PARKS AMERICA, INC
Form 10-Q/A
March 30, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q /A

Amendment No. 1

(Mark One)

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

For the quarterly period ended June 28, 2009

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 registrant 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 . No X .

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 X . 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 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 August 12, 2009, the issuer had 53,606,537 outstanding shares of Common Stock.

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PRELIMINARY NOTE

Parks! America, Inc. (the Company , Parks , or we) originally filed with the Securities and Exchange Commission (the SEC) our Quarterly Report on Form 10-Q for the period ended June 28 , 2009, on August 13, 2009 (the Original June 2009 Report). We are filing this Amendment No. 1 (Amendment No. 1) to carry forward the disclosure provided in other reports filed with the SEC by the Company which contain a more detailed narrative account of the impact of our corrections of the Company s treatment of certain debt forgiven by a company that is owned and controlled by Larry Eastland, the former Chairman of the Board of Directors, President and Chief Executive Officer of the Company, in connection with his separation from the Company on March 28, 2009 as further described below. This more detailed account is consistent with our revised disclosure contained in Amendment No. 2 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 which was filed with the SEC on March 5, 2010.

EXPLANATORY NOTE

In late 2008, Mr. Eastland presented the Company s Board of Directors of the Company with a list of expenses that, in the aggregate, exceeded $275,000. Mr. Eastland claimed that these expenses were incurred on behalf of the Company over two fiscal years by LEA Management LLC (LEA), a company Mr. Eastland owned and controlled. At that time, Mr. Eastland was the Chairman of the Board and the President and CEO of the Company. The Board considered the expenses submitted by Mr. Eastland and agreed to recognize a portion of such expenses by restating our financial statements contained in our annual report for the year ended December 31, 2007 and recording $146,914 of corporate spending in such financial statements and by restating our financial statements for the year ended December 31, 2008 and recording another $129,189 of corporate spending in such financial statements. Partially offsetting these payables to LEA was a receivable from Mr. Eastland in the amount of $74,242, leaving the Company with a net payable to LEA at December 31, 2008 of $201,861. The Board requested the resignation of Mr. Eastland shortly thereafter. As of March 28, 2009, Mr. Eastland resigned as an officer and director of the Company.

In connection with Mr. Eastland s resignation, Mr. Eastland and the Company entered into a separation agreement dated as of March 28, 2009. As part of this agreement, the Company and Mr. Eastland agreed that the LEA Expenses recorded by the Company would be forgiven by Mr. Eastland and LEA. The parties also agreed that LEA owed the Company $62,500 for services provided to LEA by the Company s Park Staffing Services subsidiary. This amount was forgiven by the Company. When these two amounts were netted against each other, the result was an expense of $131,866 (the LEA Related Expenses) which was reflected in our financial reports for the first time in our Quarterly Report on Form 10-Q for the period ended March 31, 2009 (the Original March 2009 Report). The net effect of the LEA Related Expenses (which were forgiven) was disclosed in the Original March 2009 Report as a reduction to a Restructuring Charge . Subsequent to the filing of the Original March 2009 Report the Company reclassified the LEA Debt Forgiveness as Additional Paid in Capital, and amended and increased the Restructuring Charge for the period. Parks amended and restated the Original March 2009 Report to reflect this reclassification.

We are filing this Amendment to carry forward the more detailed narrative account regarding the reclassification of the LEA Debt Forgiveness. **The financial information as reported in the Original June 2009 Report has not changed in this Amendment No. 1.**

PART I

ITEM 1. FINANCIAL STATEMENTS.

PARKS! AMERICA, INC. and SUBSIDIARIES

FORMERLY KNOWN AS GREAT AMERICAN FAMILY PARKS, INC

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PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

At June 28, 2009 (Unaudited) and December 31, 2008 (Audited)

ASSETS	**June 28, 2009 (Unaudited)**	**December 31, 2008 (Audited)**
Current Assets		
Cash unrestricted	$ 235,388	$ 72,814
Cash restricted	38,630	38,812
Stock (at market value)	-	10,500
Inventory	136,823	133,492
Prepaid expenses	43,186	100,563
Discontinued operations current assets	-	876,169
Total Current Assets	454,027	1,232,350
Property and Equipment, net		
(includes discontinued P&E of $0 and $35,135, respectively)	6,975,536	7,128,412
Other Assets		
Intangible assets, net	14,593	18,690
Note receivable	3,000	3,000
Deposits	10,683	10,683
Discontinued operations other assets	-	446,667
Total Other Assets	28,276	479,040
TOTAL ASSETS	$ 7,457,839	$ 8,839,802
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	$ 61,519	$ 10,114
Accrued expenses	632,787	359,638
Note payable related party	-	201,861
Notes payable lines of credit	174,000	321,000
Current maturities of long term debt	178,349	173,906
Discontinued operations current liabilities	-	801,640
Total Current Liabilities	1,046,655	1,868,159
Long-term Debt		
Long term obligations	4,039,788	4,541,162

