

In Re: Open Road Films, LLC, et. al. Debtor

Case No.: 18-12012 (LSS) (Jointly Administered)
 Reporting Period: September 6, 2018 to September 30, 2018

MONTHLY OPERATING REPORT

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/ Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1A	Yes		
Schedule of Professional Fees Paid	MOR-1B	Yes		
Copies of bank statements		No		
Cash disbursements journals		No		
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		No		
Copies of tax returns filed during reporting period		No		
Summary of Unpaid Post-petition Debts	MOR-4	Yes		
Listing of aged accounts payable	MOR-4	No		
Accounts Receivable Reconciliation and Aging	MOR-5	Yes		
Debtor Questionnaire	MOR-5	Yes		

Global Notes:

This Monthly Operating Report ("MOR") has been prepared solely for the purpose of complying with the monthly reporting requirements applicable in this bankruptcy case. The financial information contained herein is unaudited, limited in scope and as discussed below, not prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

The results of operations contained herein are not necessarily indicative of the results which may be expected from any other period or for the full year and may not necessarily reflect the results of operations, financial position and schedule of receipts and disbursements in the future. The amounts in MOR 3 currently classified as liabilities subject to compromise may be subject to future change as the Debtor completes their analysis of pre and post-petition liabilities. The Debtor cautions readers not to place undue reliance upon the MOR. There can be no assurance that such information is complete and the MOR may be subject to revision.

The Debtor filed bankruptcy on Thursday September 6, 2018

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 Joint Debtor

 Date

 Signature of Authorized Individual*

11/2/18

 Date

Amir Agam

 Printed Name of Authorized Individual

Chief Restructuring Officer

 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.

MOR-1: CONSOLIDATING SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Case No.	18-12012	18-12013	18-12014	18-12015	18-12016	18-12017	MONTH TOTAL	CUMULATIVE FILING TO DATE
Debtor	Open Road Films, LLC	Open Road Releasing, LLC	OR Productions LLC	Briarcliff LLC	Open Road International LLC	Empire Productions LLC		
Total Receipts	[1,2] \$ 1,540,436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,540,436	\$ 1,540,436
Total Distribution Outflows	[1] (220,573)	-	-	-	-	-	(220,573)	(220,573)
Minimum Guarantees	[2] -	-	-	-	-	-	-	-
Total Participation Outflows	[2] -	-	-	-	-	-	-	-
Total Personnel & Other Operating Outflows	(286,358)	-	-	-	-	-	(286,358)	(286,358)
Net Inflows/(Outflows) from Operations	\$ 1,033,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,033,504	\$ 1,033,504
Total Banking Outflows	(11,409)	-	-	-	-	-	(11,409)	(11,409)
Net Credit Facility Inflows/(Outflows)	-	-	-	-	-	-	-	-
Total Restructuring Outflows	(1,375)	-	-	-	-	-	(1,375)	(1,375)
Net Inflows/(Outflows)	\$ 1,020,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,020,720	\$ 1,020,720
Opening Available Cash Balance	\$ 2,974,239	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -	\$ 3,242,257	\$ 3,242,257
Ending Available Cash Balance	\$ 3,994,959	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -	\$ 4,262,977	\$ 4,262,977
Ending Restricted Cash Balance	[3] \$ 1,104,412	\$ -	\$ -	\$ -	\$ 2,473,605	\$ -	\$ 3,578,017	\$ 3,578,017
Total Disbursements (from Above)	\$ (519,716)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (519,716)	\$ (519,716)
Less: Transfers between Debtors	-	-	-	-	-	-	-	-
Add: Third-Party Disbursements for Debtors	(519,716)	-	-	-	-	-	(519,716)	(519,716)
Total Disbursements (for UST Fees)	\$ (519,716)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (519,716)	\$ (519,716)

[1] Total Receipts are shown on a gross basis.

[2] Amounts collected by the Debtor on behalf of producers and subsequently passed along to those producers, including international collections, are not included.

