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QUARTERLY REPORT

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FOR THE QUARTER ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

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NAME OF OFFICER IN CHARGE
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ATLANTIC CITY, NEW JERSEY

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31, 1992

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TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

BALANCE SHEET

DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 19 92	(d) 19 91
	ASSETS			
	Current Assets:			
1	Cash		$ 33,218	$ 27,826
2	Marketable securities		0	0
3	Receivables and patrons' checks (net of allowances for doubtful accounts – 19_92_, $ 3,034 ; 19_91_ $ 3,930)	NOTE 5..	4,701	4,826
4	Inventories		1,773	1,725
5	Prepaid expenses and other current assets		4,896	2,039
6	Total current assets		44,588	36,416
7	Investments, Advances, And Receivables	NOTE 2 & 13	11,037	17,273
8	Property And Equipment – Gross		298,727	280,665
9	(Accumulated Depreciation/Amortization)		(91,755)	(76,492)
10	Other Assets		8,775	10,497
11	Total Assets		$ 271,372	$ 268,359
	LIABILITIES AND EQUITY			
	Current Liabilities:			
12	Accounts payable		$ 6,666	$ 4,971
13	Notes payable		0	0
	Current portion of long–term debt:			
14	Due to affiliates		0	0
15	Other	NOTE 4	2,250	3,077
16	Income taxes payable and accrued		2,400	1,209
17	Other accrued expenses	NOTE 6	13,243	13,303
18	Other current liabilities	NOTE 7	14,321	11,151
19	Total current liabilities		38,880	33,711
	Long–Term Debt:			
20	Due to affiliates	NOTE 3 & 15	149,444	149,444
21	Other	NOTE 4	4,211	6,459
22	Deferred Credits		10,657	6,908
23	Other Liabilities		0	19,843
24	Commitments And Contingencies NOTE 14			
25	Total Liabilities		203,192	216,365
26	Stockholders', Partners', Or Proprietor's Equity		68,180	51,994
27	Total Liabilities And Equity		$ 271,372	$ 268,359

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 92	(d) 19 91
	Revenue:		
1	Casino	$ 258,605	$ 239,887
2	Rooms	11,802	10,460
3	Food and beverage	30,407	33,556
4	Other	4,857	4,120
5	Total revenue	305,671	288,023
6	Less: Promotional allowances	24,472	23,913
7	Net revenues	281,199	264,110
	Costs And Expenses:		
8	Costs of goods and services	163,255	158,321
9	Selling, general, and administrative	57,984	49,767
10	Provision for doubtful accounts	1,278	2,437
11	Total costs and expenses	222,517	210,525
12	Gross Operating Profit	58,682	53,585
13	Depreciation and amortization	17,475	20,799
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (Loss) From Operations	41,207	32,786
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(16,999)	(18,228)
18	Interest (expense) – external	(1,362)	(1,761)
19	Investment alternative tax and related income (expense) – net	(1,068)	(1,057)
20	Nonoperating income (expense) – net	807	1,487
21	Total other income (expenses)	(18,622)	(19,559)
22	Income (Loss) Before Income Taxes And Extraordinary Items	22,585	13,227
23	Provision (credit) for income taxes NOTE 10	6,116	5,417
24	Income (Loss) Before Extraordinary Items	16,469	7,810
25	Extraordinary items (net of income taxes – 19 92, $ _____ ; 19 91, $ __93__) NOTE 15	0	180
26	Net Income (Loss)	$ 16,469	$ 7,990

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 92	(d) 19 91
	Revenue:		
1	Casino	$ 57,740	$ 54,691
2	Rooms	2,958	2,508
3	Food and beverage	7,149	7,813
4	Other	1,146	1,003
5	Total revenue	68,993	66,015
6	Less: Promotional allowances	6,137	5,724
7	Net revenues	62,856	60,291
	Costs And Expenses:		
8	Costs of goods and services	39,660	38,468
9	Selling, general, and administrative	13,657	12,558
10	Provision for doubtful accounts	509	523
11	Total costs and expenses	53,826	51,549
12	Gross Operating Profit	9,030	8,742
13	Depreciation and amortization	4,034	5,333
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (Loss) From Operations	4,996	3,409
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(4,250)	(4,441)
18	Interest (expense) – external	(311)	(432)
19	Investment alternative tax and related income (expense) – net	(238)	(220)
20	Nonoperating income (expense) – net	(53)	473
21	Total other income (expenses)	(4,852)	(4,620)
22	Income (Loss) Before Income Taxes And Extraordinary Items	144	(1,211)
23	Provision (credit) for income taxes	(1,770)	(423)
24	Income (Loss) Before Extraordinary Items	1,914	(788)
25	Extraordinary items (net of income taxes – 19 92, $ _____ ; 19 91, $ __93___) NOTE 15	0	180
26	Net Income (Loss)	$ 1,914	$ (608)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c) SHARES	1992 (d) DOLLARS	1991 (e) SHARES	1991 (f) DOLLARS
	Common Stock: 2500 SHARES AUTHORIZED				
1	Beginning balance (January 1)	1,500	$ 76,909	1,500	$ 76,909
2	Sale of stock				
3					
4	Ending balance	1,500	76,909	1,500	76,909
	Preferred Stock:				
5	Beginning balance (January 1)				
6	Sale of stock				
7					
8	Ending balance				
	Additional Paid–in Capital:				
9	Beginning balance (January 1)				
10					
11					
12	Ending balance				
	Treasury Stock:				
13	Beginning balance (January 1)		( )		( )
14	Purchase of additional stock		( )		( )
15	Sale or retirement of stock				
16	Ending balance		( )		( )
	Subscriptions Receivable For Capital Stock:				
17	Beginning balance (January 1)		( )		( )
18					
19					
20	Ending balance		( )		( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1)		( )		( )
22					
23					
24	Ending balance		( )		( )
	Retained Earnings:				
25	Beginning balance (January 1)		(24,915)		(32,748)
26	Prior period adjustments				
27	Net income (loss)		16,469		7,990
28	Dividends		(283)		(157)
29					
30					
31	Ending balance		(8,729)		(24,915)
32	Ending Stockholder's Equity		$ 68,180		$ 51,994

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 92	(d) 19 91
1	Net Cash Provided(Used) By Operating Activities	$ 30,654	$ 24,467
	Cash Flows From Investing Activities:		
2	Purchase of short−term investment securities		
3	Proceeds from the sale of short−term investment securities		
4	Cash outflows for property and equipment	(18,713)	(11,760)
5	Proceeds from disposition of property and equipment	84	244
6	Purchase of casino reinvestment obligations	(3,160)	(2,893)
7	Purchase of other investments and loans/advances made	(115)	(202)
8	Proceeds from disposal of investments and collection of advances and long−term receivables	0	419
9	Cash outflows to acquire business entities		
10			
11			
12	Net Cash Provided (Used) By Investing Activities	(21,904)	(14,192)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short−term debt		
14	Payments to settle short−term debt		
15	Cash proceeds from issuance of long−term debt		
16	Cost of issuing debt		
17	Payments to settle long−term debt	(3,075)	(2,896)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals	(283)	(157)
21	Early extinguishment of debt	0	(11,696)
22			
23	Net Cash Provided (Used) By Financing Activities	(3,358)	(14,749)
24	Net Increase (Decrease) In Cash And Cash Equivalents	5,392	(4,474)
25	Cash And Cash Equivalents At Beginning Of Years	27,826	32,300
26	Cash And Cash Equivalents At End Of Years	$ 33,218	$ 27,826

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 17,893	$ 19,898
28	Income taxes	$ 4,000	$ 4,181

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 92	(d) 19 91
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ 16,469	$ 7,990
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	17,475	20,799
31	Amortization of other assets	469	486
32	Amortization of debt discount or premium		
33	Deferred income taxes – current		
34	Deferred income taxes – noncurrent		
35	(Gain) loss on disposition of property and equipment	1,059	2,935
36	(Gain) loss on casino reinvestment obligations	273	370
37	(Gain) loss from other investment activities	1,068	1,057
38	Net (increase) decrease in receivables and patrons' checks	39	
39	Net (increase) decrease in inventories	125	1,858
40	Net (increase) decrease in other current assets	(48)	485
41	Net (increase) decrease in other assets	(167)	365
42	Net increase (decrease) in accounts payables	1,253	(1,232)
43	Net increase (decrease) in other current liabilities excluding debt	(266)	(203)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	1,193	(827)
45	Showboat, Inc management fees, net of tax	0	(6)
46	Gain on retirement of debt	(8,288)	(9,337)
47	Net Cash Provided (Used) By Operating Activities		(273)
		$ 30,654	$ 24,467

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 18,713	$ 11,760
49	Less: Capital lease obligations incurred		
50	Cash Outflows For Property And Equipment	$ 18,713	$ 11,760
	Acquisition Of Business Entries:		
51	Property and equipment acquired	$	$
52	Goodwill acquired		
53	Net assets acquired other than cash, goodwill, and property and equipment		
54	Long–term debt assumed		
55	Issuance of stock or capital invested		
56	Cash Outflows To Acquire Business Entries	$	$
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$	$
58	Less: Issuances to settle long–term debt		
59	Consideration in acquisition of business entities		
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$	$

ATLANTIC CITY SHOWBOAT, INC.

Notes to Financial Statements

December 31, 1992 and 1991

(1) Summary of Significant Accounting Policies

Nature of Operations

Atlantic City Showboat, Inc. (the Company), is a wholly-owned subsidiary of Ocean Showboat, Inc. (OSI), which is a wholly-owned subsidiary of Showboat, Inc. (SBO). OSI was incorporated in 1983 and is a holding company with its principal assets being investments in the Company and Ocean Showboat Finance Corporation (OSFC). OSFC was organized in December 1986 in connection with the sale of $180,000,000 of 11.375% Mortgage-Backed Bonds Due 2002 (the Bonds) (note 3). The Company conducts casino gaming operations and operates full supportive services of hotel, restaurant, bar, bowling, and convention facilities at the Showboat Hotel and Casino in Atlantic City, New Jersey (Atlantic City Showboat).

Casino Revenue and Complimentaries

In accordance with common industry practice, casino revenues are the net of gaming wins less losses.

Complimentaries primarily consist of rooms, food, and beverage furnished gratuitously to customers. The sale values of such services are included in the respective revenue classification and are then deducted as complimentaries. Complimentary rates are periodically reviewed and adjusted by management.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investment instruments purchased with an original maturity of three months or less to be cash equivalents.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined by the first-in, first-out method.

Fair Value of Certain Financial Instruments

The carrying amount of cash and cash investments, accounts receivable and accounts payable approximates fair value because of the short maturity of these instruments.

(Continued)

(1) Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are carried at cost. Depreciation including amortization of capitalized leases, is computed using the straight-line method. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized.

Estimated useful lives for property and equipment are 40 years for buildings, 10 to 20 years for building improvements, and 2 to 7 years for furniture and equipment.

Income Taxes

Statement of Financial Accounting Standards No. 96 (FAS 96), "Accounting for Income Taxes", was issued by the Financial Accounting Standards Board (FASB) in December 1987. FAS 96 requires a change from the deferred method to the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income taxes are recognized for the consequences of "temporary differences" by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. Under FAS 96, the effect on deferred income taxes of a change in tax rates is recognized in income in the period that includes the enactment date. In February, 1992 the FASB issued Statement of Financial Accounting Standards No. 109 (FAS 109), "Accounting for Income Taxes", which supersedes FAS 96. FAS 109 is effective for fiscal years beginning after December 15, 1992. The Company will implement the provisions of FAS 109 effective January 1, 1993.

The Company is included in the consolidated federal income tax group of Showboat, Inc. and subsidiaries and is under a tax allocation agreement with SBO. Accordingly, income taxes are allocated based on the agreement which reflects the modified separate return method except that tax benefits available to the Company are recognized when generated by the Company to the extent utilized by the consolidated group, including carrybacks. For tax reporting purposes, SBO has elected to continue its fiscal year ending June 30.

Post employment and Postretirement Benefits

The Company does not currently provide any postemployment or postretirement benefits.

Amortization of Debt Issuance Costs

Costs associated with the issuance of debt have been deferred and are being amortized over the life of the related indebtedness using a weighted average method based on retirement schedules specified in the indenture governing the Bonds (the Indenture).

(2) **Related Party Transactions**

In November 1985, the Company and SBO entered into a Parent Services Agreement whereby SBO agreed to provide the Company with executive, financial, data processing, legal, marketing, tax planning and compliance, and administrative services. SBO's services are intended to support and supplement the routine functions and responsibilities of the Company's staff and are not intended to substitute for the Company's performance or OSI's oversight responsibilities. In addition to the services outlined above, SBO has also granted the Company a nonexclusive right to the use of each of SBO's trademarks, service marks, trade names, and logos in the operations of the Company's business, including the registered trademark "Showboat."

In consideration for such services and license, the Company has agreed to pay SBO a fee equal to five percent of gross revenues, payable on a quarterly basis. The Indenture provides that this management fee may not be paid during any period in which certain test are not met.

In December 1990, SBO and the Company agreed effective January 1, 1990 to cancel and terminate the Company's obligation to pay management fees to SBO during the period from January 1, 1990 until the fees accrued prior to January 1, 1990 (approximately $24,678,000 net of intercompany tax obligations) are paid in full to SBO and that upon payment in full the obligation to pay fees will recommence for periods beginning after payment of the accrued fees. Under the terms of the Indenture, accrued management fees can be paid once earnings before interest expense and income taxes on a rolling twelve-month basis is 1.6 times the interest expense for the next twelve months (Threshold). The multiple increases to 1.7 times effective July 1, 1993, and increases on each succeeding July 1, by .1 until July 1, 1996, when the multiple becomes and remains 2.0 for the remaining life of the issue. On March 22, 1991, the New Jersey Casino Control Commission (Commission) ruled that all payments of management fees pursuant to the Parent Services Agreement must receive the prior approval of the Commission. During the years ended December 31, 1992 and 1991, the Company met the Threshold and with the approval of the Commission paid to SBO management fees, net of intercompany tax obligations, of $8,288,000 and $9,337,000, respectively. At December 31, 1992, the Company owed $8,108,000 in accrued fees, net of intercompany tax obligations, to SBO for SBO's services rendered to the Company in accordance with the Parent Services Agreement and capitalized interest related to the original construction of Atlantic City Showboat.

(3), Long Term Debt, Due to Affiliates

As of December 31, 1992 and 1991 long-term debt, due to affiliates consisted of the following (dollars in thousands):

	1992	1991
11.375 % Promissory Note - Due 2002	$ 149,444	149,444

On March 18, 1987, OSFC issued $180,000,000 of Bonds, with interest payable semi-annually at the annual rate of 11.375%. The proceeds and related issuance costs of the Bonds were subsequently transferred to the Company in exchange for a promissory note containing the same terms and conditions to which OSFC is subject. OSFC is required to redeem, on March 15 in each year, commencing in 1994 and ending in 2001, $18,000,000 of Bonds at a redemption price equal to 100% of the principal amount thereof. During the years ended December 31, 1991 and 1990, the Company purchased $12,096,000 and $18,460,000 face value, respectively, of the Bonds (note 15). The Company can apply these purchased Bonds toward the required redemptions which, if applied, would satisfy the requirement fully for March 15, 1994 and $12,556,000 of the March 15, 1995 required redemption.

The Bonds are secured by a leasehold mortgage on the Company's ground lease on the site of the Atlantic City Showboat, the Atlantic City Showboat complex, and certain personal property. The Bonds are unconditionally guaranteed by OSI. The Indenture places significant restrictions on the payment of dividends the making of loans and advances by the Company to SBO and its Las Vegas subsidiaries, the payment of management fees to SBO, the incurrence of additional indebtedness by the Company (except for up to $15,000,000 of short-term borrowings), and the Company's investment activities. At December 31, 1992, the restrictions in the Indenture did not permit OSI to pay dividends to SBO.

Maturities of the Company's long-term debt, due to affiliates, assuming no application of the repurchased bonds, are as follows (dollars in thousands) :

Year ended December 31:	
1993	$ 0
1994	18,000
1995	18,000
1996	18,000
1997	18,000
Thereafter	77,444
	$ 149,444

(4), Long Term Debt, Other

As of December 31, 1992 and 1991 long-term debt, other consisted of the following: (dollars in thousands):

	1992	1991
Capitalized lease obligations	$ 6,461	9,536
Less current maturities	2,250	3,077
	$ 4,211	6,459

Maturities of the Company's long term-debt, other are as follows: (dollars in thousands)

Year ended December 31:	
1993	$ 2,250
1994	2,283
1995	0
1996	0
1997	0
Thereafter	1,928
	$ 6,461

The carrying amount of capital leases approximates fair value at December 31, 1992.

At December 31, 1992, the Company had available an unsecured line of credit for general working capital purposes totaling $15,000,000. Interest is payable monthly at the bank's prime rate plus.5%. The line of credit is guaranteed by OSI and OSFC and expires in August 1993. The Company also had available a $5,000,000 line of credit for equipment financing over a three to five year term. Interest is payable at the bank's prime rate plus 1%. This line of credit is also guaranteed by OSI and OSFC and expires in August 1993. As of December 31, 1992, no funds had been drawn on these lines of credit.

(5) Receivables and Patrons' Checks

As of December 31, 1992 and 1991, receivables consisted of the following (dollars in thousands):

	1992	1991
Casino	$ 6,830	7,938
Hotel	553	506
Other	352	312
	7,735	8,756
Less allowance for doubtful accounts	3,034	3,930
Receivables, net	$ 4,701	4,826

(6) Other Accrued Expenses

As of December 31, 1992 and 1991, other accrued expenses consisted of the following (dollars in thousands) :

	1992	1991
Salaries and wages	$ 5,591	5,146
Taxes, other than taxes on income	1,141	1,388
Medical and liability claims	2,184	2,077
Progressive slot liability	884	1,786
Accrued advertising and promotion	2,403	1,914
Enforcement/annual license	473	376
Other	567	616
	$ 13,243	13,303

(7) Other Current Liabilities

As of December 31, 1992 and 1991, other current liabilities consisted of the following (dollars in thousands) :

	1992	1991
Due to affiliates - interest	$ 4,958	4,958
Due to affiliates - mgmnt. fees	8,108	5,000
Outstanding chip liability	957	957
Other	298	236
	$ 14,321	11,151

(8) Leases

The Company leases certain furniture and equipment and a warehouse under long-term lease agreements. The leases covering furniture and equipment, which expire in 1994, and a warehouse, which expires in 2001, are classified as capital leases. The Company has the option to purchase the warehouse from January 1, 1996 through March 31, 2001 at an option price of approximately $1,928,000.

Property and equipment included the following leased property under capital leases by major classes at December 31, 1992 and 1991 (dollars in thousands) :

	1992	1991
Building - warehouse	$ 2,050	2,050
Furniture and equipment	18,112	18,808
	20,162	20,858
Less accumulated amortization	18,869	17,673
	$ 1,293	3,185

The Company is leasing 10 1/2 acres of Boardwalk property in Atlantic City, New Jersey for a term of 99 years commencing October 1983. Annual rent payments, which are payable monthly, commenced upon opening of the Atlantic City Showboat. The rent will be adjusted annually based upon increases or decreases in the Consumer Price Index, not to exceed 10% per year during the second through the sixth lease years. In April 1992, the annual rent increased $243,000 to $7,875,000. Under the lease, the Company is responsible for taxes, assessments, insurance and utilities.

The following is a schedule of future minimum lease payments for capital leases and operating leases (with initial or remaining terms in excess of one year) as of December 31, 1992:

	Capital Leases	Operating Leases
Year ending December 31,		
1993	$ 2,885	8,327
1994	2,643	8,227
1995	253	8,009
1996	-	8,009
1997	-	7,987
Thereafter	1,928	667,365
Total minimum lease payments	7,709	$ 707,924
Less amount representing interest (10.4% to 11.25%)	1,248	
Present value of net minimum lease payments	$ 6,461	

Rent expense for all operating leases (except those with terms of a month or less that were not renewed) was $8,143,000 and $7,531,000 for the years ended December 31, 1992 and 1991 respectively.

(9) STOCK PLANS

On May 17, 1990, the shareholders of SBO approved a long-term incentive plan in which officers and key employees of the Company participate. Up to 600,000 shares of SBO common stock may be awarded to plan participants as either restricted shares or stock options. Restricted shares and options vest over a five-year period. The options are exercisable, subject to vesting, over ten years at option prices determined by the Compensation Committee and subject to the approval of the Board of Directors provided that the option price is not less than 75% of the fair market value of SBO's common stock determined on the date of grant of the options.

In April 1992, the Board of Directors of the Company adopted the Showboat, Inc. 1992 Employee Stock Option Plan (Plan) for all full-time and part-time employees. SBO reserved an aggregate of 1,000,000 shares of Showboat, Inc. common stock for issuance under the Plan. The exercise price of an option awarded under the Plan cannot be less than the fair market value of SBO common stock on the date of grant. The number of options granted to an employee is based on the employee's years of service with the Company. Options, all of which expire ten years from the date of grant, are subject to vesting and continued affiliation with the Company.

A summary of certain stock option information is as follows:

	1992	1991
Options outstanding at January 1,	225,970	0
Granted	328,950	10,000
Exercised	(5,440)	(2,280)
Forfeited	-	(8,000)
Options outstanding at December 31,	549,480	(280)
Option price range at December 31,	$7.625-14.50	$7.625-7.75
Options exercisable at December 31,	48,830	31,645

Unearned compensation representing restricted stock issued for future services was recorded on the date of grant at the market value of SBO's common stock of $7.625 and is being amortized ratably from the date of grant over the five-year vesting period as it is earned. Compensation expense of $115,000 and $151,000 was recognized for the years ended December 31, 1992 and 1991, respectively. Unearned compensation at December 31, 1992 and 1991 is $129,000 and $244,000, respectively, and is included on the balance sheets in Other Assets.

