

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Atari, Inc., et al. Case No. 13-10176
Debtor [a] Reporting Period: 8/1/13-8/31/13
 Federal Tax I.D. # 13-3689915

CORPORATE MONTHLY OPERATING REPORT

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	Yes	
Copies of bank statements		[b]	
Cash disbursements journals	MOR-1 (CONT)	Yes	
Statement of Operations	MOR-2	Yes	
Balance Sheet	MOR-3	Yes	
Status of Post-petition Taxes	MOR-4	Yes	
Copies of IRS Form 6123 or payment receipt		n/a	
Copies of tax returns filed during reporting period		n/a	
Summary of Unpaid Post-petition Debts	MOR-4	Yes	
Listing of Aged Accounts Payable	MOR-4 (CONT)	Yes	
Accounts Receivable Reconciliation and Aging	MOR-5	Yes	
Taxes Reconciliation and Aging	MOR-5	n/a	
Payments to Insiders and Professional	MOR-6	Yes	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	Yes	
Debtor Questionnaire	MOR-7	Yes	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor _____

Date _____

Signature of Authorized Individual*  _____

Date 9/13/13

Printed Name of Authorized Individual: Todd Shallbetter

Date _____

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

[a] Debtors include Atari, Inc. (13-10176), Atari Interactive, Inc. (13-10177), California U.S. Holdings, Inc. (10-10178), and Humongous, Inc. (13-10179). All results reported on a consolidated basis herein. Cash Disbursements by Debtor are detailed on MOR-1(A) for United States Trustee Fee calculation purposes.

[b] Available upon request

In re Atari, Inc., et al.
Debtor

Case No. 13-10176
Reporting Period: 8/1/13-8/31/13

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the bank account columns. Attach copies of the bank statements and cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on the page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

ACCOUNT NUMBER (LAST 4)	BANK ACCOUNTS									CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
	Atari, Inc. Operating #4601	Atari Payroll #4903	Atari, Inc. PayPal #8664	Atari, Inc. Money Mkt #7788	Atari, Inc. Lockbox #9898	Atari, Inc. Payroll (CA) #1153	Atari Interactive, Inc. Operating #4657	Humongous, Inc. Operating #5253		
CASH BEGINNING OF MONTH	\$ 53,370	\$ 8,373	\$ 0	\$ 2,627,719	\$ (0)	\$ 3,733	\$ 9,773	\$ 2,733		\$ 2,705,699
RECEIPTS										
CASH SALES	-	-	-	-	-	-	-	-	-	-
ACCOUNTS RECEIVABLE - PREPETITION	465,069	-	-	-	-	-	-	-	-	465,069
ACCOUNTS RECEIVABLE - POSTPETITION	1,865,229	-	-	-	-	-	-	-	-	1,865,229
LOANS AND ADVANCES	-	-	-	-	-	-	-	-	-	-
SALE OF ASSETS	4,036,275	-	-	-	-	-	-	-	-	4,036,275
OTHER (ATTACH LIST)	5,524	-	-	30	-	-	-	-	-	5,554
TRANSFERS (FROM DIP ACCTS)	450,000	312,062	-	5,985,000	-	-	43,000	-	-	6,790,062
TOTAL RECEIPTS	6,822,097	312,062	-	5,985,030	-	-	43,000	-	-	13,162,189
DISBURSEMENTS										
NET PAYROLL	-	197,677	-	-	-	-	-	-	-	197,677
PAYROLL TAXES	-	114,385	-	-	-	-	-	-	-	114,385
SALES, USE, & OTHER TAXES	-	-	-	-	-	-	-	-	-	-
INVENTORY PURCHASES / PROD. DEVELOPMENT COSTS	241,895	-	-	-	-	-	-	-	-	241,895
SECURED/ RENTAL/ LEASES	33,106	-	-	-	-	-	-	-	-	33,106
INSURANCE (INCLUDING EE BENEFITS)	73,464	-	-	-	-	-	-	-	-	73,464
ADMINISTRATIVE	92,128	1,300	-	-	-	-	-	-	-	93,429
SELLING	17,903	-	-	-	-	-	2,128	-	-	20,031
OTHER (ATTACH LIST)	5,906	-	-	-	-	-	575	-	-	6,481
OWNER DRAW *	-	-	-	-	-	-	-	-	-	-
TRANSFERS (TO DIP ACCTS)	6,340,062	-	-	450,000	-	-	-	-	-	6,790,062
PROFESSIONAL FEES	34,084	-	-	-	-	-	43,443	-	-	77,527
U.S. TRUSTEE QUARTERLY FEES	650	-	-	-	-	-	-	-	-	650
COURT COSTS	-	-	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	6,839,199	313,363	-	450,000	-	-	46,146	-	-	7,648,708
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(17,102)	(1,300)	-	5,535,030	-	-	(3,146)	-	-	5,513,481
CASH - END OF MONTH	\$ 36,268	\$ 7,072	\$ 0	\$ 8,162,748	\$ (0)	\$ 3,733	\$ 6,627	\$ 2,733	\$	\$ 8,219,181

