

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re Hudson Healthcare, Inc.
Debtor

Case No. 11-33014 (DHS)

INITIAL MONTHLY OPERATING REPORT

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation. Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession." Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)	Previously provided.	
Certificates of Insurance: Previously provided.		
Workers Compensation		
Property		
General Liability		
Vehicle		
Other:		
Identify areas of self-insurance w/liability caps		
Evidence of Debtor in Possession Bank Accounts N/A.		
Tax Escrow Account		
General Operating Account		
Money Market Account pursuant to Local Rule 4001-3 for the District of Delaware only. Refer to: http://www.deb.uscourts.gov/		
Other:		
Retainers Paid (Form IR-2)	X	

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

Signature of Debtor

Date

Signature of Joint Debtor

Date

/s/ Vincent Riccitelli
Signature of Authorized Individual*

8/15/2011
Date

Vincent Riccitelli
Printed Name of Authorized Individual

CEO
Title of Authorized Individual

*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.

In re Hudson Healthcare, Inc. Case No. 11-33014(DHS) Reporting Period: August 1, 2011 - August 15, 2011
 Debtor

SCHEDULE OF RETAINERS PAID TO PROFESSIONALS
 (This schedule is to include each Professional paid a retainer.¹)

Payee	Check		Name of Payor	Amount	Amount Applied to Date	Balance
	Date	Number				
Trenk, DiPasquale	7/29/11		Hudson Healthcare, Inc.	\$108,043.90		
EFIO	7/29/11		Hudson Healthcare, Inc.	\$25,000.00		

¹ Identify all Evergreen Retainers