

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

Case No.: 18-12012 (LSS) (Jointly Administered)
 Reporting Period: November 1, 2018 to November 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 Debtors filed bankruptcy on Thursday September 6, 2018.

Note that the Debtors expect to close the sale of the majority of their assets in December 2018, which will result in substantial changes to their balance sheets.

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*

12/20/18
 Date

 Printed Name of Authorized Individual

 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. 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	MONTH TOTAL	CUMULATIVE FILING TO DATE
Total Receipts	[1]	\$ 3,248,507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,248,507	\$ 10,290,262
Total Distribution Outflows	[1]	(186,208)	-	-	-	-	-	(186,208)	(496,679)
Minimum Guarantees		-	-	-	-	-	-	-	-
Total Participation Outflows		(122,075)	-	-	-	-	-	(122,075)	(122,075)
Total Personnel & Other Operating Outflows	[2]	(470,471)	-	-	-	-	-	(470,471)	(1,411,568)
Net Inflows/(Outflows) from Operations		\$ 2,469,752	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,469,752	\$ 8,259,940
Total Banking Outflows		(1,496,067)	-	-	-	-	-	(1,496,067)	(2,688,854)
Net Credit Facility Inflows/(Outflows)		-	-	-	-	-	-	-	-
Total Restructuring Outflows		(1,954,732)	-	-	-	-	-	(1,954,732)	(2,326,217)
Net Inflows/(Outflows)		\$ (981,047)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (981,047)	\$ 3,244,870
Opening Available Cash Balance		\$ 7,205,681	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -	\$ 7,473,699	\$ 3,242,257
Ending Available Cash Balance	[3]	\$ 6,224,634	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -	\$ 6,492,652	\$ 6,487,127
Ending Restricted Cash Balance	[3]	\$ 819,013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 819,013	\$ 819,013
Total Disbursements (from Above)		\$ (4,229,553)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,229,553)	\$ (7,045,392)
Less: Transfers between Debtors		-	-	-	-	-	-	-	-
Add: Third-Party Disbursements fbo Debtors		-	-	-	-	-	-	-	-
Total Disbursements (for UST Fees)		\$ (4,229,553)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,229,553)	\$ (7,045,392)

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

[2] Total Personnel & Other Operating Outflows includes \$403,386 transferred to non-Debtor affiliate Global Road Entertainment ("GRE") to fund ORF's payroll and portion of payroll for Shared Employees (partially offset by \$113,000 of payroll funded by a production counterparty). No additional payments to non-Debtor affiliates were made during the reporting period.

[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 (shown on MOR-1A) relate to restricted cash held in XXXXXX7030 (\$6,930) and float (\$23,079).

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

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

BANK NAME	ACCOUNT DESCRIPTION	ACCOUNT NUMBER	ENDING BALANCE [1]
Bank of America	Collection Account (Open Road Main)	XXXXXX7030	\$ 6,197,708
Bank of America	Sweep Account (Not In Use)	XXXXXX9652	\$ -
Bank of America	Disbursement Account	XXXXXX5975	\$ 56,934
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	\$ -
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	\$ 102,870
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 [1,2]

