a rate of approximately 6%. For additional information, see NOTE 8. INCOME TAXES of the Notes to the Consolidated Financial Statements (Unaudited).

Net Loss and Loss Per Share

Our net loss decreased by \$29,325 to a net loss of \$227,029 or \$0.00 per basic share and per fully diluted share, for the three month period ended March 29, 2015 as compared with a net loss of \$256,354 or \$0.00 per basic share and per fully diluted share, for the three month period ended March 30, 2014. The primary drivers underlying this improvement were an operating margin increase for our Missouri Park of \$21,307 and a decrease in Corporate spending of \$20,535, partially offset by a \$10,934 decrease in the operating margin for our Georgia Park and a \$1,575 increase in interest expense.

Results of Operations For the Six Month Period Ended March 29, 2015 as Compared to Six Month Period Ended March 30, 2014

	Georgia Park		Missouri Park		Consolidated	
	2015	2014	2015	2014	2015	2014
Total net sales	\$ 1,027,235	\$ 937,964	\$ 201,807	\$ 179,826	\$ 1,229,042	\$ 1,117,790
Segment income (loss) from operations	225,122	134,847	(181,043)	(213,627)	44,079	(78,780)
<i>Segment operating margin %</i>	<i>21.9%</i>	<i>14.4%</i>	<i>-89.7%</i>	<i>-118.8%</i>	<i>3.6%</i>	<i>-7.0%</i>
Corporate expenses					(284,509)	(294,072)
Other income, net					3,437	5,257
Interest expense					(109,987)	(111,525)
Amortization of loan fees					(5,204)	(5,204)
Loss before income taxes					\$ (352,184)	\$ (484,324)

Total Net Sales

Our total net sales for the six month period ended March 29, 2015 increased by \$111,252, or 10.0%, to \$1,229,042 versus the six month period ended March 30, 2014. Our Georgia Park's net sales increased by \$89,271 primarily as a result of an increase in average revenue per guest and higher attendance, partially offset by a decline in animal sales. Total net sales for our Missouri Park increased by \$21,981, as an increase in average revenue per guest and higher attendance were offset by lower animal sales. During the six month period ended March 29, 2015, attendance at our Georgia and Missouri Parks increased approximately 2.4% and 1.9%, respectively. We believe this increase was partially due to favorable weather conditions compared to the six month period ended March 30, 2014.

Segment Operating Margin

Consolidated segment operating margin increased by \$122,859, resulting in segment income from operations of \$44,079 for the six month period ended March 29, 2015 compared to a segment loss of operations of \$78,780 during the six month period ended March 30, 2014. This improvement was driven primarily by higher average revenue per guest, higher attendance and lower operating expenses, partially offset by lower animal sales. Our Georgia Parks segment income was \$225,122, an increase of \$90,275, principally as a result of higher revenue per guest, higher attendance and lower operating expenses, partially offset by a decline in animal sales. The segment loss for our Missouri Park was \$181,043, an improvement of \$32,584, as favorable average revenue per guest, higher attendance and lower cost of operations were partially offset by lower animal sales.

Corporate Expenses and Other

Corporate spending decreased by \$9,563 to \$284,509 during the six month period ended March 29, 2015, compared to the same period in the prior year, primarily as a result of lower legal expenses, partially offset by higher compensation expense.

Interest Expense and Other Income

Interest expense, including amortization of loan fees, for the six month period ended March 29, 2015 was \$115,191, a decrease of \$1,538 compared with the six month period ended March 30, 2014. This decrease is primarily the result of lower term loan interest, partially offset by interest on increased seasonal borrowings.

Income Taxes

Based on our cumulative net tax operating loss carry-forwards, we do not expect to pay U.S. Federal income taxes for our 2015 fiscal year; therefore, we have not recorded a related tax provision. We expect to generate income during our 2015 fiscal year, which will be subject to State of Georgia income taxes at a rate of approximately 6%. For additional information, see NOTE 8. INCOME TAXES of the Notes to the Consolidated Financial Statements (Unaudited).

