PARKS AMERICA, INC
Form 10-Q
May 12, 2010

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 28, 2010

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	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 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 10, 2010, the issuer had 73,606,537 outstanding shares of Common Stock.

TABLE OF CONTENTS

PART I

ITEM 1. FINANCIAL STATEMENTS.

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

PARKS! AMERICA, INC. and SUBSIDIARIES

TABLE OF CONTENTS

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

At March 28, 2010 (Unaudited) and December 27, 2009 (Audited)

ASSETS	March 28, 2010 (Unaudited)	December 27, 2009 (Audited)
Current Assets		
Cash unrestricted	$ 66,346	$ 239,969
Cash restricted	0	38,841
Accounts receivable	1,034	0
Inventory	106,361	97,967
Prepaid expenses	47,468	77,927
Total Current Assets	221,209	454,704
Property and Equipment, net	6,679,299	6,742,965
Other Assets		
Intangible assets, net	8,182	9,943
Deposits	3,500	3,500
Total Other Assets	11,682	13,443
TOTAL ASSETS	$ 6,912,190	$ 7,211,112
LIABILITIES AND STOCKHOLDERS EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable	$ 169,979	$ 212,748
Accrued expenses	142,187	164,471
Notes payable lines of credit	448,000	333,000
Current maturities of long term debt	2,159,250	2,175,072
Total Current Liabilities	2,919,416	2,885,291
Long-Term Debt		
Long term obligations	1,922,315	1,953,295
TOTAL LIABILITIES	4,841,731	4,838,586
STOCKHOLDERS EQUITY		
Common stock; 300,000,000 shares authorized, at $.001 par value; 73,606,537 and 73,606,537 shares issued and outstanding, respectively	73,606	73,606
Capital in excess of par	4,789,506	4,789,506
Treasury stock	(3,250)	(3,250)
Accumulated deficit	(2,789,403)	(2,487,336)
TOTAL STOCKHOLDERS EQUITY	2,070,459	2,372,526
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	$ 6,912,190	$ 7,211,112

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

For the Three Months Ended March 28, 2010 and March 31, 2009

	March 28, 2010 (Unaudited)	March 31 2009 (Unaudited)
NET SALES	$ 368,282	$ 438,090
COST OF SALES	81,529	86,182
GROSS PROFIT	286,753	351,908
OPERATING EXPENSES		
Selling, general and administrative	437,038	523,770
Restructuring charges	0	204,090
Depreciation & amortization	78,114	82,465
TOTAL OPERATING EXPENSES	515,152	810,325
LOSS FROM OPERATIONS	(228,399)	(458,417)
OTHER INCOME (EXPENSES)		
Other (expenses)	(1,684)	(2,661)
Other income	9,277	4,433
Interest expense	(81,261)	(88,025)
Gain on timber sale	0	176,737
TOTAL OTHER INCOME (EXPENSES)	(73,668)	90,484
NET LOSS BEFORE INCOME TAXES	(302,067)	(367,933)
PROVISION FOR INCOME TAXES	0	0
NET PROFIT (LOSS)	$ (302,067)	$ (367,933)
WEIGHTED OUTSTANDING SHARES (in 000's)	73,631	52,106
NET LOSS PER SHARE	$ (0.00)	$ (0.01)

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY (UNAUDITED)

As of March 28, 2010

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Treasury Stock	Accumulated Deficit	Total
Balance, December 31, 2008	52,106,537	$ 52,106	$ 4,460,890	$ (250)	$ (2,082,265)	$ 2,430,481
Shares outstanding correction	(25,000)	(25)	25	-	-	-
Issuance of common stock to directors and officers	1,825,000	1,825	16,425	-	-	18,250
Increase in contributed capital for shareholder debt forgiveness	-	-	131,866	-	-	131,866
Treasury stock returned	(300,000)	(300)	300	(3,000)	-	(3,000)
Issuance of common shares	20,000,000	20,000	180,000	-	-	200,000
Net Loss for the Year Ended December 27, 2009	-	-	-	-	(405,071)	(405,071)
Balance, December 27, 2009	73,606,537	73,606	4,789,506	(3,250)	(2,487,336)	2,372,526
Net Loss for the Period Ended March 28, 2010	-	-	-	-	(302,067)	(302,067)
Balance, March 28, 2010	73,606,537	$ 73,606	$ 4,789,506	$ (3,250)	$ (2,789,403)	$ 2,070,459

