

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Atari, Inc., et al.

Case No. 13-10176

Debtor [a]

Reporting Period: 7/1/13-7/31/13

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.)

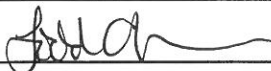
REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	Yes	
Copies of bank statements		[b]	
Cash disbursements journals	MOR-1 (CONT)	Yes	
Statement of Operations	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

8/15/2013

Printed Name of Authorized Individual: Todd Shallbetter

Date

8/15/2013

*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

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Case No. 13-10176
Reporting Period: 7/1/13-7/31/13

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)]

	BANK ACCOUNTS								
	Atari, Inc. Operating #4601	Atari Payroll #4903	Atari, Inc. PayPal #8664	Atari, Inc. Money Mkt #7753	Atari, Inc. Lockbox #9898	Atari, Inc. Payroll (CA) #1153	Atari Interactive, Inc. Operating #4657	Humongous, Inc. Operating #5253	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
ACCOUNT NUMBER (LAST 4)									
CASH BEGINNING OF MONTH	\$ 11,870	\$ 10,738	\$ 200	\$ 2,592,706	\$ (0)	\$ 3,733	\$ 10,433	\$ 2,733	\$ 2,632,414
RECEIPTS									
CASH SALES	-	-	-	-	-	-	-	-	-
ACCOUNTS RECEIVABLE - PREPETITION	-	-	-	-	-	-	-	-	-
ACCOUNTS RECEIVABLE - POSTPETITION	658,582	-	-	-	-	-	-	-	658,582
LOANS AND ADVANCES	-	-	-	-	-	-	-	-	-
SALE OF ASSETS	-	-	-	-	-	-	-	-	-
OTHER (ATTACH LIST)	855	-	-	13	-	-	-	-	868
TRANSFERS (FROM DIP ACCTS)	340,200	371,751	-	375,000	3,100	-	-	-	1,090,051
TOTAL RECEIPTS	999,638	371,751	-	375,013	3,100	-	-	-	1,749,501
DISBURSEMENTS									
NET PAYROLL	-	233,871	-	-	-	-	-	-	233,871
PAYROLL TAXES	-	138,294	-	-	-	-	-	-	138,294
SALES, USE, & OTHER TAXES	-	-	-	-	-	-	-	-	-
INVENTORY PURCHASES / PROD. DEVELOPMENT COSTS	45,843	-	-	-	-	-	-	-	45,843
SECURED/ RENTAL/ LEASES	27,566	-	-	-	-	-	-	-	27,566
INSURANCE (INCLUDING EE BENEFITS)	51,646	-	-	-	-	-	-	-	51,646
ADMINISTRATIVE	16,160	1,951	-	-	-	-	-	-	18,111
SELLING	-	-	-	-	-	-	-	-	-
OTHER (ATTACH LIST)	10,122	-	-	-	3,100	-	661	-	13,883
OWNER DRAW *	-	-	-	-	-	-	-	-	-
TRANSFERS (TO DIP ACCTS)	749,851	-	200	340,000	-	-	-	-	1,090,051
PROFESSIONAL FEES	42,326	-	-	-	-	-	-	-	42,326
U.S. TRUSTEE QUARTERLY FEES	14,625	-	-	-	-	-	-	-	14,625
COURT COSTS	-	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	958,138	374,116	200	340,000	3,100	-	661	-	1,676,215
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	41,499	(2,365)	(200)	35,013	-	-	(661)	-	73,286
CASH - END OF MONTH	\$ 53,370	\$ 8,373	\$ 0	\$ 2,627,719	\$ (0)	\$ 3,733	\$ 9,773	\$ 2,733	\$ 2,705,699

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

OTHER RECEIPTS									
Postage	116	-	-	-	-	-	-	-	116
Interest Income	-	-	-	13	-	-	-	-	13
OptimumHealth	739	-	-	-	-	-	-	-	739
TOTAL OTHER RECEIPTS	855	-	-	13	-	-	-	-	868
OTHER DISBURSEMENTS									
401k	10,122	-	-	-	-	-	-	-	10,122
Bank Fee	-	-	-	-	3,100	-	661	-	3,761
TOTAL OTHER DISBURSEMENTS	10,122	-	-	-	3,100	-	661	-	13,883