Net Loss and Loss Per Share

Our net loss decreased by \$132,140 to a net loss of \$352,184 or \$0.00 per basic share and per fully diluted share, for the six month period ended March 29, 2015 as compared with a net loss of \$484,324 or \$0.01 per basic share and per fully diluted share, for the six month period ended March 30, 2014. The primary drivers underlying this improvement were operating margin increases for our Georgia and Missouri Parks of \$90,275 and \$32,584, respectively, and decreases in Corporate spending and interest expense of \$9,563 and \$1,538, respectively.

Financial Condition, Liquidity and Capital Resources

Financial Condition and Liquidity

Our primary sources of liquidity are cash generated by operations and borrowings under our loan agreements. Our slow season starts after Labor Day in September and runs until Spring Break, which typically begins toward the end of March. These two quarters have historically generated negative cash flow and require us to borrow to fund operations and prepare our Parks for the busy season during the third and fourth quarters of our fiscal year. Similar to the prior year, if our 2015 fiscal year seasonal borrowing needs exceed our Commercial Bank & Trust Company of Troup County (CB&T) line of credit (LOC), two members of our Board of Directors have agreed to offer us additional seasonal borrowing on the same terms and conditions as the LOC with CB&T.

We believe that our performance has improved to the point that annual cash flow from operations will be sufficient to fund operations, make debt-service payments and spend modestly on capital improvements in the near-term. During the next twelve months, management will focus on increasing Park attendance revenues. Any slowdown in revenue or unusual capital outlays may require us to seek additional capital.

Our working capital was a negative \$240,049 at March 29, 2015 as compared a positive \$167,443 at September 28, 2014. This decline in working capital reflects the negative operating cash flow we typically experience during the slow season corresponding to the first six months of our fiscal year. During our 2015 fiscal year, our seasonal borrowing needs have been further impacted as we were required to post a security related to a legal action we are in the process of appealing, see NOTE 3. RESTRICTED CASH of the Notes to the Consolidated Financial Statements (Unaudited) for further information. We expect to substantially reduce our seasonal borrowings during the third quarter of our 2015 fiscal year.

Total loan debt, including current maturities, at March 29, 2015 was \$4.09 million compared to \$3.59 million at September 28, 2014. The increase in loan debt was a result of seasonal borrowing to fund working capital, and investments in property and equipment and restricted cash, partially offset by scheduled payments against our term loan during the six month period ended March 29, 2015. Our seasonal LOC and related party borrowings were \$550,000 at March 29, 2015 and \$0 at September 28, 2014.

As of March 29, 2015, we had equity of \$2.62 million and total loan debt of \$4.09 million, resulting in a debt to equity ratio of 1.56 to 1. Our debt to equity ratio was 1.21 to 1 as of September 28, 2014.

Operating Activities

Net cash used in operating activities was \$247,392 for the six month period ended March 29, 2015, compared to \$350,457 used in operating activities for the six month period ended March 30, 2014, a decrease of \$103,065. The decrease in cash used in operating activities was primarily the result of an increase in net sales, partially offset by cash used to pay-down current liabilities and acquire inventory.

Investing Activities

Net cash used in investing activities was \$626,753 for the six month period ended March 29, 2015, compared to \$116,032 used in investing activities for the six month period ended March 30, 2014, an increase of \$510,721, primarily driven by an increase in restricted cash and higher capital expenditures.

Financing Activities

Net cash provided by financing activities was \$495,539 for the six month period ended March 29, 2015, compared to net cash provided by financing activities of \$346,685 for the six month period ended March 30, 2014, an increase of \$148,854. Our seasonal borrowing needs during the first six month period of our 2015 fiscal year have been driven by an increase in restricted cash, the funding of seasonal working capital and investments in property and equipment.

Subsequent Events

Subsequent to the period covered by this report, on April 1, 2015, we entered into a new employment agreement with of Jim Meikle, our Chief Operating Officer, which extends through March 31, 2017.