Payee	Period Covered	Amount Approved	Payer	Payment		Amount Paid		Case-to-date	
				Wire	Date(s)	Fees	Expenses	Fees	Expenses
FTI Consulting, Inc.	9/24/18 - 11/4/18	\$1,273,748.59	Open Road Films, LLC	X	11/7/18; 11/16/18	\$ 1,246,551.50	\$ 27,197.09	\$ 1,606,581.50	\$ 35,976.56
Klee, Tuchin, Bogdanoff & Stern, LLP	9/6/18-9/30/18	\$281,718.53	Open Road Films, LLC	X	11/14/18	\$ 270,773.20	\$ 10,945.33	\$ 270,773.20	\$ 10,945.33
Young Conaway Stargatt & Taylor, LLP	9/6/18-10/31/18	\$157,450.47	Open Road Films, LLC	X	11/4/18; 11/30/18	\$ 149,718.00	\$ 7,732.47	\$ 149,718.00	\$ 7,732.47
Donlin, Recano & Company, Inc.	9/6/18-10/31/18	\$107,360.19	Open Road Films, LLC	X	11/30/18	\$ 84,990.79	\$ 22,369.40	\$ 84,990.79	\$ 22,369.40
Paul Hastings LLP	No Payments in Period								
Berkeley Research Group, LLC	No Payments in Period								
Pachulski Stang Ziehl & Jones LLP	9/14/18-9/30/18	\$91,535.61	Open Road Films, LLC	X	11/30/18	\$ 91,043.60	\$ 492.01	\$ 91,043.60	\$ 492.01
Dundon Advisers LLC	No Payments in Period								
Bush Gottlieb, A Law Corporation	8/1/18-9/30/18	\$49,795.13	Open Road Films, LLC	X	11/30/18	\$ 46,147.50	\$ 3,647.63	\$ 46,147.50	\$ 3,647.63

[1] 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 Conaway Stargatt & Taylor, LLP: \$77,206.50
- D) Donlin, Recano & Company, Inc.: \$50,000.00

[2] The difference between Restructuring Outflows on MOR-1 and Professional Fees and Expenses paid in MOR-1A relates to the following: \$19,537 Donlin Recano fees and expenses credited against retainer balance; \$5,200 U.S. Trustee Fees; and \$7,460 employee termination costs.

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	\$ 6,554,965	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,554,965	\$ 12,676,901
OPERATING EXPENSE									
Cost of Revenue	(3,326,189)	-	-	-	-	-	-	(3,326,189)	(8,904,597)
Selling, General and Administrative Expense	(137,150)	-	-	-	-	-	-	(137,150)	(418,994)
Payroll and Benefits Expense	(390,838)	-	-	-	-	-	-	(390,838)	(1,239,247)
Non-Recurring Operating Costs - Other	-	-	-	-	-	-	-	-	-
OPERATING INCOME	2,700,788	-	-	-	-	-	-	2,700,788	2,114,063
OTHER OPERATING INCOME (EXPENSE)									
Other Income (Expense)	-	-	-	-	-	-	-	-	-
Interest Income (Expense)	(774,377)	-	-	-	-	-	-	(774,377)	(2,213,862)
Taxes	-	-	-	-	-	-	-	-	-
Depreciation and amortization	(143,480)	-	-	-	-	-	-	(143,480)	(159,070)
NET OPERATING INCOME (EXPENSE)	1,782,931	-	-	-	-	-	-	1,782,931	(258,869)
Restructuring Costs [2]	(1,639,202)	-	-	-	-	-	-	(1,639,202)	(6,701,881)
Net Profit (Loss)	\$ 143,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,729	\$ (6,960,751)

Notes:

[1] The unaudited financial statements have been derived from the books and records of the Debtors. 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 Debtors apply 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] Restructuring Costs include accruals for November Restructuring Costs estimated by the Debtors (\$1.9M) offset by lower than estimated actuals for October Restructuring Costs (\$0.3M); actual November 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 [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
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 6,224,633	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -
Restricted cash	819,014	-	-	-	-	-
Accounts receivable, net	27,082,637	-	-	-	5,025,197	-
Inventories, net [2]	1,116,847	-	-	-	-	-
Prepaid expenses	2,388,908	-	-	-	-	-
Film Costs	18,144,834	-	518,282	-	5,190,830	539,472
TOTAL CURRENT ASSETS	55,776,872	25,000	761,300	-	10,216,026	539,472
Property and equipment, net [3]	259,131	-	-	-	-	-
Other Assets	1,375,527	-	-	-	-	-
TOTAL ASSETS	\$ 57,411,530	\$ 25,000	\$ 761,300	\$ -	\$ 10,216,026	\$ 539,472
LIABILITIES ^[4]						
LIABILITIES NOT SUBJECT TO COMPROMISE (POST-PETITION)						
Accounts payable	\$ 509,578	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	115,784	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-	-
TOTAL POST-PETITION LIABILITIES	625,362	-	-	-	-	-
LIABILITIES SUBJECT TO COMPROMISE (PRE-PETITION)						
Accounts payable	49,344,852	-	-	-	-	-
Accrued salaries and benefits	-	-	-	-	-	-
Other accrued liabilities [5]	75,300,638	48,567	858,906	4,656	(21,150,874)	542,863
Notes payable [6]	90,750,000	-	-	-	-	-
Deferred Compensation	-	-	-	-	-	-
Deferred Revenue	13,629,588	-	-	-	5,334,830	-
TOTAL PRE-PETITION LIABILITIES	229,025,078	48,567	858,906	4,656	(15,816,045)	542,863
TOTAL LIABILITIES	229,650,440	48,567	858,906	4,656	(15,816,045)	542,863
MEMBERS' EQUITY						
Members capital	25,000,000	-	-	-	-	-
Distribution	-	-	-	-	-	-
Accumulated Deficit	(197,238,910)	(23,567)	(97,606)	(4,656)	26,032,071	(3,392)
NET MEMBERS' EQUITY	(172,238,910)	(23,567)	(97,606)	(4,656)	26,032,071	(3,392)
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 57,411,530	\$ 25,000	\$ 761,300	\$ -	\$ 10,216,026	\$ 539,472

Notes:

[1] The unaudited financial statements have been derived from the books and records of the Debtors. 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 Debtors apply 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] Inventory balances are updated on a quarterly basis.

[3] 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.

[4] The Debtors are in the process of reviewing accounts payable and liabilities; therefore, these figures may be subject to change.

[5] The negative Other Accrued Liability for Open Road International, LLC is driven by an intercompany receivable with Open Road Films, LLC.

[6] As set forth in the Schedules of Assets and Liabilities filed by the Debtors, the collateral value for the Notes Payable is undetermined.

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

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Reporting Period: November 1, 2018 to November 30, 2018**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]	509,578	-	-	-	-	509,578
Accrued salaries and benefits ^[1]	115,784	-	-	-	-	115,784
Other accrued liabilities ^[1]	-	-	-	-	-	-
TOTAL POST-PETITION LIABILITIES	625,362	-	-	-	-	625,362

[1] The Debtors are 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

Case No.: 18-12012 (LSS) (Jointly Administered)
Reporting Period: November 1, 2018 to November 30, 2018**MOR 5: ACCOUNTS RECEIVABLE RECONCILIATION AND AGING**

Accounts Receivable Reconciliation	Amounts
Total Accounts Receivable at the beginning of the reporting period [1]	30,861,525
+ Amount incurred during the period	4,713,786
- Amount reclassified during the period [2]	(721,867)
- Amount collected during the period [3]	(2,745,611)
Total Accounts receivable at the end of the reporting period	32,107,833

Accounts Receivable Aging	Amounts
Current	32,107,833
0 - 30 days past due	-
31 - 60 days past due	-
61 - 90 days past due	-
Over 90 days past due	-
Total Accounts Receivable	32,107,833
Amount considered uncollectible (Bad Debts)	-
Accounts Receivables	32,107,833

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. [4]	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. [5]	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] Includes a \$616K adjustment (increase) to Open Road Films, LLC's October ending A/R balance.

[2] Amount reclassified includes non-cash adjustments to reflect the overall net position of a film for a given window. These adjustments primarily include reclassifications between A/R, deferred revenue and accrued expenses.

[3] The Debtors have reconciled the amount collected in MOR-5 to cash receipts in MOR-1. The difference from cash receipts in MOR-1 relates to home entertainment and non-theatrical collections that are shown on a net basis (actual cash collected) in MOR-5 and electronic sell-thru (EST)/video-on-demand (VOD) receipts that are not included in A/R.

[4] The Debtors sold a small number of equipment assets to certain individuals for approximately \$7K at the end of November. The checks were deposited in December, and as such, activity relating to these transactions will be included in the Debtors' next Monthly Operating Report.

[5] 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.