(10) INCOME TAXES

For the years ended, December 31, 1992 and 1991 Income tax expense consisted of the following (dollars in thousands):

	Years ended 1992	1991
Federal:		
Current	$ 5,057	2,482
Deferred	1,059	2,935
	6,116	5,417
State taxes	-	-
	$ 6,116	5,417

In 1991, income tax expense of $5,417,000 represents income tax expense from continuing operations before extraordinary items. In 1991, as a result of an extraordinary gain of $273,000 (Note 15), the Company recognized additional income tax expense of $93,000 resulting in total income tax expense of $5,510,000.

Income tax expense for the years ended December 31, reflects an estimate of the effective annual tax rate applicable to the filing periods ending June 30 of the following year.

Total income tax expense differed from the amounts computed by applying the federal income tax rate of 34% for the years ended December 31, 1992, and 1991 to income before income taxes and extraordinary gain from extinguishment of debt as a result of the following (dollars in thousands) :

	Years Ended 1992	1991
Computed "expected" tax expense at statutory rates	$ 7,584	4,444
Estimated deductibility of financial reporting provision for loss on Casino Reinvestment Development Authority obligation	(1,133)	-
Impact of Internal Revenue Service examination	(508)	-
Targeted jobs credit	(96)	(35)
Provision for loss on Casino Reinvestment Development Authority obligation	-	328
Disallowance of 20% of certain employee meals	137	159
Other	132	521
	$ 6,116	5,417

(Continued)

(10) **INCOME TAXES (continued)**

For the years ended December 31, 1992 and 1991 deferred income tax expense results from temporary differences in the recognition of income and expense for tax and financial reporting purposes. The sources and effect of these temporary differences are as follows (dollars in thousands):

	1992	1991
Depreciation and amortization	$ 1,153	494
Utilization of credit carryforwards, net	1,500	944
Provision for loss on Casino Reinvestment Development Authority obligation	(1,496)	31
Allowance for doubtful accounts	305	348
Preopening costs	369	1,511
Accrued vacations	(191)	(136)
Impact of settlement of Internal Revenue Service examination	(539)	-
Other, net	(42)	(257)
	$ 1,059	2,935

Temporary differences between the financial statement carrying amounts and tax bases of assets and liabilities that give rise to significant portions of the net deferred tax liability relate to the following (dollars in thousands):

	1992	1991
Depreciation and amortization	$ 12,325	11,533
Utilization of credit carryforwards, net	-	(1,496)
Allowance for doubtful accounts	(1,032)	(1,336)
Accrued vacations	(977)	(786)
Provision for loss on Casino Reinvestment Development Authority obligation	(1,496)	-
Other	(853)	(1,007)
Net deferred tax liability	$ 7,967	6,908

For State of New Jersey income tax purposes, net operating loss carryforwards of $17,187,000 and $13,184,000 were utilized to offset financial reporting pre-tax income for the years ending December 31, 1992 and 1991, respectively. Accordingly, there is no provision for State of New Jersey income taxes in the accompanying December 31, 1992 and 1991 financial statements. For State of New Jersey income tax purposes, the Company has available $7,170,000 of net operating loss carryforwards which expire through 1997.

(11) **Non-Operating Income (Expense)**

For the years ended December 31, 1992 and 1991, non-operating income (expense) consisted of the following (dollars in thousands):

	1992	1991
Interest income	$ 1,080	1,857
Loss on disposal of property and equipment	(273)	(370)
	$ 807	1,487

(12) **EMPLOYEE BENEFIT PLANS**

The Company maintains a retirement and savings plan for eligible employees not covered by a collective bargaining agreement. Under the terms of the plan, eligible employees may defer up to 3% of their compensation, as defined, of which 100% of the deferral is matched by the Company. Eligible employees may contribute an additional 12% of their compensation which will not be matched by the Company. Amounts contributed by the Company vest over a five-year period. The Company contributed $1,110,000 and $776,000 to this plan for the years ended December 31, 1992 and 1991, respectively.

The Company's union employees are covered by union-sponsored, collectively-bargained, multi-employer pension plans. Contributions are determined in accordance with the provisions of negotiated labor contracts and generally are based on the number of man-hours worked. Contributions to the plans were $322,000 and $307,000 during the years ended December 31, 1992 and 1991, respectively .

(13) NEW JERSEY INVESTMENT OBLIGATION

The New Jersey Casino Control Act (the Act) provides, among other things, for an assessment on a gaming license based upon its gross casino revenues after completion of its first full year of operation. This assessment may be satisfied by investing in qualified direct investments, purchasing bonds issued by the Casino Reinvestment Development Authority (CRDA), or paying an "alternative tax". In order for direct investments to be eligible, they must be approved by the CRDA.

Deposits with the CRDA bear interest at two-thirds of market rates resulting in a current value lower than cost. At December 31, 1992 and 1991, Investments, Advances and Receivables include $9,431,000 and $7,295,000, respectively, representing the Company's deposits with the CRDA of $14,121,000 at December 31, 1992 and $10,917,000 at December 31, 1991 net of a valuation allowance of $4,690,000 and $3,622,000, respectively. The carrying value of these deposits, net of valuation allowance approximates fair value.

The CRDA as an agency of the City of Atlantic City is responsible for the redevelopment of the area surrounding the Boardwalk. The Company has requested and the CRDA has approved that $10.0 million of the Company's deposits with the CRDA will be used for the expansion of a City street leading to the Company. Construction is expected to begin in 1993. The CRDA has set aside these deposits in a restricted account. Therefore, the Company does not anticipate receipt of the benefit of investment income from these funds in the future.

(14) COMMITMENTS AND CONTINGENCIES

In 1992, the Company entered into construction contracts which commit the Company to approximately $8,000,000 in expenditures in 1993.

The Company is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position.

(15) EXTRAORDINARY GAIN

During the year ended December 31, 1991, the Company purchased $12,096,000 face value of OSFC's 11 3/8% Mortgage-Backed Bonds Due 2002 (Bonds) for $11,696,000. Accordingly, after a charge of $127,000 for unamortized bond issuance costs, the Company recognized an extraordinary gain of $273,000 before income taxes of $93,000, resulting in an after-tax gain of $180,000.

(16) STATEMENT OF CASH FLOW SUPPLEMENTAL INFORMATION

1. Disposal of fixed assets:

Property Gross	(2,569)
Accumulated Depreciation	2,212
Proceeds	84
Loss on disposals	273

2. Management fees paid:

Investments, advances & receivables	(4,270)
Other liabilities	12,558
Management fee paid	(8,288)

3. Reclass non-current asset liability to current other liability:

Investments, advances & receivables	(4,177)
Other liabilities	7,285
Current other liability	(3,108)

4. Increase in fixed asset acquisition included in accounts payable (1,918)

5. Increase in CRDA obligation included in accounts payable (43)

6. Deferred income taxes:

Current other assets	2,690
Deferred credits	(2,690)

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	ACCOUNTS RECEIVABLE BALANCES: ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE - (e) NET OF ALLOWANCE
	Patrons' Checks:			
1	Undeposited patrons' checks	$ 3,165		
2	Returned patrons' checks	3,665		
3	Total patrons' checks	6,830	$ 2,953	$ 3,877
4	Hotel Receivables	553	81	472
	Other Receivables:			
5	Receivables due from officers and employees	0		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivables	352		
8	Total other receivables	352	0	352
9	Totals (Form 205)	$ 7,735	$ 3,034	$ 4,701

LINE (f)	DESCRIPTION (g)	UNDEPOSITED PATRONS' CHECKS ACTIVITY: AMOUNT (h)
10	Beginning Balance (January 1)	$ 3,143
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	117,843
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(79,717)
13	Checks collected through deposits	(33,345)
14	Checks transferred to return checks	(4,759)
15	Other adjustments	0
16	Ending Balance	$ 3,165
17	"Hold" Checks Included in Balance On Line 16	$ 0
18	Provision For Uncollectible Patrons' Checks	$ 1,161
19	Provision As A Percent Of Counter Checks Issued	1.0%

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT

PROMOTIONAL EXPENSES AND ALLOWANCES
($ in Thousands)

For The Twelve Months Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	88	$ 6,895		
Food	1,228	11,450		
Beverage	5,472	4,349		
Travel				
Coin			15	2,614
Coupon			2,025	25,539
Entertainment	174	1,733		
Retail & Gifts				
Other	2	45		9
Total	6,964	$ 24,472	2,040	$ 28,162

****

For The Three Months Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	23	$ 1,754		$
Food	305	2,809		
Beverage	1,344	1,097		
Travel				
Coin			4	754
Coupon			367	5,964
Entertainment	47	466		
Retail & Gifts				
Other		11		
Total	1,719	$ 6,137	371	$ 6,718

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992
($ IN THOUSANDS)

LINE (a)	DEPARTMENT (b)	NUMBER OF EMPLOYEES (c)	SALARIES AND WAGES (d) OTHER EMPLOYEES	(e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	29			
2	Gaming	786			
3	Slots	154			
4	Casino accounting	394			
5	Other	178			
6	Total–casino	1,541	$ 30,722	$ 713	$ 31,435
7	ROOMS	254	4,068	150	4,218
8	FOOD AND BEVERAGE	910	14,016	96	14,112
	OTHER OPERATED DEPARTMENTS				
9	BOWLING	21	359		359
10	PBX	19	340		340
11					
12					
13					
14					
15					
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	13	3,611	696	4,307
21	Accounting and auditing	112	2,562	148	2,710
22	Security	250	5,633	77	5,710
23	Other administrative and general department	136	4,072	437	4,509
24	MARKETING	39	1,044	183	1,227
25	GUEST ENTERTAINMENT	93	999		999
26	PROPERTY OPERATION AND MAINTENANCE	283	6,552		6,552
27	TOTALS – ALL DEPARTMENTS	3,671	$ 73,978	$ 2,500	$ 76,478

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE				
	Casino win or (loss)			
1	Table games revenue	$ 72,580		
2	Coin-operated devices revenue	185,123		
3	Total revenues		$ 257,703	
	Less – adjustment for uncollectible patrons' checks:			
4	Provision for uncollectible patrons' checks	$ 1,162		
5	Maximum adjustment (4% of line 3)	$ 10,308		
6	Adjustment (the lesser of line 4 or line 5)		1,162	
7	Gross revenues (line 3 less line 6)		$ 256,541	
8	Tax on gross revenues – current year (8% of line 7)		$ 20,523	
9	Audit or other adjustments to tax on gross revenues in prior years		2	(1)
10	Total tax on gross revenues (line 8 plus or minus line 9)		20,525	
	Deposits made for tax on current year's gross revenues:			
11	January	$ 1,153		
12	February	1,537		
13	March	1,941		
14	April	1,494		
15	May	1,561		
16	June	2,053		
17	July	1,852		
18	August	2,331		
19	September	1,670		
20	October	1,572		
21	November	1,871		
22	December	1,065		
23	January	425		
24	Total deposits made for tax on current year's gross revenues		(20,525)	
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments – (deposits) credits		0	
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ NONE	

(1) PAYMENT FOR 1990 ADJUSTMENT REFLECTED IN FEBRUARY 1992 DEPOSIT.

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF New Jersey :
: ss
COUNTY OF Atlantic :

Mark J. Miller, being duly sworn according to law upon my oath deposes and says:

1. I have examineded this Quarterly Report.
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Quarterly Report is accurate tto the best of my knowledge and belief.

Signature

Vice President Finance
Title

3587-11
License Number

Subscribed and sworn to before me this 15th day of March, 1993

Signature

BRENDA SUE WALLACE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 30, 1995.
Basis of Authority to Take Oaths

Atlantic City Showboat, Inc.
Casino Licensee

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

STATEMENT OF AVERAGE MINIMUM BANKROLL

For The Year Ended December 31, 1992

($ in Thousands)

Month	Average Casino Bankroll	*Amount of and Type of Associated Equivalent Provisions	Average of Total Drop / Handle	Percentage of Bankroll to Total Drop/Handle
January	$4,531,115	N/A	$5,803,937	78.1%
February	4,259,319	N/A	6,612,329	64.4%
March	3,976,711	N/A	6,306,999	63.1%
April	4,046,640	N/A	6,053,696	66.8%
May	4,252,940	N/A	6,966,474	61.0%
June	3,794,109	N/A	6,792,576	55.9%
July	4,139,401	N/A	7,826,879	52.9%
August	3,912,723	N/A	7,674,682	51.0%
September	4,085,538	N/A	6,892,700	59.3%
October	3,811,778	N/A	6,807,992	56.0%
November	3,005,525	N/A	6,317,388	47.6%
December	$3,652,741	N/A	$4,974,366	73.4%

****

*Indicate Type C – Credit Line
G – Parent Company Guarantee
L – Letter of Credit
O – Other

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

FORECASTED BALANCE SHEET

AS OF PERIODS ENDED

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	March 31, 1993 (c)	June 30, 1993 (d)	September 30, 1993 (e)	December 31,199 (f)
	ASSETS				
	Current Assets:				
1	Cash	$16,828	$21,836	$27,110	$16,92
2	Marketable securities	0	0	0	
3a	Receivables and patrons' checks – Gross	9,166	9,576	10,075	10,46
3b	Allowance for doubtful accounts	(3,955)	(4,365)	(4,864)	(5,25
4	Inventories	1,981	1,981	1,981	1,98
5	Prepaid expenses and other current assets	2,800	2,800	2,800	2,80
6	Total current assets	26,820	31,828	37,102	26,91
7	Investments, Advances, And Receivables	14,105	13,135	12,721	13,53
8	Property And Equipment – Gross	321,413	334,513	338,713	349,51
9	(Accumulated Depreciation/Amortization)	(96,403)	(100,459)	(105,292)	(110,15
10	Other Assets	8,788	8,684	8,580	8,47
11	Total Assets	$274,723	$287,701	$291,824	$288,291
	LIABILITIES AND EQUITY				
	Current Liabilities:				
12	Accounts payable	$4,789	$4,789	$4,789	$4,789
13	Notes payable	6,313	9,266	5,155	5,155
	Current portion of long–term debt:				
14	Due to affiliates	3,417	6,268	11,040	26,040
15	Other	2,309	3,194	2,865	2,281
16	Income taxes payable and accrued	2,464	4,601	6,440	853
17	Other accrued expenses	14,827	14,827	14,827	14,827
18	Other current liabilities	8,475	8,516	1,475	5,725
19	Total current liabilities	42,594	51,461	46,591	59,670
	Long–Term Debt:				
20	Due to affiliates	149,444	149,444	149,444	134,444
21	Other	3,608	2,167	1,927	1,927
22	Deferred Credits	10,431	10,431	10,431	10,431
23	Other Liabilities	111	0	0	0
24	Commitments And Contingencies				
25	Total Liabilities	206,188	213,503	208,393	206,472
26	Stockholders', Partners', Or Proprietor's Equity	68,535	74,198	83,431	81,819
27	Total Liabilities And Equity	$274,723	$287,701	$291,824	$288,291

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

FORECASTED STATEMENT OF INCOME

AS OF PERIODS ENDED

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	Three Months March 31, 1993 (c)	Six Months June 30, 1993 (d)	Nine Months September 30, 1993 (e)	Twelve Months December 31,19 (f)
	Revenue:				
1	Casino	$64,566	$137,562	$227,257	$298,95
2	Rooms	2,522	5,822	9,968	12,53
3	Food and beverage	7,291	15,449	25,027	32,66
4	Other	1,387	2,784	4,296	5,49
5	Total revenue	75,766	161,617	266,548	349,64
6	Less: Promotional allowances	5,547	12,432	21,056	27,33
7	Net revenues	70,219	149,185	245,492	322,31
	Costs And Expenses:				
8	Costs of goods and services	42,498	87,476	136,850	182,12
9	Selling, general, and administrative	16,408	32,605	50,612	67,53
10	Provision for doubtful accounts	372	782	1,281	1,67
11	Total costs and expenses	59,278	120,863	188,743	251,33
12	Gross Operating Profit	10,941	28,322	56,749	70,97
13	Depreciation and amortization	3,935	7,991	12,824	17,68
	Charges from affiliates other than interest:				
14	Management fees	0	0	4,859	12,01
15	Other	0	0	0	0
16	Income (Loss) From Operations	7,006	20,331	39,066	41,27
	Other Income (Expenses):				
17	Interest (expense) – affiliates	(4,250)	(8,500)	(12,750)	(17,00
18	Interest (expense) – external	(297)	(580)	(848)	(1,10
19	Investment alternative tax and related income (expense) – net	(268)	(571)	(943)	(1,24
20	Nonoperating income (expense) – net	105	197	342	49
21	Total other income (expenses)	(4,710)	(9,454)	(14,199)	(18,84
22	Income (Loss) Before Income Taxes And Extraordinary Items	2,296	10,877	24,867	22,42
23	Provision (credit) for income taxes	781	3,699	8,456	7,62
24	Income (Loss) Before Extraordinary Items	1,515	7,178	16,411	14,79
25	Extraordinary items (net of income taxes –)	0	0	0	0
26	Net Income (Loss)	$1,515	$7,178	$16,411	$14,79

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

FORECASTED STATEMENT OF REVENUES

For Annual Filing - Year of 1993
($ In Thousands)

LINE (a)	DESCRIPTION (b)	1st Quarter (c)	2nd Quarter (d)	3rd Quarter (e)	4th Quarter (f)	Full Year (g)
	WIN AMOUNTS					
1	Slot Machines - Industry	$ 524,207	$ 598,562	$ 689,126	$ 536,364	$ 2,348,259
2	- Licensee	$ 48,167	$ 55,911	$ 67,673	$ 53,842	$ 225,593
3	Market Share %	9.19%	9.34%	9.82%	10.04%	9.61%
4	Table Games - Industry	$ 260,316	$ 271,203	$ 314,606	$ 265,744	$ 1,111,869
5	- Licensee	$ 16,399	$ 17,085	$ 22,022	$ 17,854	$ 73,360
6	Market Share %	6.30%	6.30%	7.00%	6.72%	6.60%
7	Total Win - Industry	$ 784,523	$ 869,765	$ 1,003,732	$ 802,108	$ 3,460,128
8	- Licensee	$ 64,566	$ 72,996	$ 89,695	$ 71,696	$ 298,953
9	Market Share %	8.23%	8.39%	8.94%	8.94%	8.64%
	AVERAGE NUMBER OF UNITS					
10	Slots - Industry	22,581	22,647	23,811	24,238	23,319
11	- Licensee	2,032	2,099	2,411	2,411	2,238
12	Tables - Industry	1,152	1,152	1,121	1,121	1,137
13	- Licensee	70	70	92	92	81
	CASINO FLOOR - AVG. SQ. FT.					
14	- Industry	777,757	777,757	777,757	777,757	777,757
15	- Licensee	59,756	59,756	60,000	60,000	59,878

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF CASH FLOWS

AS OF PERIODS ENDED

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	Three Months March 31, 1993 (c)	Six Months June 30, 1993 (d)	Nine Months September 30, 1993 (e)	Twelve Months December 31,199 (f)
1	Net Cash Provided(Used) By Operating Activities	$350	$15,394	$29,783	$36,82
	Cash Flows From Investing Activities:				
2	Purchase of short-term investment securities	0	0	0	0
3	Proceeds from the sale of short-term investment securities	0	0	0	0
4	Cash outflows for property and equipment	(21,700)	(34,800)	(39,000)	(49,800
5	Proceeds from disposition of property and equipment	0	0	0	0
6	Purchase of casino reinvestment obligations	(695)	(1,497)	(2,404)	(3,519
7	Purchase of other investments and loans/advances made	0	0	0	0
8	Proceeds from disposal of investments and collection of advances and long-term receivables	1,760	3,229	4,178	4,178
9	Cash outflows to acquire business entities	0	0	0	0
11					
12	Net Cash Provided (Used) By Investing Activities	(20,635)	(33,068)	(37,226)	(49,141
	Cash Flows From Financing Activities:				
13	Cash proceeds from issuance of short-term debt	6,313	9,266	9,266	9,266
14	Payments to settle short-term debt	0	0	(4,111)	(4,111
15	Cash proceeds from issuance of long-term debt	0	0	0	0
16	Cost of issuing debt	0	0	0	0
17	Payments to settle long-term debt	(541)	(1,097)	(1,666)	(2,250
18	Cash proceeds from issuing stock or capital contributions	0	0	0	0
19	Purchases of treasury stock	0	0	0	0
20	Payments of dividends or capital withdrawals	0	0	0	0
21	Borrowings(Repayment) of loans from SBI	3,417	6,268	11,040	11,040
22	Payment of Management Fees	(3,417)	(6,268)	(11,317)	(16,040
23	Net Cash Provided (Used) By Financing Activities	5,772	8,169	3,212	(2,095
24	Net Increase (Decrease) In Cash And Cash Equivalents	(14,513)	(9,505)	(4,231)	(14,415
25	Cash And Cash Equivalents At Beginning Of Years	31,341	31,341	31,341	31,341
26	Cash And Cash Equivalents At End Of Years	$16,828	$21,836	$27,110	$16,926

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:				
27	Interest (net of amount capitalized)	$8,797	$9,080	$17,848	$18,102
28	Income taxes	$243	$1,024	$3,942	$8,699