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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	\$ 53,370	\$ 8,373	\$ 0	\$ 2,627,719	\$ (0)	\$ 3,733	\$ 9,773	\$ 2,733	\$ 2,705,699
BANK BALANCE	86,367	11,620	-	2,627,719	-	3,733	9,773	2,733	2,741,945
(+) DEPOSITS IN TRANSIT (ATTACH LIST)	-	-	-	-	-	-	-	-	-
(-) OUTSTANDING CHECKS (ATTACH LIST):	32,998	3,247	-	-	-	-	-	-	36,245
OTHER (ATTACH EXPLANATION)	-	-	-	-	-	-	-	-	-
ADJUSTED BANK BALANCE *	\$ 53,369	\$ 8,373	\$ -	\$ 2,627,719	\$ -	\$ 3,733	\$ 9,773	\$ 2,733	\$ 2,705,699

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

DEPOSITS IN TRANSIT	Date	Amount
None		
CHECKS OUTSTANDING	Ck. #	Amount
ZGAMES, LLC	531261	6
EMPLOYEE	5003	5,000
EMPLOYEE	5007	25
EMPLOYEE	5009	536
COHEN BROTHERS REALTY CORP	5013	710
FLUIK ENTERTAINMENT INC.	5015	268
EUGENE IRWIN DAVIS	5019	25,000
TEST	600000	0
TEST	600001	1
TEST	600002	0
TEST	600003	0
TEST	600004	0
OPTUMHEALTH FINANCIAL SERVICES	600006	216
VERIZON (MAIN)	600007	1,023
VISION SERVICE PLAN (VSP)	600008	213
TOTAL - OPERATING		32,998
TOTAL - PAYROLL-CA		-
EMPLOYEE	7044	3,127
FSA CLAIM	100097	120
TOTAL - PAYROLL-NYC		3,247
TOTAL - INTERACTIVE		-
TOTAL - HUMONGOUS		-

OTHER

In re Atari, Inc., et al.
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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	\$ 374,116
401K	EFT	Various	10,122
JP Morgan (Bank Fees)	EFT	Various	3,761
PREMIUM ASSIGNMENT	80007956	07/02/13	3,072
475 BUILDING COMPAN	80007957	07/03/13	26,843
AMERICAN EXPRESS	80007958	07/03/13	9,809
TEST	600000	07/22/13	0
TEST	600001	07/22/13	1
TEST	600002	07/22/13	0
TEST	600003	07/22/13	0
TEST	600004	07/22/13	0
EMPLOYEE	5001	07/23/13	2,000
EMPLOYEE	5002	07/23/13	3,000
EMPLOYEE	5003	07/23/13	5,000
EMPLOYEE	5004	07/23/13	VOID
EMPLOYEE	5005	07/23/13	VOID
CNA INSURANCE	5006	07/23/13	3,294
EMPLOYEE	5007	07/23/13	25
EMPLOYEE	5008	07/23/13	970
EMPLOYEE	5009	07/23/13	536
EMPLOYEE	5010	07/23/13	VOID
CINRAM	5011	07/23/13	14,251
COGENT COMMUNICATIONS, INC.	5012	07/23/13	900
COHEN BROTHERS REALTY CORP.	5013	07/23/13	710
FIBERMEDIA GROUP, LLC.	5014	07/23/13	3,117
FLUIK ENTERTAINMENT INC.	5015	07/23/13	268
GOOGLE, INCORPORATED	5016	07/23/13	55
HUDSON FIBER NETWORK	5017	07/23/13	2,247
KONICA MINOLTA	5018	07/23/13	724
EUGENE IRWIN DAVIS	5019	07/23/13	25,000
US TRUSTEE	5020	07/23/13	13,000
US TRUSTEE	5021	07/23/13	975
US TRUSTEE	5022	07/23/13	325
US TRUSTEE	5023	07/23/13	325
ENTERTAINMENT SOFTWARE RATINC	80007959	07/23/13	3,125
HUDSON VALLEY COMPUTER SERVIC	80007960	07/23/13	11,701
UNITED HEALTHCARE	5024	07/24/13	23,055
NATIONAL BENEFIT LIFE INSURANCE	5025	07/24/13	214
BLUEHORNET NETWORKS, INC.	5026	07/24/13	5,495
DORSEY & WHITNEY LLP	5027	07/24/13	6,477
NEW MOMENTUM, INC.	5028	07/24/13	7,417
CGLIC	5029	07/24/13	2,491
WILLIAM GALLAGHER ASSOCIATES	80007961	07/24/13	19,090
MCGRAW COMMUNICATIONS	600005	07/25/13	1,202
OPTUMHEALTH FINANCIAL SERVICES	600006	07/25/13	216
VERIZON (MAIN)	600007	07/25/13	1,023
VISION SERVICE PLAN (VSP)	600008	07/25/13	213
Total Disbursements During Period			<u>\$ 586,165</u>