(includes discontinued operations debt of $0 and $393,015)				
TOTAL LIABILITIES		5,086,443		6,409,321
STOCKHOLDERS EQUITY				
Common stock; 300,000,000 shares authorized, at $.001 par value; 53,606,537 shares issued and outstanding		53,606		52,106
Capital in excess of par		4,606,256		4,460,890
Treasury stock		(250)		(250)
Accumulated deficit		(2,288,216)		(2,082,265)
TOTAL STOCKHOLDERS EQUITY		2,371,396		2,430,481
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	$	7,457,839	$	8,839,802

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 and Six Months Ended June 28, 2009 and June 30, 2008

	Three months ended June 28, 2009 (Unaudited)	Three months ended June 30, 2008 (Restated) (Unaudited)	Six months ended June 28, 2009 (Unaudited)	Six months ended June 30, 2008 (Restated) (Unaudited)
NET SALES	$ 1,226,432	$ 1,122,652	$ 1,658,080	$ 1,475,014
COST OF SALES	156,129	122,706	242,311	192,491
GROSS PROFIT	1,070,303	999,946	1,415,769	1,282,523
OPERATING EXPENSES				
Selling, general and administrative	812,023	686,201	1,335,793	1,262,385
Restructuring charges	0	0	204,090	0
Depreciation & amortization	79,506	58,472	161,971	106,640
Total Operating Expenses	891,529	744,673	1,701,854	1,369,025
INCOME (LOSS) FROM OPERATIONS	178,774	255,273	(286,085)	(86,502)
OTHER INCOME (EXPENSES)				
Interest income	0	0	109	1,456
Rental income	900	1,800	2,300	3,638
Other income	23,907	5,300	30,612	5,637
Other (expenses)	0	(736)	0	(14,721)
Interest expense	(96,103)	(108,479)	(184,128)	(152,938)
Gain (loss) on sale of assets	1,535	19,624	178,272	22,671
Total Other Income (Expenses)	(69,761)	(82,491)	27,165	(134,257)
NET INCOME (LOSS) BEFORE INCOME TAXES	109,013	172,782	(258,920)	(220,759)

PROVISION FOR TAXES	0	0	0	0
INCOME (LOSS) FROM CONTINUING OPERATIONS	109,013	172,782	(258,920)	(220,759)
INCOME (LOSS) FROM DISCONTINUED OPERATIONS	52,969	(53,925)	52,969	126,567
NET PROFIT (LOSS)	$ 161,982	$ 118,857	$ (205,951)	$ (94,192)
WEIGHTED OUTSTANDING SHARES (in 000's)	52,106	52,106	52,106	52,106
NET LOSS PER SHARE	$ 0.00	$ 0.00	$ 0.00	$ 0.00

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 June 28, 2009

	Common Stock		Additional Paid in Capital	Treasury Stock	Accumulated Deficit	Total
	Shares	Amount				
Balance, December 31, 2007	51,886,537	$ 51,886	$ 4,443,510	$ -	$ (620,753)	$ 3,874,643
Issuance of common stock to directors and officers	220,000	220	17,380	-	-	17,600
Treasury stock returned				(250)		(250)
Net loss for the year ended December 31, 2008	-	-	-	-	(1,461,512)	(1,461,512)
Balance, December 31, 2008	52,106,537	52,106	4,460,890	(250)	(2,082,265)	2,430,481
Common stock issued as compensation to officers	1,500,000	1,500	13,500	0	0	15,000
Increase in contributed capital for shareholder debt forgiveness			131,866			131,866
Net loss for the period ended June 28, 2009	-	-	-	-	(205,951)	(205,951)
Balance, June 28, 2009	53,606,537	$ 53,606	$ 4,606,256	$ (250)	$ (2,288,216)	$ 2,371,396

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

For the Six Months Ended June 28, 2009 and June 30, 2008

	Six months ended June 28, 2009 (Restated) (Unaudited)	Six months ended June 30, 2008 (Restated) (Unaudited)
Cash Flows from Operating Activities:		
Net loss for the period	$ (205,951)	$ (94,092)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation expense & amortization	161,971	106,640
Forgiven indebtedness note payable - related party	(201,861)	-
Decrease in contributed capital for shareholder receivable write off	(62,500)	
Increase contributed capital - shareholder debt forgiveness	194,366	-
Share based compensation	15,000	-
Changes in Assets and Liabilities		
Decrease in prepaid expenses and taxes	57,377	22,488
(Increase) in inventory	(3,331)	(10,000)
Decrease in short term securities	10,500	-
Increase in accrued expenses	273,149	97,182
Increase (decrease) in accounts payable	51,405	(1,918)
Net Cash From Operating Activities	290,125	120,300
Cash Flows from Investing Activities:		
Acquisition of property and equipment	(40,133)	(544,996)
Purchase Wild Animal, Inc.	-	(250,000)
Capitalization of loan fees	-	(6,200)
(Increase) decrease in restricted cash	182	(38,525)
Net Cash Used In Investing Activities	(39,951)	(839,721)
Cash Flows from Financing Activities:		