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

For the Three Months Ended March 28, 2010 and March 31, 2009

	March 28, 2010 (Unaudited)	March 31, 2009 (Unaudited)
Cash Flows from Operating Activities:		
Net loss for the period	$ (302,067)	$ (367,933)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation expense and amortization	78,114	82,465
Forgiven indebtedness - notes payable - related party	-	(201,861)
Decrease in contributed capital for shareholder receivable write off	-	(62,500)
Increase in contributed capital for shareholder debt forgiveness	-	194,366
Changes in Assets and Liabilities		
Decrease in prepaid expenses	30,459	14,423
(Increase) in inventory and accounts receivable	(9,428)	(6,500)
Decrease in short-term securities mark to market	-	10,500
Increase (decrease) in accrued expenses	(22,284)	38,567
Increase (decrease) in accounts payable	(42,769)	217,834
Net Cash Used In Operating Activities	(267,975)	(80,639)
Cash Flows from Investing Activities:		
Acquisition of property and equipment	(12,687)	(15,666)
Decrease in restricted cash	38,841	182
Net Cash Provided By (Used In) Investing Activities	26,154	(15,484)
Cash Flows from Financing Activities:		
Increase in note payable related party	-	-
Proceeds from note payable and lines of credit	115,000	72,901
Payments on note payable and lines of credit	(46,802)	(38,506)
Net Cash Provided By Financing Activities	68,198	34,395
Cash Flows From Discontinued Operations	-	62,508
Net Increase (Decrease) in Cash	(173,623)	780
Cash at beginning of period	239,969	72,814
Cash at end of period	$ 66,346	$ 73,594
Supplemental Cash Flow Information:		
Cash paid for interest	$ 81,643	$ 80,701
Cash paid for income taxes	$ -	$ -

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

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

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.

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 Stafford, Missouri (the Missouri Park).

Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and include the following: local conditions, events, disturbances and terrorist activities, accidents occurring at our parks, adverse weather conditions, competition with other theme parks and other entertainment alternatives, changes in consumer spending patterns, credit market and general economic conditions; and any future legal proceedings.

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 December 27, 2009. 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.

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

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. Potentially dilutive shares, consisting of 14,300,000 warrants, are not included in the calculation of diluted loss per share because their effect is anti-dilutive.

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.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade Accounts Receivable: The theme parks are a cash business therefore there are no receivables on the books of the Company.

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 bases 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 cash and notes receivable, however, the Company considers the accounts to be fully collectible at the recorded amounts. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits.

Principles of Consolidation: The accompanying consolidation 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.

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.

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 28, 2010	December 27, 2009
Land	$ 2,507,180	$ 2,507,180
Buildings	2,876,046	2,876,045
Facilities and Improvements	638,175	634,153
Furniture & Fixtures & Equipment	100,648	97,033
Ground Improvements	750,991	749,945
Park animals	584,140	580,140
Rides & entertainment	40,000	40,000
Vehicles	171,535	171,534
Sub-total	7,668,715	7,656,030
Accumulated Depreciation	(989,416)	(913,065)
Total Net Assets	$ 6,679,299	$ 6,742,965

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.

Goodwill: Goodwill was initially recorded as the excess of the purchase price over the fair value of the net assets acquired. Goodwill is not amortized. We are required to evaluate goodwill for impairment on at least an annual basis, or sooner if required to do so. The Company had no goodwill on its books for either period presented.