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MOR-1(A)
13-10176
7/1/13-7/31/13

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 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	\$ 1,675,555	\$ 1,675,555
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	1,090,051	1,090,051
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	585,504	585,504

Atari Interactive, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	661	661
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	661	661

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	1,676,215	1,676,215
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	1,090,051	1,090,051
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$ 586,165	\$ 586,165

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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	\$ 2,996	\$ 11,730
Less: Returns and Allowances	(1)	183
Net Revenue	2,997	11,547
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	1,520	5,310
Gross Profit	1,476	6,237
OPERATING EXPENSES		
Advertising	(3)	49
Auto and Truck Expense	-	-
Bad Debts	-	172
Contributions	-	-
Employee Benefits Programs	188	224
Officer/Insider Compensation*	-	-
Insurance	33	213
Management Fees/Bonuses	-	-
Office Expense	6	30
Pension & Profit-Sharing Plans	-	-
Repairs and Maintenance	-	-
Rent and Lease Expense	25	288
Salaries/Commissions/Fees	161	2,851
Supplies	-	-
Taxes - Payroll [a]	-	-
Taxes - Real Estate	-	-
Taxes - Other	-	-
Travel and Entertainment	0	57
Utilities	(116)	189
Other (attach schedule)	200	1,109
Total Operating Expenses Before Depreciation	494	5,182
Depreciation/Depletion/Amortization	69	3,891
Net Profit (Loss) Before Other Income & Expenses	914	(2,836)
OTHER INCOME AND EXPENSES		
Other Income (attach schedule)	-	-
Interest Expense	31	123
Other Expense (attach schedule)	-	984
Net Profit (Loss) Before Reorganization Items	883	(3,943)

REORGANIZATION ITEMS		
Professional Fees	1,482	7,604
U. S. Trustee Quarterly Fees	-	10
Interest Earned on Accumulated Cash from Chapter 11 <i>(see continuation sheet)</i>	-	-
Gain (Loss) from Sale of Equipment	-	-
Other Reorganization Expenses <i>(attach schedule)</i>	-	-
Total Reorganization Expenses	1,482	7,615
Income Taxes	-	-
Net Profit (Loss)	\$ (599)	\$ (11,558)

[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	(86)	51
Bank Fees	3	15
Distribution Costs	37	68
Consulting	200	358
Legal Fees	34	517
Reversal of Income Tax Receivable	-	8
Accounting Fees	12	91
TOTAL OTHER OPERATIONAL EXPENSES	\$ 200	\$ 1,109

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.