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

OTHER RECEIPTS										
Postage	189	-	-	-	-	-	-	-	-	189
OptimumHealth	5,336	-	-	-	-	-	-	-	-	5,336
Interest MM	-	-	-	30	-	-	-	-	-	30
TOTAL OTHER RECEIPTS	5,524	-	-	30	-	-	-	-	-	5,554
OTHER DISBURSEMENTS										
401k	3,336	-	-	-	-	-	-	-	-	3,336
Bank Fee	2,570	-	-	-	-	-	575	-	-	3,145
TOTAL OTHER DISBURSEMENTS	5,906	-	-	-	-	-	575	-	-	6,481

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BANK RECONCILIATIONS
Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.
(Bank account numbers may be redacted to last four numbers.)

	Atari, Inc. Operating #4601	Atari Payroll #4903	Atari, Inc. PayPal #8664	Atari, Inc. Money Mkt #7788	Atari, Inc. Lockbox #9898	Atari, Inc. Payroll (CA) #1153	Atari Interactive, Inc. Operating #4657	Humongous, Inc. Operating #5253	Total
BALANCE PER BOOKS	\$ 36,268	\$ 7,072	\$ 0	\$ 8,162,748	\$ (0)	\$ 3,733	\$ 6,627	\$ 2,733	\$ 8,219,181
BANK BALANCE	109,168	10,320	-	8,162,748	-	3,733	8,492	2,733	8,297,194
(+) DEPOSITS IN TRANSIT <i>(ATTACH LIST)</i>	-	-	-	-	-	-	-	-	-
(-) OUTSTANDING CHECKS <i>(ATTACH LIST)</i> :	72,901	3,247	-	-	-	-	1,865	-	78,013
OTHER <i>(ATTACH EXPLANATION)</i>	-	-	-	-	-	-	-	-	-
ADJUSTED BANK BALANCE *	\$ 36,267	\$ 7,072	\$ -	\$ 8,162,748	\$ -	\$ 3,733	\$ 6,627	\$ 2,733	\$ 8,219,181

**Adjusted Bank Balance* must equal "Balance per Books"

DEPOSITS IN TRANSIT	Date	Amount
None		
CHECKS OUTSTANDING	Ck. #	Amount
TEST	600001	1
OPTUMHEALTH FINANCIAL SERVICES	600006	216
LAW OFFICE OF CHUN T. WRIGHT	600024	35
FLUIK ENTERTAINMENT INC.	600041	268
GOOGLE, INCORPORATED	600042	55
KROME STUDIOS INC.	600044	3,446
LAW OFFICE OF CHUN T. WRIGHT, PLLC	600045	805
NETNAMES USA	600048	8,621
OPTUMHEALTH FINANCIAL SERVICES	600050	297
BEANSTALK GROUP LLC	600054	459
BLUEHORNET NETWORKS, INC.	600055	5495
DORSEY & WHITNEY LLP	600056	8248
FISH & RICHARDSON P.C.	600057	3958
EMPLOYEE	600058	2500
EMPLOYEE	600059	100
SYMANTEC	600060	327
US PATENT & TRADEMARK OFFICE	600061	5,000
VITAL RECORDS INC	600062	1,160
WILLIAM B MEYER INC	600063	3,583
UNITED HEALTHCARE	600064	27,681
VISION SERVICE PLAN (VSP)	600065	648
TOTAL - OPERATING		72,900
TOTAL - PAYROLL-CA		-
EMPLOYEE	7044	3,127
FSA CLAIM	100097	120
TOTAL - PAYROLL-NYC		3,247
LIVINGSTON, ALEXANDER & LEVY	2002	1,865
TOTAL - INTERACTIVE		1,865
TOTAL - HUMONGOUS		-

CASH DISBURSEMENTS JOURNAL
Continuation Sheet for MOR-1

A cash disbursements journal must be included. The total disbursements listed in the disbursements journal must equal the total disbursements (less transfers to other DIP accounts) reported on the Cash Receipts and Disbursements Schedule.