As of February 5, 2015, we were required to post a security of \$456,492 (the Security Amount) in connection with our appeal of the summary judgment and award of costs described in PART II, ITEM 1, LEGAL PROCEEDINGS . We deposited the Security Amount, in cash, in a newly established account with Fifth Third Bank, an Ohio Banking corporation (Fifth Third). On April 8, 2015, Fifth Third issued a Letter of Credit equal to the Security Amount to the Harper Defendants (as the term is defined in LEGAL PROCEEDINGS). We anticipate the Letter of Credit will be in place until the appeal of the summary judgment and award of costs is resolved. We are restricted from using the cash in our Fifth Third Bank deposit account as long as the Letter of Credit is outstanding.

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, results of operations, liquidity or capital expenditures.

Critical Accounting Policies and Estimates

The preceding discussion and analysis of our consolidated financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. Our significant accounting policies are set forth in NOTE 2. SIGNIFICANT ACCOUNTING POLICIES of the Notes to the Consolidated Financial Statements (Unaudited) included in this Quarterly Report on Form 10-Q, which should be reviewed as they are integral to understanding our results of operations and financial position. The Parks! America, Inc. Annual Report on Form 10-K for the fiscal year ended September 28, 2014 includes additional information about us, our operations, our financial condition, our critical accounting policies and accounting estimates, and should be read in conjunction with this Quarterly Report on Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES.

Parks! America, Inc. (the Registrant) maintains controls and procedures, as such term is defined under the Securities Exchange Act of 1934, as amended (the Exchange Act) in Rule 13a-15(e) promulgated thereunder, that are designed to ensure that information required to be disclosed in the Registrant's Exchange Act filings is recorded, processed summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including its principal executive officer and principal financial officer as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, the Registrant's management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance, the Registrant's management was necessarily required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

With the participation of the principal executive officer and principal financial officer of the Registrant, the Registrant's management has evaluated the effectiveness of the Registrant's disclosure controls and procedures (as defined in Rule 13a-15(e) promulgated under the Exchange Act) as of the end of the fiscal quarter covered by this Quarterly Report on Form 10-Q. Based upon the evaluation, the Registrant's principal executive officer and principal financial officer have concluded that the Registrant's disclosure controls and procedures were effective at a reasonable assurance level.

In addition, there were no changes in the Registrant's internal control over financial reporting (as defined in Rule 13a-15(e) promulgated under the Exchange Act) that occurred during the Registrant's fiscal quarter ended March 29, 2015 that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

In September 2009, we filed an action against our former President and CEO in the Eighth Judicial District Court of the State of Nevada (Parks! America, Inc. vs. Eastland; et al., Case No. 09-A-599668). We brought this action in an attempt to obtain a Temporary Restraining Order and injunctive relief against the Eastland Defendants (our former President and CEO Larry Eastland and his related companies) as to the Eastland Defendants attempt to install a new board of directors for the Company. The Temporary Restraining Order was granted, as was the Preliminary Injunction.

In June 2012, we amended our complaint against the Eastland Defendants to, among other things, add new claims for relief, as well as join as defendants, LEA Capital Advisors, LLC, an entity controlled by Mr. Eastland (together the Eastland Defendants), and Stanley Harper and Computer Contact Service, Inc., an entity controlled by Mr. Harper (together the Harper Defendants) 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. We are seeking damages in excess of \$1.8 million.

Discovery was conducted on the claims between the parties, after which the Harper Defendants filed for summary judgment asking that the claims against them be dismissed. After briefing and argument, the Court granted summary judgment in favor of the Harper Defendants. Because one of the contracts involved had a provision for legal fees, the Harper Defendants also filed a motion for legal fees and costs. On October 24, 2014, the Court ordered us to pay approximately \$304,328 in costs and attorney's fees in favor of the Harper Defendants.

We are in the process of appealing the summary judgment and the award of costs. Although we cannot predict the ultimate outcome of this lawsuit, we believe the Court's summary judgment and award of costs in favor of the Harper Defendants is in error and are vigorously pursuing our position on appeal. However, as the award of legal fees and costs has been granted, we recorded a liability for this award as of September 28, 2014. As detailed in NOTE 3. RESTRICTED CASH, as of February 5, 2015, we were required to post a security in the amount of 150%, or \$456,492, of the judgment during our appeal of the summary judgment and award of costs.