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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	\$ 2,706	\$ 2,632	\$ 751
Restricted Cash and Cash Equivalents (see continuation sheet)	-	-	-
Accounts Receivable (Net)	1,508	451	2,842
Notes Receivable	-	-	-
Inventories	-	18	542
Prepaid Expenses	23	28,264	56
Professional Retainers	-	-	-
Other Current Assets (attach schedule)[a]	359	359	489
TOTAL CURRENT ASSETS	4,496	3,489	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	(17,939)	(17,925)	(17,851)
TOTAL PROPERTY & EQUIPMENT	191	205	272
OTHER ASSETS			
Amounts due from Insiders*	25,672	25,494	25,294
Other Assets (attach schedule)	3,587	3,527	6,976
TOTAL OTHER ASSETS	29,259	29,020	32,270
TOTAL ASSETS	33,946	32,714	37,222
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
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)			
Accounts Payable [b]	2,509	1,926	113
Taxes Payable (refer to FORM MOR-4)	-	-	-
Wages Payable	20	42	58
Notes Payable	-	-	-
Rent / Leases - Building/Equipment	94	95	105
Secured Debt / Adequate Protection Payments	3,623	3,593	-
Professional Fees	2,925	1,969	-
Amounts Due to Insiders*	-	-	-
Other Post-petition Liabilities (attach schedule)	1,726	1,275	288
TOTAL POST-PETITION LIABILITIES	10,897	8,900	564
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)			
Secured Debt	-	-	-
Priority Debt	155	191	525
Unsecured Debt	322,167	322,297	323,848
TOTAL PRE-PETITION LIABILITIES	322,322	322,488	324,373
TOTAL LIABILITIES	333,219	331,388	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	(11,558)	(10,959)	-
Adjustments to Owner Equity (attach schedule)	-	-	-
Post-petition Contributions (attach schedule)	-	-	-
NET OWNERS' EQUITY	(299,273)	(298,674)	(287,715)
TOTAL LIABILITIES AND OWNERS' EQUITY	\$ 33,946	\$ 32,714	\$ 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 \$569K 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 PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Current Assets			
Security Deposits	259	259	282
Royalty Receivable	100	100	200
Tax Receivable	-	-	7
Other Assets			
Intangibles (Capitalized Development Costs / Trademarks) [a]	3,587	3,527	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)	111	142	288
Royalty Payable	1,614	1,133	-
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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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	\$ -	\$ 70,621	\$ 70,621	Various	[a]	\$ -
FICA-Employee	-	18,843	18,843	Various	[a]	-
FICA-Employer	-	18,496	18,496	Various	[a]	-
Unemployment	-	-	-	Various	[a]	-
Income	-	-	-			-
Other: Franchise Tax	-	-	-	Various	[a]	-
Total Federal Taxes	-	107,960	107,960	Various	[a]	-
State and Local						
Withholding	-	29,414	29,414	Various	[a]	-
Sales	-	-	-			-
Excise	-	-	-			-
Unemployment	-	505	505	Various	[a]	-
Real Property	-	-	-			-
Personal Property	-	-	-			-
Other:	-	-	-			-
Total State and Local	-	29,920	29,920	Various	[a]	-
Total Taxes	\$ -	\$ 137,879	\$ 137,879	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	\$ 502,755	\$ 711,517	\$ 202,740	\$ 161,185	\$ 361,562	\$ 1,939,759
Wages Payable	20,105	-	-	-	-	20,105
Taxes Payable	-	-	-	-	-	-
Rent/Leases-Building	93,566	-	-	-	-	93,566
Rent/Leases-Equipment	-	-	-	-	-	-
Secured Debt/Adequate Protection Payments	3,623,411	-	-	-	-	3,623,411
Professional Fees	2,925,094	-	-	-	-	2,925,094
Amounts Due to Insiders	-	-	-	-	-	-
Other: Royalties Payable	1,614,311	-	-	-	-	1,614,311
Other:	-	-	-	-	-	-
Total Post-petition Debts	\$ 8,779,242	\$ 711,517	\$ 202,740	\$ 161,185	\$ 361,562	\$ 10,216,246

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

Due to QuickBooks implementation there was a slight lag in fulfilling payments in a timely fashion.