Payee	Check / Wire No.	Date	Amount
ADP (Payroll/Taxes/Fees)	EFT	Various	\$ 313,363
401K	EFT	Various	3,336
JP Morgan (Bank Fees)	EFT	Various	3,145
DAVID STRANG	600010	08/01/13	6,000
EQUITY MANAGEMENT INC.	600011	08/01/13	386
EQUITY MANAGEMENT INC.	600012	08/01/13	649
EMPLOYEE	600013	08/01/13	2,500
EMPLOYEE	600015	08/01/13	7,500
EMPLOYEE	600016	08/01/13	82
EMPLOYEE	600017	08/01/13	3,000
EMPLOYEE	600018	08/01/13	1,530
EMPLOYEE	600019	08/01/13	7,512
UNITED PARCEL SERVICE (MAIN)	600023	08/01/13	556
LAW OFFICE OF CHUN T. WRIGHT, PLI	600024	08/01/13	35
PREMIUM ASSIGNMENT	80007962	08/01/13	3,072
475 BUILDING COMPANY, LLC	80007963	08/02/13	26,843
AMERICAN EXPRESS	80007964	08/02/13	4,380
RACKSPACE MANAGED HOSTING	80007965	08/02/13	36,298
ASTURGÓ, MATEU & ASSOCIATS	20001973	08/02/13	1,362
B. KHALILOV & CO.	20001974	08/02/13	1,960
BUDDE, SCHOU & COMPANY	20001975	08/02/13	1,420
HEINONEN & CO.	20001976	08/02/13	898
INTELS GROUP S.A.	20001977	08/02/13	2,390
MATSUBARA, MURAKI, & ASSOCIATE	20001978	08/02/13	2,890
ROMINVENT	20001980	08/02/13	2,103
ZACCO NETHERLANDS B.V.	20001981	08/02/13	1,157
PATENTSERVIS PRAHA LTD	20001979	08/02/13	1,712
TRANSAMERICA FINANCIAL LIFE INS'	80007966	08/05/13	561
COHEN BROTHERS REALTY CORP.	600025	08/12/13	355
HUDSON FIBER NETWORK	600026	08/12/13	2,247
KONICA MINOLTA	600027	08/12/13	623
EMPLOYEE	600028	08/12/13	2,000
EDGECAST NETWORKS, INC.	600029	08/12/13	4,321
EMPLOYEE	600030	08/12/13	5
OHM SYSTEMS, INC.	600031	08/12/13	4,680
SYMANTEC	600032	08/12/13	327
UNITED PARCEL SERVICE (MAIN)	600033	08/12/13	338
VITAL RECORDS INC	600034	08/12/13	1,164
WEEKS-LERMAN GROUP LLC	600035	08/12/13	471
WILLIAM B MEYER INC	600036	08/12/13	3,868
BABEL MEDIA LTD	80007967	08/12/13	1,032
EN MASSE ENTERTAINMENT, INC.	80007968	08/12/13	58,027
FERRARI S.P.A.	80007969	08/12/13	100,000
GAME CENTER GROUP, LLC	80007970	08/12/13	6,075
CIGNA	600037	08/16/13	2,486
CINRAM GROUP, LLC	600038	08/16/13	3,154
COGENT COMMUNICATIONS, INC.	600039	08/16/13	900
FIBERMEDIA GROUP, LLC.	600040	08/16/13	3,117
FLUIK ENTERTAINMENT INC.	600041	08/16/13	268
GOOGLE, INCORPORATED	600042	08/16/13	55
EMPLOYEE	600043	08/16/13	307
KROME STUDIOS INC.	600044	08/16/13	3,446
LAW OFFICE OF CHUN T. WRIGHT, PLI	600045	08/16/13	805
MAILFINANCE INC.	600046	08/16/13	588
MCGRAW COMMUNICATIONS	600047	08/16/13	1,199
NETNAMES USA	600048	08/16/13	8,621
NEW MOMENTUM, INC.	600049	08/16/13	7,417
OPTUMHEALTH FINANCIAL SERVICES	600050	08/16/13	297
UNITED PARCEL SERVICE (MAIN)	600051	08/16/13	68
US TRUSTEE	600052	08/16/13	650
VERIZON (MAIN)	600053	08/16/13	754
ESTUDIO FEDERICO VILLASECA	20001982	08/19/13	1,831
NAHAPET & CO. LTD.	20001983	08/19/13	1,539

CASH DISBURSEMENTS JOURNAL
Continuation Sheet for MOR-1

A cash disbursements journal must be included. The total disbursements listed in the disbursements journal must equal the total disbursements (less transfers to other DIP accounts) reported on the Cash Receipts and Disbursements Schedule.