SEE ACCOMPANY SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS AND ACCOUNTING PRINCIPLES

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

STATEMENTS OF CASH FLOWS

AS OF PERIODS ENDED

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	Three Months March 31, 1993 (c)	Six Months June 30, 1993 (d)	Nine Months September 30, 1993 (e)	Twelve Months December 31,199 (f)
	Net Cash Flows From Operating Activities:				
29	Net income (loss)	$1,515	$7,178	$16,411	$14,79
	Noncash items included in income and cash items excluded from income:				
30	Depreciation and amortization of property and equipment	3,935	7,991	12,824	17,68
31	Amortization of other assets	104	208	312	41
32	Amortization of debt discount or premium	0	0	0	(
33	Deferred income taxes – current	0	0	0	(
34	Deferred income taxes – noncurrent	0	0	0	(
35	(Gain) loss on disposition of property and equipment	0	0	0	(
36	(Gain) loss on casino reinvestment obligations	268	571	943	1,24(
37	(Gain) loss from other investment activities	0	0	0	(
38	Net (increase) decrease in receivables and patrons' checks	0	0	0	(
39	Net (increase) decrease in inventories	0	0	0	(
40	Net (increase) decrease in other current assets	0	0	0	(
41	Net (increase) decrease in other assets	0	0	0	(
42	Net increase (decrease) in accounts payables	0	0	0	(
43	Net increase (decrease) in other current liabilities excluding debt	(3,712)	1,244	(2,116)	(3,45
44	Net increase (decrease) in other noncurrent liabilities	0	0	0	(
	Decrease in noncurrent mgtmnt fee payable	(1,760)	(1,798)	(1,798)	(1,79
45	Add Management Fee Exp (net taxes)	0	0	3,207	7,93(
46					
47	Net Cash Provided (Used) By Operating Activities	$350	$15,394	$29,783	$36,821
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
	Acquisition Of Property And Equipment:				
48	Additions to property and equipment	$21,700	$34,800	$39,000	$49,80(
49	Less: Capital lease obligations incurred	0	0	0	0
50	Cash Outflows For Property And Equipment	$21,700	$34,800	$39,000	$49,80(
	Acquisition Of Business Entries:				
51	Property and equipment acquired				
52	Goodwill acquired				
53	Net assets acquired other than cash, goodwill, and property and equipment				
54	Long–term debt assumed				
55	Issuance of stock or capital invested				
56	Cash Outflows To Acquire Business Entries				
	Stock Issued Or Capital Contributions:				
57	Total issuances of stock or capital contributions				
58	Less: Issuances to settle long–term debt				
59	Consideration in acquisition of business entities				
60	Cash Proceeds From Issuing Stock Or Capital Contributions				

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

STATEMENT OF CAPITAL AND MAINTENANCE EXPENDITURES

For The Year Ended December 31, 1992

($ in thousands)

	ACTUAL			PROJECTED		5 Year
	1990	1991	1992	1993	1994	Total
Capital Expenditures	$17,873	$12,481	$19,629	$49,800	$30,000	$129,783
Maintenance Expense	3,156	3,296	3,383	3,664	3,847	17,346
Total Payroll (facilities dept.)	4,405	4,211	4,688	4,888	5,132	23,324
Public Housekeeping	3,790	3,817	4,105	4,481	4,705	20,898
Total	29,224	23,805	31,805	62,833	43,684	191,351
Net Revenue	$275,236	$264,110	$281,470	$322,311	$356,414	$1,499,541
Total/Net Revenue	10.6%	9.0%	11.3%	19.5%	12.3%	12.8%

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OFFICIAL TITLE . . . . . Corporate Controller/Treasurer
ADDRESS . . . . . P.O. Box 1737, Boston and Pacific Avenues
Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

LIST OF FORMS - ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year)	CCC-210
Statements of Income (Three Months)	CCC-215
Statements of Changes in Stockholders' Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC-240
Schedule of Promotional Expenses and Allowances	CCC-245
Statement of Conformity and Accuracy	CCC-250

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

BALANCE SHEETS

DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1992	(d) 1991	
	ASSETS				
	Current Assets:		$	$	
1	Cash		8,882	6,144	
2	Marketable securities	NOTE 2	3,000	4,850	
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1992, $8,796 ; 1991, $12,409)		4,430	4,088	*
4	Inventories		1,707	1,340	
5	Prepaid expenses and other current assets	NOTE 3	26,589	28,500	*
6	Total current assets		44,608	44,922	
7	Investments, Advances, and Receivables	NOTE 4	2,119	2,453	
8	Property And Equipment - Gross	NOTE 5	311,770	303,074	
9	(Accumulated Depreciation/Amortization)	NOTE 5	(73,892)	(60,748)	
10	Other Assets	NOTE 6	108,801	113,404	
11	Total Assets		$ 393,406	$ 403,105	
	LIABILITIES AND EQUITY				
	Current Liabilities:				
12	Accounts payable		$ 4,159	$ 2,099	*
13	Notes payable	NOTE 7	-	2,700	
	Current portion of long-term debt				
14	Due to affiliates	NOTE 10	4,850	-	
15	Other		-	-	
16	Income taxes payable and accrued		3,133	2,455	
17	Other accrued expenses	NOTE 8	16,949	21,658	*
18	Other current liabilities	NOTE 9	3,168	3,051	*
19	Total current liabilities		32,259	31,963	
	Long-Term Debt:				
20	Due to affiliates	NOTE 10	259,364	265,985	
21	Other		-	-	
22	Deferred Credits	NOTE 11	8,947	10,032	
23	Other Liabilities	NOTE 12	31,010	30,308	
24	Commitments And Contingencies	NOTES 19 and 20	-	-	
25	Total Liabilities		331,580	338,288	
26	Stockholders', Partners', Or Proprietor's Equity	NOTE 13	61,826	64,817	
27	Total Liabilities And Equity		$ 393,406	$ 403,105	

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

* Restated to conform to 1992 presentation.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991	
	Revenue:	$	$	
1	Casino	199,560	191,626	
2	Rooms	18,757	17,630	
3	Food and beverage	28,046	26,850	
4	Other	7,956	5,877	
5	Total revenue	254,319	241,983	
6	Less: Promotional allowances	32,368	28,397	
7	Net revenue	221,951	213,586	
	Costs And Expenses:			
8	Cost of goods and services	98,501	95,297	*
9	Selling, general, and administrative	69,865	65,243	*
10	Provision for doubtful accounts	277	1,614	
11	Total costs and expenses	168,643	162,154	
12	Gross Operating Profit	53,308	51,432	
13	Depreciation and amortization	17,749	17,813	
	Charges from affiliates other than interest:			
14	Management fees	-	-	
15	Other NOTE 15.	6,228	5,154	*
16	Income (Loss) From Operations	29,331	28,465	
	Other Income (Expenses):			
17	Interest (expense)-affiliates	(32,619)	(33,014)	
18	Interest (expense)-external	(28)	(1,200)	
19	Investment alternative tax and related income (expense) - net	(535)	(230)	
20	Nonoperating income (expense) - net NOTE 16.	1,776	1,633	
21	Total other income (expenses)	(31,406)	(32,811)	
22	Income (Loss) Before Income Taxes And Extraordinary Items	(2,075)	(4,346)	
23	Provision (credit) for income taxes NOTE 17.	916	258	
24	Income (Loss) Before Extraordinary Items	(2,991)	(4,604)	
25	Extraordinary items (net of income taxes - 1992, $ - ; 1991, $ -)	-	-	
26	Net Income (Loss)	$ (2,991)	$ (4,604)	

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

* Restated to conform to 1992 presentation.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991	
	Revenue:	$	$	
1	Casino	44,092	43,400	
2	Rooms	4,016	4,265	
3	Food and beverage	6,905	6,284	
4	Other	2,140	1,172	
5	Total revenue	57,153	55,121	
6	Less: Promotional allowances	7,453	6,791	
7	Net revenue	49,700	48,330	
	Costs And Expenses:			
8	Cost of goods and services	23,986	22,783	*
9	Selling, general, and administrative	17,550	16,570	*
10	Provision for doubtful accounts	(440)	373	
11	Total costs and expenses	41,096	39,726	
12	Gross Operating Profit	8,604	8,604	
13	Depreciation and amortization	3,977	4,479	
	Charges from affiliates other than interest:			
14	Management fees	-	-	
15	Other	1,553	1,794	*
16	Income (Loss) From Operations	3,074	2,331	
	Other Income (Expenses):			
17	Interest (expense)-affiliates	(8,136)	(8,248)	
18	Interest (expense)-external	(28)	(300)	
19	Investment alternative tax and related income (expense) - net	(345)	(51)	
20	Nonoperating income (expense) - net	476	563	
21	Total other income (expenses)	(8,033)	(8,036)	
22	Income (Loss) Before Income Taxes And Extraordinary Items	(4,959)	(5,705)	
23	Provision (credit) for income taxes	(1,169)	(1,138)	
24	Income (Loss) Before Extraordinary Items	(3,790)	(4,567)	
25	Extraordinary items (net of income taxes - 1992, $ - ; 1991, $ -)	-	-	
26	Net Income (Loss)	$ (3,790)	$ (4,567)	

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

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* Restated to conform to 1992 presentation.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c) SHARES	1992 (d) DOLLARS	1991 (e) SHARES	1991 (f) DOLLARS
	Common Stock:		$		$
1	Beginning balance (January 1).	3,002,500	30	3,002,500	30
2	Sale of stock.				
3	_____ . . .				
4	Ending balance.	3,002,500	30	3,002,500	30
	Preferred Stock:				
5	Beginning balance (January 1).				
6	Sale of stock.				
7	_____ . . .				
8	Ending balance.				
	Additional Paid-In Capital:				
9	Beginning balance (January 1).		65,712		65,712
10	Capital contribution _____ . . .				
11	_____ . . .				
12	Ending balance.		65,712		65,712
	Treasury Stock:				
13	Beginning balance (January 1).		( )		( )
14	Purchase of additional stock.		( )		( )
15	Sale or retirement of stock.				
16	Ending balance.		( )		( )
	Subscriptions Receivable For Capital Stock:				
17	Beginning balance (January 1).		( )		( )
18	_____ . . .				
19	_____ . . .				
20	Ending balance.		( )		( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1).		( )		( )
22	_____ . . .				
23	_____ . . .				
24	Ending balance.		( )		( )
	Retained Earnings:				
25	Beginning balance (January 1).		(925)		3,679
26	Prior period adjustments.				
27	Net income (loss).		(2,991)		(4,604)
28	Dividends.		( )		( )
29	_____ . . .				
30	_____ . . .				
31	Ending balance.		(3,916)		(925)
32	Ending Stockholders' Equity.		$ 61,826		$ 64,817

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

STATEMENT OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)

($ IN THOUSANDS)

- NOT APPLICABLE -

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Invested Capital:	$	$
1	Beginning balance (January 1).		
2	Additional capital invested.		
3	_____		
4	Ending balance.		
	Accumulated Income (Loss):		
5	Beginning balance (January 1).		
6	Prior period adjustments.		
7	Net income (loss).		
8	_____		
9	Ending balance.		
	Capital Withdrawals:		
10	Beginning balance (January 1).		
11	Additional capital withdrawals.		
12	_____		
13	Ending balance.		
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning balance (January 1).		
15	_____		
16	_____		
17	Ending balance.	-	
	Ending Partners' Or		
18	Proprietor's Equity.	$	$

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1992	(d) 1991
1	Net Cash Provided (Used) By Operating Activities.	$ 11,487	$ 12,906
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities.	-	-
3	Proceeds from the sale of short-term investment securities. . . .	1,850	2,425
4	Cash outflows for property and equipment	(8,663)	(2,446)
5	Proceeds from disposition of property and equipment	-	591
6	Purchase of casino reinvestment obligations	(1,070)	(460)
7	Purchase of other investments and loans/advances made	-	-
8	Proceeds from disposal of investment and collection of advances and long-term receivables.	869	2,569
9	Cash outflows to acquire business entities.	-	-
10	Short-term advance Bally's Park Place, Inc. (net)	1,000	(17,000)
11	Other changes in property and equipment	(35)	-
12	Net Cash Provided (Used) By Investing Activities.	(6,049)	(14,321)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	-	-
14	Payments to settle short-term debt.	(2,700)	-
15	Cash proceeds from issuance of long-term debt.	-	-
16	Costs of issuing debt.	-	-
17	Payments to settle long-term debt.	-	-
18	Cash proceeds from issuing stock or capital contribution	-	-
19	Purchases of treasury stock	-	-
20	Payments of dividends or capital withdrawals.	-	-
21	_____	-	-
22	_____	-	-
23	Net Cash Provided (Used) By Financing Activities	(2,700)	-
24	Net Increase (Decrease) In Cash And Cash Equivalents	2,738	(1,415)
25	Cash And Cash Equivalents At Beginning Of Year.	6,144	7,559
26	Cash And Cash Equivalents At End Of Year.	$ 8,882	$ 6,144

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Year For:		
27	Interest (net of amount capitalized)	$ 34,418	$ 34,546
28	Income taxes.	$ -	$ -

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

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* Restated to conform to 1992 presentation.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1992	(d) 1991	
	Net Cash Flows From Operating Activities:			
29	Net income (loss)	$ (2,991)	$ (4,604)	
	Noncash items included in income and cash items excluded from income:			
30	Depreciation and amortization of property and equipment	13,146	12,738	
31	Amortization of other assets	4,603	5,075	
32	Amortization of debt discount or premium	(1,771)	(1,532)	
33	Deferred income taxes - current	1,330	(527)	*
34	Deferred income taxes - noncurrent	(1,085)	584	*
35	(Gain) loss on disposition of property and equipment	-	-	
36	(Gain) loss on casino reinvestment obligations	535	230	
37	(Gain) loss from other investment activities	-	-	
38	Net (increase) decrease in receivables and patrons' checks	(342)	1,710	*
39	Net (increase) decrease in inventories	(367)	719	
40	Net (increase) decrease in other current assets	(419)	2,156	*
41	Net (increase) decrease in other assets	-	(12)	
42	Net increase (decrease) in accounts payables	2,060	(358)	*
43	Net increase (decrease) in other current liabilities excluding debt	(3,914)	(4,098)	*
44	Net increase (decrease) in other noncurrent liabilities excluding debt	702	825	
45	_____		-	
46	_____		-	
47	Net Cash Provided (Used) By Operating Activities	$ 11,487	$ 12,906	

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:			
48	Additions to property and equipment	$ 8,663	$ 2,446	
49	Less: Capital lease obligations incurred	-	-	
50	Cash Outflows For Property And Equipment	$ 8,663	$ 2,446	
	Acquisition Of Business Entities:			
51	Property and equipment acquired	$ -	$ -	
52	Goodwill acquired	-	-	
53	Net assets acquired other than cash, goodwill, and property and equipment	-	-	
54	Long-term debt assumed	-	-	
55	Issuance of stock or capital invested	-	-	
56	Cash Outflows To Acquire Business Entities	$ -	$ -	
	Stock Issued Or Capital Contributions:			
57	Total issuances of stock or capital contributions	$ -	$ -	
58	Less: Issuances to settle long-term debt	-	-	
59	Consideration in acquisition of business entities	-	-	
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$ -	$ -	

12/87

* Restated to conform to 1992 presentation.

GNOC, CORP.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(Tabular amounts in thousands)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Presentation

GNOC, CORP. (the "Company") is a wholly owned subsidiary of GNAC, CORP. ("GNAC"). The financial statements include the transactions between the Company, GNAC and other affiliates.

Certain reclassifications have been made to the prior year financial statements to conform with the current presentation.

(1) Casino Revenue and Promotional Allowances

In accordance with industry practice, the Company recognizes as casino revenue the net win from gaming activities, which is the difference between gaming wins and losses. Net revenue in the accompanying statements of income excludes the retail value of rooms, food, beverage and other promotional allowances provided to customers without charge.

(2) Marketable Securities

Marketable securities are carried at the lower of aggregate cost or market value.

(3) Cost in Excess of Acquired Assets

Bally Manufacturing Corporation ("Bally") acquired GNAC, including the Company, other related properties and real estate property leases from Golden Nugget, Inc. in a transaction which has been accounted for as a purchase. The excess of the total acquisition cost and debt assumed over the fair value of net assets acquired is being amortized on the straight-line method over forty years.

(4) Inventories

Inventories of provisions and supplies are stated at the lower of cost (first-in, first-out basis) or market.

(5) Property and Equipment

All property and equipment are depreciated over their estimated useful lives using the straight line method for financial statement purposes and accelerated methods for income tax purposes.

(6) Debt Premium

Debt premium is amortized using the bonds outstanding method over the term of the issue.

GNOC, CORP.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(Tabular amounts in thousands)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(7) Income Taxes

Taxable income or loss of the Company is included in the consolidated federal income tax return of Bally. Under an agreement between Bally and the Company, income taxes are allocated to the Company based on amounts the Company would pay or receive if it filed a separate federal income tax return, except that the Company receives credit from Bally for the tax benefit of the Company's net operating losses and tax credits, if any, that can be utilized in Bally's consolidated federal income tax return, whether or not such losses or credits could be utilized by the Company on a separate return basis. Payments to Bally are due at such time and in such amounts as payments are required to be made for income tax purposes. Payments by Bally for such tax benefits are due at the time Bally files the applicable consolidated federal income tax return. Under the tax sharing agreement, the Company had net federal income taxes receivable from Bally of $4,469,000 and $3,966,000 at December 31, 1992 and 1991, respectively, which are classified as reductions of income taxes payable in the accompanying balance sheet.

As disclosed in Bally's Form 10-K for the year ended December 31, 1992, the Internal Revenue Service ("IRS") has completed an audit of Bally's consolidated federal income tax returns for the calendar years 1983 and 1984. During the audit, the IRS raised certain significant issues principally related to the tax accounting method used by Bally's fitness center subsidiaries to report income from membership contracts. In July 1992, Bally and the IRS reached a settlement (subject to review by the Joint Committee on Taxation) with respect to the tax accounting method used to report income from membership contracts. The settlement of this issue significantly reduces, but does not fully eliminate, previously disclosed concerns regarding a material adverse effect on Bally's liquidity with respect to the tax accounting method used to report income from membership contracts. In addition, since Bally has adequately provided deferred and current taxes related to this matter, the settlement will not have a material adverse effect on Bally's consolidated financial position or results of operations.

To the extent that Bally is unable to pay any amounts owed to the IRS as a result of the aforementioned tax matters or any other issues when due, because the Company was included in Bally's consolidated federal tax returns after 1986, the Company, along with other Bally subsidiaries included in the returns, are contingently liable for any such liabilities related to taxable years ending after 1986. While the Company is unable to estimate the impact of Bally's tax deficiencies, if any, upon its financial condition, the Company believes such matters will not

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(7) Income taxes (cont.)

have any impact on the Company's ability to fund its capital expenditures requirements, working capital requirements and payments of interest and principal on its outstanding indebtedness.

The IRS has also completed an audit of the federal tax return of certain of Bally's fitness center subsidiaries for periods ending on the day these subsidiaries were acquired by Bally. These acquisitions occurred prior to the Company's inclusion in Bally's consolidated tax returns in 1987, and the Company would not be contingently liable in connection therewith.

NOTE 2 - MARKETABLE SECURITIES

Marketable securities as of December 31, 1992 and 1991 consisted of repurchase agreements, at cost which approximates market.

NOTE 3 - PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets as of December 31 consisted of the following:

	1992	1991
Advances to Bally's Park Place, Inc.	$16,000	$17,000
Deferred federal and state income tax	9,052	10,382
Prepaid state gaming taxes and licenses	474	607
Prepaid operating expenses	729	288
Prepaid insurance expenses	-	161
Deposits	179	54
Other	155	8
	$26,589	$28,500

Funds were advanced to Bally's Park Place, Inc. ("Bally's Park Place") in 1992 and 1991. The advances are payable on demand. The interest rate on such advances is the prime rate of Bally's Park Place's agent bank (6% at December 31, 1992) and interest is payable quarterly. Intercompany interest income earned on funds advanced was $1,249,000 and $862,000 for the years ended December 31, 1992 and 1991, respectively.

NOTE 4 - INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of December 31, 1992 and 1991 consisted of funds invested with the New Jersey Casino Reinvestment Development Authority (the "CRDA"), net of related valuation reserves.

In 1991, the Company donated $23,000 to the CRDA, which reduced the Company's obligations on deposit at the CRDA by such amount. The Company received $12,000 in credits to be applied against future CRDA obligations. Such CRDA credits receivable as of December 31, 1992 and 1991 are reported as Other Assets (see Note 6).

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment as of December 31 consisted of the following:

	1992	1991
Buildings and leasehold improvements	$188,600	$187,469
Furniture, fixtures and equipment	70,789	63,078
Land and improvements	51,870	51,867
Construction in progress	511	660
	311,770	303,074
Less accumulated depreciation and amortization	(73,892)	(60,748)
	$237,878	$242,326

NOTE 6 - OTHER ASSETS

Other assets as of December 31 consisted of the following:

	1992	1991
Cost in excess of acquired assets, net	$108,520	$111,696
CRDA credits receivable	281	1,708
	$108,801	$113,404

See Note 1 for discussion of cost in excess of acquired assets.

For the years ended December 31, 1992 and 1991, the Company expensed $1,427,000 and $1,915,000 respectively, representing amortization of CRDA credits.

NOTE 7 - NOTES PAYABLE

The Company received an advance of $2,700,000 from Bally's Park Place in December 1990. The advance was repaid in full in June 1992. Intercompany interest expense on this advance was $73,000 and $228,000 for the years ended December 31, 1992 and 1991, respectively.