Increase in note payable related party		-		85,894
Proceeds from note payable and lines of credit		-		499,728
Payments on note payable and lines of credit		(147,000)		(30,000)
Payments on note payable		(103,916)		(33,396)
Issuance of common stock		-		17,600
Net Cash Provided by (Used In) Financing Activities		(250,916)		539,826
Cash Flows Provided by (Used in) Discontinued Operations		163,316		(66,569)
Net Increase (Decrease) in Cash		162,574		(246,164)
Cash at beginning of period		72,814		378,610
Cash at end of period	$	235,388	$	132,446
Supplemental Cash Flow Information:				
Cash paid for interest	$	177,771	$	198,996
Cash paid for income taxes	$	0	$	0
Supplemental Disclosure of Non-Cash Activities:				
Non-cash investments in property and equipment through financing arrangements	$	0	$	1,750,000

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

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

June 28, 2009

NOTE 1 - ORGANIZATION

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

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

The Company, through its wholly-owned subsidiaries Wild Animals, Inc., a Missouri corporation and Wild Animal Safari, Inc. a Georgia corporation, owns and operates two regional theme parks. For more information regarding the acquisition and subsequent re-conveyance of Park Staffing Services LLC (formerly known as tempServe LLC) see note 7. For financial reporting purposes, Parks Services is presented as a discontinued operation. The parks are open year round but experience increased seasonal attendance April through August.

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.

On June 13, 2005, the Company acquired the Georgia theme park.

On September 30, 2007, the Company acquired assets from tempServe LLC outlined in note 7.

On March 6, 2008, the Company acquired assets for a Missouri theme park outlined in note 8.

On June 11, 2008, the Company changed its name from Great American Family Parks, Inc. to Parks! America, Inc.

On January 1, 2009, the Company re-conveyed Park Staffing Services LLC back to the original owners outlined in note 7 and this business is presented as a discontinued operation.

2.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The audited consolidated financial statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). 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. All such adjustments are of a normal and recurring nature.

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.

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

June 28, 2009

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 Safari, Inc in Georgia and Wild Animal, Inc. in Missouri). Park Staffing Services, LLC is reported as a discontinued operation. Results of operations and cash flows are included for the period subsequent to the acquisition dates and include the accounts of Wild Animal Safari, Inc. and Wild Animal, Inc. 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.

Fiscal Year: Commencing on June 28, 2009, the Company changed its fiscal and quarterly reporting to 52/53 week fiscal year ending with the last Sunday in December of each calendar year. This is effective with the filing of the second quarter form 10Q which is as of June 28, 2009. The Company is making this change in order to align its fiscal year more closely with its weekly and monthly comparability of sales results to prior periods presented. As a result of this fiscal year change, fiscal year 2009 will have four less days, or 1.1% decrease in days over 2008. The second quarter report has two less days than last year s report. The change is not significant to the Company s consolidated financial statements for the periods presented.

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

June 28, 2009

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Advance from Factor: Prior to the re-conveyance of Park Staffing Services (as described in note 7), the Company used a factor for cash flow and receivables in support of the Park Staffing Services business. The factor was an entity owned by the shareholders of Computer Contract Service, Inc. (CCS), the entity from which the Company originally acquired the assets of tempServ (See Note 7). Under the factoring agreement, the factor purchased certain trade accounts receivable and assumed minimal credit risks with respect to such accounts for a factoring charge negotiated as a percentage of the invoice amount assigned. The Company also obtained advances against the receivables assigned. The Company was contingently liable to the factor for merchandise disputes, customer claims, and the like, on receivables sold to the factor. The factor also held a security interest in certain receivables. Accordingly, the Company has presented its accounts receivables related to the Park Staffing Services business in the discontinued current assets at net realizable value and presented its borrowings from the factors in its discontinued operations current liability. As of June 28, 2009, the Company has $0 receivables related to Park Staffing Services and there are no amounts owed to the factor at June 28, 2009.

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.

	June 28, 2009	**December 31, 2008**
Land	$ 2,505,180	$ 2,505,180
Buildings	2,912,024	2,906,466
Facilities and Improvements	706,431	688,720
Furniture & Fixtures	117,774	105,484
Ground Improvements	749,945	749,945
Park animals	584,318	584,168
Rides & entertainment	40,000	40,000
Vehicles	162,196	157,772
Sub-total	7,777,868	7,737,735
Accumulated Depreciation	(802,332)	(644,458)
Total Assets from Continuing Operations	6,975,536	7,093,277

Net Assets from Discontinued Operations	-	35,135
Total Net Assets	$ 6,975,536	$ 7,128,412

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. As of June 28, 2009, the Company has no goodwill.

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

June 28, 2009

NOTE 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 and as permitted under APB Opinion No. 25, and related interpretations. Effective January 1, 2006 the company adopted FAS 123R using the modified prospective method which recognizes compensation costs on a straight-line basis over the requisite service period of the SFAS No. 123R 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 and EITF No. 96-18 stock based compensation to non-employees. No activity has occurred in relation to stock options during the period ended June 28, 2009. Stan Harper returned 5,000,000 stock warrants of the Company as part of the re-conveyance of Park Staffing back to him. 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 Share price at time of the grant. The Company issued 25,000 Shares to each Director for their service in 2008.

The Company awarded a total of 1,500,000 shares of restricted common stock on June 26, 2009 to two Company officers. The Company valued these restricted shares at $0.01, based upon the trading history of the Company s common stock on the OTC Bulletin Board, application of a marketability discount (based upon the limited trading volume) and application of a liquidity discount because the shares are restricted.

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 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: The Company does not expect that the adoption of other recent accounting pronouncements will have a material impact on its financial statements.

