

PARKS AMERICA, INC
Form 10-Q
August 06, 2014

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 June 29, 2014

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

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(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 . 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 . (Do not check if a smaller reporting company) .
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 August 1, 2014, the issuer had 74,231,537 outstanding shares of Common Stock.

Table of Contents**PARKS! AMERICA, INC and SUBSIDIARIES****INDEX**

PART I. FINANCIAL INFORMATION:		Page
Item 1.	Unaudited Consolidated Financial Statements	
	Consolidated Balance Sheets June 29, 2014 and September 29, 2013	3
	Consolidated Statements of Operations Three months and nine months ended June 29, 2014 and June 30, 2013	4
	Consolidated Statement of Changes in Stockholders Equity Nine months ended June 29, 2014 and Year ended September 29, 2013	5
	Consolidated Statements of Cash Flows Nine months ended June 29, 2014 and June 30, 2013	6
	Notes to Consolidated Financial Statements	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	14
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	20
Item 4.	Controls and Procedures	20
 PART II. OTHER INFORMATION:		
Item 1.	Legal Proceedings	21
Item 1A.	Risk Factors	21
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	23
Item 3.	Defaults Upon Senior Securities	23
Item 4.	Mine Safety Disclosures	23
Item 5.	Other Information	23
Item 6.	Exhibits	23
Signatures		24

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

As of June 29, 2014 and September 29, 2013

	June 29,	September 29,
	2014	2013
ASSETS		
Cash unrestricted	\$ 305,190	\$ 313,529
Accounts receivable	-	10,875
Inventory	160,552	146,972
Prepaid expenses	56,574	68,995
Total current assets	522,316	540,371
Property and equipment, net	6,175,286	6,246,672
Intangible assets, net	171,748	179,553
Other assets	8,500	8,500
Total assets	\$ 6,877,850	\$ 6,975,096
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable	\$ 84,177	\$ 112,532
Accrued expenses	252,949	171,551
Current maturities of long-term debt	110,133	106,757
Total current liabilities	447,259	390,840
Long-term debt	3,522,138	3,608,901
Total liabilities	3,969,397	3,999,741
Stockholders equity		
Common stock; 300,000,000 shares authorized, at \$.001 par value; 74,231,537 and 74,106,537 shares issued and outstanding, respectively	74,231	74,106
Capital in excess of par	4,797,006	4,794,006
Treasury stock	(3,250)	(3,250)
Accumulated deficit	(1,959,534)	(1,889,507)
Total stockholders equity	2,908,453	2,975,355
Total liabilities and stockholders equity	\$ 6,877,850	\$ 6,975,096

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 Nine Months Ended June 29, 2014 and June 30, 2013

	For the three months ended		For the nine months ended	
	June 29,	June 30,	June 29,	June 30,
	2014	2013	2014	2013
Net sales	\$ 1,465,518	\$ 1,317,362	\$ 2,518,495	\$ 2,437,480
Sale of animals	108	10,845	64,921	15,235
Total net sales	1,465,626	1,328,207	2,583,416	2,452,715
Cost of sales	159,207	144,076	339,581	330,403
Selling, general and administrative	758,237	703,734	1,917,054	1,851,808
Depreciation and amortization	78,105	63,695	233,520	203,306
(Gain) loss on disposal of operating assets, net	-	128	(3,964)	(11,032)
Income from operations	470,077	416,574	97,225	78,230
Other income, net	2,079	1,256	7,336	5,627
Gain on retirement of debt	-	-	-	105,656
Interest expense	(47,802)	(67,407)	(159,327)	(192,990)
Amortization of loan fees	(2,602)	(2,336)	(7,806)	(4,672)
Income (loss) before income taxes	421,752	348,087	(62,572)	(8,149)
Income tax provision	7,455	46,348	7,455	46,348
Net income (loss)	\$ 414,297	\$ 301,739	\$ (70,027)	\$ (54,497)
Income (loss) per share - basic and diluted	\$ 0.01	\$ 0.00	\$ (0.00)	\$ (0.00)
Weighted average shares outstanding (in 000's) - basic and diluted	74,232	74,107	74,195	74,107

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 Nine Months Ended June 29, 2014 and Year Ended September 29, 2013

	Shares	Amount	Capital in Excess of Par	Treasury Stock	Accumulated Deficit	Total
Balance at September 30, 2012	73,956,537	\$ 73,956	\$ 4,792,656	\$ (3,250)	\$ (2,080,408)	\$ 2,782,954
Issuance of common stock to directors and officers	150,000	150	1,350	-	-	1,500
Net income for the year ended September 29, 2013	-	-	-	-	190,901	190,901
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 and officers	125,000	125	3,000	-	-	3,125
Net loss for the nine months ended June 29, 2014	-	-	-	-	(70,027)	(70,027)
Balance at June 29, 2014	74,231,537	\$ 74,231	\$ 4,797,006	\$ (3,250)	\$ (1,959,534)	\$ 2,908,453

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

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

For the Nine Months Ended June 29, 2014 and June 30, 2013

	For the nine months ended	
	June 29,	June 30,
	2014	2013
OPERATING ACTIVITIES:		
Net loss	\$ (70,027)	\$ (54,497)
Reconciliation of net loss to net cash provided by operating activities:		
Depreciation and amortization expense	233,520	203,306
Amortization of loan fees	7,806	4,672
(Gain) on disposal of assets	(3,964)	(11,032)
Stock-based compensation	3,125	1,500
(Gain) from retirement of debt	-	(105,656)
Changes in assets and liabilities		
(Increase) in accounts receivable	10,875	-
(Increase) decrease in inventory	(13,580)	2,092
(Increase) decrease in prepaid expenses	12,421	23,236
Increase (decrease) in accounts payable	(28,355)	(47,281)
Increase (decrease) in accrued expenses	81,398	130,626
Net cash provided by operating activities	233,219	