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

Atari, Inc., et al.
Debtor

Case No. 13-10176
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SUMMARY OF UNPAID POST-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] 18748	1471168C	3/20/13	Restructuring (HOLD)	\$ (1,180.00)
AKIN GUMP STRAUSS HAUER & FELD LLP	[a] 18748	1471168	4/19/13	Restructuring (HOLD)	72,454.63
AKIN GUMP STRAUSS HAUER & FELD LLP	[a] 18748	1476940	5/22/13	Restructuring (HOLD)	92,574.90
AKIN GUMP STRAUSS HAUER & FELD LLP	[a] 18748	1481662	6/19/13	Restructuring (HOLD)	41,038.75
AKIN GUMP STRAUSS HAUER & FELD LLP	18748	1486853	7/21/13	Restructuring	455,855.18
AMERICAN EXPRESS	9173	AMEX072813	7/30/13	Employee T&E	4,380.07
BABEL MEDIA LTD	17135	90176	7/26/13	Other Product Development	1,032.00
BMC GROUP, INC.	[a] 18737	316130331	4/30/13	Restructuring (HOLD)	13,869.00
BMC GROUP, INC.	[a] 18737	316130430	6/14/13	Restructuring (HOLD)	974.50
BMC GROUP, INC.	18737	316130531	6/21/13	Restructuring	11,479.43
BMC GROUP, INC.	18737	316130630	8/14/13	Restructuring	11,738.77
BRACEWELL & GIULIANI LLP	18741	21550575	8/4/13	Restructuring	38,374.75
BRACEWELL & GIULIANI LLP	18741	21553588	8/15/13	Restructuring	21,155.91
CENTURYLINK QCC	10268	1265511238	7/20/13	Utilities	2,278.00
CINRAM GROUP, LLC	9181	7013479	7/31/13	Distribution & Freight	(3,530.96)
CINRAM GROUP, LLC	9181	7012742	8/30/13	Distribution & Freight	230.97
CINRAM GROUP, LLC	9181	7013120	9/17/13	Distribution & Freight	6,620.55
COOLEY LLP	[a] 18749	1276023	4/13/13	Restructuring (HOLD)	114,440.40
COOLEY LLP	[a] 18749	1283537	5/11/13	Restructuring (HOLD)	43,633.70
COOLEY LLP	[a] 18749	1291995	6/12/13	Restructuring (HOLD)	13,707.90
COOLEY LLP	18749	1300140	7/13/13	Restructuring	109,430.11
COOLEY LLP	18749	1310000	8/8/13	Restructuring	172,528.96
CRYPTIC STUDIOS, INC.	18531	23	8/4/13	MIS-IT	3,316.88
DAVID STRANG		DS07312013	8/14/13	Consultant	6,000.00
DUFF & PHELPS, LLC	[a] 652	033113	4/30/13	Restructuring (HOLD)	59,342.86
DUFF & PHELPS, LLC	[a] 652	DP043013	6/19/13	Restructuring (HOLD)	10,000.00
DUFF & PHELPS, LLC	652	DP053113	6/30/13	Restructuring	51,755.34
DUFF & PHELPS, LLC	652	DP063013	8/4/13	Restructuring	52,313.12
EDGECAST NETWORKS, INC.	18494	57876	7/31/13	Other Product Development	4,320.68
EQUITY MANAGEMENT INC.	13675	81090B1306POST	7/30/13	Royalty	385.94
EQUITY MANAGEMENT INC.	13675	81119B1306POST	7/30/13	Royalty	649.06
FERRARI S.P.A.	18259	01332721	7/28/13	Licensing	100,000.00
FISH & RICHARDSON P.C.	11711	062113SRW	7/21/13	Legal	3,958.00
GAME CENTER GROUP, LLC	18535	129	7/31/13	Other Product Development	6,075.38
HUDSON VALLEY COMPUTER SERVICES LLC [b]	18598	022113C	2/21/14	MIS-IT	(7,000.00)
INTERACTIVE GAME GROUP, LLC	17402	81298A1306	7/20/13	Royalty	23,054.24
JOEL FASHINGBAUER	18652	132	8/30/13	Consultant	2,500.00
KONICA MINOLTA	18614	23693578	8/14/13	MIS-IT	623.48
KROME STUDIOS INC.	18118	81246A1306POST	8/4/13	Royalty	3,445.53
LAW OFFICE OF CHUN T. WRIGHT, PLLC	18309	1236	8/2/13	Legal	35.00
MATTHEW LABUNKA	17222	1	8/16/13	Consultant	2,500.00
MATTHEW LABUNKA	17222	2	8/22/13	Consultant	5,000.00
MATTHEW LABUNKA (T&E)		EXP071613	7/5/13	Employee T&E	55.75
MATTHEW LABUNKA (T&E)		3	7/23/13	Employee T&E	26.23
MERCEDES-BENZ ACCESSORIES GMBH	17075	81113B1306POST	8/4/13	Royalty	642.36
NETNAMES USA	18619	SOI0000626	8/25/13	Legal	8,620.63
OHM SYSTEMS, INC.	16989	3921	8/18/13	Consultant	4,680.00
PERELLA WEINBERG PARTNERS LLP	[a] 18740	3680820201	3/16/13	Restructuring (HOLD)	20,000.00
PERELLA WEINBERG PARTNERS LLP	[a] 18740	3680820202	4/3/13	Restructuring (HOLD)	20,000.00
PERELLA WEINBERG PARTNERS LLP	[a] 18740	3680820203	5/1/13	Restructuring (HOLD)	20,000.00
PERELLA WEINBERG PARTNERS LLP	18740	PWP053113	6/30/03	Restructuring	100,308.00
PREMIUM ASSIGNMENT CORPORATION	18673	070213	8/1/13	Insurance	3,072.07
PROTIVITI INC	[a] 18733	9114	4/18/13	Restructuring (HOLD)	42,635.08
PROTIVITI INC	[a] 18733	9171	5/19/13	Restructuring (HOLD)	24,976.24
PROTIVITI INC	[a] 18733	9197	6/12/13	Restructuring (HOLD)	16,440.28
PROTIVITI INC	18733	9251	6/30/13	Restructuring	56,844.50
RACKSPACE MANAGED HOSTING	16440	100905527	8/4/13	MIS-IT	36,678.75
RACKSPACE MANAGED HOSTING	16440	910058037	8/4/13	MIS-IT	(380.69)
ROBERT MATTES	18554	EXP053113	7/5/13	Employee T&E	892.13
ROBERT MATTES	18554	EXP061113	7/5/13	Employee T&E	625.88
ROBERT MATTES	18554	BANKFEES07311	8/30/13	Consultant	12.00
ROBERT SPELLERBERG	4458	BANKFEES07311	7/31/13	Consultant	12.00
ROBERT SPELLERBERG	4458	63013	8/4/13	Consultant	2,500.00
ROBERT SPELLERBERG	4458	73113	8/30/13	Consultant	5,000.00
SONY DADC AUSTRIA AG	14891	2197356	7/26/13	Manufacturing (COGS)	2,499.02
SONY DADC AUSTRIA AG	14891	2198623	8/3/13	Manufacturing (COGS)	2,416.96
SYMANTEC	16212	200260953	7/31/13	Utilities	326.62
TELEPACIFIC COMMUNICATIONS	17900	469721360	6/24/13	Utilities	498.95