In June 2006, the FASB issued Interpretation No. 48 (FIN48), Accounting for Uncertainty in Income Taxes . This interpretation requires companies to determine whether it is more likely than not that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. FIN 48 provides guidance on de-recognition, classification, accounting in interim periods and disclosure requirements for tax contingencies. FIN 48 is effective for fiscal years beginning after December 15, 2006. The differences between the amounts recognized in the statements of financial position prior to the adoption of FIN 48 and the amounts reported after adoption will be accounted for as a cumulative-effect adjustment recorded to the beginning balance of retained earnings. The Company adopted FIN48 on January 1, 2007 and has determined that the impact of the adoption of FIN 48 is insignificant to the Company s consolidated financial position, results of operations or cash flows.

In September 2006, the FASB issued Statement No. 157, Fair Value Measurements . SFAS 157 defines fair value, establishes a framework and gives guidance regarding the methods used for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is evaluating the impact of this new pronouncement to the Company s financial position and results of operations or cash flows.

PARKS! AMERICA, INC. and SUBSIDIARIES

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

June 28, 2009

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Recent Accounting Pronouncements: (continued)

In September 2006, the FASB issued Statement No. 158, Employers Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R) . SFAS 158 requires companies to recognize the overfunded or underfunded status of a defined benefit post-retirement plan as an asset or liability in its balance sheet and to recognize changes in that funded status in the year in which the changes occur through comprehensive income, effective for fiscal years ending after December 15, 2006. SFAS 158 also requires companies to measure the funded status of the plan as of the date of its fiscal year-end, with limited exceptions, effective for fiscal years ending after December 15, 2008. The Company does not expect the adoption of SFAS 158 to have a material impact on the Company s financial position or results of operations, as the Company does not currently have any defined benefit pension or other post-retirement plans.

In September 2006, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin No. 108 (SAB 108), Financial Statements - Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements . SAB 108 provides guidance on how prior year misstatements should be taken into consideration when quantifying misstatements in current year financial statements for purposes of determining whether the current year s financial statements are materially misstated. SAB 108 provides that once a current year misstatement has been quantified, the guidance in SAB No. 99, Financial Statements Materiality , should be applied to determine whether the misstatement is material and should result in an adjustment to the financial statements. Under certain circumstances, prior year financial statements will not have to be restated and the effects of initially applying SAB 108 on prior years will be r; FONT-SIZE: 10pt"> (27,689)

Gain (loss) on sales of silver to pay expenses

(1,755) 1,814 (144) 7,634

Gain (loss) on silver distributed for the redemption of Shares

(15,209) 112,130 (13,590) 318,871

Total gain (loss) on sales and distributions of silver

(16,964) 113,944 (13,734) 326,505

Market value recovery (Note 2B)

950,686 — 950,686 —

Total revenue

933,722 113,944 936,952 326,505

Expenses

Sponsor's fees

(8,992) (11,725) (31,087) (35,599)

Market value reserve (Note 2B)

— — (2,121,444) —

Total expenses

(8,992) (11,725) (2,152,531) (35,599)

NET INCOME (LOSS)

$924,730 $102,219 $(1,215,579) $290,906

Net income (loss) per Share

$2.66 $0.32 $(3.51) $0.91

Weighted-average Shares outstanding

347,510,870 323,750,000 345,899,634 320,820,985

See notes to financial statements.

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iShares® Silver Trust

Statements of Changes in Shareholders' Equity (Deficit) (Unaudited)

For the nine months ended September 30, 2013 and the year ended December 31, 2012

(Dollar amounts in $000's)	**Nine Months Ended September 30, 2013**	**Year Ended December 31, 2012**
Shareholders' equity (deficit) – beginning of period	$ (1,575,959)	$ (1,511,462)
Net income (loss)	(1,215,579)	390,140
Adjustment of redeemable capital Shares to redemption value	2,791,538	(454,637)
Shareholders' equity (deficit) – end of period	$ —	$ (1,575,959)

See notes to financial statements.

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iShares® Silver Trust

Statements of Cash Flows (Unaudited)

For the nine months ended September 30, 2013 and 2012

	Nine Months Ended September 30,	
(Dollar amounts in $000's)	**2013**	**2012**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Proceeds from sales of silver	$32,245	$35,323
Expenses – Sponsor's fees paid	(32,245)	(35,323)
Net cash provided by operating activities	—	—
Increase (decrease) in cash	—	—
Cash, beginning of period	—	—
Cash, end of period	$—	$—
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net income (loss)	$(1,215,579)	$290,906
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
(Gain) loss on silver distributed for the redemption of Shares	13,590	(318,871)
Cost of silver sold to pay expenses	32,389	27,689
Market value recovery (Note 2B)	(950,686)	—
Market value reserve (Note 2B)	2,121,444	—
Change in operating assets and liabilities:		
Sponsor's fees payable	(1,158)	276
Net cash provided by operating activities	$—	$—
Supplemental disclosure of non-cash information:		
Carrying value of silver received for creation of Shares	$1,992,277	$1,906,843
Carrying value of silver distributed for redemption of Shares, at average cost	$(1,514,965)	$(1,182,641)

See notes to financial statements.