Payee	Check / Wire No.	Date	Amount
REMFRY & SAGAR	20001984	08/19/13	3,600
SONY CORPORATION	20001985	08/19/13	1,338
STAINLESS GAMES LTD.	20001986	08/19/13	789
MATSUBARA, MURAKI, & ASSOCIATE	20001987	08/20/13	69
WANGER ADVOKATURBURO	20001988	08/20/13	4,363
GUERRERO-NOBLE, PEREZ-ORAMA & LIVINGSTON, ALEXANDER & LEVY	2001 2002	08/21/13 08/21/13	2,115 1,865
CODE MYSTICS INC.	80007971	08/19/13	6,569
CRYPTIC STUDIOS, INC.	80007972	08/19/13	3,317
EPIC GAMES, INC.	80007973	08/19/13	6,395
SONY DADC AUSTRIA AG	80007974	08/19/13	4,916
WILLIAM GALLAGHER ASSOCIATES	80007975	08/19/13	30,873
TRANSAMERICA FINANCIAL LIFE INS ¹	80007976	08/20/13	2,781
BEANSTALK GROUP LLC	600054	08/23/13	459
BLUEHORNET NETWORKS, INC.	600055	08/23/13	5,495
DORSEY & WHITNEY LLP	600056	08/23/13	8,248
FISH & RICHARDSON P.C.	600057	08/23/13	3,958
EMPLOYEE	600058	08/23/13	2,500
EMPLOYEE	600059	08/23/13	100
SYMANTEC	600060	08/23/13	327
US PATENT & TRADEMARK OFFICE	600061	08/23/13	5,000
VITAL RECORDS INC	600062	08/23/13	1,160
WILLIAM B MEYER INC	600063	08/23/13	3,583
BAKER & MCKENZIE	20001989	08/26/13	12,169
GAME CENTER GROUP, LLC	80007977	08/26/13	6,368
HUDSON VALLEY COMPUTER SERVIC	80007978	08/26/13	11,306
RACKSPACE MANAGED HOSTING	80007979	08/26/13	35,917
WILLIAM GALLAGHER ASSOCIATES	80007980	08/26/13	5,065
UNITED HEALTHCARE	600064	08/28/13	27,681
VISION SERVICE PLAN (VSP)	600065	08/28/13	648
Total Disbursements During Period			\$ 858,646

In re Atari, Inc., et al.
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SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

Atari, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	\$ 7,602,562	\$ 9,278,117
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	6,790,062	\$ 7,880,113
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	\$ -
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	812,500	\$ 1,398,004

Atari Interactive, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	46,146	\$ 46,807
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	-	\$ -
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	\$ -
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	46,146	\$ 46,807

California U.S. Holdings, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	-	\$ -
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	-	\$ -
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	\$ -
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	-	\$ -

Humongous, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	-	\$ -
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	-	\$ -
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	\$ -
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	-	\$ -

Atari, Inc., et al. (Consolidated)	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	7,648,708	\$ 9,324,923
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	6,790,062	\$ 7,880,113
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	\$ -
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$ 858,646	\$ 1,444,810

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STATEMENT OF OPERATIONS (Income Statement)
reported in thousands (000's)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	MONTH	CUMULATIVE -FILING TO DATE
Gross Revenues	\$ 5,625	\$ 17,355
Less: Returns and Allowances	25	207
Net Revenue	5,600	17,147
COST OF GOODS SOLD		
Beginning Inventory	n/a	n/a
Add: Purchases	n/a	n/a
Add: Cost of Labor	n/a	n/a
Add: Other Costs (attach schedule)	n/a	n/a
Less: Ending Inventory	n/a	n/a
Cost of Goods Sold	705	6,015
Gross Profit	4,895	11,132
OPERATING EXPENSES		
Advertising	4	53
Auto and Truck Expense	-	-
Bad Debts	-	172
Contributions	-	-
Employee Benefits Programs	51	275
Officer/Insider Compensation*	-	-
Insurance	69	283
Management Fees/Bonuses	-	-
Office Expense	5	33
Pension & Profit-Sharing Plans	-	-
Repairs and Maintenance	-	-
Rent and Lease Expense	29	316
Salaries/Commissions/Fees	103	2,953
Supplies	-	-
Taxes - Payroll [a]	-	-
Taxes - Real Estate	-	-
Taxes - Other	-	-
Travel and Entertainment	-	57
Utilities	8	198
Other (attach schedule)	156	1,266
Total Operating Expenses Before Depreciation	424	5,605
Depreciation/Depletion/Amortization	115	4,005
Net Profit (Loss) Before Other Income & Expenses	4,357	1,522
OTHER INCOME AND EXPENSES		
Other Income (attach schedule)	-	-
Interest Expense	31	154
Other Expense (attach schedule)	-	984
Net Profit (Loss) Before Reorganization Items	4,326	384

REORGANIZATION ITEMS		
Professional Fees	1,129	8,733
U. S. Trustee Quarterly Fees	-	10
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)	-	-
Gain (Loss) from Sale of Equipment	-	-
Other Reorganization Expenses (attach schedule)	-	-
Total Reorganization Expenses	1,129	8,744
Income Taxes	-	-
Net Profit (Loss)	\$ 3,197	\$ (8,360)

[a] Payroll taxes are included in the Salaries line item.