NOTE 8 - OTHER ACCRUED EXPENSES

Other accrued expenses as of December 31 consisted of the following:

	1992	1991
Accrued payroll	$ 6,338	$ 8,648
Accrued interest	4,860	4,860
Accrued progressive jackpot liability	1,340	3,259
Accrued self insurance claims	1,137	1,225
Accrued New Jersey casino reinvestment liability	543	105
Accrued casino win tax	352	216
Accrued CCC and DGE fees	290	350
Accrued legal fees	255	293
Accrued casino license fee	246	425
Accrued audit fees	167	275
Accrued sales, use and luxury taxes	145	337
Other	1,276	1,665
	$16,949	$21,658

NOTE 9 - OTHER CURRENT LIABILITIES

Other current liabilities as of December 31 consisted of the following:

	1992	1991
Unredeemed gaming chips and tokens	$1,730	$1,352
Deferred bus coupon liability	355	273
Customer deposits	343	146
Advance deposits	43	17
Due to Bally's Park Place	615	523
Due to Bally	82	697
Due to Bally Gaming, Inc.	-	23
Due to Bally's Grand, Inc.	-	20
	$3,168	$3,051

GNOC, CORP.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(Tabular amounts in thousands)

NOTE 10 - LONG TERM DEBT-DUE TO AFFILIATES

Long term debt-due to affiliates as of December 31 consisted of the following:

	1992	1991
13-1/4% (effective rate of 13.3%) Mortgage-Backed Notes of $259,000,000 principal amount, interest payable semiannually, maturing in 1995 (including unamortized premium of $5,214,000 at December 31, 1992 and $6,985,000 at December 31, 1991).	$264,214	$265,985
Less current maturities	4,850	-
	$259,364	$265,985

In June 1985, the Company consummated the public sale of $299 million principal amount of 13-1/4% Mortgage-Backed Notes (the "Notes") due June 1, 1995. The Notes are unconditionally guaranteed by GNAC and are secured by a first mortgage lien and security interest on property and equipment at the Company's casino hotel.

As a result of the purchase of the Company by Bally, the Notes were valued at $312,829,000 at March 1, 1987, based upon an imputed interest rate.

Sinking fund requirements for 1992 have been met. Remaining sinking fund requirements are $4,850,000 in 1993 and $14,950,000 in 1994.

See Note 21 - Subsequent Event.

NOTE 11 - DEFERRED CREDITS

Deferred credits as of December 31, 1992 and 1991 consisted of deferred federal and state income taxes.

NOTE 12 - OTHER LIABILITIES

Other liabilities consisted of $31,010,000 and $30,308,000 due to GNAC as of December 31, 1992 and 1991, respectively.

GNOC, CORP.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(Tabular amounts in thousands)

NOTE 13 - STOCKHOLDER'S EQUITY

At December 31, 1992 and 1991, the Company had 5,000,000 shares of common stock authorized; of such shares 3,002,500 were issued and outstanding.

NOTE 14 - JACKPOT PAYOUTS IN MERCHANDISE

Jackpot payouts in merchandise which were charged to operations for the year ended December 31, 1992 consisted of the following:

	Number of Recipients	Dollar Amount
Motor Vehicles	4	$140

There were no jackpot payouts in merchandise for the three months ended December 31, 1992.

NOTE 15 - CHARGES FROM AFFILIATES - OTHER

The charges from affiliates for the years ended December 31 consisted of the following:

Affiliate	Nature of Charge	1992	1991
GNAC	Rent	$1,152	$1,284
Bally	Allocated costs and expenses (a)	1,812	688
Bally's Park Place	Rent	696	696
	Allocated costs and expenses (b)	2,568	2,486
		$6,228	$5,154

(a) Costs and expenses allocated from Bally include the Company's proportionate share of Bally's insurance, regulatory and public company reporting, administrative and other corporate overhead costs. In May 1992, Bally received approval from the Commission to authorize payment by the Company of these costs.

(b) Costs and expenses allocated from Bally's Park Place relate to certain administrative and support operations of the Company and Bally's Park Place which are consolidated.

GNOC, CORP.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(Tabular amounts in thousands)

NOTE 16 - NON-OPERATING INCOME (EXPENSE) - NET

Non-operating income for the years ended December 31 consisted of the following:

	1992	1991
Interest and dividend income	$1,761	$1,574
Gain (loss) on sale of property and equipment	15	(5)
Other non-operating income	-	64
	$1,776	$1,633

NOTE 17 - INCOME TAXES

The provision (benefit) for income taxes consists of the following:

	1992	1991
Current:		
Federal	$671	$201
State	-	-
	671	201
Deferred:		
Federal	281	209
State	(36)	(152)
	245	57
	$916	$258

A reconciliation of the provision for income taxes with amounts determined by applying the U.S. statutory tax rate to loss before income taxes is as follows:

	1992	1991
Tax benefit at U.S. statutory tax rate	$ (681)	$(1,478)
Add(deduct):		
Amortization of cost in excess of acquired assets	1,080	1,071
Interest expense and fees	(641)	(554)
Depreciation	1,067	1,067
State income taxes, net of federal income tax benefit	(24)	(100)
Other, net	115	252
	$ 916	$ 258

NOTE 17 - INCOME TAXES - (cont.)

The deferred income tax provision arises from the tax effect of timing differences as follows:

	1992	1991
Depreciation and amortization	$(1,145)	$ 678
Amortization of CRDA credits	(578)	(766)
Provision for doubtful receivables	896	963
Accrued expenses	1,072	(818)
	$ 245	$ 57

NOTE 18 - PENSION COSTS

The Company made payments of $380,000 and $348,000 for 1992 and 1991, respectively, under the terms of various collective bargaining agreements to provide welfare benefits, including pension benefits, for covered employees. It is not practical to determine the amount of these payments ultimately used to fund pension benefit plans or the current financial condition of these multi-employer plans.

The Company has a voluntary retirement savings plan ("RSVP") for its non-union employees (as defined). Eligible participating employees may elect to contribute up to 12% of their pre-tax earnings to the RSVP. Employee contributions to the RSVP, up to certain limits, are partially matched by the Company. The Company's contribution expense related to this plan totalled $832,000 in 1992 and $727,000 in 1991.

In April 1991, an insurance company that issued guaranteed interest contracts ("GICs") that were purchased by both Bally's and the Company's RSVP was declared insolvent by the State of California's Insurance Commissioner (the "Commissioner"). Operations of this insurance company were assumed by the Commissioner. Approximately $7,400,000 of these GICs are held in a Master Trust for Bally and its subsidiaries' employee benefit plans, of which approximately 15% is attributable to the Company's RSVP. Although Bally and the Company had no legal obligation to fund any RSVP losses, Bally's Board of Directors, in June 1991, authorized Bally, and therefore the Company, to ensure that participants in the Company's RSVP not suffer any loss in principal, as determined on March 31, 1991, to their RSVP account balances which might otherwise occur due to this insolvency. The Company charged approximately $260,000 to operations in 1991 for its estimated cost of reimbursing any shortfall in the participants' RSVP account balances.

GNOC, CORP.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(Tabular amounts in thousands)

NOTE 19 - LEASE COMMITMENTS

The Company leases real estate and various equipment under cancellable and noncancellable operating lease agreements.

Minimum lease commitments at December 31, 1992 are as follows:

1993	$ 455
1994	455
1995	278
1996	5
1997	5
Thereafter	10
	$1,208

Aggregate rent expense was $226,000 and $986,000 for the three and twelve months ended December 31, 1992 and $267,000 and $1,118,000 for the three and twelve months ended December 31, 1991, respectively.

NOTE 20 - OTHER COMMITMENTS

The Company recorded an expense of $535,000 and $230,000 in 1992 and 1991 respectively, which represented the cost to the Company of complying with the "reinvestment" requirement contained in the New Jersey Casino Control Act (the "Act"). Under the Act, Atlantic City casinos are required to make qualified investments, as specified by the New Jersey State Legislature, or become liable for an "alternate tax". The amount of the required investment or alternate tax is calculated based on a licensee's gross casino revenues less its annual provision for uncollectible casino receivables.

NOTE 21 - SUBSEQUENT EVENTS

On March 10, 1993, the Company completed a private placement offering (with registration rights) of $275,000,000 principal amount of 10-5/8% First Mortgage Notes due 2003 (the "10-5/8 Notes") issued at a discount to yield an interest rate of 11%. Proceeds from the sale were $261,308,000. The Company used the net proceeds from this offering, together with the repayment of certain funds on deposit with Bally's Park Place, to retire the 13-1/4% Mortgage-Backed Notes due 1995 at a price of 102.94% of their principal amount plus accrued interest. The 10-5/8% Notes are not subject to any sinking fund requirement, but may be redeemed beginning April 1998, in whole or in part, with premiums ranging from 5.25% in 1998 to zero in 2001 and thereafter. The 10-5/8% Notes are secured by a first mortgage and security interest on property and equipment at Bally's Grand. In addition, the Company has recently received commitment for a $20,000,000 revolving credit facility with two banks. The Company intends to use this credit facility for working capital requirements.

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

(UNAUDITED)

($ IN THOUSANDS)

	ACCOUNTS RECEIVABLE BALANCES			
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE-(e) NET OF ALLOWANCE
	Patrons' Checks:			
1	Undeposited patrons' checks.	$ 3,191		
2	Returned patrons' checks.	9,096		
3	Total patrons' checks.	12,287	$ 8,677	$ 3,610
4	Hotel Receivables.	435	119	316
	Other Receivables:			
5	Receivables due from officers and employees.	–		
6	Receivables due from affiliates.	–		
7	Other accounts and notes receivables.	504		
8	Total other receivables.	504	–	504
9	Totals (Form 205).	$ 13,226	$ 8,796	$ 4,430

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1).	$ 2,898
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits).	99,416
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits).	(68,139)
13	Checks collected through deposits.	(27,909)
14	Checks transferred to returned checks.	(3,075)
15	Other adjustments.	–
16	Ending Balance.	$ 3,191
17	"Hold" Checks Included In Balance On Line 16.	$ –
18	Provision For Uncollectible Patrons' Checks.	$ 147
19	Provision As A Percent Of Counter Checks Issued.	0.15 %

TRADING NAME OF LICENSEE: GNOC, CORP. (BALLY'S GRAND)

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For The Year Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	174,350	$ 11,785	-	$ -
Food	1,160,294	12,389	-	-
Beverage	2,764,632	5,391	-	-
Travel	-	-	42,893	2,620
Coin	-	-	1,537,858	18,175
Coupon	-	-	-	-
Entertainment	26,814	755	1,353	166
Retail & Gifts	37,858	1,893	167,679	1,607
Other	8,349	155	107,465	633
Total	4,172,297	$ 32,368	1,857,248	$ 23,201

****

For The Three Months Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	36,229	$ 2,363	-	$ -
Food	292,739	3,086	-	-
Beverage	671,369	1,309	-	-
Travel	-	-	6,730	692
Coin	-	-	346,335	3,810
Coupon	-	-	-	-
Entertainment	3,787	145	382	47
Retail & Gifts	10,302	515	39,104	566
Other	1,706	35	32,660	177
Total	1,016,132	$ 7,453	425,211	$ 5,292

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
: ss.
COUNTY OF ATLANTIC :

Donna Graham , being duly sworn according to law upon my oath
Name

deposes and says:

1. I have examined this Annual Report.

2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.

3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

Signature

Corporate Controller/Treasurer
Title

03723-11
License Number

Subscribed and sworn to
before me this 12TH day
of March , 1993

On Behalf Of:

Mary K Chamberlin
Signature

GNOC, CORP.
Casino Licensee

MARY K. CHAMBERLIN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 31, 1997

Basis of Authority
to Take Oaths

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE	GNOC, CORP. (Bally's Grand)
ADDRESS	P.O. Box 1737, Boston and Pacific Avenues
	Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEB
MAR 15 19[illegible]
CASINO CONTROL
COMMISSION



NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL EMPLOYMENT AND PAYROLL REPORT	Donna Graham
OFFICIAL TITLE	Corporate Controller/Treasurer
ADDRESS	P.O. Box 1737, Boston and Pacific Avenues
	Atlantic City, New Jersey 08401

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 19 92
($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	SALARIES AND WAGES (d) OTHER EMPLOYEES	(e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	17			
2	Gaming	758			
3	Slots	108			
4	Casino accounting	316			
5	Other	33	$	$	$
6	Total-casino	1,232	24,212		24,212
7	ROOMS	184	3,144		3,144
8	FOOD AND BEVERAGE	818	11,519		11,519
	OTHER OPERATED DEPARTMENTS				
9	PARKING	0	377		377
10	PBX	14	240		240
11	RETAIL	37	526		526
12	HEALTH CLUB/POOL SERVICES	14	172		172
13	BEAUTY SALON	10	178		178
14	GAS STATION	6	79		79
15					
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	16	128	1,020	1,148
21	Accounting and auditing	74	1,484		1,484
22	Security	189	3,894		3,894
23	Other administrative and general department	71	1,451		1,451
24	MARKETING	100	2,398		2,398
25	GUEST ENTERTAINMENT	11	670		670
26	PROPERTY OPERATION AND MAINTENANCE	227	5,564		5,564
27	TOTALS - ALL DEPARTMENTS	3,003	$ 56,036	$ 1,020	$ 57,056

CCC-376

Trading Name of Licensee GNOC, CORP. (BALLY'S GRAND)

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

For the Year Ended December 31, 1992

3-12-93
Date

Signature

CORPORATE CONTROLLER/TREASURER
Title

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE GNOC, CORP. (Bally's Grand)
ADDRESS P.O. Box 1737, Boston and Pacific Avenues
Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEB
CASINO



NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS ANNUAL EMPLOYMENT
AND PAYROLL REPORT . . . . Donna Graham
OFFICIAL TITLE . . . . . Corporate Controller/Treasurer
ADDRESS . . . . . P.O. Box 1737, Boston and Pacific Avenues
Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE GNOC, CORP. (BALLY'S GRAND)

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

(UNAUDITED)

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 73,635	
2	Coin-operated devices revenue	126,139	
3	Total revenues		$ 199,774
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 147	
5	Maximum adjustment (4% of line 3)	$ 7,991	
6	Adjustment (the lesser of line 4 or line 5)		147
7	Gross revenues (line 3 less line 6)		$ 199,627
8	Tax on gross revenues - current year (8% of line 7)		$ 15,970
9	Audit or other adjustments to tax on gross revenues in prior years		1
10	Total tax on gross revenues (line 8 plus or minus line 9)		15,971
	Deposits made for tax on current year's gross revenues:		
11	January	$ -	
12	February	1,156	
13	March	1,281	
14	April	1,289	
15	May	1,297	
16	June	1,363	
17	July	1,352	
18	August	1,613	
19	September	1,561	
20	October	1,464	
21	November	1,307	
22	December	1,296	
23	January	991	
24	Total deposits made for tax on current year's gross revenues		(15,970)
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		(1)
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ 0

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
: ss.
COUNTY OF ATLANTIC :

Donna Graham , being duly sworn according to law upon my oath
Name

deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Return has been prepared in conformity with the Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

Signature

Corporate Controller/Treasurer
Title

03723-11
License Number

On Behalf Of:

GNOC, CORP.
Casino Licensee

Subscribed and sworn to
before me this 12TH day
of March , 1993

Mary K. Chamberlin
Signature

MARY K. CHAMBERLIN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 31, 1997

Basis of Authority
to Take Oaths

NEW JERSEY STATE LIBRARY
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ANNUAL REPORT

LICENSEE Bally's Park Place, Inc., New Jersey
ADDRESS Park Place and the Boardwalk
Atlantic City, NJ 08401

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 15 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT . . . . Vicki Lynn Guveiyian
OFFICIAL TITLE . . . . . Controller
ADDRESS . . . . . Park Place and the Boardwalk
Atlantic City, NJ 08401

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

LIST OF FORMS – ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31,1992

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year-to-Date)	CCC-210
Statements of Income (Three Months)	CCC-215
Statements of Changes in Stockholders' Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Schedule of Receivables and Patrons' Checks	CCC-240
Promotional Expenses and Allowances	CCC-245
Statement of Conformity and Accuracy	CCC-250
Annual Employment and Payroll Report	CCC-376, 377
Gross Revenue Annual Tax Return	CCC-381, 382
Notes to Financial Statements	

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

BALANCE SHEETS

DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		1992 (c)	1991 (d)
	ASSETS			
	Current Assets:			
1	Cash		$ 12,263	$ 12,506
2	Marketable securities		---	---
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1992, $1,800 ; 1991, $6,210)		3,902	4,589
4	Inventories		1,972	2,123
5	Prepaid expenses and other current assets	NOTE 2.	8,754	7,040
6	Total current assets		26,891	26,258
7	Investments, Advances, and Receivables	NOTE 9	34,444	83,351
8	Property and Equipment - Gross	NOTE 3.	741,767	736,841
9	(Accumulated Depreciation/Amortization)	NOTE 3.	(262,276)	(240,685)
10	Other Assets		14,577	15,195
11	Total Assets		$ 555,403	$ 620,960
	LIABILITIES AND EQUITY			
	Current Liabilities:			
12	Accounts payable		$ 7,382	$ 10,314
13	Notes payable		---	---
	Current portion of long-term debt:			
14	Due to affiliates	NOTE 1.	16,000	17,000
15	Other		1,038	6,289
16	Income taxes payable and accrued	NOTE 1.	3,936	2,427
17	Other accrued expenses	NOTE 10	37,875	35,521
18	Other current liabilities		2,555	9,300
19	Total current liabilities		68,786	80,851
	Long Term Debt:			
20	Due to affiliates	NOTE 4.	350,000	350,000
21	Other	NOTE 4.	5,778	22,573
22	Deferred Credits	NOTE 5.	15,571	12,779
23	Other Liabilities	NOTE 6.	23,500	20,929
24	Commitments And Contingencies	NOTE 13		
25	Total Liabilities		463,635	487,132
26	Stockholders', Partners', or Proprietors' Equity		91,768	133,828
27	Total Liabilities and Equity		$ 555,403	$ 620,960

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LI (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	REVENUE:		
1	Casino	$ 277,997	$ 265,699
2	Rooms	40,175	35,128
3	Food and Beverage	39,459	37,403
4	Other	7,667	13,194
5	Total Revenue	365,298	351,424
6	Less: Promotional allowances	(36,809)	(36,636)
7	Net Revenue	328,489	314,788
	COSTS AND EXPENSES:		
8	Costs of Goods and Services	174,633	167,049
9	Selling, General, and Administrative	59,997	63,104
10	Provision for Doubtful Accounts	889	1,846
11	Total cost and expenses	235,519	231,999
12	Gross Operating Profit	92,970	82,789
13	Depreciation and amortization	29,032	29,375
	Charges from affiliates other than interest:		
14	Management fees	---	---
15	Other NOTE 1. .	3,660	1,000
16	Income (Loss) from Operations	60,278	52,414
	Other Income (Expenses):		
17	Interest (expense) - affiliates NOTE 7. .	(41,504)	(41,445)
18	Interest (expense) - external NOTE 7. .	(4,699)	(5,770)
19	Investment alternative tax and related income (expense) - net NOTE 11 .	(1,490)	(2,164)
20	Nonoperating income (expense) - net NOTE 12 .	2,206	2,601
21	Total other income (expenses)	(45,487)	(46,778)
22	Income (Loss) Before Income Taxes and Extraordinary Items	14,791	5,636
23	Provision (credit) for income taxes NOTE 8. .	6,851	3,870
24	Income (Loss) Before Extraordinary Items	7,940	1,766
25	Extraordinary items (net of income taxes - 19___, $; 19___, $)	---	---
26	Net Income (Loss)	$ 7,940	$ 1,766

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)

($ IN THOUSANDS)

LI (a)	DESCRIPTION (b)		1992 (c)	1991 (d)
	REVENUE:			
1	Casino		$ 65,401	$ 58,811
2	Rooms		9,557	7,923
3	Food and Beverage		9,362	8,744
4	Other		1,598	3,088
5	Total Revenue		85,918	78,566
6	Less: Promotional allowances		(8,600)	(8,270)
7	Net Revenue		77,318	70,296
	COSTS AND EXPENSES:			
8	Costs of Goods and Services		43,223	41,150
9	Selling, General, and Administrative		13,749	14,540
10	Provision for Doubtful Accounts		326	577
11	Total cost and expenses		57,298	56,267
12	Gross Operating Profit		20,020	14,029
13	Depreciation and amortization		7,073	7,295
	Charges from affiliates other than interest:			
14	Management fees		---	---
15	Other	NOTE 1.	808	1,000
16	Income (Loss) from Operations		12,139	5,734
	Other Income (Expenses):			
17	Interest (expense) - affiliates	NOTE 7.	(10,385)	(10,376)
18	Interest (expense) - external	NOTE 7.	(919)	(1,019)
19	Investment alternative tax and related income (expense) - net	NOTE 11	(472)	(1,146)
20	Nonoperating income (expense) - net	NOTE 12	216	(2,159)
21	Total other income (expenses)		(11,560)	(14,700)
22	Income (Loss) Before Income Taxes and Extraordinary Items		579	(8,966)
23	Provision (credit) for income taxes	NOTE 8.	(84)	(2,849)
24	Income (Loss) Before Extraordinary Items		663	(6,117)
25	Extraordinary items (net of income taxes - 19___, $; 19___, $)		---	---
26	Net Income (Loss)		$ 663	$ (6,117)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)

($ IN THOUSANDS)

LIN (a)	DESCRIPTION (b)	1992 SHARES (c)	1992 DOLLARS (d)	1991 SHARES (e)	1991 DOLLARS (f)
	Common Stock:				
1	Beginning balance (January 1)	100	$ 93,987	100	$ 93,987
2	Sale of stock				
3	Receivable due from BMC declared as a dividend		(2,219)		
4	Ending balance	100	91,768	100	93,987
	Preferred Stock:				
5	Beginning balance (January 1)	---	---	---	---
6	Sale of stock				
7	_____				
8	Ending balance	---	---	---	---
	Additional Paid-in Capital:				
9	Beginning balance (January 1)		34,652		34,652
10	Receivable due from BMC declared as a dividend		(34,652)		
11	_____				
12	Ending balance		0		34,652
	Treasury Stock:				
13	Beginning balance (January 1)	---	---	---	---
14	Purchase of additional stock				
15	Sale or retirement of stock				
16	Ending balance	---	---	---	---
	Subscriptions Receivable For Capital stock:				
17	Beginning balance (January 1)	---	0	---	---
18	_____				
19	_____				
20	Ending balance	---	0	---	---
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1)		---		---
22	_____				
23	_____				
24	Ending balance		---		---
	Retained Earnings:				
25	Beginning balance (January 1)		5,189		3,423
26	Prior period adjustments				
27	Net income (loss)		7,940		1,766
28	Dividends				
29	Receivable due from BMC declared as a dividend		(13,129)		
30	_____				
31	Ending balance		0		5,189
32	*Ending Stockholders' Equity*		$ 91,768		$ 133,828

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

STATEMENT OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)
NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	1991 (c)	1990 (d)
	Invested Capital:		
1	Beginning Balance (January 1)	$	$
2	Additional capital invested		
3	_____		
4	Ending balance		
	Accumulated Income (Loss):		
5	Beginning Balance (January 1)		
6	Prior period adjustments		
7	Net income (loss)		
8	_____		
9	Ending balance		
	Capital Withdrawals:		
10	Beginning Balance (January 1)	( )	( )
11	Additional capital withdrawals	( )	( )
12	_____		
13	Ending balance	( )	( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning Balance (January 1)	( )	( )
15	_____		
16	_____		
17	Ending balance	( )	( )
	Ending Partners' Or		
18	Proprietor's Equity	$	$

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	Description (b)	1992 (c)	1991 (d)
1	Net Cash Provided (Used) By Operating Activities	$ 36,694	$ 51,228
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities	---	---
3	Proceeds from the sale of short-term investment securities	---	---
4	Purchase outflows for property and equipment	(10,268)	(10,929)
5	Proceeds from disposition of property and equipment	---	---
6	Purchase of casino reinvestment obligations	(3,314)	(1,919)
7	Purchase of other investments and loans/advances made	(2,240)	(714)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	99	41
9	Cash outflows to acquire business entities	---	---
10	Payment to affiliate for CRDA credits	(869)	(2,557)
11	_____	---	---
12	Net Cash Provided (Used) By Investing Activities	(16,592)	(16,078)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	---	---
14	Payments to settle short-term debt	---	---
15	Cash proceeds from issuance of long-term debt	93,000	76,500
16	Costs of issuing debt	---	---
17	Payments to settle long-term debt	(115,045)	(126,538)
18	Cash proceeds from issuing stock or capital contributions	---	---
19	Purchases of treasury stock	---	---
20	Payments of dividends or capital withdrawals	---	---
21	Advance to Bally and affiliates.	* 1,700	17,000
22	_____	---	---
23	Net Cash Provided (Used) By Financing Activities	(20,345)	(33,038)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(243)	2,112
25	Cash And Cash Equivalents At Beginning Of Period	12,506	10,394
26	Cash And Cash Equivalents At End Of Period	$ 12,263	$ 12,506

Includes a $50.0 million advance to Bally Mfg. Corp., which the Company declared as a dividend in December 1992. This was the only non-cash financing transaction in 1992 and 1991. Also, a $2.7 million advance to Bally's Grand-Atlantic City, which was paid in June 1992, offset by $1.0 million decrease in advances from Bally Grand-Atlantic City.