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iShares® Silver Trust

Notes to Financial Statements (Unaudited)

September 30, 2013

1 - Organization

The iShares® Silver Trust (the “Trust”) was organized on April 21, 2006 as a New York trust. The trustee is The Bank of New York Mellon (the “Trustee”), which is responsible for the day to day administration of the Trust. The Trust’s sponsor is iShares® Delaware Trust Sponsor LLC, a Delaware limited liability company (the “Sponsor”). The Trust is governed by the First Amended and Restated Depositary Trust Agreement (the “Trust Agreement”) executed by the Trustee and the Sponsor as of February 28, 2013. The Trust issues units of beneficial interest (or “Shares”) representing fractional undivided beneficial interests in its net assets.

The objective of the Trust is for the value of its Shares to reflect, at any given time, the price of silver owned by the Trust at that time, less the Trust’s expenses and liabilities. The Trust is designed to provide a vehicle for investors to own interests in silver bullion.

The accompanying unaudited financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and with the instructions for Form 10-Q and the rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”). In the opinion of management, all material adjustments, consisting only of normal recurring adjustments considered necessary for a fair statement of the interim period financial statements have been made. Interim period results are not necessarily indicative of results for a full-year period. These financial statements and the notes thereto should be read in conjunction with the Trust’s financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2012, as filed with the SEC on February 28, 2013.

The Trust is not an investment company registered under the Investment Company Act of 1940, as amended.

2 - Summary of Significant Accounting Policies

A. *Basis of Accounting*

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements in conformity with U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and these differences could be material.

B. *Silver Bullion*

JPMorgan Chase Bank N.A., London branch (the “Custodian”), is responsible for the safekeeping of silver bullion owned by the Trust.

For financial statement purposes, the silver bullion held by the Trust is valued at the lower of cost or market, using the average cost method. Should the market value of the silver bullion held be lower than its average cost during the interim periods, an adjustment (“market value reserve”) to cost may be recorded by the Trust to reflect market value. Should the market value of the silver bullion held increase subsequent to the market value reserve being recorded, a “market value recovery” may be recorded during an interim period in the same fiscal year that the market value reserve is recorded by the Trust. The market value recovery recorded at an interim period may not exceed the previously recognized market value reserve. At the end of the Trust’s fiscal year, management will make a determination as to whether the reserve is recovered or whether the cost basis of silver should be written down. Gain or loss on sales of silver bullion is calculated on a trade date basis. Fair value of the silver bullion is based on the price for an ounce of silver set each working day by three market making members of The London Bullion Market Association (“London Fix”).

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The following table summarizes activity in silver bullion for the three months ended September 30, 2013 (all balances in 000's):

	Ounces	**Average Cost**	**Fair Value**	**Realized Gain (Loss)**
Beginning balance	318,481.3	$6,006,558	$6,006,558	$—
Silver contributed	29,225.5	601,985	601,985	—
Silver distributed	(5,544.4)	(139,664)	(124,455)	(15,209)
Silver sold	(411.1)	(10,397)	(8,642)	(1,755)
Adjustment for realized loss	—	—	(16,964)	—
Adjustment for unrealized gain on silver bullion	—	—	950,686	—
Market value recovery	—	950,686	—	—
Ending balance	341,751.3	$7,409,168	$7,409,168	$(16,964)

The following table summarizes activity in silver bullion for the nine months ended September 30, 2013 (all balances in 000's):

	Ounces	**Average Cost**	**Fair Value**	**Realized Gain (Loss)**
Beginning balance	324,239.1	$8,135,003	$9,710,962	$—
Silver contributed	78,089.7	1,992,277	1,992,277	—
Silver distributed	(59,304.6)	(1,514,965)	(1,501,375)	(13,590)
Silver sold	(1,272.9)	(32,389)	(32,245)	(144)
Adjustment for realized loss	—	—	(13,734)	—
Adjustment for unrealized loss on silver bullion	—	—	(2,746,717)	—
Market value reserve	—	(2,121,444)	—	—
Market value recovery	—	950,686	—	—
Ending balance	341,751.3	$7,409,168	$7,409,168	$(13,734)

C. *Redeemable Capital Shares*

Shares of the Trust are classified as "redeemable" for balance sheet purposes, since they are subject to redemption. Trust Shares are issued and redeemed continuously in aggregations of 50,000 Shares in exchange for silver bullion rather than cash. Individual investors cannot purchase or redeem Shares in direct transactions with the Trust. The Trust only transacts with registered broker-dealers that are eligible to settle securities transactions through the book-entry facilities of the Depository Trust Company and that have entered into a contractual arrangement with the Trust and the Sponsor governing, among other matters, the creation and redemption of Shares (such broker-dealers, the "Authorized

Participants”). Holders of Shares of the Trust may redeem their Shares at any time acting through an Authorized Participant and in the prescribed aggregations of 50,000 Shares; *provided,* that redemptions of Shares may be suspended during any period while regular trading on NYSE Arca, Inc. (“NYSE Arca”) is suspended or restricted, or in which an emergency exists as a result of which delivery, disposal or evaluation of silver is not reasonably practicable.