**Insider" is defined in 11 U.S.C. Section 101(31).

BREAKDOWN OF "OTHER" CATEGORIES

OTHER COSTS

None	\$ -	\$ -
TOTAL OTHER COSTS	\$ -	\$ -

OTHER OPERATIONAL EXPENSES

Research and Development	0	51
Bank Fees	3	19
Distribution Costs	6	74
Consulting	53	411
Legal Fees	83	600
Reversal of Income Tax Receivable	-	8
Accounting Fees	12	103
TOTAL OTHER OPERATIONAL EXPESNES	\$ 156	\$ 1,266

OTHER INCOME

	\$ -	\$ -
	-	-
TOTAL OTHER INCOME	\$ -	\$ -

OTHER EXPENSES

Foreign Exchange Conversion (Gain) / Loss	-	39
Amortization	-	945
TOTAL OTHER EXPENSES	\$ -	\$ 984

OTHER REORGANIZATION EXPENSES

None	\$ -	\$ -
TOTAL OTHER REORGANIZATION EXPENSES	\$ -	\$ -

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

In re Atari, Inc., et al.

Case No.

13-10176

Debtor

Reporting Period:

8/1/13-8/31/13

BALANCE SHEET
reported in thousands (000's)

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from post-petition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE OR SCHEDULED
CURRENT ASSETS			
Unrestricted Cash and Equivalents	\$ 8,219	\$ 2,706	\$ 751
Restricted Cash and Cash Equivalents (<i>see continuation sheet</i>)	-	-	-
Accounts Receivable (Net)	(155)	1,508	2,842
Notes Receivable	-	-	-
Inventories	-	-	542
Prepaid Expenses	18	23	56
Professional Retainers	-	-	-
Other Current Assets (<i>attach schedule</i>)[a]	284	359	489
TOTAL CURRENT ASSETS	8,367	4,496	4,680
PROPERTY & EQUIPMENT			
Real Property and Improvements	-	-	-
Machinery and Equipment	-	-	-
Furniture, Fixtures and Office Equipment	18,111	18,110.80	18,104.51
Leasehold Improvements	19	19	19
Vehicles	-	-	-
Less: Accumulated Depreciation	(17,953)	(17,939)	(17,851)
TOTAL PROPERTY & EQUIPMENT	177	191	272
OTHER ASSETS			
Amounts due from Insiders*	25,790	25,672	25,294
Other Assets (<i>attach schedule</i>)	3,498	3,587	6,976
TOTAL OTHER ASSETS	29,288	29,259	32,270
TOTAL ASSETS	37,832	33,946	37,222
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)			
Accounts Payable [b]	4,172	2,509	113
Taxes Payable (<i>refer to FORM MOR-4</i>)	-	-	-
Wages Payable	16	20	58
Notes Payable	-	-	-
Rent / Leases - Building/Equipment	92	94	105
Secured Debt / Adequate Protection Payments	3,654	3,623	-
Professional Fees	2,299	2,925	-
Amounts Due to Insiders*	-	-	-
Other Post-petition Liabilities (<i>attach schedule</i>)	1,541	1,726	288
TOTAL POST-PETITION LIABILITIES	11,774	10,897	564
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)			
Secured Debt	-	-	-
Priority Debt	146	155	525
Unsecured Debt	321,979	322,167	323,848
TOTAL PRE-PETITION LIABILITIES	322,124	322,322	324,373
TOTAL LIABILITIES	333,938	333,219	324,937
OWNERS' EQUITY			
Capital Stock	1,178,126	1,178,126	1,178,126
Additional Paid-In Capital	-	-	-
Partners' Capital Account	-	-	-
Owner's Equity Account	-	-	-
Retained Earnings - Pre-Petition [a]	(1,465,841)	(1,465,841)	(1,465,841)
Retained Earnings - Post-petition	(8,352)	(11,558)	-
Adjustments to Owner Equity (<i>attach schedule</i>)	-	-	-
Post-petition Contributions (<i>attach schedule</i>)	-	-	-
NET OWNERS' EQUITY	(296,067)	(299,273)	(287,715)
TOTAL LIABILITIES AND OWNERS' EQUITY	\$ 37,832	\$ 33,946	\$ 37,222

[a] Prior period adjustment made of \$1.95 million to reflect Debtor intangibles previously recorded as a top side entry at a parent company level.

[b] The difference between the A/P balance reported above and the amount on Schedule MOR-4 is \$319K which represents additional accruals.

*"Insider" is defined in 11 U.S.C. Section 101(31).