[3] Ending Available Cash Balance represents cash available to the Debtor as of the end of the Reporting Period. Available Cash variance from bank balances relate restricted cash held in XXXXXX7030 (\$317,849) and float (\$26,217). Variance from total cash balance relates to float in Restricted Cash accounts (\$27,811).

In Re: Open Road Films, LLC, et. al. Debtor

Case No.: 18-12012 (LSS) (Jointly Administered)
Reporting Period: September 6, 2018 to September 30, 2018**MOR 1A: BANK RECONCILIATION**

BANK NAME	ACCOUNT DESCRIPTION	ACCOUNT NUMBER	ENDING BALANCE [1]
Bank of America	Collection Account (Open Road Main)	XXXXXX7030	\$ 4,259,118
Bank of America	Sweep Account (Not In Use)	XXXXXX9652	\$ -
Bank of America	Disbursement Account	XXXXXX5975	\$ 79,608
Bank of America	Open Road Productions Collection Account	XXXXXX1547	\$ 243,018
Bank of America	Open Road International Collection Account (Show Dogs International)	XXXXXX1180	\$ -
Bank of America	Open Road International Collection Account (A.X.L. International) - [2]	XXXXXX1185	\$ 2,473,695
Bank of America	Open Road Films Collection Account (A.X.L. Domestic) - [2]	XXXXXX5985	\$ 173
Bank of America	Service Deal P&A Account - [2]	XXXXXX6710	\$ 105,370
Bank of America	Service Deal P&A Account - [2]	XXXXXX3833	\$ 138,036
Bank of America	Service Deal P&A Account	XXXXXX9701	\$ -
Bank of America	Service Deal P&A Account - [2]	XXXXXX9017	\$ 400,206
Bank of America	Service Deal P&A Account - [2]	XXXXXX6056	\$ 23,562
Bank of America	Service Deal P&A Account	XXXXXX0888	\$ -
Bank of America	Service Deal P&A Account - [2]	XXXXXX0179	\$ 147,237
Bank of America	Not In Use	XXXXXX7035	\$ -
Bank of America	OR Releasing Operating Account	XXXXXX7073	\$ 25,000
OneWest Bank (CIT)	Not In Use	XXXXXX0445	\$ -

[1] Amounts presented in this schedule are the bank balances as of the end of the Reporting Period. The Debtors have completed bank reconciliations for the activity of the Reporting Period.

[2] Indicates a Restricted Cash Account. Some or all of the amounts in these accounts may be the property of a non-Debtor third party.

MOR 1B: SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

Payee	Period Covered	Amount Approved	Payer	Payment		Amount Paid		Case-to-date	
				Wire	Date	Fees	Expenses	Fees	Expenses
FTI Consulting, Inc.	No Payments in Period								
Klee, Tuchin, Bogdanoff & Stern, LLP	No Payments in Period								
Young Conway Stargatt & Taylor, LLP	No Payments in Period								
Donlin, Recano & Company, Inc.	No Payments in Period								
Paul Hastings LLP	No Payments in Period								
Berkeley Research Group, LLC	No Payments in Period								
Pachulski Stang Ziehl & Jones LLP	No Payments in Period								
Dundon Advisers LLC	No Payments in Period								

Note: The following professionals are holding retainers:

- A) FTI Consulting, Inc.: \$94,867.37
- B) Klee Tuchin, Bogdanoff & Stern, LLP: \$253,047.92
- C) Young Conway Stargatt & Taylor, LLP: \$77,206.50
- D) Donlin, Recano & Company, Inc.: \$50,000.00

MOR 2: STATEMENT OF OPERATIONS [1]