The per Share amount of silver exchanged for a purchase or redemption is calculated daily by the Trustee, using the London Fix to calculate the silver amount in respect of any liabilities for which covering silver sales have not yet been made, and represents the per Share amount of silver held by the Trust, after giving effect to its liabilities, sales to cover expenses and liabilities and any losses that may have occurred.

When silver is exchanged in settlement of a redemption, it is considered a sale of silver for financial statement purposes.

Due to the expected continuing sales and redemption of capital stock and the three-day period for Share settlement, the Trust reflects capital Shares sold as a receivable, rather than as contra equity. Shares redeemed are reflected as a contra asset on the trade date. Outstanding Trust Shares are reflected at redemption value, which is the net asset value per Share at the period ended date. Adjustments to redemption value are reflected in shareholders’ equity.

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Net asset value is computed by deducting all accrued fees, expenses and other liabilities of the Trust, including the Sponsor's fees, from the fair value of the silver bullion held by the Trust.

Activity in redeemable capital Shares was as follows (all balances in 000's):

	Three Months Ended September 30, 2013		**Nine Months Ended September 30, 2013**	
	Shares	**Amount**	**Shares**	**Amount**
Beginning balance	329,900	$6,003,758	335,000	$9,706,654
Shares issued	30,300	601,985	80,850	1,992,277
Shares redeemed	(5,750)	(124,455)	(61,400)	(1,501,375)
Redemption value adjustment	—	924,730	—	(2,791,538)
Ending balance	354,450	$7,406,018	354,450	$7,406,018

D. *Federal Income Taxes*

The Trust is treated as a "grantor trust" for federal income tax purposes and, therefore, no provision for federal income taxes is required. Any interest, expenses, gains and losses are "passed through" to the holders of Shares of the Trust.

The Sponsor has reviewed the tax positions as of September 30, 2013 and has determined that no provision for income tax is required in the Trust's financial statements.

E. *Recent Accounting Standard*

In June 2013, the Financial Accounting Standards Board issued Accounting Standards Update 2013-08, *Amendments to the Scope, Measurement, and Disclosure Requirements* ("ASU 2013-08"). ASU 2013-08 provides guidance to assess whether an entity is an investment company, and gives additional measurement and disclosure requirements for an investment company. ASU 2013-08 is effective for the Trust for fiscal years beginning after December 15, 2013, and interim periods within those fiscal years. Management is evaluating the impact of this guidance on the Trust's financial statements.

3 - Trust Expenses

The Trust pays to the Sponsor a Sponsor's fee that accrues daily at an annualized rate equal to 0.50% of the net asset value of the Trust, paid monthly in arrears. The Sponsor has agreed to assume the following administrative and marketing expenses incurred by the Trust: the Trustee's fee, the Custodian's fee, NYSE Arca listing fees, SEC registration fees, printing and mailing costs, audit fees and expenses, and up to $100,000 per annum in legal fees and expenses.

4 - Related Parties

The Sponsor and the Trustee are considered to be related parties to the Trust. The Trustee's fee is paid by the Sponsor and is not a separate expense of the Trust.

5 - Indemnification

Under the Trust's organizational documents, the Sponsor is indemnified against liabilities or expenses it incurs without negligence, bad faith or willful misconduct on its part. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred.

6 - Concentration Risk

Substantially all of the Trust's assets are holdings of silver bullion, which creates a concentration risk associated with fluctuations in the price of silver. Accordingly, a decline in the price of silver will have an adverse effect on the value of the Shares of the Trust. Factors that may have the effect of causing a decline in the price of silver include a change in economic conditions (such as a recession), an increase in the hedging activities of silver producers, and changes in the attitude towards silver of speculators, investors and other market participants.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This information should be read in conjunction with the financial statements and notes to financial statements included in Item 1 of Part I of this Form 10-Q. The discussion and analysis that follows may contain statements that relate to future events or future performance. In some cases, such forward-looking statements can be identified by terminology such as "may," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential" or the n terms or other comparable terminology. Neither the Sponsor, nor any other person assumes responsibility for the accuracy or completeness of any forward-looking statements. Neither the Trust nor the Sponsor is under a duty to update any of the forward-looking statements to conform such statements to actual results or to a change in the Sponsor's expectations or predictions.

Introduction

The iShares® Silver Trust (the "Trust") is a grantor trust formed under the laws of the State of New York. The Trust does not have any officers, directors, or employees, and is administered by The Bank of New York Mellon (the "Trustee") acting as trustee pursuant to the First Amended and Restated Depositary Trust Agreement (the "Trust Agreement") between the Trustee and iShares® Delaware Trust Sponsor LLC, the sponsor of the Trust (the "Sponsor"). The Trust issues units of beneficial interest (or "Shares") representing fractional undivided beneficial interests in its net assets. The assets of the Trust consist primarily of silver bullion held by a custodian as an agent of the Trust responsible only to the Trustee.

The Trust is a passive investment vehicle and the objective of the Trust is for the value of each Share to approximately reflect, at any given time, the price of silver owned by the Trust less the Trust's expenses and liabilities divided by the number of outstanding Shares. The Trust does not engage in any activities designed to obtain a profit from, or ameliorate losses caused by, changes in the price of silver.