Other Intangible assets: Other intangible assets include franchising fees, loan fees, payroll software, intangibles or continuing contracts and a covenant not to compete are reported at cost. Franchising and loan 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.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Stock Based Compensation: Prior to January 1, 2006 the company accounted for stock based compensation under recognition and measurement principles of SFAS No. 123 (ASC 718) and as permitted under APB Opinion No. 25, and related interpretations. Effective January 1, 2006 the company adopted FAS 123R (ASC 718) using the modified prospective method which recognizes compensation costs on a straight-line basis over the requisite service period of the SFAS No. 123R (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 SFAS No. 123R (ASC 718) and EITF No. 96-18 stock based compensation to non-employees. No activity has occurred in relation to stock options during the period ended March 28, 2010.. 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 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.

The Board authorized and awarded 1,000,000 shares of stock to Randy Pico, Chief Executive Officer, and 500,000 shares to Jon Laria, Chief Financial Officer, as incentives for them joining the Company in 2009.

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 extensions 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.

Other Recent Accounting Pronouncements: In May 2009, the FASB issued SFAS 165 (ASC 855-10) entitled *Subsequent Events* . Companies are now required to disclose the date through which subsequent events have been evaluated by management. Public entities (as defined) must conduct the evaluation as of the date the financial statements are issued, and provide disclosure that such date was used for this evaluation. SFAS 165 (ASC 855-10) provides that financial statements are considered *issued* when they are widely distributed for general use and reliance in a form and format that complies with GAAP. SFAS 165 (ASC 855-10) is effective for interim and annual periods ending after June 15, 2009 and must be applied prospectively. The adoption of SFAS 165 (ASC 855-10) during the quarter ended September 30, 2009 did not have a significant effect on the Company s financial statements as of that date or for the quarter or year-to-date period then ended.

In June 2009, the FASB issued SFAS 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles. (*SFAS 168* or ASC 105-10) SFAS 168 (ASC 105-10) establishes the Codification as the sole source of authoritative accounting principles recognized by the FASB to be applied by all nongovernmental entities in the preparation of financial statements in conformity with GAAP.

SFAS 168 (ASC 105-10) was prospectively effective for financial statements issued for fiscal years ending on or after September 15, 2009 and interim periods within those fiscal years. The adoption of SFAS 168 (ASC 105-10) on July 1, 2009 did not impact the Company s results of operations or financial condition. The Codification did not change GAAP, however, it did change the way GAAP is organized and presented.

As a result, these changes impact how companies reference GAAP in their financial statements and in their significant accounting policies. The Company implemented the Codification in this Report by providing references to the Codification topics alongside references to the corresponding standards.

With the exception of the pronouncements noted above, no other accounting standards or interpretations issued or recently adopted are expected to have a material impact on the Company s financial position, operations or cash flows.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

3. NOTES RECEIVABLE OTHER ASSETS

On Oct. 31, 2006 Parks received a note (the Note) receivable from Idaho Center Chevron in the amount of $300,000 in connection with the sale of real estate associated with a convenience store formerly owned by the Company. The Note has a term of five years and bears interest at a rate of 8% per annum. Subsequent to the issuance of the Note, management valued as the same at security interest value. By its terms, the face amount of the Note is tied to the value of Parks America shares that collateralize the note. The note was cancelled and the 300,000 shares of stock that collateralized the note were retired as Treasury shares. The Company recorded the transaction as Treasury Stock for $3,000 and reduced its outstanding shares by 300,000 as of December 27, 2009.