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 44,973	$ 46,491
28	Income taxes	$ 3,794	$ 3,977

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes. CCC-235

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	Description (b)	1992 (c)	1991 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ 7,940	$ 1,766
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	26,431	26,009
31	Amortization of other assets	1,811	1,705
32	Amortization of debt discount or premium	---	---
33	Deferred income taxes - current	(1,754)	(2,314)
34	Deferred income taxes - noncurrent	2,792	853
35	(Gain) loss on disposition of property and equipment	---	---
36	(Gain) loss on casino reinvestment obligations	1,438	2,163
37	(Gain) loss from other investment activities	302	3,932
38	Net (increase) decrease in receivables and patrons' checks	687	5,018
39	Net (increase) decrease in inventories	151	2,805
40	Net (increase) decrease in other current assets	40	(54)
41	Net (increase) decrease in other assets	(1,193)	(631)
42	Net increase (decrease) in accounts payables	(2,932)	378
43	Net increase (decrease) in other current liabilities excluding debt	(2,882)	12,304
44	Net increase (decrease) in other noncurrent liabilities excluding debt	2,571	(4,571)
45	Net book value of disposals	502	204
46	Amortization of CRDA credits	790	1,661
47	Net Cash Provided (Used) By Operating Activities	$ 36,694	$ 51,228

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 10,268	$ 10,929
49	Less: Capital lease obligations incurred	---	---
50	Cash Outflows For Property And Equipment	$ 10,268	$ 10,929
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$ ---	$ ---
52	Goodwill acquired	---	---
53	Net assets acquired other than cash, goodwill, and property and equipment	---	---
54	Long-term debt assumed	---	---
55	Issuance of stock or capital invested	---	---
56	Cash Outflows To Acquire Business Entities	$ ---	$ ---
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$ ---	$ ---
58	Less: Issuances to settle long-term debt	---	---
59	Consideration in acquisition of business entities	---	---
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$ ---	$ ---

12/87 * Restated to conform to 1991 presentation

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

(UNAUDITED)
($ IN THOUSANDS)

	ACCOUNTS RECEIVABLE BALANCES			
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE (e) NET OF ALLOWANCE
	Patrons' Checks:			
1	Undeposited patrons' checks	$ 1,701		
2	Returned patrons' checks	1,258		
3	Total patrons' checks	2,959	$ 1,500	$ 1,459
4	Hotel Receivables	1,188	300	888
	Other Receivables:			
5	Receivables due from officers and employees	3		
6	Receivables due to affiliates	623		
7	Other accounts and notes receivables	929		
8	Total other receivables	1,555	---	1,555
9	Totals (Form 205)	$ 5,702	$ 1,800	$ 3,902

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 1,502
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	71,178
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(57,157
13	Checks collected through deposits	(11,775
14	Checks transferred to returned checks	(2,047
15	Other adjustments	0
16	Ending Balance	$ 1,701
17	"Hold" Checks Included In Balance On Line 16	$ 0
18	Provision For Uncollectible Patrons' Checks	$ 653
19	Provision As A Percent Of Counter Checks Issued	0.9%

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the twelve months ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	141,719	$ 16,480		$
Food	1,148,970	12,305		
Beverage	3,319,392	6,639		
Travel			135,363	2,707
Coin				
Coupon			1,211,321	17,116
Entertainment	12,757	217		
Retail & Gifts				
Other	150,872	1,168	27,319	1,366
Total	4,773,710	$ 36,809	1,374,003	$ 21,189

* * * *

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF New Jersey :
: ss.
COUNTY OF Atlantic :

Vicki Lynn Guveiyian, being duly sworn according to law upon my oath
Name

deposes and says:

1. I have examined this Annual Report.
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

Signature

Controller
Title

#000558-11
License Number

Subscribed and sworn to
before me this 15th day
of March, 1993

Signature

CHERYL ANN RUGGLES
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires [illegible]

Basis of Authority
to Take Oaths

On Behalf Of:

Bally's Park Place, Inc. NJ
Casino Licensee

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 1 - Summary of Significant Accounting Policies
December 31, 1992
Unaudited

Basis of presentation

The accompanying financial statements include the accounts of Bally's Park Place, Inc., a New Jersey corporation, (the "Company") an indirect wholly owned subsidiary of Bally Manufacturing Corporation ("BMC").

The Company operates in one industry segment. All significant revenues arise from its casino and supporting hotel operations.

Certain reclassifications have been made to the 1991 statements to conform to the 1992 presentation.

The accompanying financial statements should be read in conjunction with the Company's and BMC's Form 10-K for the year ended December 31, 1992.

Investments in subsidiaries

The Company has three wholly owned subsidiaries, B.W. Realty, Inc. (which operated a motel in Atlantic City until January 1992), Bally Warwick, Inc. (which owns several condominiums for sale and lease in a building in Atlantic City) and Bally's Park Place Realty, Inc. (which owns land in Atlantic City). The investments in these subsidiaries are reflected in the accompanying financial statements using the equity method.

Revenue recognition

Casino revenue consists of the net win from gaming activities, which is the difference between gaming wins and losses. The retail value of complimentary food, beverage and hotel services furnished to customers is included in revenues and then deducted as promotional allowances.

Cash equivalents

The Company considers all highly liquid securities purchased with original maturities of three months or less to be cash equivalents.

Inventories

Inventories of provisions and supplies are stated at the lower of cost (first-in, first-out basis) or market, which approximates replacement cost.

Deferred financing costs

Deferred bond issuance costs and original issue debt discount are being amortized by the bonds outstanding method over the term of the issue.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 1 - Summary of Significant Accounting Policies
December 31, 1992
Unaudited

Capitalized interest

The Company capitalizes interest on the accumulated cost of major construction projects at the actual cost of borrowed money.

Depreciation and amortization

Depreciation and amortization of property and equipment is provided on the straight-line method and was $26,431,000 and $26,009,000 for 1992 and 1991, respectively.

Amortization of casino licensing and deferred financing costs for both 1992 and 1991 were $1,811,000 and $1,705,000, respectively.

Amortization of CRDA obligations for 1992 and 1991 was $790,000, and $1,661,000, respectively.

Transactions with related parties

In 1992, BMC received approval from the Casino Control Commission ("the Commission") to authorize payment by the Company of its proportionate share of BMC's insurance, regulatory, and public company reporting, administrative and other corporate overhead cost. The accompanying financial statements reflect an allocation of such costs and expenses incurred by BMC including $497,000 and $440,000 for directors and officers insurance and $754,000 and $0 for regulatory and public company reporting costs and $2,409,000 and $560,000 for administrative and other corporate overhead costs in 1992 and 1991, respectively.

The Company purchased slot machines and related services from other BMC affiliates on terms negotiated by the parties for aggregate amounts of $554,000 and $820,000 for the three months ended December 31, 1992 and 1991, respectively and $3,181,000 and $1,649,000 for the twelve months ended December 31, 1992 and 1991, respectively.

Certain executive officers of the Company function in similar capacity for GNAC Corp., ("Bally's Grand"), another wholly owned subsidiary of BMC, and exercise decision making and operational authority over both entities. No allocation of cost is made from the Company for certain executive management. In 1992 and 1991, certain administrative and support operations of the Company and Bally's Grand were consolidated including purchasing, limousine services, and certain aspects of human resources. Costs are allocated by the Company either directly or using various formulas based on estimates. The Company allocated direct costs to Bally's Grand of $680,000 and $611,000 for the three months ended December 31, 1992 and 1991, respectively and $2,568,000 and $2,486,000 for the twelve months ended December 31, 1992 and 1991, respectively, related to these consolidated operations.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 1 - Summary of Significant Accounting Policies
December 31, 1992
Unaudited

In addition, the Company leases surface area parking lots and an administrative facility to Bally's Grand. Rental income was $144,000 for each of the three months ended December 31, 1992 and 1991, respectively and $696,000 for each of the twelve months ended December 31, 1992 and 1991, respectively.

In May 1991, the Company's common stock was pledged to BMC's bank lenders as collateral in connection with BMC's restructuring. The pledge was released in July 1992.

In April 1990, the Company advanced BMC $50,000,000 secured by a promissory note allowing for payment on demand by the Company. In October 1992, BMC petitioned the Commission to allow the Company to declare the receivable due from BMC as a dividend. The Commission approved this request in December 1992. No interest was paid to the Company subsequent to April 1, 1992. Through March 31, 1992, the Company earned interest on the outstanding balance at the prime rate of its agent bank with such interest payable at the end of each quarter. Intercompany interest earned on this advance was $-0- and $968,000 for the three months ended December 31, 1992 and 1991, respectively, and $808,000 and $4,243,000 for the twelve months ended December 31, 1992 and 1991, respectively.

In December 1990, the Company advanced Bally's Grand $2,700,000. This advance, which was payable on demand by the Company, was paid in June, 1992. The Company earned interest on the outstanding balance at the prime rate of its agent bank with such interest payable at the end of each month. Intercompany interest earned on this advance to Bally's Grand for the three and twelve months ended December 31, 1992 was $-0- and $73,000, respectively. Intercompany interest earned on this advance for the three and twelve months ended December 31, 1991 was $57,000 and $228,000, respectively.

Funds were advanced to the Company from Bally's Grand in 1992 and 1991. The advances are payable on demand. As of December 31, 1992, the Company owed Bally's Grand $16,000,000 for advances used by the Company to reduce the outstanding balance under its revolving credit agreement. The Company pays interest on the outstanding balance at the prime rate of its agent bank with such interest payable at the end of each month. Intercompany interest paid on the advance to Bally's Grand was $302,000 and $500,000 for the three months ended December 31, 1992 and 1991, respectively, and $1,249,000 and $862,000 for the twelve months ended December 31, 1992 and 1991, respectively.

The Company participated in the BMC insurance program for general liability. Under this program, general liability insurance expense was allocated to the Company based on claims experience. In 1991, BMC discontinued operations of its captive insurance subsidiary. Payments in 1992 to BMC for insurance coverage are reimbursements of premium payments made by BMC on behalf of the Company, to non-affiliated insurance companies. General liability insurance expense allocated to the Company was $1,188,000 for 1990. The Company paid $500,000 to BMC in 1992 for a retroactive premium adjustment related to claim years ended December 31, 1990, 1988 and 1987.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 1 - Summary of Significant Accounting Policies
December 31, 1992
Unaudited

Discontinued motel operation

In December 1991, the Company made a decision to close and demolish the motel operation of one of its subsidiaries. In connection with this decision, the Company recorded a $3,500,000 charge against operations in 1991 to write-off the remaining net book value of the property and equipment of this motel and to provide for the demolition cost and other related closing costs. The revenues and operating income of this motel operation were immaterial.

Income taxes

For the year ended December 31, 1992, the income tax rate varied from the federal statutory rate of 34% (46.3%) due principally to state income taxes, net of Federal income tax benefit. For the year ended December 31, 1991, the income tax rate varied from the federal statutory rate of 34% (68.7%) due principally to the effect of timing differences resulting from the Company's decision to discontinue the operation of its B.W. Realty, Inc. subsidiary's motel operations and state income taxes, net of Federal income tax benefit.

The Company files a consolidated federal income tax return with Bally. As more fully disclosed in BMC and the Company's Annual Report on Form 10-K for the year ended December 31, 1992, the Internal Revenue Service ("IRS") has completed an audit of BMC's consolidated federal income tax returns for the calendar years 1983 and 1984. During the audit, the IRS raised certain significant issues principally related to the tax accounting method used by a subsidiary that operates its health clubs to report income from membership contracts which resulted in a substantial assessment. In July 1992, BMC and the IRS reached a settlement (subject to review by the Joint Committee on Taxation) with respect to the tax accounting method used to report income from membership contracts. The settlement of this issue significantly reduces, but does not fully eliminate, previously disclosed concerns regarding a material adverse effect on BMC's liquidity with respect to the tax accounting method used to report income from membership contracts. As BMC adequately provided deferred and current taxes related to this matter, the settlement will not have a material adverse effect on BMC's consolidated financial position or results of operations.

Also as disclosed in BMC and the Company's Annual Report on Form 10-K for the year ended December 31, 1992, the IRS has completed an audit of the federal income tax returns of certain of BMC's fitness center subsidiaries for periods ending on the day these subsidiaries were acquired. Among other things, the IRS is asserting that these subsidiaries owe approximately $32 million of additional taxes and $54 million of interest (estimated as of December 31, 1992) with respect to issues arising pursuant to BMC's election to treat the purchases of stock of these subsidiaries as if they were purchases of assets. The IRS also proposed penalties and penalty interest with respect to these issues. BMC intends to vigorously oppose the IRS' assertions and has filed petitions in the United States Tax Court contesting the IRS' proposed deficiencies with respect to these issues. In April 1992, the IRS filed a Stipulation of Partial Settlement with the United States Tax Court which dismissed the IRS' claims

against BMC for the penalties and related penalty interest. The filing of the Stipulation of Partial Settlement by the IRS should not be viewed as an indication of whether or not BMC will prevail on the resolution of the issues underlying the IRS' assertion that BMC owes $32 million in taxes and $54 million in interest. BMC estimates that if the issues are fully litigated, the ultimate resolution of these issues is not likely to occur for approximately three years (although a resolution may occur sooner if BMC and the IRS resolve all or some of these issues by stipulation or otherwise). Based on the information presently available, there can be no assurance of the outcome of this matter; however, in the opinion of management, payment, if any, to the IRS will not have a material adverse effect on BMC's consolidated financial position or results of operations, since BMC believes that it has adequately provided deferred and current taxes related to this matter, although it could have an adverse effect on BMC's liquidity.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 2 - Prepaid Expenses and
Other Current Assets
December 31,
Unaudited

	1992	1991
Deferred Income Taxes	$ 7,611,000	$ 5,857,000
Other *	1,143,000	1,183,000
	$ 8,754,000	$ 7,040,000

* No item in this category exceeds 5% of total current assets.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 3 - Property, Plant and Equipment
December 31,
Unaudited

	1992	1991
Land	$ 64,169,000	$ 64,169,000
Buildings, Leasehold Improvements	539,329,000	536,051,000
Furniture, Fixtures and Equipment	137,362,000	132,949,000
Construction in Progress	907,000	3,672,000
	741,767,000	736,841,000
Less Accumulated Depreciation and Amortization	(262,276,000)	(240,685,000)
Property and Equipment, Net	$479,491,000	$496,156,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 4 - Long-Term Debt, Affiliates and Other
December 31,
Unaudited

Long-Term Debt

	1992	1991
Due to affiliates:		
11 7/8% First Mortgage Notes due 1999	$350,000,000	$350,000,000
Other:		
Revolving credit agreement	$ 3,000,000	$ 18,750,000
Other secured and unsecured debt	2,778,000	3,823,000
	$ 5,778,000	$ 22,573,000

In 1989, the Company issued $350,000,000 principal amount of 11 7/8% First Mortgage Notes due in 1999 (the "Notes"). Beginning August 1996, annual sinking fund payments are required which will retire approximately 40 percent of the Notes prior to maturity. The Notes may be redeemed beginning August 1994, in whole or in part, with premiums ranging from 4.45 percent in 1994 to zero in 1997 and thereafter. The Notes are secured by property at Bally's Park Place, which had a net book value of $415,923,000 at December 31, 1992. Debt issuance costs is being amortized using the bonds outstanding method.

The Indentures relating to the Notes and the revolving credit agreement contain convenants restricting the Company's investment policies, total indebtedness, encumbrances on property and equipment securing the mortgage note and the revolving credit agreement, sale, transfer or lease of assets, the amounts of additional debt which may be incurred, and minimum coverage of fixed charges. Payments of dividends are restricted in amount, and at December 31, 1992, approximately $6,100,000 was available to pay dividends.

In June 1992, the Company and the banks participating in its revolving credit agreement which was due to expire on June 30, 1992, entered into an agreement to extend the credit facility for two years. The new expiration date is June 30, 1994 at which time the Company has the option to pay the outstanding balance or convert the outstanding balance to a term loan payable in four semiannual installments beginning December 31, 1994. The extended revolving credit agreement reduced the maximum borrowings from $100,000,000 to $75,000,000. The rate of interest on the borrowings (6.0% at December 31, 1992) remains at the Company's option, based upon the agent bank's prime rate or certain other short-term rates. The annual fee on the unused commitment is 1/2 of 1 percent. In addition, at the signing of the agreement the Company paid to the banks a fee of 1/2 of 1 percent ($375,000) of the total permitted borrowings, which will be amortized over the two year extension period. Two additional covenants, providing for minimum coverage of current maturities of long-term debt and fixed charges, were included in the extension

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 4 - Long-Term Debt, Affiliates and Other
December 31,
Unaudited

Long-Term Debt (Continued)

agreement. The unused amount of the credit line at December 31, 1992 is $72,000,000. In June 1991, the Company granted to the banks a mortgage on and security interest in all the property and equipment securing the Notes. The banks rank pari passu in right of payment with the holders of the Notes.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 5 - Deferred Credits
December 31,
Unaudited

	1992	1991
Deferred Federal Income Taxes	$15,571,000	$12,779,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 6 - Other Liabilities
December 31,
Unaudited

	1992	1991
Accrued S.E.R.P.	$ 6,197,000	$ 4,961,000
Deferred Long-Term Compensation (net of unamortized discount of $4,061,000 in 1991)	16,042,000	14,539,000
1983 Reinvestment Obligation (net of unamortized discount of $314,000 in 1992 and $446,000 in 1991)	1,261,000	1,429,000
	$23,500,000	$20,929,000

In connection with the employment of certain officers, the Company has an unfunded Supplemental Executive Retirement Plan (the "SERP"). The participants earn benefits based on years of service and compensation. The Company recognizes this expense over the expected length of the officers' employment.

In 1991, the Company and one of its officers entered into an agreement to terminate his participation in another noncontributory supplemental executive retirement plan sponsored by the Company. Pursuant to this agreement, the Company agreed to pay the officer $27,600,000 over five years. The Company recorded the settlement equal to the net present value of the required payments, which was $16,042,000 at December 31, 1992. In January 1993, the Company and BMC entered into a retirement and separation agreement with this executive which, among other things, reduced the remaining amount payable under this agreement to $13,500,000, which the Company paid on such date.