UNITED PARCEL SERVICE (MAIN)	778	000072824W263	7/20/13	Office Expense	128.09
UNITED PARCEL SERVICE (MAIN)	778	000072824W273	7/21/13	Office Expense	247.27
UNITED PARCEL SERVICE (MAIN)	778	000072824W283	7/28/13	Office Expense	180.31
UNITED PARCEL SERVICE (MAIN)	778	000072824W293	8/4/13	Office Expense	22.00
UNITED PARCEL SERVICE (MAIN)	778	000072824W303	8/11/13	Office Expense	316.49
VITAL RECORDS INC	8030	0218638IN	8/4/13	MIS-IT	1,163.84
WEEKS-LERMAN GROUP LLC	17224	INV1810102	8/4/13	Office Expense	310.13
WEEKS-LERMAN GROUP LLC	17224	INV1829318	8/21/13	Office Expense	161.05
WILLIAM B MEYER INC	7180	0062993	7/30/13	Office Expense	240.00
WILLIAM B MEYER INC	7180	611403	7/31/13	Office Expense	1,774.91
WILLIAM B MEYER INC	7180	0062479	8/4/13	Office Expense	1,853.50
ASTURGÓ, MATEU & ASSOCIATS	18761	2013803362	7/30/13	Legal	273.98
ASTURGÓ, MATEU & ASSOCIATS	18761	2013803370	7/30/13	Legal	1,051.26
ESTUDIO FEDERICO VILLASECA	10453	129305A214	8/24/13	Legal	1,831.00
INTELS GROUP S.A.	5855	RU39416	7/26/13	Legal	1,195.00
INTELS GROUP S.A.	5855	RU39417	7/26/13	Legal	1,195.00
LIVINGSTON, ALEXANDER & LEVY	15708	128724	8/7/13	Legal	1,865.35
PATENTSERVIS PRAHA LTD	13835	2130163613	8/4/13	Legal	608.00
PATENTSERVIS PRAHA LTD	13835	2130163713	8/4/13	Legal	608.00
RECALL TOTAL INFORMATION MGMNT	12238	1071901367	7/31/13	Other G&A	1,095.44
ROMINVENT	18762	M7926	8/4/13	Legal	915.00
ROMINVENT	18762	M7927	8/4/13	Legal	137.00
ROMINVENT	18762	M7928	8/4/13	Legal	886.00
ROMINVENT	18762	M7929	8/4/13	Legal	165.00
STAINLESS GAMES LTD.	16978	81104A1306	7/31/13	Royalty / Licensing	789.37