4. LONG-TERM DEBT

	March 28, 2010	December 27, 2009
The Commercial Bank and Trust of Troup County loan will be repaid in monthly installments based on a twenty year amortization schedule. The interest rate on the loan is 7.75% for the first five years. The loan is currently being renegotiated and the initial five years matures on November 17, 2010. The Company has recorded the entire balance as current but it believes that the bank will extend the loan. The loan is secured by a first priority security agreement and a first priority security deed on the Georgia Park assets. The current loan requires a monthly payment of $19,250.	$ 2,041,327	$ 2,059,286
In addition, on November 17, 2005, the Company s wholly-owned subsidiary, Wild Animal Georgia, obtained a line of credit loan from Commercial Bank & Trust Company of Troup County (CB&T) for working capital purposes in the principal amount of $200,000. This line of credit loan is renewable annually, subject to the satisfactory performance by the assets of the Georgia Park. The line of credit was drawn down to $199,000 as of March 28, 2010 and $107,000 as of December 27, 2009. All advances are recorded as current liabilities.		
On February 27, 2008, the bank issued a note payable for $22,000 for the purchase of a vehicle with an interest rate of 7.1% per annum. The loan was paid in full in 2009.	-	-

On March 5, 2008 the Company s wholly owned subsidiary Wild Animal-Missouri 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. Wild Animal-Missouri has the right to extend the loan for 2 more years in exchange for the addition of $50,000 to the principle amount of the note and the issuance of Company stock having a fair market value of $20,000 in addition to the monthly payment. In the event the note is extended the final balloon payment will be due in full on the 60th payment. If the balance due under the note is paid on or before the due date of the balloon payment Wild Animal-Missouri. is entitled to a 10% discount of the then balances.	1,719,548	1,723,625
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. . The bears interest at a rate of 7.25% and is payable in 60 monthly payments of $9,986. In addition an existing line of credit was extended for $250,000 until March 7, 2011 on a variable rate with the initial rate being 6%. At March 28, 2010 and December 27, 2009 the Company borrowed $249,000 and $126,000 respectively on this line.	320,690	345,456
Total Debt	4,081,565	4,128,367
Less current portion of long-term debt	(2,159,250)	(2,175,072)
Long-term Debt	$ 1,922,315	$ 1,953,295

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

4. LONG-TERM DEBT (continued)

At March 28, 2010 the scheduled future principal maturities for all notes are as follows:

As of March 28, 2010:		
2010	$	2,128,271
2011		123,623
2012		133,036
2013		1,696,635
Thereafter		0
		4,081,565
Less: current portion		(2,159,250)
Long-term portion	$	1,922,315

5. STOCKHOLDERS EQUITY

On September 27, 2004, the Company issued 2,984,400 common shares, and 2,059,200 share purchase pursuant to a purchase agreement dated June 10, 2004. Each share purchase warrant included the right to purchase an additional common share at $0.30 per share at any time within five years, which expired in 2009. Since the warrants and shares were both equity classified, no separate valuation of the warrants were performed.

During the fiscal year ended 2005 the Company completed an offering of 11,128,000 common shares for cash. Included as part of the sale were warrants to purchase 11,128,000 common shares at any time before June 23, 2010 at an exercise price of $0.35. The Company had estimated the value of the warrants to be approximately $612,040 at the time of issue. The options were valued using the Black Scholes pricing model. The underlying assumptions used were: Grant date fair value of $0.30, exercise price of $0.35, risk free rate of 4.23%, volatility of 138.53% and term of 5 years. Since the stock price has never exceeded the exercise price of $0.35 and the warrants will expire in 2010, the Company will recognize the value of the consideration at the time as additional goodwill. As of the date of this report none of the warrants had been exercised and no value has been recognized.

In December 2009 the Company completed a private placement (the Private Placement) of 20,000,000 shares of the Company s common stock (the Shares) at $0.01 per Share from two investors for total consideration of $200,000. Both investors were accredited investors as that term is defined under Regulation D (Regulation D) of the Securities Act of 1933, as amended (the Securities Act). The Private Placement was exempt from registration under the Securities Act pursuant to Regulation D. One of the investors was the Company s Chairman and Chief Operating Officer.