BALANCE SHEET - continuation section

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Current Assets			
Security Deposits	259	259	282
Royalty Receivable	25	100	200
Tax Receivable	-	-	7
Other Assets			
Intangibles (Capitalized Development Costs / Trademarks) [a]	3,498	3,587	6,976
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Post-petition Liabilities			
Deferred Revenue (GAAP)	64	111	288
Royalty Payable	1,477	1,614	-
Adjustments to Owner's Equity			
Post-Petition Contributions			

Restricted Cash: Cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

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Debtor

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STATUS OF POST-PETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.

Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Date Paid	Check # or EFT	Ending Tax
Withholding	\$ -	\$ 59,554	\$ 59,554	Various	[a]	\$ -
FICA-Employee	-	14,831	14,831	Various	[a]	-
FICA-Employer	-	14,485	14,485	Various	[a]	-
Unemployment Income	-	-	-	Various	[a]	-
Other: Franchise Tax	-	-	-	Various	[a]	-
Total Federal Taxes	-	88,870	88,870	Various	[a]	-
State and Local						
Withholding	-	25,249	25,249	Various	[a]	-
Sales	-	-	-			-
Excise	-	-	-			-
Unemployment	-	267	267	Various	[a]	-
Real Property	-	-	-			-
Personal Property	-	-	-			-
Other: _____	-	-	-			-
Total State and Local	-	25,515	25,515	Various	[a]	-
Total Taxes						
	\$ -	\$ 114,385	\$ 114,385	Various	[a]	\$ -

[a] Various

SUMMARY OF UNPAID POST-PETITION DEBTS

Attach aged listing of accounts payable. See MOR-4 (CONT)

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 91	Total
Accounts Payable	\$ 945,771	\$ 1,241,611	\$ 592,040	\$ 303,048	\$ 515,747	\$ 3,598,216
Wages Payable	16,237	-	-	-	-	16,237
Taxes Payable	-	-	-	-	-	-
Rent/Leases-Building	91,695	-	-	-	-	91,695
Rent/Leases-Equipment	-	-	-	-	-	-
Secured Debt/Adequate Protection Payments	3,654,185	-	-	-	-	3,654,185
Professional Fees	2,299,125	-	-	-	-	2,299,125
Amounts Due to Insiders	-	-	-	-	-	-
Other: <u>Royalties Payable</u>	1,477,361	-	-	-	-	1,477,361
Other: _____	-	-	-	-	-	-
Total Post-petition Debts	\$ 8,484,374	\$ 1,241,611	\$ 592,040	\$ 303,048	\$ 515,747	\$ 11,136,820

Explain how and when the Debtor intends to pay any past due post-petition debts.

The main past due balance includes professional fees related to bankruptcy [regular and 20% hold back].

Debtor

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Filed 09/16/13 Entered 09/16/13 19:38:06

Reporting Period: 8/1/13-8/31/13
Main Document

SUMMARY OF UNPAID PETITION DEBTS

Continuation Sheet for MOR-4

Attach aged listing of accounts payable.