Case No. Debtor	18-12012 Open Road Films, LLC	18-12013 Open Road Releasing, LLC	18-12014 OR Productions LLC	18-12015 Briarcliff LLC	18-12016 Open Road International LLC	18-12017 Empire Productions LLC	Consolidation	MONTH TOTAL	CUMULATIVE FILING TO DATE
REVENUES									
Operating Revenue [2]	\$ 6,545,817	\$ -	\$ -	\$ -	\$ 200,000	\$ -	-	\$ 6,745,817	\$ 6,745,817
OPERATING EXPENSE									
Cost of Revenue [3]	(2,792,454)	-	-	-	6,500	-	-	(2,785,954)	(2,785,954)
Selling, General and Administrative Expense	(55,269)	-	-	-	-	-	-	(55,269)	(55,269)
Payroll and Benefits Expense	(438,992)	-	-	-	-	-	-	(438,992)	(438,992)
Non-Recurring Operating Costs - Other	-	-	-	-	-	-	-	-	-
OPERATING INCOME	3,259,102	-	-	-	206,500	-	-	3,465,602	3,465,602
OTHER OPERATING INCOME (EXPENSE)									
Other Income (Expense)	-	-	-	-	-	-	-	-	-
Interest Income (Expense)	(665,108)	-	-	-	-	-	-	(665,108)	(665,108)
Taxes	-	-	-	-	-	-	-	-	-
Depreciation and amortization	(7,113)	-	-	-	-	-	-	(7,113)	(7,113)
NET OPERATING INCOME (EXPENSE)	2,586,880	-	-	-	206,500	-	-	2,793,380	2,793,380
Restructuring Costs [4]	(2,119,956)	-	-	-	-	-	-	(2,119,956)	(2,119,956)
Net Profit (Loss)	\$ 466,924	\$ -	\$ -	\$ -	\$ 206,500	\$ -	\$ -	\$ 673,424	\$ 673,424

Notes:

- [1] The unaudited financial statements have been derived from the books and records of the Debtor. The information furnished in this report includes primarily normal recurring adjustments, but not all of the adjustments that would typically be made for the annual financial statements in accordance with US GAAP. Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that the Debtor applies in the preparation of its annual financial information in accordance with US GAAP. Accordingly, upon the application of such procedures, the financial information may be subject to change and that these changes could be material.
- [2] The \$200,000 of operating revenue at Open Road International LLC relates to foreign sales which have traditionally been recognized at Open Road International. Film costs related to this film are amortized at Open Road Films, LLC.
- [3] The \$6,500 positive amount in Cost of Revenue for Open Road International, LLC reflects the reversal of an accrual in a prior period, which should have been accrued at Open Road Films, LLC.
- [4] Restructuring Costs include an adjustment of known applied pre-emption amounts to retainer balances of restructuring professionals (\$0.2M) and accruals for September Restructuring Costs estimated by the Debtors (\$1.9M); actual September Restructuring Costs for certain professionals are not known at this time and may materially change this amount. As amounts become known, adjustments will be made in future months.

MOR 3: BALANCE SHEETS

Case No.	18-12012	18-12013	18-12014	18-12015	18-12016	18-12017
Debtor	Open Road Films, LLC	Open Road Releasing, LLC	OR Productions LLC	Briarcliff LLC	Open Road International LLC	Empire Productions LLC
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 3,994,959	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -
Restricted cash	1,104,412	-	-	-	2,473,605	-
Accounts receivable, net	31,078,371	-	-	-	8,114,317	-
Inventories, net	1,116,847	-	-	-	-	-
Prepaid expenses	2,364,366	-	-	-	-	-
Film Costs	20,104,198	-	518,282	-	5,190,830	539,476
TOTAL CURRENT ASSETS	59,763,153	25,000	761,300	-	15,778,751	539,476
Property and equipment, net [1]	141,425	-	-	-	-	-
Other Assets	1,613,443	-	-	-	-	-
TOTAL ASSETS	\$ 61,518,021	\$ 25,000	\$ 761,300	\$ -	\$ 15,778,751	\$ 539,476