Proceeds from the Private Placement were used to meet projected cash flow requirements through the slow season winter season. In addition, as mentioned in Note 3, the Company redeemed 300,000 of its stock and it issued 325,000 new shares to its directors for their service in 2008 and 2009. Each director received 25,000 shares per year of service.

As policy, capital stock shares issued for service to the Company are valued based on market price on the date of issuance.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

6. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Officer, directors and their controlled entities own approximately 21% of the outstanding common stock of the Company.

Employment Agreements:

In April of 2008 the Company entered into an employment agreement the Employment Agreement with a full time executive officer. Pursuant to the Agreement the officer receives an annual salary of $120,000. The Agreement has a term of 5 years, and provides for severance compensation in the event of termination without cause or following a change in control as well as a bonus in the event of the sale of the Company.

During the second quarter of 2009, the Board approved separate employment agreements with three officers which provided for annual salaries in the aggregate of $195,000, as compensation for the part-time employment of the officers retroactive to June 1, 2009 for a five-year term.

In addition, two of the officers were awarded signing bonuses in the aggregate of 1,500,000 shares of restricted common stock of the Company.

The salaries of all officers are reviewed annually.

7. BUSINESS SEGMENTS

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, tax expense, depreciation and amortization and free cash flow.

8. GOING CONCERN

The Company has a negative working capital, has incurred operating losses in its two most recent fiscal years, and its operating activities have required financing from outside institutions and related parties. The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company may continue to need outside financing to support its internal growth.

PARKS! AMERICA, INC. and SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 28, 2010

9. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

On June 25, 2009, a group led by Larry L. Eastland, the Company s former President and CEO for approximately six years, filed with the SEC preliminary proxy materials expressing their intention to take control of the Company by electing a slate of directors at a shareholders meeting. In addition to Larry L. Eastland, the group consisted of EDLA Family Limited Partnership (controlled by Larry L. Eastland), Jay Pitlake, Queenie Lai, Roderick D. Davies, Michael Lempres and Jack Klosterman. This group amended their preliminary proxy materials on July 6, 2009.

On September 10, 2009, an expanded group led by Larry L. Eastland filed with the SEC a Consent Solicitation Statement. This group consisted of Larry L. Eastland, EDLA Family Limited Partnership, Jay Pitlake, Jack Klosterman, Ben Smith, Jay Goldman, Richard Jackson, Robert O Brien, Queenie Lai, Michael Lempres, Roderick Davis, Mark D. Stubbs, Bart Marcois, Jonathan Wing Lock So and Richard Nguyen Huu Nam. While this Consent Solicitation Statement did not explicitly state an intention to gain control of the Company, the proposal to shareholders was to expand the size of the board of directors and elect new additional directors who would outnumber the existing group. In a subsequent joint filing on Schedule 13D on September 21, 2009 by the EDLA Family Limited Partnership, Larry Eastland, Jay Pitlake, Jack Klosterman, Ben Smith, Jay Goldman, Richard Jackson, Robert O Brien and Mark D. Stubbs, this group stated that their filing of a Consent Solicitation Statement will have the effect of replacing the current board of directors and changing control of the Issuer.

The Company responded by commencing a lawsuit in the Nevada District Court in Clark County, Nevada seeking to enjoin the Consent Solicitation Statement on the grounds that: (i) the expansion of the size of the board of directors called for in the Consent Solicitation Statement violated the Company s Articles of Incorporation, (ii) the Company s By-Laws require that directors be elected at an annual meeting of shareholders and (iii) Larry L. Eastland violated his Severance Agreement with the Company by not turning over material corporate records in his possession and was wrongfully using such records to conduct the consent solicitation. On September 25, 2009, the Court issued a Temporary Restraining Order enjoining any actions in furtherance of the Consent Solicitation Statement and restraining the group that filed it from making any further filings with the SEC. On October 23, 2009, the group led by Larry L. Eastland and the Company stipulated to an Order extending such Temporary Restraining Order until December 16, 2009. As of May 10, 2010, the Order remains in effect.