The Trust issues and redeems Shares only in exchange for silver, only in aggregations of 50,000 Shares or integral multiples thereof (each, a "Basket"), and only in transactions with registered broker-dealers that have previously entered into an agreement with the Trust governing the terms and conditions of such issuance (such broker-dealers, the "Authorized Participants"). A list of current Authorized Participants is available from the Sponsor or the Trustee.

Shares of the Trust trade on NYSE Arca, Inc. under the symbol "SLV."

Valuation of Silver; Computation of Net Asset Value

On each business day, as soon as practicable after 4:00 p.m. (New York time), the Trustee evaluates the silver held by the Trust and determines the net asset value of the Trust and the net asset value per Share. The Trustee values the silver held by the Trust using the announced price for an ounce of silver set each working day by three market making members of The London Bullion Market Association ("London Fix"). Having valued the silver held by the Trust, the Trustee then subtracts all accrued fees, expenses and other liabilities of the Trust from the value of the silver and other assets of the Trust. The result is the net asset value of the Trust. The Trustee computes the net asset value per Share by dividing the net asset value of the Trust by the number of Shares outstanding on the date the computation is made.

Liquidity

The Trust is not aware of any trends, demands, conditions or events that are reasonably likely to result in material changes to its liquidity needs. In exchange for a fee, the Sponsor has agreed to assume most of the expenses incurred by the Trust. As a result, the only ordinary expense of the Trust during the period covered by this report was the Sponsor's fee. The Trust's only source of liquidity is its sales of silver.

Critical Accounting Policies

The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements relies on estimates and assumptions that impact the Trust's financial position and results of operations. These estimates and assumptions affect the Trust's application of accounting policies. Below we describe the valuation of silver bullion, a critical accounting policy that we believe is important to understanding our results of operations and financial position. In addition, please refer to Note 2 to the financial statements for further discussion of the Trust's accounting policies.

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Valuation of Silver Bullion

Silver bullion held by the Trust is recorded at the lower of cost or market. For purposes of this calculation, market values are based on the London Fix. Should the market value of the silver bullion held be lower than its average cost during the interim periods, an adjustment ("market value reserve") to cost may be recorded by the Trust to reflect market value. Should the market value of the silver bullion held increase subsequent to the market value reserve being recorded, a "market value recovery" may be recorded during an interim period in the same fiscal year that the market value reserve is recorded by the Trust. The market value recovery recorded at an interim period may not exceed the previously recognized market value reserve. At the end of the Trust's fiscal year, management will make a determination as to whether the reserve is recovered or whether the cost basis of silver should be written down. As indicated above, the London Fix is also used to value silver bullion held for purposes of calculating the net asset value of the Trust, which in turn is used for the calculation of the redemption value of outstanding Trust Shares.

There are other indicators of the value of silver bullion that are available that could be different than that chosen by the Trust. The London Fix is used by the Trust because it is commonly used by the U.S. silver market as an indicator of the value of silver, and is permitted to be used under the Trust Agreement. The use of an indicator of the value of silver bullion other than the London Fix could result in materially different fair value pricing of the silver in the Trust, and as such, could result in different lower of cost or market adjustments or in different redemption value adjustments of the outstanding redeemable capital Shares.

Results of Operations

The Quarter Ended September 30, 2013

The Trust's net asset value grew from $6,003,757,683 at June 30, 2013 to $7,406,018,262 at September 30, 2013, a 23.36% increase. The increase in the Trust's net asset value resulted primarily from an increase in the London Fix price, which rose 14.95% from $18.86 at June 30, 2013 to $21.68 at September 30, 2013. The Trust's net asset value also benefited from an increase in outstanding Shares, which rose from 329,900,000 Shares at June 30, 2013 to 354,450,000 Shares at September 30, 2013, a consequence of 30,300,000 Shares (606 Baskets) being created and 5,750,000 Shares (115 Baskets) being redeemed during the quarter.

The 14.78% rise in the Trust's net asset value per Share from $18.20 at June 30, 2013 to $20.89 at September 30, 2013 is directly related to the 14.95% increase in the London Fix price.

The Trust’s net asset value per Share increased slightly less than the price of silver on a percentage basis due to the Sponsor’s fees, which were $8,992,093 for the quarter, or 0.13% of the Trust’s average weighted assets of $7,149,778,984 during the quarter. The net asset value per Share of $23.85 on August 28, 2013 was the highest during the quarter, compared with a low during the quarter of $18.43 on July 9, 2013. The net asset value of the Trust is obtained by subtracting the Trust’s expenses and liabilities on any day from the value of the silver owned by the Trust on that day; the net asset value per Share is obtained by dividing the net asset value of the Trust on a given day by the number of Shares outstanding on that day.

Net income for the quarter ended September 30, 2013 was $924,730,413, resulting from a net loss of $1,754,528 on the sales of silver to pay expenses, a net loss of $15,209,250 on silver distributed for the redemption of Shares and Sponsor’s fees of $8,992,093, offset by the market value recovery of $950,686,284. Other than the Sponsor’s fees, the Trust had no expenses during the quarter.