The remainder of the District Court case against the Eastland Defendants has been stayed pending the result of the appeal. We intend to proceed with our case against the Eastland Defendants regardless of the result of the appeal. If the summary judgment decision is reversed upon appeal, that action will proceed against both the Eastland Defendants and the Harper Defendants.

Except as described above, we are not a party to any pending legal proceeding, nor is our property the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of our business. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

ITEM 1A. RISK FACTORS

You should read the MD&A together with our unaudited consolidated financial statements and related notes, each included elsewhere in this Quarterly Report on Form 10-Q, in conjunction with the Parks! America, Inc. Annual Report on Form 10-K for the fiscal year ended September 28, 2014. Some of the information contained in the MD&A or set forth elsewhere in this Quarterly Report on Form 10-Q, including information with respect to our plans and strategies for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "RISK FACTORS" below for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this report. If any of the following risks actually occur, our business, financial condition and results of operations could be adversely affected.

Risk Factors Relating to Our Business:

We may not identify or complete acquisitions in a timely, cost-effective manner, if at all.

Our business plan is predicated upon the acquisition of additional local or regional theme parks and attractions; and, the approval and expansion of our current facilities and offerings. However, there can be no assurance that we will be successful in acquiring and operating additional local or regional theme parks and attractions. Competition for acquisition opportunities in the theme park industry is intense as there are a limited number of parks within the United States that could reasonably qualify as acquisition targets for us. Our acquisition strategy is dependent upon, among other things, our ability to: identify acquisition opportunities; obtain debt and equity financing; and obtain necessary regulatory approvals. Our ability to pursue our acquisition strategy may be hindered if we are not able to successfully identify acquisition targets or obtain the necessary financing or regulatory approvals, including but not limited to those arising under federal and state antitrust and environmental laws.

Significant amounts of additional financing may be necessary for the implementation of our Business Plan.

The Company may require additional debt and equity financing to pursue its acquisition strategy. There can be no assurance that we will be successful in obtaining additional financing. Lack of additional funding could force us to substantially curtail our expansion plans. Furthermore, the issuance by the Company of any additional securities would dilute the ownership of existing stockholders and may affect the price of our common stock.

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 Wild Animal Safari park in Georgia. Branson, Missouri is located just 45 minutes from our Wild Animal Safari theme park in Strafford, Missouri. 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 increasing availability and quality of technology-based entertainment has provided families with a wider selection of entertainment alternatives in their homes, including home entertainment units, in-home and online gaming, as well as on-demand streaming video and related access to various forms of entertainment. 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 wild animal parks such as our Georgia and Missouri Parks.

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. Our properties contain drive-through, safari style animal parks, 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 \$6.0 million 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 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 Chief Executive Officer of the Company and Jim Meikle, Chief Operating Officer and a Director of the Company, and President of Wild Animal Missouri and Wild Animal Georgia. 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.

Risk Factors Relating to Our Common Stock:

Our Common Stock is subject to the penny stock rules of the SEC and the trading market in our Common Stock is limited, which makes transactions in our Common Stock cumbersome and may reduce the value of an investment in our Common Stock.

Our common stock is considered a "penny stock" and the sale of our stock by you will be subject to the "penny stock rules" of the SEC. The penny stock rules require broker-dealers to take steps before making any penny stock trades in customer accounts. As a result, the market for our shares could be illiquid and there could be delays in the trading of our stock, which would negatively affect your ability to sell your shares and could negatively affect the trading price of your shares.

We do not expect to pay dividends for some time, if at all.

As of the date of this report, 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, as well as to service our debt. We do not expect to pay cash dividends in the near future. Any future determination as to the payment of dividends on our common stock will be at the discretion of our Board of Directors and will depend on our earnings, operating and financial condition, capital requirements and other factors deemed relevant by our Board of Directors. The provisions of credit agreements, which we may enter into from time to time, may also restrict the declaration of dividends on our common stock.

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

None

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
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.
31.2	Certification by Chief Financial Officer as required by Rule 13a-14 as adopted pursuant to Section 302 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.
	Certification of Chief Financial 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 6, 2015

By: /s/ Dale Van Voorhis

Dale Van Voorhis

Chief Executive Officer

(Principal Executive Officer)