15

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

The information in this report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. This Act provides a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about themselves so long as they identify these statements as forward looking and provide meaningful cautionary statements identifying important factors that could cause actual results to differ from the projected results. All statements other than statements of historical fact made in this report are forward looking. In particular, the statements herein regarding industry prospects and future results of operations or financial position are forward-looking statements. Forward-looking statements reflect management's current expectations and are inherently uncertain. Our actual results may differ significantly from management's expectations.

The following discussion and analysis should be read in conjunction with the financial statements and notes thereto included elsewhere in this report and with our annual report on Form 10-K for the fiscal year ended December 27, 2009. This discussion should not be construed to imply that the results discussed herein will necessarily continue into the future, or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment of our management.

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 Stafford, Missouri (the Missouri Park).

Results of Operations

Three Months Ended March 28, 2010 Compared to Three Months Ended March 31, 2009

Results of Operations

Total net sales for the first three months of the year decreased $69,808 to $368,282 in 2010. Georgia Park net sales declined 13% to approximately $320,000 as a result of lower revenue per customer and slightly lower overall attendance. Missouri Park net sales declined $24,000, or 33%, as compared to 2009. The Missouri Park experienced particularly cold weather during the first quarter. As a result the Missouri Park was forced to close 25 days (27% of all days in the quarter) versus just 10 days during the first quarter of 2009. Additionally, while the Missouri Park s attendance dropped 62% in during the first quarter of 2010; per customer revenue increased 90% in 2010. Traditionally, the first three months of the year is a slower part of the season due to harsh weather and decreased group activity.

Subsequent to the period covered by this report, attendance at the Georgia Park increased 6% during the month of April (traditionally a month that experiences seasonal increase due to spring break for students which was the case for April in both years) and net sales increased approximately $22,000, or 5%, during April 2010 versus 2009 at the Georgia Park. The Missouri Park s net sales increased approximately $8,000, or 23%, versus April 2009.

Total cost of sales decreased $4,653 to $81,529 in 2010 as a result of having lower activity at both Parks in 2010.

Total gross profit decreased $65,155 to $286,753 in the first quarter 2010 reflecting the lower attendance and lower net sales generated in 2010 as compared to first quarter 2009.

The Georgia Park lowered its operating expenses by approximately $10,000 during the first quarter by reducing labor costs. The Missouri Park s operating expenses declined approximately $15,000 primarily as a result of lower labor costs and utilities in 2010 versus 2009.

Both of the Company s parks lost money at the operating margin line as a result of lower attendance during 2010 primarily from the rough first quarter weather in 2010 as compared to 2009.

The following table breaks down our operations by park for 2010 versus 2009:

First QTR -2010	**Georgia Park**		**Missouri Park**		**Total**	
($ in 1,000's)	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Net Sales	$320	366	48	72	368	438
Cost of Sales	(57)	(65)	(25)	(21)	(82)	(86)
Gross Profit	**263**	**301**	**23**	**51**	**286**	**352**
Gross Profit %	82%	82%	48%	71%	78%	80%
Operating Expenses	(216)	(226)	(98)	(113)	(314)	(339)
Depreciation & amortization	(49)	(53)	(29)	(30)	(78)	(83)
Contribution Margin (loss)	**$(2)**	**22**	**(104)**	**(92)**	**(106)**	**(70)**
Corporate operating expenses					**(122)**	**(389)**
Profit (Loss) from operations					**$(228)**	**(459)**

Excluding the prior year s first quarter restructuring charge of $204,090, Corporate spending decreased $63,000 as a result of closing the California corporate office and a $32,000 decrease in executive salaries in 2010. The Company closed its corporate office in Santa Monica, California and moved its corporate headquarters to the Georgia Park during the second quarter of the 2009 fiscal year.