In January 1991, the Company received a $4,600,000 tentative assessment from New Jersey's Department of the Treasury (the "Treasury") alleging, pursuant to the Casino Control Act (the "Act"), that the Company in 1983 failed to have sufficient qualified investments in excess of casino revenues. The Act in effect in 1983 required in this situation that a casino pay an assessment to satisfy its investment obligation. In January 1992, the Company and the Treasury entered into an agreement settling this dispute. The Company is obligated to make payments totaling $2,250,000 between 1992 and 1996 and to participate in certain approved low income mortgage guarantee programs. As a result of this settlement, in 1991 the Company charged to operations $1,100,000. The Company is obligated to make payments of $300,000 in 1993, and these are reflected as other current liabilities in the accompanying balance sheet.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 7 - Interest Expense
For the Three Months Ended December 31,
Unaudited

	1992	1991
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$10,391,000	$10,391,000
Capitalized interest	(6,000)	(15,000)
	$10,385,000	$10,376,000
External Sources		
Interest on various loans	$ 921,000	$ 1,023,000
Capitalized interest	(2,000)	(4,000)
	$ 919,000	$ 1,019,000

For the Twelve Months Ended December 31,
Unaudited

	1992	1991
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$41,563,000	$41,563,000
Capitalized interest	(59,000)	(118,000)
	$41,504,000	$41,445,000
External Sources		
Interest on various loans	$ 4,715,000	$ 5,801,000
Capitalized interest	(16,000)	(31,000)
	$ 4,699,000	$ 5,770,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 8 - Provision for Income Taxes
For the Three Months Ended December 31,
Unaudited

	1992	1991
Current:		
Federal	$(1,086,000)	$(2,483,000)
State	416,000	(535,000)
	1,502,000	(3,018,000)
Deferred:		
Federal	(1,256,000)	238,000
State	(330,000)	(69,000)
	(1,586,000)	169,000
Total Income Taxes	$ (84,000)	$(2,849,000)

For the Twelve Months Ended December 31,
Unaudited

	1992	1991
Current:		
Federal	$ 4,578,000	$ 3,979,000
State	1,224,000	1,352,000
	5,802,000	5,331,000
Deferred:		
Federal	764,000	(1,012,000)
State	285,000	(449,000)
	1,049,000	(1,461,000)
Total Income Taxes	$ 6,851,000	$ 3,870,000

Reconciliation of Deferred Income Taxes
For the Twelve Months Ended December 31,
Unaudited

	1992	1991
Short-term	$(1,754,000)	$(2,314,000)
Long-term	2,803,000	853,000
	$ 1,049,000	$(1,461,000)

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 9 - Investments, Advances and Receivables
December 31,
Unaudited

	1992	1991
Other long-term investments and receivables:		
Investment in subsidiaries - equity:		
Bally Warwick, Inc. - 100% owned	$ 4,280,000	$ 4,356,000
B.W. Realty, Inc. - 100% owned	4,756,000	2,743,000
Total investments in subsidiaries - equity	9,036,000	7,099,000
Casino Reinvestment Development Authority funds (less discount of $7,302,000 in 1992 and $5,949,000 in 1991)	7,225,000	5,271,000
Jacobs Family Terrace Mortgage Receivable (less reserve of $225,000 in 1992 and $175,000 in 1991)	2,597,000	2,692,000
Bally's Park Place Realty Company	15,630,000	15,630,000
Bally Manufacturing Corporation	---	50,000,000
Bally's Grand	---	2,700,000
Less current portion	(44,000)	(41,000)
Total Investments, Advances and Receivables	$34,444,000	$83,351,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 10 - Other Accrued Expenses
December 31,
Unaudited

	1992	1991**
Payroll	$ 6,335,000	$ 7,720,000
Progressive Jackpots	2,859,000	2,929,000
Interest	15,649,000	15,896,000
Long Term Compensation	—	7,000,000
*Miscellaneous	13,032,000	1,976,000
Total	$37,875,000	$35,521,000

* No item in this category exceeds 5% of total current liabilities.

** Restated to conform with 1992 presentation.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 11 - Reinvestment Obligation
December 31, 1992
Unaudited

The Company, pursuant to the New Jersey Casino Control Act (the "Act"), is subject to making qualified investments, as specified by the Act or become liable for an alternative tax (2.5% of gross casino revenues). The Company has fulfilled its obligation under the Act by making deposits to the Casino Reinvestment Development Authority (the "CRDA") and by direct investments.

At December 31, 1992 and 1991, the Company had $13,400,000 and $10,301,000 respectively, in remaining bond purchase commitments on deposit with the CRDA. The Company has purchased $1,127,000 and $919,000 in bonds from the CRDA as of December 31, 1992 and 1991, respectively.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 12 - Non-Operating Income
For the Three Months Ended December 31,
Unaudited

	1992	1991
Interest income	$ 243,000	$ 1,293,000
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	(22,000)	(3,721,000)
Bally Warwick, Inc.	(24,000)	(19,000)
Other	19,000	288,000
Total	$ 216,000	$(2,159,000)

For the Twelve Months Ended December 31,
Unaudited

	1992	1991
Interest income	$ 1,882,000	$ 5,666,000
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	(226,000)	(3,863,000)
Bally Warwick, Inc.	(76,000)	(69,000)
Other	626,000	867,000
Total	$ 2,206,000	$ 2,601,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 13 - Commitments and Contingencies
December 31, 1992
Unaudited

In April 1991, an insurance company that issued guaranteed interest contracts ("GICs") that were purchased by both BMC's and the Company's qualified 401(k) plans was declared insolvent by the State of California's Insurance Commissioner (the "Commissioner"). Operations of this insurance company were assumed by the Commissioner. Approximately $7.4 million of these GICs are held in a Master Trust for BMC's and its subsidiaries' employee benefit plans, of which approximately 42% is attributable to the Company's 401(k) plan. Although BMC and the Company had no legal obligation to fund any 401(k) plan losses, BMC's Board of Directors, in June 1991, authorized BMC, and therefore the Company, to ensure that participants in the Company's 401(k) plan not suffer any loss in principal, as determined on March 31, 1991, to their 401(k) account balances which might otherwise occur due to this insolvency. The Company charged $900,000 to operations in 1991 for its estimated cost of reimbursing any shortfall in the participants' 401(k) account balances which is included in the $3,800,000 defined contribution plan expense. Management of the Company is unable to conclude that the amount provided will be sufficient to cover its guarantee until a final offer and the specific details of an acceptable offer is approved by the courts. Management of the Company does not believe that the final settlement will have a material effect on its financial position or its liquidity.

The Company has guaranteed, in the event of non-payment by BMC, the payment of all compensation and benefits pursuant to an employment agreement between BMC and BMC's Chairman and Chief Executive Officer in the event of nonpayment by BMC. If BMC is unable to make payments according to the terms of the employment agreement, the Company would be required, pursuant to current resolutions of the Commission, to obtain Commission approval prior to making such payments.

Management believes that a final outcome of these matters will not have a material effect on the Company's financial position or its liquidity.

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 14 - Capital Stock - Description of Features
December 31, 1992 and 1992
Unaudited

COMMON STOCK

Authorized	2,500 shares
Issued	100 shares
Outstanding	100 Shares
Par Value	None

Note 15 - Long-Term Lease - Other
December 31,
Unaudited

	Rental Expense		Minimum Non-Cancellable Rental Commitments				
	1991	1992	1993	1994	1995	1996	1997
Rental Expense							
NJ Expressway Authority original terms 3/1/81 - 3/1/86; automatically renewed annually	$ 327,000	$ 269,000	$ 256,000	$ 41,000	$ ---	$ ---	$ ---
Bally Manufacturing Corp. 11/91 - 5/97	128,000	23,000	67,000	67,000	67,000	67,000	41,000
Feinstein Realty terms: 4/90 - 10/91	78,000	---	---	---	---	---	---
Equipment Rental Expense	36,000	33,000	---	---	---	---	---
Total	$ 569,000	$ 325,000	$ 323,000	$ 108,000	$ 67,000	$ 67,000	$ 41,000

TRADING NAME OF LICENSEE Bally's Park Place

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

(UNAUDITED)

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 87,618	
2	Coin-operated devices revenue	192,917	
3	Total revenues		$ 280,535
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 653	
5	Maximum adjustment (4% of line 3)	$ 11,221	
6	Adjustment (the lesser of line 4 or line 5)		653
7	Gross revenues (line 3 less line 6)		$ 279,882
8	Tax on gross revenues - current year (8% of line 7)		$ 22,391
9	Audit or other adjustments to tax on gross revenues in prior years		-0-
10	Total tax on gross revenues (line 8 plus or minus line 9)		22,391
	Deposits made for tax on current year's gross revenues:		
11	January	$ 1,101	
12	February	1,612	
13	March	2,006	
14	April	1,659	
15	May	1,734	
16	June	2,190	
17	July	2,086	
18	August	2,584	
19	September	1,806	
20	October	1,775	
21	November	2,209	
22	December	1,177	
23	January	452	
24	Total deposits made for tax on current year's gross revenues		(22,391)
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		-0-
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ -0-

1/85

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF :
:ss.
COUNTY OF :

William Fasy, being duly sworn according
Name

to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Return has been prepared in conformity with the Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

Signature

5357-11

Casino Controller
Title

5357-11
License Number

On Behalf Of:

Bally's Park Place
Casino Licensee

Subscribed and sworn to
before me this 16th day
of February, 1993.

Signature

CHERYL ANN RUGGLES
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb 12 1994

Basis of Authority
to Take Oaths

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	SALARIES AND WAGES (d) OTHER EMPLOYEES	(e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	17			
2	Gaming	833			
3	Slots	150			
4	Casino accounting	372			
5	Other				
6	Total-casino	1,372	$ 27,733	$	$ 27,733
7	ROOMS	363	6,119		6,119
8	FOOD AND BEVERAGE	922	13,466		13,466
	OTHER OPERATED DEPARTMENTS				
9	Spa	46	628		628
10	Hat check and pool	7	131		131
11	Telephone room	31	475		475
12	Hair salon	14	210		210
13	Men's stores	1	9		9
14					
15					
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	91	5,009		5,009
21	Accounting and auditing	84	1,728		1,728
22	Security	265	5,585		5,585
23	Other administrative and general department	252	4,228		4,228
24	MARKETING	64	1,963		1,963
25	GUEST ENTERTAINMENT	15	553		553
26	PROPERTY OPERATION AND MAINTENANCE	371	8,115		8,115
27	TOTALS - ALL DEPARTMENTS	3,898	$ 75,952	$ 0	$ 75,952

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO HOTEL AND TOWER

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

FOR THE YEAR ENDED DECEMBER 31, 1992

March 15, 1993
Date


Signature

Controller
Title

NEW JERSEY STATE LIBRARY
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ANNUAL REPORT

LICENSEE BOARDWALK REGENCY CORPORATION
D/B/A CAESARS ATLANTIC CITY

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ATLANTIC CITY, NJ 08401

PROPERTY OF NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

FOR THE YEAR ENDED DECEMBER 31, 19~~92~~

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 15 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL REPORT . . . . . MICHAEL J. WALSH

OFFICIAL TITLE . . . . . VICE PRESIDENT FINANCE

ADDRESS. . . . . 2100 PACIFIC AVENUE
ATLANTIC CITY, NJ 08401

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

BALANCE SHEETS

DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	ASSETS		
	Current Assets:		
1	Cash . . . . . NOTE 14 . .	$ 9,523	$ 8,553
2	Marketable securities	–	–
3	Receivables and patrons' checks(net of allowance for doubtful accounts – 1992, $9,587 ; 1991, $11,696)	11,062	12,680
4	Inventories . . . . . NOTE 1 . .	3,708	3,978
5	Prepaid expenses and other current assets . . . . . NOTE 2 . .	14,109	14,439
6	Total current assets	38,402	39,650
7	Investments, Advances, and Receivables . . . . . NOTES 3 & 14 .	3,650	1,339
8	Property And Equipment – Gross . . . . . NOTES 1, 4 & 10 .	411,305	396,760
9	(Accumulated Depreciation/Amortization)	(135,120)	(117,287)
10	Other Assets . . . . . NOTES 1 & 12 .	14,756	14,451
11	**Total Assets**	$ 332,993	$ 334,913
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 5,944	$ 6,834
13	Notes payable . . . . . NOTE 5 .	6,141	1,194
	Current portion of long–term debt :		
14	Due to affiliates	–	–
15	Other . . . . . NOTES 10 & 14 .	288	5,009
16	Income taxes payable and accrued . . . . . NOTES 1 & 6 .	869	6,106
17	Other accrued expenses . . . . . NOTE 7 .	13,057	13,853
18	Other current liabilities . . . . . NOTE 8 .	4,748	5,633
19	Total current liabilities	31,047	38,629
	Long–Term Debt:		
20	Due to affiliates . . . . . NOTES 9 & 14 .	68,300	72,000
21	Other . . . . . NOTES 10 & 14 .	11,057	11,298
22	Deferred Credits . . . . . NOTE 6 .	6,646	6,271
23	Other Liabilities . . . . . NOTE 11	6,882	7,912
24	Commitments And Contingencies . . . . . NOTE 15	–	–
25	**Total Liabilities**	123,932	136,110
26	**Stockholders', Partners', Or Proprietor's Equity**	209,061	198,803
27	**Total Liabilities And Equity**	$ 332,993	$ 334,913

The accompanying notes are an intergral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF INCOME

FOR THE YEARS ENDED ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Revenue:		
1	Casino . . . . . NOTE 1 . . .	$ 333,835	$ 309,450
2	Rooms	16,961	16,793
3	Food and beverage	37,112	35,879
4	Other	11,913	13,679
5	Total revenue	399,821	375,801
6	Less: Promotional allowances . . . . . NOTE 1 . . .	42,733	39,687
7	Net revenue	357,088	336,114
	Costs And Expenses :		
8	Cost of goods and services	183,692	169,352
9	Selling, general and administrative	77,141	69,678
10	Provision for doubtful accounts	2,685	5,326
11	Total costs and expenses	263,518	244,356
12	Gross Operating Profit	93,570	91,758
13	Depreciation and amortization . . . . . NOTE 1 . . .	19,934	19,760
	Charges from affiliates other than interest:		
14	Management fees . . . . . NOTE 13 . .	10,586	4,320
15	Other . . . . . NOTE 13 . .	14,107	10,819
16	Income (Loss) From Operations	48,943	56,859
	Other Income (Expenses) :		
17	Interest (expense) – affiliates . . . . . NOTES 5 & 9. . .	(8,344)	(12,285)
18	Interest (expense) – external	(1,179)	(2,260)
19	Investment alternative tax and related income (expense) – net . . . NOTE 15 . . .	(1,054)	212
20	Nonoperating income (expense) – net	201	280
21	Total other income (expenses)	(10,376)	(14,053)
22	Income (Loss) Before Income Taxes And Extraordinary Items	38,567	42,806
23	Provision (credit) for income taxes . . . . . NOTE 6 . . .	16,309	17,374
24	Income (Loss) Before Extraordinary Items	22,258	25,432
25	Extraordinary Items (net of income taxes – 1992, $; 1991 , $)	–	–
26	Net Income (Loss)	$ 22,258	$ 25,432

The accompanying notes are an intergral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Revenue:		
1	Casino . . . . . NOTE 1 . . .	$ 75,073	$ 72,023
2	Rooms	4,046	4,114
3	Food and beverage	8,418	9,164
4	Other	2,929	3,326
5	Total revenue	90,466	88,627
6	Less: Promotional allowances . . . . . NOTE 1 . . .	9,365	10,245
7	Net revenue	81,101	78,382
	Costs And Expenses:		
8	Cost of goods and services	45,372	42,751
9	Selling, general and administrative	18,143	16,833
10	Provision for doubtful accounts	(331)	643
11	Total costs and expenses	63,184	60,227
12	Gross Operating Profit	17,917	18,155
13	Depreciation and amortization . . . . . NOTE 1 . . .	4,733	5,063
	Charges from affiliates other than interest:		
14	Management fees . . . . . NOTE 13 . .	2,414	2,322
15	Other . . . . . NOTE 13 . .	3,576	3,140
16	Income (Loss) From Operations	7,194	7,630
	Other Income (Expenses):		
17	Interest (expense) – affiliates . . . . . NOTES 5 & 9. . .	(2,062)	(2,120)
18	Interest (expense) – external	(294)	(332)
19	Investment alternative tax and related income (expense) – net . . . NOTE 15 . . .	(234)	239
20	Nonoperating income (expense) – net	56	52
21	Total other income (expenses)	(2,534)	(2,161)
22	Income (Loss) Before Income Taxes And Extraordinary Items	4,660	5,469
23	Provision (credit) for income taxes . . . . . NOTE 6 . . .	1,864	2,159
24	Income (Loss) Before Extraordinary Items	2,796	3,310
25	Extraordinary Items (net of income taxes – 1992, $; 1991, $)	–	–
26	**Net Income (Loss)**	$ 2,796	$ 3,310

The accompanying notes are an intergral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c) SHARES	1992 (d) DOLLARS	1991 (e) SHARES	1991 (f) DOLLARS
	Common Stock: No Par Value, 1,000 Shares Authorized				
1	Beginning balance (January 1)	100	$ 1,370	100	$ 1,370
2	Sale of stock	–	–	–	–
3	_____	–	–	–	–
4	Ending balance	100	1,370	100	1,370
	Preferred Stock:				
5	Beginning balance (January 1)	–	–	–	–
6	Sale of stock	–	–	–	–
7	_____	–	–	–	–
8	Ending balance	–	–	–	–
	Additional Paid–In Capital:				
9	Beginning balance (January 1)		46,065		46,333
10	CWI's Purchase of CNJ's		–		–
11	Minority Interest . . . . . NOTE 1		–		(268)
12	Ending balance		46,065		46,065
	Treasury Stock:				
13	Beginning balance (January 1)	–	(–)	–	(–)
14	Purchase of additional stock	–	(–)	–	(–)
15	Sale or retirement of stock	–	–	–	–
16	Ending balance	–	(–)	–	(–)
	Subscriptions Receivable For Capital Stock:				
17	Beginning balance (January 1)	–	(–)	–	(–)
18	_____	–	–	–	–
19	_____	–	–	–	–
20	Ending balance	–	(–)	–	(–)
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1)		(–)		(–)
22	_____		–		–
23	_____		–		–
24	Ending balance		(–)		(–)
	Retained Earnings:				
25	Beginning balance (January 1)		151,368		125,936
26	Prior period adjustments		–		–
27	Net Income (loss)		22,258		25,432
28	Dividends (Note 8)		(12,000)		(–)
29	_____		–		–
30	_____		–		–
31	Ending balance		161,626		151,368
32	Ending Stockholders' Equity		$ 209,061		$ 198,803

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Invested Capital:		
1	Beginning balance (January 1)	$	$
2	Additional capital invested		
3	_____		
4	Ending balance		
	Accumulated Income (Loss):		
5	Beginning balance (January 1)		
6	Prior period adjustments		
7	Net income (loss)		
8	_____		
9	Ending balance		
	Capital Withdrawals:		
10	Beginning balance (January 1)	( )	( )
11	Additional capital withdrawals	( )	( )
12	_____		
13	Ending balance	( )	( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning balance (January 1)	( )	( )
15	_____		
16	_____		
17	Ending balance	( )	( )
18	**Ending Partners' Or Proprietor's Equity**		

This Statement Is Not Applicable

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
1	Net Cash Provided (Used) By Operating Activities	$ 35,563	$ 44,673
	Cash Flows From Investing Activities :		
2	Purchase of short-term investment securities	–	–
3	Proceeds from the sale of short-term investment securities	–	–
4	Cash outflows for property and equipment	(15,248)	(10,804)
5	Proceeds from disposition of property and equipment	–	74
6	Purchase of casino reinvestment obligations	(3,630)	(1,075)
7	Purchase of other investments and loans/advances made	–	–
8	Proceeds from disposal of investments and collection of advances and long-term receivables	–	–
9	Cash outflows to acquire business entities	–	–
10	CRDA Reimbursement – Vietnam Memorial Contribution	–	1,000
11		–	–
12	Net Cash Provided (Used) By Investing Activities	(18,878)	(10,805)
	Cash Flows From Financing Activities :		
13	Cash proceeds from issuance of short-term debt	80,636	54,166
14	Payments to settle short-term debt	(75,689)	(78,795)
15	Cash proceeds from issuance of long-term debt	–	3,771
16	Costs of issuing debt	–	–
17	Payments to settle long-term debt	(8,662)	(14,753)
18	Cash proceeds from issuing stock or capital contributions	–	–
19	Purchases of treasury stock	–	–
20	Payments of dividends or capital withdrawals	(12,000)	–
21		–	–
22		–	–
23	Net Cash Provided (Used) by Financing Activities	(15,715)	(35,611)
24	Net Increase (Decrease) In Cash And Cash Equivalents	970	(1,743)
25	Cash And Cash Equivalents At Beginning Of Period	8,553	10,296
26	Cash And Cash Equivalents At End Of Period	$ 9,523	$ 8,553

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	Cash Paid During Period For:		
28	Interest (net of amount capitalized)	$ 9,557	$ 12,139
	Income taxes	$ 21,381	$ 14,298

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ 22,258	$ 25,432
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	18,801	18,752
31	Amortization of other assets	1,133	1,008
32	Amortization of debt discount or premium	–	–
33	Deferred income taxes – current	(211)	(5,235)
34	Deferred income taxes – noncurrent	375	1,826
35	(Gain) loss on disposition of property and equipment	–	(70)
36	(Gain) loss on casino reinvestment obligations	1,054	(212)
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	1,618	3,707
39	Net (increase) decrease in inventories	270	(847)
40	Net (increase) decrease in other current assets	541	(699)
41	Net (increase) decrease in other assets	(1,438)	(1,884)
42	Net increase (decrease) in accounts payable	(890)	(1,805)
43	Net increase (decrease) in other current liabilities excluding debt	(6,918)	4,868
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(1,030)	(168)
45	_____	–	–
46	_____	–	–
47	Net Cash Provided (Used) By Operating Activities	$ 35,563	$ 44,673

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 15,248	$ 10,804
49	Less: Capital lease obligations incurred	–	–
50	Cash Outflows For Property And Equipment	$ 15,248	$ 10,804
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$ –	$ –
52	Goodwill acquired	–	(268)
53	Net assets acquired other than cash, goodwill, and property and equipment	–	–
54	Long–term debt assumed	–	–
55	Issuance of stock or capital invested	–	268
56	Cash Outflows To Acquire Business Entities	$ –	$ –
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$ –	$ (268)
58	Less: Issuances to settle long–term debt	–	–
59	Consideration in acquisiton of business entities	–	(268)
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$ –	$ –

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF BUSINESS

Boardwalk Regency Corporation (BRC), a New Jersey corporation, is a wholly-owned subsidiary of Caesars New Jersey, Inc. (CNJ), a New Jersey corporation. CNJ is a wholly-owned subsidiary of Caesars World, Inc., (CWI), a Florida corporation. BRC owns and operates Caesars Atlantic City Hotel/Casino (CAC) in Atlantic City, New Jersey.