LIABILITIES [1]						
LIABILITIES NOT SUBJECT TO COMPROMISE (POST-PETITION)						
Accounts payable	\$ 17,817	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	203,552	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-	-
TOTAL POST-PETITION LIABILITIES	\$ 221,369	-	-	-	-	-
LIABILITIES SUBJECT TO COMPROMISE (PRE-PETITION)						
Accounts payable	\$ 49,092,783	-	-	-	-	-
Accrued salaries and benefits	-	-	-	-	-	-
Other accrued liabilities [3]	72,388,225	48,242	858,581	4,331	(18,062,079)	542,591
Notes payable [4]	90,750,000	-	-	-	-	-
Deferred Compensation	-	-	-	-	-	-
Deferred Revenue	14,302,510	-	-	-	7,808,435	-
TOTAL PRE-PETITION LIABILITIES	\$ 226,533,517	48,242	858,581	4,331	(10,253,645)	542,591
TOTAL LIABILITIES	\$ 226,754,886	48,242	858,581	4,331	(10,253,645)	542,591
MEMBERS' EQUITY						
Members capital	\$ 25,000,000	-	-	-	-	-
Distribution	-	-	-	-	-	-
Accumulated Deficit	(190,236,865)	(23,242)	(97,281)	(4,331)	26,032,396	(3,067)
NET MEMBERS' EQUITY	\$ (165,236,865)	(23,242)	(97,281)	(4,331)	26,032,396	(3,067)
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 61,518,021	\$ 25,000	\$ 761,300	\$ -	\$ 15,778,751	\$ 539,476

Notes:
 [1] The amounts listed for Property and Equipment are the book value of the assets net of depreciation; the Debtors have not analyzed the salvage value of any property and equipment.
 [2] The Debtor is in the process of reviewing accounts payable and liabilities; therefore, these figures may be subject to change.
 [3] The negative Other Accrued Liability for Open Road International, LLC is driven by an intercompany receivable with Open Road Films, LLC.
 [4] As set forth in the Schedules of Assets and Liabilities filed by the Debtors, the collateral value for the Notes Payable is undetermined.

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MOR 4: SUMMARY OF UNPAID POST-PETITION DEBTS

	NUMBER OF DAYS PAST DUE					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts payable ⁽¹⁾	17,817	-	-	-	-	17,817
Accrued salaries and benefits ⁽¹⁾	203,552	-	-	-	-	203,552
Other accrued liabilities ⁽¹⁾	-	-	-	-	-	-
TOTAL POST-PETITION LIABILITIES	221,369	-	-	-	-	221,369

[1] The Debtor is in the process of reviewing accounts payable and liabilities; therefore, these figures may be subject to change; the Debtors believe that they are current on all post-petition tax liabilities.

In Re: Open Road Films, LLC, et. al. Debtor

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Accounts Receivable Reconciliation [1]	Amounts
Total Accounts Receivable at the beginning of the reporting period	N/A
+ A/R recognized during the period	
- Amount transferred during the period (to deferred revenue)	
- Amount collected and applied to A/R during the period	
Total Accounts receivable at the end of the reporting period	

Accounts Receivable Aging	Amounts
Current	38,868,748
0 - 30 days past due	323,940
31 - 60 days past due	-
61 - 90 days past due	-
Over 90 days past due	-
Total Accounts Receivable	39,192,688
Amount considered uncollectible (Bad Debts)	-
Accounts Receivables	39,192,688

MOR-5: DEBTOR QUESTIONNAIRE

	Yes	No
1 Have any assets been sold or transferred outside of the normal course of business this reporting period? If yes, provide an explanation below.		X
2 Have any funds been disbursed from any account other than a debtor in possession account in this reporting period? If yes, provide an explanation below. [2]	X	
3 Have all post-petition tax returns been timing filed? If no, provide an explanation below.	X	
4 Are workers compensation, general liability and other necessary insurance coverages in effect? If no, please provide an explanation below.	X	
5 Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). (1) If any investment account has been opened, provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

[1] The Debtors are still finalizing their rollforward of accounts receivable and anticipate having this included in the next MOR.

[2] As described in the Debtors' Motion to Approve Use of Cash Collateral [Docket No. 6], the Debtors advance cash to certain non-Debtor affiliates in order to cover payroll and other operational expenses.