The Company reported a loss from continuing operations of $228,399 versus a loss of $458,417 during first quarter of 2009. The first quarter net loss was $302,067, or $0.00 per share, versus a loss of $367,933, or $0.01 per share last year.

Liquidity and Capital Resources

Management believes that cash generated by or available to Parks America may not be sufficient to fund its capital and liquidity needs for the near-term foreseeable future. Our working capital is negative $2.7 million at March 28, 2010 as compared to negative 2.4 million as at December 27, 2009.

The Georgia Park mortgage is scheduled to reach maturity this year and the entire balance due thereunder of $2 million is classified as current debt. The Company has been in discussions with the bank that holds this mortgage and we believe this mortgage term will be extended.

Total debt and lines of credit (including current maturities) at March 28, 2010 was $4.5 million, an increase of $68,000 since December 27, 2009 as a result of additional borrowings on the lines of credit during first quarter of 2010 to fund operations during the slow first quarter.

Unrestricted cash was $66,000 at March 28, 2010. We have borrowed $448,000 on our lines of credit leaving us an available balance of $152,000. In December 2009, the Company added a third line of credit for $150,000 bringing our total available lines of credit to $600,000. Capital spending will be kept to a minimum during the next twelve months as we strive to improve our financial condition. At March 28, 2010, the Company had equity of $2.1 million and total debt of $4.5 million, leaving the Company with a debt to equity ratio was 2.19 to 1. The Company s debt to equity ratio was 1.88 to 1 as of December 27, 2009.

Summary of Significant 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 could have an effect on a valuation of our assets and liabilities. We have assumed, among other things, that:

.

Revenue and profit growth at the Georgia Park will continue and that our Missouri Par k results will continue to improve as word of mouth and advertising continue to draw new business;

.

The existing infrastructure of both Parks will accommodate the additional customers;

.

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

.

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 4T. 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 Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended, they concluded that our disclosure controls and procedures were effective as of March 28, 2010, 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 Exchange Act 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.

Except as described below, 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.

On June 25, 2009, a group led by Larry L. Eastland, the Company s former President and CEO for approximately six years, filed with the SEC preliminary proxy materials expressing their intention to take control of the Company by electing a slate of directors at a shareholders meeting. In addition to Larry L. Eastland, the group consisted of EDLA Family Limited Partnership (controlled by Larry L. Eastland), Jay Pitlake, Queenie Lai, Roderick D. Davies, Michael Lempres and Jack Klosterman. This group amended their preliminary proxy materials on July 6, 2009.

18

On September 10, 2009, an expanded group led by Larry L. Eastland filed with the SEC a Consent Solicitation Statement. This group consisted of Larry L. Eastland, EDLA Family Limited Partnership, Jay Pitlake, Jack Klosterman, Ben Smith, Jay Goldman, Richard Jackson, Robert O Brien, Queenie Lai, Michael Lempres, Roderick Davis, Mark D. Stubbs, Bart Marcois, Jonathan Wing Lock So and Richard Nguyen Huu Nam. While this Consent Solicitation Statement did not explicitly state an intention to gain control of the Company, the proposal to shareholders was to expand the size of the board of directors and elect new additional directors who would outnumber the existing group. In a subsequent joint filing on Schedule 13D on September 21, 2009 by the EDLA Family Limited Partnership, Larry Eastland, Jay Pitlake, Jack Klosterman, Ben Smith, Jay Goldman, Richard Jackson, Robert O Brien and Mark D. Stubbs, this group stated that their filing of a Consent Solicitation Statement will have the effect of replacing the current board of directors and changing control of the Issuer.