Revenue and Promotional Allowances

Casino revenue represents the net win from gaming wins and losses. The retail value of accommodations and the food and beverage provided to customers without charge is included in gross revenue and deducted as promotional allowances.

Inventories

Inventories are stated at the lower of cost or market, cost being determined principally on the first-in, first-out basis.

Property and Equipment

Property and equipment is recorded at cost, including interest capitalized on funds borrowed to finance construction. There was no capitalized interest recorded for the years ended December 31, 1992 and 1991. Depreciation and amortization are provided for on the straight-line method over the following estimated useful lives:

Buildings and improvements including capital lease	10 to 40 years
Furniture, fixtures and equipment	3 to 8 years

Betterments, renewals and extraordinary repairs that extend the life of the asset are capitalized; other repairs and maintenance are expensed. The cost and accumulated depreciation applicable to assets retired are removed from the accounts and the resultant gain or loss on disposition is recognized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd):

Costs in Excess of Net Assets Acquired

In December 1990 , CWI acquired the remaining outstanding shares of CNJ (approximately 13.4%) that were not previously owned by CWI, for a total cost of approximately $51,000,000, including estimated expenses. CWI accounted for the acquisition, using the purchase method of accounting, by having BRC establish a new basis of accounting for the purchased assets and liabilities. BRC credited additional paid-in capital $40,421,000, removed $19,421,000 from retained earnings which represented the minority's interest and allocated $11,903,000 of the purchase price paid to land, buildings and improvements and leased assets. The excess of purchase price over fair value of assets acquired, approximately $8,829,000, is being amortized on a straight-line basis over 40 years.

Income Taxes

BRC is included in CWI's consolidated Federal income tax return. Pursuant to a parent services and expense reimbursement agreement, BRC records its income tax liability (and if applicable, benefit) based upon what the amount would have been, had BRC filed a separate return. Deferred income taxes are provided for timing differences between book and tax recognition of revenues and expenses.

In February 1992, the Financial Accounting Standards Board issued a Statement of Financial Accounting Standards Number 109 (SFAS 109) on accounting for income taxes. BRC is required to adopt the accounting and disclosure rules prescribed by SFAS 109 no later than its fiscal year ending July 31, 1994, although earlier adoption is permitted. Implementation of SFAS 109 may involve either restating net income for prior years or recognizing a cumulative adjustment in the year of adoption. CWI and its' subsidiaries, including BRC, will likely adopt the new accounting for income taxes in either the fourth quarter of Fiscal 1993 or in the first quarter of Fiscal 1994 by recognizing a cumulative adjustment at the time of adoption. The immediate effect of adopting SFAS 109 will depend principally on enacted tax rates at the date of adoption. Assuming no changes to the current tax rates, or an increase in the federal tax rate from 34 percent to 36 percent as proposed by President Clinton, the Company's preliminary review indicates that the adoption of SFAS 109 is

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd):

Income Taxes (cont'd)

not expected to have a material effect on the Company's financial position.

Post Employment Benefits

In November 1992 the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 112 (SFAS 112) on accounting for post-employment benefits. The Company is required to adopt the accounting and disclosure rules prescribed by SFAS 112 no later than its Fiscal year ending July 31, 1995. The Company's preliminary review indicates the adoption of SFAS 112 will not have a material effect on the Company's financial position.

NOTE 2. PREPAID EXPENSES AND OTHER CURRENT ASSETS:

	1992	1991
	(In Thousands)	
Deferred income taxes.(NOTE 6)..	$12,204	$11,993
Other.....	1,905	2,446
	$14,109	$14,439

NOTE 3. INVESTMENTS, ADVANCES AND RECEIVABLES:

	1992	1991
	(In Thousands)	
CRDA deposits.....	$5,188	$1,559
CRDA bonds receivable.....	521	521
	5,709	2,080
Less: valuation allowance on CRDA investments.....	2,059	741
	$3,650	$1,339

NOTE 4. PROPERTY AND EQUIPMENT:

	1992	1991
	(In Thousands)	
Land	$ 51,503	$ 46,895
Buildings and improvements	253,742	250,738
Furniture, fixtures and equipment	89,466	81,336
Construction in progress	4,254	2,613
Properties under capital leases.	12,340	15,178
	411,305	396,760
Less: accumulated depreciation and amortization	135,120	117,287
	$276,185	$279,473

NOTE 5. NOTES PAYABLE:

In August 1992, CWI entered into a new unsecured facility with a syndicate of banks, consisting of a $125,000,000 term loan and a $150,000,000 revolving credit facility available to be used by CWI and its affiliates, including BRC, for working capital needs and general corporate purposes. The new bank agreement provides that advances under the term loan portion of the facility must be made by March 30, 1993. The balance outstanding at March 31, 1993, amortizes in nine equal installments on March 31 and September 30 each year beginning in 1993 until final payment is made on March 31, 1997, and interest is payable quarterly or earlier. The first drawdown of the term loan by CWI was $115,000,000 on September 30, 1992, and the remaining $10,000,000 on December 1, 1992. CWI incurs commitment fees of 5/16 percent to 1/2 percent on the unused portion of the credit facilities and the interest rate fluctuates depending upon CWI's financial leverage and the selection of one of the borrowing rate alternatives available at the option of CWI, one of which approximates the bank's prime rate.

In August 1992 CWI issued $150,000,000 of 8 7/8 percent Senior Subordinated Notes due August 15, 2002. The proceeds together with bank borrowings were used by CWI on October 1, 1992 to retire the $241,000,000 of principal outstanding on the 13 1/2 percent Subordinated Notes, accrued interest and costs.

NOTE 5. NOTES PAYABLE (cont'd):

The new bank loan agreement and 8 7/8 Senior Subordinated Notes, as well as the previous loan agreements covering 1992 and 1991, contain covenants, among others, that require the maintenance of certain financial ratios and include restrictions on CWI and its subsidiaries with respect to additional debt, dividends, stock repurchases, sales of certain assets, investments and capital expenditures, mergers, consolidations and similar transactions, liens, acquisitions, disposition of property, and repayment of other debt. Cross default clauses provide that the default of either the Senior Subordinated Notes or the bank loan agreement may result in the acceleration of the other. The loss of a gaming license which has a potential $15,000,000 charge to operations of CWI and is determined by the banks to be materially adverse to them would be a default under the bank loan agreement. Also, the bank agreement requires guarantees by specified subsidiaries of CWI, including BRC.

In May 1989, BRC entered into an unsecured $50,000,000 revolving line of credit with Desert Palace, Inc. (DPI), a wholly-owned subsidiary of CWI. The revolving line of credit carries interest at the prime rate, a $75,000 annual commitment fee, which commenced on May 31, 1989, and has a term of five years. In 1992 and 1991, the maximum amount outstanding at any month-end was $9,960,000 and $21,864,000, respectively, the average of the month-end amounts outstanding was $6,451,000 and $8,535,000, respectively, and the weighted average interest rate was 6.3% and 8.4%, respectively.

At December 31, 1992 and 1991, the outstanding balance on the revolving line of credit was $6,141,000 and $1,194,000, respectively.

NOTE 6. INCOME TAXES:

The provision for income taxes for the years ended December 31, 1992 and 1991 is comprised of the following:

	1992	1991
	(In Thousands)	
Current:		
Federal	$11,847	$15,759
State	4,298	5,024
Deferred:		
Federal	33	(2,636)
State	131	(773)
	$16,309	$17,374

Deferred credits of $6,646,000 and $6,271,000 at December 31, 1992 and 1991, respectively, represent noncurrent deferred income taxes which result from temporary differences between income for financial reporting purposes and income for tax purposes. The most significant temporary differences, included in deferred credits and prepaid expenses (**NOTE 2**), relate to the allowance for doubtful accounts, depreciation, and certain accrued liabilities.

The provision for income taxes for the years ended December 31, 1992 and 1991 differs from the amount computed at the statutory rate as follows:

	1992	1991
	(In Thousands)	
Federal income tax at statutory rate.	$13,113	$14,554
State income taxes, net of federal benefit	2,291	2,543
Other, net	905	277
	$16,309	$17,374

The Internal Revenue Service has examined CWI's consolidated federal income tax returns through fiscal 1988 and is currently examining the returns for fiscal 1989 and 1990.

NOTE 7. OTHER ACCRUED EXPENSES:

	1992	1991
	(In Thousands)	
Salaries, wages and vacation pay....	$ 3,924	$ 3,529
General liability, etc.....	3,405	2,575
Taxes, other than income taxes.....	1,651	1,239
Emperors Club Scrip.....	1,112	1,015
Progressive slot jackpots.....	421	1,761
Other.....	2,544	3,734
	$13,057	$13,853

NOTE 8. OTHER CURRENT LIABILITIES:

	1992	1991
	(In Thousands)	
Due to CWI.....	$2,110	$2,027
Due to DPI.....	664	698
Other.....	1,974	2,908
	$4,748	$5,633

NOTE 9. LONG-TERM NOTE, DUE TO AFFILIATES:

	1992	1991
	(In Thousands)	
DPI term note due June 1, 1996, interest at 11.45%.....	$68,300	$72,000

In June 1991, BRC executed an $81,862,000 term note due June 1, 1996 that replaced the term note due June 1, 1992. Interest is accrued monthly and paid quarterly at the annual rate of 11.45 percent on the unpaid principal balance. The term note is unsecured and may be prepaid at any time without penalty.

NOTE 10. LONG-TERM DEBT, OTHER:

	1992	1991
	(In Thousands)	
Mortgage payable.....	$ 1,808	$ 2,096
Capitalized lease obligation, net of amounts representing interest....	9,249	9,202
	$11,057	$11,298

Mortgage payable is comprised of the following:

	1992	1991
	(In Thousands)	
Mortgage payable, interest at 8.0% maturing January 1999, secured by property.....	$2,096	$2,362
Less current maturities.....	288	266
	$1,808	$2,096

Maturities of long-term debt, other, for the five years subsequent to December 31, 1992 are as follows:

Year Ending December 31,	(In Thousands)
1993.....	$ 288
1994.....	312
1995.....	337
1996.....	366
1997.....	396
Thereafter.....	397
	$2,096

NOTE 10. LONG-TERM DEBT, OTHER (cont'd):

BRC leases land, buildings and equipment under noncancellable lease agreements with primary terms which expire at various dates through 2076. The leases generally provide that BRC pay the taxes, insurance and maintenance expenses related to the leased assets. CWI has guaranteed a substantial portion of the Company's lease obligations.

On January 31, 1992, BRC exercised a $6,500,000 purchase option for previously leased land upon which a portion of the casino is located.

BRC also owns approximately 1.2 acres and leases approximately six acres of property in Atlantic City, including an entire block of Boardwalk frontage, which may be suitable for development of a casino/hotel. The capitalized lease requires annual payments of $875,000 and may be purchased for $13,000,000. The purchase option will increase by $500,000 in August 1997 and another $500,000 every 10 years thereafter.

Capital lease obligations are comprised of the following:

	1992	1991
	(In Thousands)	
Capital lease obligations, net amounts representing interest.....	$9,249	$13,945
Less current maturities.....	-	4,743
	$9,249	$ 9,202

NOTE 10. LONG-TERM DEBT, OTHER (cont'd):

Future minimum lease payments for all leases are as follows:

Year Ending December 31,	Operating	Capital
	(In Thousands)	
1993.....	$ 518	$ 875
1994.....	518	875
1995.....	201	875
1996.....	-	875
1997.....	-	875
Thereafter.....	-	85,860
Total minimum lease payments.....	$1,237	90,235
Less amount representing interest.....		80,986
		$ 9,249

Rent expense for the years ended December 31, 1992 and 1991 was $2,518,000 and $2,994,000, respectively.

NOTE 11. OTHER LIABILITIES:

	1992	1991
	(In Thousands)	
General liability, etc.....	$4,481	$5,855
Other.....	2,401	2,057
	$6,882	$7,912

NOTE 12. PENSION PLANS:

BRC participates in CWI's nonqualified defined benefit pension plans covering officers or other employees designated as key executives of CWI or its subsidiaries. The benefits are based on years of service (not to exceed 30) and the average of the employee's highest five years of base compensation during the last ten years of employment. BRC has funded the vested benefits of certain current employees by making contributions to a revocable trust. Income earned by the trust accrues to the benefit of BRC. At December 31, 1992, the amount in this revocable trust was $1,652,000 and was recorded as "Other Assets". This trust shall become irrevocable in the event of a change of control of CWI (as defined). Pension expense was $403,000 and $364,000 for the years ended December 31, 1992 and 1991, respectively. The actuarially computed present value of the accumulated benefit obligation relating to participants employed by BRC was $1,622,000 at July 31, 1992. The liability accrued with respect to the Plan at July 31, 1992 was $2,306,000.

BRC also has an Individual Retirement Account Plan which is generally available to all full-time, non-union employees who have at least one year of service and are not covered under any qualified retirement plan. The expense of this plan was $736,000 and $714,000 for the years ended December 31, 1992 and 1991, respectively.

In addition to the BRC plans described above, union employees are covered by various multi-employer pension plans. For the union sponsored plans, information is not available from the plans' sponsors to permit BRC to determine its share of unfunded vested benefits, if any.

In 1991, BRC and CWI adopted the Financial Accounting Standards Board's new statement on accounting for post-retirment other than pensions. The adoption of this new accounting standard was not material.

NOTE 13. RELATED TRANSACTIONS:

BRC has recorded expenses for the years ended December 31, 1992 and 1991 from CWI and affiliates as follows:

Affiliate	Transaction	1992	1991
		(In Thousands)	
Caesars World, Inc.	Management Fee	$10,586	$4,320
Caesars World Marketing Corp.	Reservation Offices	$ 6,151	$ 4,450
Caesars Palace Corp	Tradename Fee	4,800	3,200
Caesars World, Inc.	Allocated Payroll	3,156	3,169
		$14,107	$10,819

In June 1992, BRC declared a $12,000,000 dividend, payable to CNJ. By August 1992 this dividend was paid in full.

NOTE 14. FAIR VALUE OF FINANCIAL INSTRUMENTS:

Statement of Financial Accounting Standards Number 107, "Disclosures About Fair Value of Financial Instruments", requires that the Company disclose fair values for its financial instruments. The fair value estimates are made at a discrete point in time based upon relevant information about the financial instruments. The methods and assumptions used to estimate the fair value for each of the following classes of financial instruments were:

Cash

The carrying amount approximates fair value because of the short maturity of those investments.

Investments, Advances and Receivables

The carrying amount of these investments, which includes CRDA deposits, approximates their fair value.

NOTE 14. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd):

Long-Term Debt

The fair value of BRC's long-term debt, including the current portion, was estimated using a discounted cash flow method, based upon CWI's current incremental borrowing rates for similar types of borrowing arrangements.

At December 31, 1992, the fair value and carrying value of the DPI Term Note was approximately $73,700,000 and $68,300,000, respectively and the fair value of the long-term debt, other, including the current portion, approximated the carrying value.

NOTE 15. COMMITMENTS AND CONTINGENCIES:

New Jersey Investment Obligation

The New Jersey Casino Control Act provides, among other things, for an investment obligation on licensees based upon their gross casino revenues. This obligation may be satisfied by investing in qualified eligible direct investments, by purchasing bonds issued by the Casino Reinvestment Development Authority (CRDA), and/or by making qualified contributions. As of December 31, 1992, all BRC investment obligations had been satisfied or prepaid.

Litigation

BRC is party to legal proceedings arising in the normal conduct of business. BRC believes that the final outcome of these matters will not have a material adverse effect upon BRC's financial position.

NOTE 16. SUBSEQUENT EVENT:

On January 4, 1993, BRC declared a dividend to CNJ of $6,000,000 to be paid on or before May 4, 1993. As of March 2, 1993, this dividend was paid in full.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992
(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES				
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE – (e) NET OF ALLOWANCE
	Patron Checks :			
1	Undeposited patrons' checks	$ 6,406	–	
2	Returned patrons' checks	12,419	–	
3	Total patrons' checks	18,825	$ 9,480	$ 9,345
4	Hotel Receivables	1,226	107	1,119
	Other Receivables:			
5	Receivables due from officers and employees	3	–	
6	Receivables due from affiliates	35	–	
7	Other accounts and notes receivables	560	–	
8	Total other receivables	598	–	598
9	Totals (Form 205)	$ 20,649	$ 9,587	$ 11,062

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 5,923
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits).	283,659
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidation, substitutions, and patrons' cash deposits)	(202,820)
13	Checks collected through deposits	(78,558)
14	Checks transferred to returned checks	(1,798)
15	Other adjustments	–
16	Ending Balance	$ 6,406
17	"Hold" Checks Included Balance on Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$ 2,684
19	Provision As A Percent Of Counter Checks Issued	0.9%

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

(UNAUDITED)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	211,643	$ 11,800		$
Food	950,771	18,401		
Beverage	1,794,017	9,410		
Travel			43,739	13,472
Coin			2,115,338	16,843
Coupon			317,680	9,274
Entertainment	90,429	2,560	17,587	2,406
Retail & gifts			3,028	2,539
Other	14,782	562	183,606	4,177
Total	3,061,642	$ 42,733	2,680,978	$ 48,711

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	51,371	$ 2,606		$
Food	226,428	3,890		
Beverage	414,081	2,098		
Travel			9,117	3,356
Coin			394,706	3,563
Coupon			86,701	2,565
Entertainment	23,739	656	8,438	905
Retail & gifts			473	201
Other	2,765	115	49,556	1,775
Total	718,384	$ 9,365	548,991	$ 12,365

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

MICHAEL J. WALSH, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Annual Report.
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

Signature

VICE PRESIDENT FINANCE
Title

1482-11
License Number

Subscribed and sworn to
before me this 12th day
of March, 1993

Signature

MARY NOCELLA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 30, 1997

On Behalf Of:

BOARDWALK REGENCY CORPORATION
Casino License

Basis of Authority
to Take Oaths

1/86

CCC-350

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE BOARDWALK REGENCY CORPORATION

ADDRESS 2100 PACIFIC AVENUE

ATLANTIC CITY, N.J. 08401

FOR THE YEAR ENDED DECEMBER 31, 19 92

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 17 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL TAX RETURN ..... MICHAEL J. WALSH

OFFICIAL TITLE ..... VICE PRESIDENT, FINANCE

ADDRESS ..... 2100 PACIFIC AVENUE

ATLANTIC CITY, N.J. 08401

TRADING NAME OF LICENSEE CAESARS ATLANTIC CITY

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

(UNAUDITED)

AMENDED 3/93

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 140,377	
2	Coin-operated devices revenue	192,119	
3	Total revenues		$ 332,496
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 2,684	
5	Maximum adjustment (4% of line 3)	$ 13,300	
6	Adjustment (the lesser of line 4 or line 5)		2,684
7	Gross revenues (line 3 less line 6)		$ 329,812
8	Tax on gross revenues - current year (8% of line 7)		$ 26,385
9	Audit or other adjustments to tax on gross revenues in prior years		0
10	Total tax on gross revenues (line 8 plus or minus line 9)		26,385
	Deposits made for tax on current year's gross revenues:		
11	January	$ 2,173	
12	February	2,100	
13	March	2,230	
14	April	2,226	
15	May	2,001	
16	June	2,391	
17	July	2,390	
18	August	2,779	
19	September	2,056	
20	October	2,161	
21	November	2,059	
22	December	1,738	
23	January	74	
24	Total deposits made for tax on current year's gross revenues		26,378
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		0
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ 7

$6,912 Adjustment from August 1992 to be made in March 1993
$ (23) Overpayment from November 1992
6,889 (Please note: figures are not in thousands)

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF :
:ss.
COUNTY OF :

MICHAEL J. WALSH, being duly sworn according
Name

to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Return has been prepared in conformity with the Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

Signature

VICE PRESIDENT/FINANCE
Title

1482-11
License Number

On Behalf Of:

BOARDWALK REGENCY CORPORATIC
Casino Licensee

Subscribed and sworn to
before me this day
of , 19 .

Signature

Basis of Authority
to Take Oaths

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE BOARDWALK REGENCY CORPORATION
D/B/A CAESARS ATLANTIC CITY

ADDRESS 2100 PACIFIC AVENUE

ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL EMPLOYMENT AND PAYROLL REPORT..... MICHAEL J. WALSH

OFFICIAL TITLE..... VICE PRESIDENT FINANCE

ADDRESS..... 2100 PACIFIC AVENUE

ATLANTIC CITY, NJ 08401

TRADING NAME OF LICENSEE CAESARS ATLANTIC CITY

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

($ In Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	(d) OTHER EMPLOYEES	SALARIES AND WAGES (e) OFFICERS AND OWNERS	(f) TOTALS
	CASINO				
1	Administration	14			
2	Gaming	841			
3	Slots	172			
4	Casino accounting	54			
5	Other	672			
6	Total – casino	1,753	$43,398	$690	$44,088
7	ROOMS	202	3,819	96	3,915
8	FOOD AND BEVERAGE	728	12,187	237	12,424
9	OTHER OPERATED DEPARTMENTS				
10	Parking Operations	43	801		801
11	Health Spa	7	145		145
12	Coat Room	7	60		60
13	Telephone	15	250		250
14	Affinity	1	12		12
15					
16					
17					
18					
19					
20	ADMINISTRATIVE AND GENERAL				
	Executive office	9	306	850	1,156
21	Accounting and auditing	64	1,789	127	1,916
22	Security	231	5,154	110	5,264
23	Other administrative and general department	190	5,012	399	5,411
24	MARKETING	85	2,061	102	2,163
25	GUEST ENTERTAINMENT	35	1,508		1,508
26	PROPERTY OPERATIONS AND MAINTENANCE	109	3,899	84	3,983
27					
	TOTAL – ALL DEPARTMENTS	3,479	$80,401	$2,695	$83,096

TRADING NAME OF LICENSEE CAESARS ATLANTIC CITY

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

FOR THE YEAR ENDED DECEMBER 31, 1992

MARCH 12, 1993

M J Walsh
Signature

VP Finance
Title

CCC-377

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ANNUAL REPORT

THE CLARIDGE AT PARK PLACE, INC.