Vendor	Vendor No.	Invoice No.	Due Date	Category	Amount
AKIN GUMP STRAUSS HAUER & FELD LLP	[a]	1471168	4/19/13	Restructuring (HOLD)	\$ 72,454.63
AKIN GUMP STRAUSS HAUER & FELD LLP	[a]	1476940	5/22/13	Restructuring (HOLD)	92,574.90
AKIN GUMP STRAUSS HAUER & FELD LLP	[a]	1481662	6/19/13	Restructuring (HOLD)	41,038.75
AKIN GUMP STRAUSS HAUER & FELD LLP		1486853	7/21/13	Restructuring	455,855.18
AKIN GUMP STRAUSS HAUER & FELD LLP		1491226	8/18/13	Restructuring	565,739.11
AKIN GUMP STRAUSS HAUER & FELD LLP		1496575	9/21/13	Restructuring	425,785.40
AKIN GUMP STRAUSS HAUER & FELD LLP	[a]	1471168C	4/19/13	Restructuring (HOLD)	(1,180.00)
AMERICAN EXPRESS		AMEX082813	8/28/13	Employee T&E	4,739.51
BMC GROUP, INC.	[a]	316130331	4/30/13	Restructuring (HOLD)	13,869.00
BMC GROUP, INC.	[a]	316130430	6/14/13	Restructuring (HOLD)	974.50
BMC GROUP, INC.		316130531	6/21/13	Restructuring	11,479.43
BMC GROUP, INC.		316130630	8/14/13	Restructuring	11,738.77
BRACEWELL & GIULIANI LLP		21550575	8/4/13	Restructuring	38,374.75
BRACEWELL & GIULIANI LLP		21553588	8/15/13	Restructuring	21,155.91
CENTURYLINK QCC		1265511238	7/20/13	Utilities	2,278.00
CODE MYSTICS INC.		81269A1306POST	8/29/13	Royalty	10,100.76
COOLEY LLP	[a]	1276023	4/13/13	Restructuring (HOLD)	114,440.40
COOLEY LLP	[a]	1283537	5/11/13	Restructuring (HOLD)	43,633.70
COOLEY LLP	[a]	1291995	6/12/13	Restructuring (HOLD)	13,707.90
COOLEY LLP		1300140	7/13/13	Restructuring	109,430.11
COOLEY LLP		1310000	8/8/13	Restructuring	172,528.96
COOLEY LLP		1315035	9/6/13	Restructuring	126,888.30
CRYPTIC STUDIOS, INC.		24	9/4/13	MIS-IT	3,291.91
DAVID STRANG		DS08312013	9/12/13	Consultant	4,000.00
DUFF & PHELPS, LLC	[a]	033113	4/30/13	Restructuring (HOLD)	59,342.86
DUFF & PHELPS, LLC	[a]	DP043013	6/19/13	Restructuring (HOLD)	10,000.00
DUFF & PHELPS, LLC		DP053113	6/30/13	Restructuring	51,755.34
DUFF & PHELPS, LLC		DP063013	8/4/13	Restructuring	52,313.12
DUFF & PHELPS, LLC		DP073113	8/30/13	Restructuring	51,421.13
EDGECAST NETWORKS, INC.		58110	8/31/13	Other Product Development	14,819.67
HUDSON VALLEY COMPUTER SERVICES LLC		631A	9/8/13	MIS-IT	194.76
HUDSON VALLEY COMPUTER SERVICES LLC	[b]	022113C	2/1/14	MIS-IT	(7,000.00)
INTERACTIVE GAME GROUP, LLC		81298A1306	7/20/13	Royalty	23,054.24
INTERACTIVE GAME GROUP, LLC		81298A1307	8/15/13	Royalty	11,978.06
MATTHEW LABUNKA		5	9/27/13	Consultant	5,000.00
MATTHEW LABUNKA (T&E)		6	8/28/13	Employee T&E	26.06
MERCEDES-BENZ ACCESSORIES GMBH		81113B1306POST	8/4/13	Royalty	642.36
MICROSOFT CORPORATION		81102B1306POST	8/14/13	Royalty	4,131.97
PERELLA WEINBERG PARTNERS LLP	[a]	3680820201	3/16/13	Restructuring (HOLD)	20,000.00
PERELLA WEINBERG PARTNERS LLP	[a]	3680820202	4/3/13	Restructuring (HOLD)	20,000.00
PERELLA WEINBERG PARTNERS LLP	[a]	3680820203	5/1/13	Restructuring (HOLD)	20,000.00
PERELLA WEINBERG PARTNERS LLP		3680820204	6/30/13	Restructuring	100,308.00
PERELLA WEINBERG PARTNERS LLP		3680820205	9/4/13	Restructuring	100,294.00
PERELLA WEINBERG PARTNERS LLP		3680820206	9/21/13	Restructuring	100,450.00
PREMIUM ASSIGNMENT CORPORATION		080113	8/31/13	Insurance	3,072.07
PROTIVITI INC	[a]	9114	4/18/13	Restructuring (HOLD)	42,635.08
PROTIVITI INC	[a]	9171	5/19/13	Restructuring (HOLD)	24,976.24
PROTIVITI INC	[a]	9197	6/12/13	Restructuring (HOLD)	16,440.28
PROTIVITI INC		9251	6/30/13	Restructuring	56,844.50
PROTIVITI INC		9282	9/4/13	Restructuring	78,608.70
PROTIVITI INC		9419	9/19/13	Restructuring	76,740.98
QUANTIC DREAM		81037A1306POST	8/29/13	Royalty	1,888.46
SONY DADC AUSTRIA AG		2205853	9/21/13	Manufacturing (COGS)	5,524.78
TELEPACIFIC COMMUNICATIONS		469721360	6/24/13	Utilities	498.95
TVR ENGINEERING LIMITED		810897A1306POS	8/29/13	Royalty	131.44
UNITED PARCEL SERVICE (MAIN)		000072824W333	9/1/13	Office Expense	123.49
UNITED PARCEL SERVICE (MAIN)		000072824W343	9/8/13	Office Expense	976.78
VOLKSWAGEN AG		81114B1306POST	7/30/13	Royalty	326.92
WILLIAM B MEYER INC		0064322	8/30/13	Office Expense	240.00
CHRIS SAWYER		80782A1306POST	8/29/13	Royalty / Licensing	9,196.93
CHRIS SAWYER		80905A1306POST	8/29/13	Royalty / Licensing	9,196.95
CHRIS SAWYER		80857B1306POST	8/29/13	Royalty / Licensing	9,051.01
FRONTIER DEVELOPMENTS LIMITED		80809A1306POST	8/29/13	Royalty / Licensing	90,754.77
FRONTIER DEVELOPMENTS LIMITED		80809B1306POST	8/29/13	Royalty / Licensing	88,398.53
FRONTIER DEVELOPMENTS LIMITED		80809C1306POST	8/29/13	Royalty / Licensing	87,862.74
RECALL TOTAL INFORMATION MGMNT		1071901367	7/31/13	Other G&A	1,095.44

Total Post-petition Accounts Payable (Trade)

\$ 3,598,216.49

[a] Represents the 20% holdback

[b] Represents a deposit made by Debtor, to be applied to the final invoice.