The Company responded by commencing a lawsuit in the Nevada District Court in Clark County, Nevada seeking to enjoin the Consent Solicitation Statement on the grounds that: (i) the expansion of the size of the board of directors called for in the Consent Solicitation Statement violated the Company s Articles of Incorporation, (ii) the Company s By-Laws require that directors be elected at an annual meeting of shareholders and (iii) Larry L. Eastland violated his Severance Agreement with the Company by not turning over material corporate records in his possession and was wrongfully using such records to conduct the consent solicitation. On September 25, 2009, the Court issued a Temporary Restraining Order enjoining any actions in furtherance of the Consent Solicitation Statement and restraining the group that filed it from making any further filings with the SEC. On October 23, 2009, the group led by Larry L. Eastland and the Company stipulated to an Order extending such Temporary Restraining Order until December 16, 2009. As of May 10, 2010 the Order remains in effect.

ITEM 1A. RISK FACTORS.

Risk Factors Relating to Our Business:

We Have a Limited Operating History

We have a limited operating history and our financial health will be subject to all the risks inherent in the establishment of a new business enterprise. We have been officially operating under our current business plan of acquiring theme parks since 2003, when we reached a preliminary agreement to purchase the Georgia Park. Subsequently in 2003, the Company gained control of Royal Pacific Resources and changed its name to Great American Family Parks. Our purchase of the Georgia, was not completed until June of 2005. The Missouri Park was purchased in March of 2008. The likelihood of our success must be considered in the light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the startup and growth of a new business, and the competitive environment in which we will operate. Our success is dependent upon the successful financing and development of our business plan. No assurance of success is offered. Unanticipated problems, expenses, and delays are frequently encountered in establishing a new business and marketing and developing products. These include, but are not limited to, competition, the need to develop customers and market expertise, market conditions, sales, marketing and governmental regulation. Our failure to meet any of these conditions would have a materially adverse effect upon us and may force us to reduce or curtail our operations.

Because Of Our Continued Losses and Limited Cash There Is Substantial Doubt As To Our Ability To Continue As A Going Concern.

The report of our independent auditors on our audited financial statements for the twelve-month periods ended December 27, 2009 and December 31, 2008, indicates that there are a number of factors that raise substantial doubt about our ability to continue as a going concern. Our continued operations are dependent on our ability to refinance certain mortgage debt and to achieve future profitable operations. If we are not able to continue as a going concern, it is likely that our investors will lose their investment. See MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS, herein.

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 is a limited number of parks within the United States and Canada 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.

We May Be Unable To Effectively Manage Our Growth or Implement Our Expansion Strategy.

Our acquisition strategy is subject to related risks, including pressure on our management and on our internal systems and controls. Our planned growth will require us to invest in new, and improve our existing, operational, technological and financial systems and to expand, train and retain our employee base. Our failure to effectively manage our growth could have a material adverse effect on our future financial condition.

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. Given its limited operating history, there can be no assurance that we will be successful in obtaining additional financing. Lack of additional funding could force us to curtail substantially our expansion plans. Furthermore, the issuance by us of any additional securities and the exercise of Warrants which might arise under any future fundraising activities undertaken by us would dilute the ownership of existing shareholders and may reduce 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 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 Chief Operating Officer and Jim Meikle, President of Wild Animal-Georgia and Wild Animal-Missouri and also 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.

Risk Factors Relating to Our Common Stock:

The Market Price Of Our Common Stock May Decline Because There Are Warrants That May Be Available For Future Sale And The Sale Of These Shares May Depress The Market Price.

The market price of our common stock may decline because there are a large number of warrants that may be available for future sale, and the sale of these shares may depress the market price. As of May 10, 2010, we had approximately 73,631,537 shares of common stock issued and outstanding and outstanding warrants to purchase up to 14,300,000 shares of common stock. The warrants represent approximately 28% of our common stock issued and outstanding. The sale of the shares underlying such warrants may adversely affect the market price of our common stock. All of such warrants expire in June of 2010.

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.

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

N/A

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None

ITEM 4. REMOVED AND RESERVED

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.
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 11, 2010

/s/ Tristan R. Pico

Tristan R. Pico
Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)