The Nine Months Ended September 30, 2013

The Trust’s net asset value fell from $9,706,654,098 at December 31, 2012 to $7,406,018,262 at September 30, 2013, a 23.70% decrease. The decrease in the Trust's net asset value resulted primarily from a decrease in London Fix price, which fell 27.61% from $29.95 at December 31, 2012 to $21.68 at September 30, 2013. The decrease in the Trust's net asset was partially offset by an increase in outstanding Shares, which rose from 335,000,000 Shares at December 31, 2012 to 354,450,000 Shares at September 30, 2013, a consequence of 80,850,000 Shares (1,617 Baskets) being created and 61,400,000 Shares (1,228 Baskets) being redeemed during the period.

The 27.92% decline in the Trust’s net asset value per Share from $28.98 at December 31, 2012 to $20.89 at September 30, 2013 is directly related to the 27.61% decrease in the London Fix price.

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The Trust’s net asset value per Share decreased slightly more than the price of silver on a percentage basis due to the Sponsor’s fees, which were $31,087,378 for the period, or 0.37% of the Trust’s average weighted assets of $8,304,398,380 during the period. The net asset value per Share of $31.17 on January 23, 2013 was the highest during the period, compared with a low during the period of $17.96 on June 27, 2013. The net asset value of the Trust is obtained by subtracting the Trust’s expenses and liabilities on any day from the value of the silver owned by the Trust on that day; the net asset value per Share is obtained by dividing the net asset value of the Trust on a given day by the number of Shares outstanding on that day.

Net loss for the nine months ended September 30, 2013 was $1,215,578,675, resulting from a net loss of $143,568 on the sales of silver to pay expenses, a net loss of $13,590,000 on silver distributed for the redemption of Shares, Sponsor’s fees of $31,087,378 and the market value reserve of $2,121,444,013, offset by the market value recovery of $950,686,284. Other than the Sponsor’s fees and market value reserve, the Trust had no expenses during the period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and Procedures

The duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, and with the participation of the Trustee, have evaluated the effectiveness of the Trust’s disclosure controls and procedures, and have concluded that the disclosure controls and procedures of the Trust have been effective as of the end of the period covered by this report to provide reasonable assurance that information required to be disclosed in the reports that the Trust files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to the duly authorized officers of the Sponsor performing functions equivalent to those a principal executive officer and principal financial officer of the Trust would perform if the Trust had any officers, as appropriate to allow timely decisions regarding required disclosure.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

There were no changes in the Trust's internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Trust's internal control over financial reporting.

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PART II – OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

There have been no material changes to the Risk Factors last reported under Part I, Item 1A of the registrant's Annual Report on Form 10-K for the year ended December 31, 2012, filed with the Securities and Exchange Commission on February 28, 2013.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

a) None.

b) Not applicable.

c) 5,750,000 Shares (115 Baskets) were redeemed during the quarter ended September 30, 2013.

Period	Total Number of Shares Redeemed	Average Ounces of Silver Per Share
07/01/13 to 07/31/13	1,450,000	0.9647

08/01/13 to 08/31/13	2,100,000	0.9642
09/01/13 to 09/30/13	2,200,000	0.9640
Total	5,750,000	0.9643

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

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Item 6. Exhibits

Exhibit No.	**Description**
4.1	First Amended and Restated Depositary Trust Agreement is incorporated by reference to Exhibit 4.1 filed with Annual Report on Form 10-K on February 28, 2013
4.2	Standard Terms for Authorized Participant Agreements is incorporated by reference to Exhibit 4.2 filed with Registration Statement No. 333-156506 on December 30, 2008
10.1	Custodian Agreement is incorporated by reference to Exhibit 10.1 filed with Registration Statement No. 333-156506 on December 30, 2008
10.2	Sub-license Agreement is incorporated by reference to Exhibit 10.2 filed with Registration Statement No. 333-156506 on December 30, 2008
10.3	Amendment No. 1 to Custodian Agreement is incorporated by reference to Exhibit 10.3 filed with Registration Statement No. 333-137621 on September 27, 2006
10.4	Second Amendment to Custodian Agreement is incorporated by reference to Exhibit 10.1 filed with Current Report on Form 8-K on February 10, 2010
10.5	Third Amendment to Custodian Agreement is incorporated by reference to Exhibit 10.5 filed with Registration Statement No. 333-170492 on November 9, 2010
10.6	Fourth Amendment to Custodian Agreement is incorporated by reference to Exhibit 10.1 filed with Current Report on Form 8-K on February 14, 2012
10.7	Assignment, Delegation and Assumption Agreement between BlackRock Asset Management International Inc. and iShares® Delaware Trust Sponsor LLC is incorporated by reference to Exhibit 10.7 filed with Post-Effective Amendment No. 1 to Registration Statement No. 333-184107 on November 16, 2012
31.1	Certification by Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification by Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification by Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification by Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document

101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

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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 in the capacities* indicated thereunto duly authorized.

iShares® Delaware Trust Sponsor LLC

Sponsor of the iShares® Silver Trust (registrant)

/s/ Patrick J. Dunne

Patrick J. Dunne

President and Chief Executive Officer

(Principal executive officer)

Date: November 8, 2013

/s/ Jack Gee

Jack Gee

Chief Financial Officer

(Principal financial and accounting officer)

Date: November 8, 2013

* The registrant is a trust and the persons are signing in their capacities as officers of iShares® Delaware Trust Sponsor LLC, the Sponsor of the registrant.