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ 1,508,138
Plus: Amounts billed during the period	667,491
Less: Amounts collected during the period	2,330,298
Total Accounts Receivable at the end of the reporting period	\$ (154,669)

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Retail A/R	\$ 6,200	\$ -	\$ -	\$ 725,908	\$ 732,108
Royalty A/R	580,762	23,352	11,448	94,350	709,912
Total Accounts Receivable	586,962	23,352	11,448	820,258	1,442,020
Less: Bad Debts (Amount considered uncollectible)					1,596,689
Net Accounts Receivable	\$ 586,962	\$ 23,352	\$ 11,448	\$ 820,258	\$ (154,669)

In re Atari, Inc., et al.
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PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
Keller, Kristen J.	Payroll	\$ 24,277	\$ 182,079
Mattes, Robert	Payroll	-	\$ 119,792
Mattes, Robert	Vacation payout	-	\$ 13,269
Mattes, Robert	Mgmt Loyalty	23,958	\$ 23,958
Wilson, James W.	Payroll	-	\$ 239,472
Wilson, James W.	Mgmt Loyalty	38,833	\$ 51,778
Keller, Kristen J.	Travel & Exp	-	\$ 2,367
Wilson, James W.	Travel & Exp	-	\$ 3,292
Mattes, Robert	Travel & Exp	1,530	\$ 1,530
TOTAL PAYMENTS TO INSIDERS		\$ 88,599	\$ 637,537

s

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Akin Gump Strauss Hauer & Feld LLP	2/15/2013	\$ -	\$ -	\$ 827,230	\$ 1,887,268
Perella Weinberg Partners LP [b]	2/15/2013	-	-	252,066	1,261,531
Protiviti Inc.	2/15/2013	-	-	359,241	345,346
Hunton Williams LLP	3/21/2013	-	-	218,857	-
Bracewell & Giuliani LLP	3/17/2013	-	-	316,617	179,531
BMC Group	2/15/2013	-	-	54,776	81,002
Imperial Capital Loan Trading, LLC (Collateral Agent)			\$ -	5,000	-
Cooley LP [a]	2/15/2013	-	\$ -	305,959	631,251
Duff & Phelps Securities LLC [a]	2/15/2013	-	\$ -	66,038	275,929
TOTAL PAYMENTS TO PROFESSIONALS		\$ -	\$ -	\$ 2,405,785	\$ 4,661,858

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

[a] Official Committee of Unsecured Creditors Professional

[b] Perella Weinberg Partners's August, 2013 fees do not include the transaction fee of \$1,000,000 (\$800,000 net of certain monthly fees) which was earned as of 09/09/13.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
Alden Global Value Recovery Master Fund, LP	\$ -	\$ -	\$ 3,654,185
475 Building Company	26,843	26,843	-
	-	-	-
	-	-	-
	-	-	-
TOTAL PAYMENTS		\$ 26,843	\$ 3,654,185

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DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?	✓	
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		✓
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		✓
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		✓
5	Is the Debtor delinquent in paying any insurance premium payment?		✓
6	Have any payments been made on pre-petition liabilities this reporting period?	✓	
7	Are any post petition receivables (accounts, notes or loans) due from related parties?		✓
8	Are any post petition payroll taxes past due?		✓
9	Are any post petition State or Federal income taxes past due?		✓
10	Are any post petition real estate taxes past due?		✓
11	Are any other post petition taxes past due?		✓
12	Have any pre-petition taxes been paid during this reporting period?		✓
13	Are any amounts owed to post petition creditors delinquent?	✓	
14	Are any wage payments past due?		✓
15	Have any post petition loans been received by the Debtor from any party?		✓
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		✓
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?	✓	
18	Have the owners or shareholders received any compensation outside of the normal course of business?		✓

Explanations

(1) Asset Sale pursuant to court approval

(6) All payments made on account of pre-petition liabilities were for allowed items pursuant to a Court approved first day motion (i.e., employee expenses or employee benefits).

(13) Certain post petition amounts are past due because of untimely receipt of invoices and supporting documents. Amounts will be paid upon review and approval of such invoices.

(17) Certain post petition amounts related to fees and expenses of estates' professionals remain unpaid.