Total Post-petition Accounts Payable (Trade)

\$1,939,758.78

[a] Represents the 20% holdback

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

In re Atari, Inc., et al.
Debtor

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ 550,821
Plus: Amounts billed during the period	1,615,900
Less: Amounts collected during the period	658,582
Total Accounts Receivable at the end of the reporting period	\$ 1,508,138

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Retail A/R	\$ -	\$ -	\$ -	\$ 966,681	\$ 966,681
Royalty A/R	1,719,524	80,783	16,530	322,620	2,139,457
Total Accounts Receivable	1,719,524	80,783	16,530	1,289,301	3,106,138
Less: Bad Debts (Amount considered uncollectible)					1,598,000
Net Accounts Receivable	\$ 1,719,524	\$ 80,783	\$ 16,530	\$ 1,289,301	\$ 1,508,138

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	\$ 157,802
Mattes, Robert	Payroll	14,375	\$ 119,792
Mattes, Robert	Vacation payout	13,269	\$ 13,269
Wilson, James W.	Payroll	25,889	\$ 239,472
Wilson, James W.	Mgmt Loyalty	12,944	\$ 12,944
Keller, Kristen J.	Travel & Exp	-	\$ 2,367
Wilson, James W.	Travel & Exp	-	\$ 3,292
Mattes, Robert	Travel & Exp	-	\$ -
TOTAL PAYMENTS TO INSIDERS		\$ 90,754	\$ 548,938

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	\$ 1,611,483
Perella Weinberg Partners LP	2/15/2013	-	\$ -	252,066	360,902
Protiviti Inc.	2/15/2013	-	\$ -	359,241	297,896
Hunton Williams LLP	3/21/2013	-	\$ -	218,857	-
Bracewell & Giuliani LLP	3/17/2013	-	\$ -	316,617	159,531
BMC Group	2/15/2013	-	\$ -	54,776	53,062
Imperial Capital Loan Trading, LLC (Collateral Agent)			\$ -	5,000	-
Cooley LP [a]	2/15/2013	-	\$ -	305,959	544,363
Duff & Phelps Securities LLC [a]	2/15/2013	-	\$ -	66,038	223,508
TOTAL PAYMENTS TO PROFESSIONALS		\$ -	\$ -	\$ 2,405,785	\$ 3,250,744

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

[a] Official Committee of Unsecured Creditors Professional

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	\$ -	\$ -	\$ 3,623,411
475 Building Company	26,843	26,843	-
GPPG, LLC [b]	-	-	-
Standard Parking Company	-	-	-
Westwood Terrace, LLC [a]	-	-	-
TOTAL PAYMENTS		\$ 26,843	\$ 3,623,411

[a] Lease expired on 04/13

[b] Atari terminated lease for San Francisco Office 05/13

In re Atari, Inc., et al.

Debtor

Case No. 13-10176

Reporting Period: 7/1/13-7/31/13

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

(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. To the extent there are additional amounts that are unpaid they are being reviewed and processed accordingly.

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