INDIANA AVENUE AT THE BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

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MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEB
MAR 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS ANNUAL REPORT: RAYMOND A. SPERA

OFFICIAL TITLE: EXECUTIVE VICE PRESIDENT OF
FINANCE & CORP. DEVELOPMENT

ADDRESS: INDIANA AVENUE AT THE BOARDWALK
ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

LIST OF FORMS - ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

TITLE	FORM #
BALANCE SHEETS	CCC - 205
STATEMENTS OF INCOME (YEAR)	CCC - 210
STATEMENTS OF INCOME (THREE MONTHS)	CCC - 215
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY	CCC - 220
STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETORS' EQUITY	CCC - 225
STATEMENTS OF CASH FLOWS	CCC - 235
NOTES TO FINANCIAL STATEMENTS	
SCHEDULE OF RECEIVABLES & PATRONS' CHECKS	CCC - 240
PROMOTIONAL EXPENSES & ALLOWANCES	CCC - 245
STATEMENT OF CONFORMITY & ACCURACY	CCC - 250

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

BALANCE SHEETS
DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1992	(D) 1991
	ASSETS		
	CURRENT ASSETS:		
1	CASH	$ 4,758	$ 4,637
2	MARKETABLE SECURITIES	-0-	-0-
3	RECEIVABLES & PATRONS CHECKS (NET OF ALLOW. FOR DOUBTFUL ACCOUNTS - 1992, $1,444; 1991, $1,278	17,148	16,768
4	INVENTORIES	2,285	2,041
5	PREPAID EXPENSES & OTHER CURRENT ASSETS	1,066	1,944
6	TOTAL CURRENT ASSETS	25,257	25,390
7	INVESTMENTS, ADVANCES & RECEIVABLES...(NOTE 3)	123,500	129,019
8	PROPERTY & EQUIPMENT - GROSS	13,600	13,909
9	(ACCUMULATED DEPRECIATION/AMORTIZATION)	(9,639)	(10,036)
10	OTHER ASSETS.....(NOTE 4)	461	385
11	TOTAL ASSETS	$153,179	$158,667
	LIABILITIES & EQUITY		
	CURRENT LIABILITIES:		
12	ACCOUNTS PAYABLE	$ 1,869	$ 1,653
13	NOTES PAYABLE	-0-	-0-
14	CURRENT PORTION OF LONG-TERM DEBT: DUE TO AFFILIATES	-0-	-0-
15	OTHER	2,200	1,200
16	.....(NOTE 7)	494	600
17	INCOME TAXES PAYABLE & ACCRUED	8,297	9,567
18	OTHER ACCRUED EXPENSES.....(NOTE 5)	21,338	21,214
19	OTHER CURRENT LIABILITIES.....(NOTE 6)	34,198	34,234
	TOTAL CURRENT LIABILITIES		
	LONG TERM DEBT:		
20	DUE TO AFFILIATES	-0-	-0-
21	OTHER	40,301	50,867
22	.....(NOTE 7)	4,949	3,610
23	DEFERRED CREDITS	59,525	62,409
24	OTHER LIABILITIES.....(NOTE 8)		
	COMMITMENTS & CONTINGENCIES (NOTE 1)		
25	TOTAL LIABILITIES	138,973	151,120
26	STOCKHOLDERS', PARTNERS, OR PROPRIETOR'S EQUITY	14,206	7,547
27	TOTAL LIABILITIES & EQUITY	153,179	$158,667

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1992	(D) 1991
	REVENUE:		
1	CASINO	$148,798	$135,574
2	ROOMS	11,118	10,803
3	FOOD & BEVERAGE	18,973	20,593
4	OTHER	2,842	2,348
5	TOTAL REVENUE	181,731	169,318
6	LESS: PROMOTIONAL ALLOWANCES	16,801	16,493
7	NET REVENUE	164,930	152,825
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	89,145	85,645
9	SELLING, GENERAL & ADMINISTRATIVE	42,924	37,094
10	PROVISION FOR DOUBTFUL ACCOUNTS	554	558
11	TOTAL COSTS & EXPENSES	132,623	123,297
12	GROSS OPERATING PROFIT	32,307	29,528
13	DEPRECIATION & AMORTIZATION	1,321	1,274
14	CHARGES FROM AFFILIATES OTHER THAN INTEREST: MANAGEMENT FEES	-0-	-0-
15	OTHER	110	119
16	INCOME (LOSS) FROM OPERATIONS	30,876	28,135
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES.....(NOTE 12)	(432)	(432)
18	INTEREST (EXPENSES) - EXTERNAL	(3,808)	(5,912)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(977)	(1,465)
20	NONOPERATING INCOME (EXPENSE) - NET....(NOTES 9 & 11)	(14,925)	(16,323)
21	TOTAL OTHER INCOME (EXPENSE)	(20,142)	(24,132)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	10,734	4,003
23	PROVISION (CREDIT) FOR INCOME TAXES..(NOTE 11)	4,075	1,500
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	6,659	2,503
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES - 1992, $ -0-; 1991, $-0-)	-0-	-0-
26	NET INCOME (LOSS)	$ 6,659	$ 2,503

* Certain reclassifications have been made to the 1991 Income Statement to conform to the 1992 presentation.

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1992	(D) 1991
	REVENUE:		
1	CASINO	$ 32,717	$ 32,929
2	ROOMS	2,398	2,421
3	FOOD & BEVERAGE	3,986	5,005
4	OTHER	515	578
5	TOTAL REVENUE	39,616	40,933
6	LESS: PROMOTIONAL ALLOWANCES	3,483	4,088
7	NET REVENUE	36,133	36,845
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	20,421	21,315
9	SELLING, GENERAL & ADMINISTRATIVE	10,595	8,972
10	PROVISION FOR DOUBTFUL ACCOUNTS	137	135
11	TOTAL COSTS & EXPENSES	31,153	30,422
12	GROSS OPERATING PROFIT	4,980	6,423
	DEPRECIATION & AMORTIZATION	364	355
14	CHARGES FROM AFFILIATES OTHER THAN INTEREST: MANAGEMENT FEES	-0-	-0-
15	OTHER	32	23
16	INCOME (LOSS) FROM OPERATIONS	4,584	6,045
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES	(108)	(108)
18	INTEREST (EXPENSES) - EXTERNAL	(826)	(1,252)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(142)	(357)
20	NONOPERATING INCOME (EXPENSE) - NET	(3,719)	(3,711)
21	TOTAL OTHER INCOME (EXPENSE)	(4,795)	(5,428)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	(211)	617
23	PROVISION (CREDIT) FOR INCOME TAXES	(110)	146
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	(101)	471
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES) 1992,$, 1991, $	-0-	-0-
26	NET INCOME (LOSS)	(101)	$ 471

* Certain reclassifications have been made to the 1991 Income Statement to conform to the 1992 presentation.

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENTS OF CHANGES IN STOCKHOLDERS EQUITY
FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	1992		1991	
		(C) SHARES	(D) DOLLARS	(E) SHARES	(F) DOLLARS
	COMMON STOCK: (PAR VALUE $0.10, AUTHORIZED & OUTSTANDING 1,000 SHARES)				
1	BEGINNING BALANCE (JANUARY 1)	1,000	$ 1	1,000	$ 1
2	SALE OF STOCK				
3	_____				
4	ENDING BALANCE	1,000	$ 1	1,000	$ 1
	PREFERRED STOCK:				
5	BEGINNING BALANCE (JANUARY 1)				
6	SALE OF STOCK				
7	_____				
8	ENDING BALANCE				
	ADDITIONAL PAID-IN CAPITAL:				
9	BEGINNING BALANCE (JANUARY 1)		$4,999		$ 4,999
10	_____				
11	_____				
12	ENDING BALANCE		$4,999		$ 4,999
	TREASURY STOCK:				
13	BEGINNING BALANCE (JANUARY 1)				
14	PURCHASE OF ADDITIONAL STOCK				
15	SALE OR RETIREMENT OF STOCK				
16	ENDING BALANCE				
	SUBSCRIPTIONS RECEIVABLE FOR CAPITAL STOCK:				
17	BEGINNING BALANCE (JANUARY 1)				
18	_____				
19	_____				
20	ENDING BALANCE				
	NET UNREALIZED LOSS ON NONCURRENT MARKETABLE EQUITY SECURITIES:				
21	BEGINNING BALANCE (JANUARY 1)				
22	_____				
23	_____				
24	ENDING BALANCE				
	RETAINED EARNINGS:				
25	BEGINNING BALANCE (JANUARY 1)		$2,547		$ 44
26	PRIOR PERIOD ADJUSTMENTS				
27	NET INCOME (LOSS)		6,659		2,503
28	DIVIDENDS				
29	_____				
30	_____				
31	ENDING BALANCE		9,206		2,547
32	ENDING STOCKHOLDERS' EQUITY		$14,206		$ 7,547

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENT OF CHANGES IN PARTNERS' OR PROPRIETORS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1992	(D) 1991
	INVESTED CAPITAL:		
1	BEGINNING BALANCE (JANUARY 1).....		
2	ADDITIONAL CAPITAL INVESTED.....		
3	_____.....		
4	ENDING BALANCE.....		
	ACCUMULATED INCOME (LOSS):		
5	BEGINNING BALANCE.....		
6	PRIOR PERIOD ADJUSTMENTS.....		
7	NET INCOME (LOSS).....		
8	_____.....		
9	ENDING BALANCE.....		
	CAPITAL WITHDRAWALS:		
10	BEGINNING BALANCE.....		
11	ADDITIONAL CAPITAL WITHDRAWALS.....		
12	_____.....		
13	ENDING BALANCE.....		
	NET UNREALIZED LOSS ON NONCURRENT MARKETABLE EQUITY SECURITIES:		
14	BEGINNING BALANCE.....		
15	_____.....		
16	_____.....		
17	ENDING BALANCE.....		
18	ENDING PARTNERS' OR PROPRIETOR'S EQUITY.....		

NOT APPLICABLE

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1992	(D) 1991
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	$ 5,806	$ 3,159
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	PURCHASE OF SHORT-TERM INVESTMENT SECURITIES.....		
3	PROCEEDS FROM THE SALE OF SHORT-TERM INV. SECURITIES...		
4	CASH OUTFLOWS FOR PROPERTY & EQUIPMENT.....	(1,281)	(1,213)
5	PROCEEDS FROM DISPOSITION OF PROPERTY & EQUIPMENT.....	87	149
6	PURCHASE OF CASINO REINVESTMENT OBLIGATION.....	(1,255)	(325)
7	PURCHASE OF OTHER INVESTMENTS & LOANS/ADVANCES MADE....	(2,295)	(1,343)
8	PROCEEDS FROM DISPOSAL OF INVESTMENTS & COLLECTION OF ADVANCES & LONG TERM RECEIVABLES.....	8,625	8,443
9	CASH OUTFLOWS TO ACQUIRE BUSINESS ENTITIES.....		
10	_____.....		
11	_____.....		
12	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES.....	3,881	5,711
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	CASH PROCEEDS FROM ISSUANCE OF SHORT-TERM DEBT.....	1,000	
14	PAYMENTS TO SETTLE SHORT-TERM DEBT.....	-0-	(900)
15	CASH PROCEEDS FROM ISSUANCE OF LONG-TERM DEBT.....		
16	COSTS OF ISSUING DEBT.....		
17	PAYMENTS TO SETTLE LONG-TERM DEBT.....	(10,566)	(8,404)
18	CASH PROCEEDS FROM ISSUING STOCK OR CAPITAL CONTRIB....		
19	PURCHASES OF TREASURY STOCK.....		
20	PAYMENTS OF DIVIDENDS OR CAPITAL WITHDRAWALS.....		
21	_____.....		
22	_____.....		
23	NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES.....	(9,566)	(9,304)
24	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	121	(434)
25	CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	4,637	5,071
26	CASH & CASH EQUIVALENTS AT END OF PERIOD.....	$ 4,758	$ 4,637

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	CASH PAID DURING YEAR FOR:		
28	INTEREST (NET OF AMOUNT CAPITALIZED).....	$ 3,808	$ 5,912
	INCOME TAXES.....	$ 2,841	$ 220

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1992	(D) 1991
	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
29	NET INCOME (LOSS)	$ 6,659	$ 2,503
	NON-CASH ITEMS INCLUDED INCOME & CASH ITEMS EXCLUDED FROM INCOME:		
30	DEPRECIATION & AMORTIZATION OF PROPERTY & EQUIPMENT	1,124	1,178
31	AMORTIZATION OF OTHER ASSETS	197	96
32	AMORTIZATION OF DEBT DISCOUNT OR PREMIUM		
33	DEFERRED INCOME TAXES - CURRENT		
34	DEFERRED INCOME TAXES - NONCURRENT	1,339	1,030
35	(GAIN) LOSS ON DISPOSITION OF PROPERTY & EQUIPMENT	(18)	(149)
36	(GAIN) LOSS ON CASINO REINVESTMENT OBLIGATIONS	977	1,465
37	(GAIN) LOSS FROM OTHER INVESTMENT ACTIVITIES		
38	NET (INCREASE) DECREASE IN RECEIVABLES AND PATRONS' CHECKS EXCLUDING RECLASS FROM LONG TERM OF $855 and $258	475	(106)
39	NET (INCREASE) DECREASE IN INVENTORIES	(244)	(44)
40	NET (INCREASE) DECREASE IN OTHER CURRENT ASSETS *	362	(246)
41	NET (INCREASE) DECREASE IN OTHER ASSETS	(272)	(300)
42	NET INCREASE (DECREASE) IN ACCOUNTS PAYABLE	216	(993)
43	NET INCREASE (DECREASE) IN OTHER CURRENT LIABILITIES EXCLUDING DEBT	(1,252)	3,767
44	NET INCREASE (DECREASE) IN OTHER NONCURRENT LIABILITIES EXCLUDING DEBT	(2,884)	(4,282)
45	DISCOUNT ON WRAPAROUND MORTGAGE RECEIVABLE	(873)	(760)
46			
47	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 5,806	$ 3,159

* EXCLUDING DECREASE IN CURRENT PORTION OF CRDA CREDIT OF $516 AND $810

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

48	ACQUISITION OF PROPERTY & EQUIPMENT:		
49	ADDITIONS TO PROPERTY & EQUIPMENT	$ 1,281	$ 1,213
50	LESS: CAPITAL LEASE OBLIGATIONS ACQUIRED		
	CASH OUTFLOWS FOR PROPERTY & EQUIPMENT	$ 1,281	$ 1,213
51	ACQUISITION OF BUSINESS ENTITIES:		
52	PROPERTY & EQUIPMENT ACQUIRED	$	$
53	GOODWILL ACQUIRED		
54	NET ASSETS ACQUIRED OTHER THAN CASH, GOODWILL & PROPERTY & EQUIPMENT		
55	LONG TERM DEBT ASSUMED		
56	ISSUANCE OF STOCK OR CAPITAL INVESTED		
	CASH OUTFLOWS TO ACQUIRE BUSINESS ENTITIES	$ -0-	$ -0-
57	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
58	TOTAL ISSUANCES OF STOCK OR CAPITAL CONTRIBUTIONS	$ -0-	$ -0-
59	LESS: ISSUANCES TO SETTLE LONG TERM DEBT		
60	CONSIDERATION IN ACQUISITION OF BUSINESS ENTITIES		
	CASH PROCEEDS FROM ISSUING STOCK OR CAPITAL CONTRIB	$ -0-	$ -0-

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

THE CLARIDGE CASINO HOTEL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992 AND 1991

(1) Business

(a) Organization

The Claridge at Park Place, Incorporated ("New Claridge") formed on August 29, 1983, is a wholly-owned subsidiary of The Claridge Hotel and Casino Corporation (the "Corporation"). On October 31, 1983, New Claridge acquired certain assets of Del Webb's Claridge Casino - Hotel (the "Claridge"), including gaming equipment (the "Casino Assets"), from Del E. Webb New Jersey, Inc. ("DEWNJ"), a wholly-owned subsidiary of Del Webb Corporation ("Webb"), leased certain other of the Claridge's assets, including the buildings, parking facility and nongaming, depreciable, tangible property of the Claridge (the "Hotel Assets"), from Atlantic City Boardwalk Associates, L.P., ("the Partnership"), subleased the land on which the Claridge is located from the Partnership, assumed certain liabilities related to the acquired assets and undertook to carry on the business of the Claridge.

(b) Claridge Expansion

New Claridge expanded its facility by constructing a two story bridge building which connects the hotel building to the parking garage. The expanded facility, which opened to the public on August 28, 1986, houses approximately 10,000 square feet of casino space and a cabaret theater with a seating capacity of approximately 200. The cost of the project approximated $20 million. To finance the expansion, New Claridge together with Webb, DEWNJ, and the Partnership committed on March 17, 1986, to an agreement with the First Fidelity Bank, N.A. which increased the then current First Mortgage by an amount sufficient to finance the cost of the expansion. As a result of the expansion project and the increase in the First Mortgage certain new agreements were entered into and certain existing agreements and certain Webb commitments were amended on March 17, 1986.

(c) Restructuring

On October 27, 1988, the parties with an economic interest in the Corporation and New Claridge executed an agreement (the "Restructuring Agreement") with respect to the restructuring (the "Restructuring") of the Claridge. On June 16, 1989 the Restructuring was concluded pursuant to the terms of the Restructuring Agreement, and resulted in New Claridge's first mortgage balance being reduced from $89,015,000 to $74,557,000. The implementation of this agreement resulted in a reorganization of the ownership interests in the Corporation, modifications of the rights and obligations of the five banks which are the participants in New Claridge's first mortgage loan (the "First Mortgage Lenders"), satisfaction and termination of the obligations and commitments of Webb and DEWNJ, and modifications of the lease agreements between New Claridge and the Partnership.

Had the parties not executed the Restructuring Agreement, New Claridge would probably have exhausted its working capital resources by December 1988, would not have been relicensed for the license period beginning October 31, 1988 through October 31, 1989, and would have had to consider filing for protection in bankruptcy.

(d) Other Significant Events

Claridge License Renewal

On October 7, 1991, New Claridge was issued a two year license by the New Jersey Casino Control Commission (the "Commission") for the period commencing October 31, 1991. New Claridge is required to submit to the Commission by April 30, 1993 a plan to satisfy the balloon payment due on the term loan on January 1, 1994, pursuant to the terms of the first mortgage loan agreement ("Loan Agreement"), with implementation of the plan by June 30, 1993.

New Claridge and the First Mortgage Lenders have reached agreement in principal to modify the terms of the Loan Agreement in order to satisfy this license condition. The proposed modifications would provide the following:

(i) the extension of the maturity date of the term loan from January 1, 1994 to January 1, 1997;

(ii) an increase in the interest rate to the prime rate of Marine Midland Bank, N.A. plus four percent (from the current prime rate plus one and one-half percent);

(iii) an increase in the mandatory principal payments from $1.2 million to $3 million annually, payable in equal monthly installments;

(iv) an increase in the maximum annual capital expenditure limitation from $3.5 million per year to $5 million per year; and

(v) an increase in the co-agent's fee to $70,000 per year. The current terms require payment of a co-agent's fee equal to one-fortieth of one percent of the average daily outstanding balance of the term loan.

In addition, New Claridge would be required to pay an extension fee of $200,000 upon the execution of this amendment to the Loan Agreement.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying financial statements are prepared in accordance with generally accepted accounting principles.

(b) Cash

Cash includes investments in interest-bearing repurchase agreements in government securities. Interest income is recorded as earned.

(c) Casino Receivables and Revenues

Credit is issued to certain casino customers and New Claridge records all unpaid credit as casino receivables on the date the credit was granted. Allowances for estimated uncollectible casino receivables are provided to reduce these receivables to amounts anticipated to be collected. New Claridge recognizes as casino revenue, the net win (which is the difference between amounts wagered and amounts paid to winning patrons) from gaming activity.

(d) Promotional Allowances

Promotional allowances are presented at retail value. The cost of providing these complimentaries is included in the statement of earnings as operating costs.

(e) Inventories

Inventories are stated at a lower of cost or market, cost being determined principally on a first-in, first-out basis.

(f) Furniture and Equipment

Furniture and equipment is stated at cost. Depreciation is provided over the estimated useful lives (five years) of the respective assets using the straight-line method.

(3) Investments, Advances, and Receivables

Investments, Advances, and Receivables at December 31, 1992 and 1991 are summarized as follows:

	1992	1991
	(in thousands)	
$127,000,000 Expandable Wraparound Mortgage 14%, maturities through September 30, 2000 (net of $13,299,000 discount and $14,172,000 discount at December 31, 1992 and 1991, respectively)	$ 93,701	98,828
Deferred interest receivable, due September 30, 2000	20,000	20,000
FF&E promissory note, 14%	6,339	5,507
FF&E promissory note - expansion, 14%	11,154	12,315
Reinvestment Obligations	1,710	863
Reinvestment Obligation Credit	76	646
	132,980	138,159
Less Current Installments:		
Receivable	9,480	8,625
Reinvestment Obligation Credit	-0-	515
	$123,500	129,019

The Expandable Wraparound Mortgage Loan Agreement ("Expandable Wraparound Mortgage") was executed and delivered by the Partnership to New Claridge and is secured by all property of the Partnership. As part of the agreement, New Claridge was to service the First Mortgage and the Partnership's debt under the Purchase Money Second Mortgage indebtedness. The discounted portion of the Expandable Wraparound Mortgage is due to the deferral of $20,000,000 in interest between 1983 and 1988 until maturity. Principal payments required under the Expandable Wraparound Mortgage commenced in 1988. During the year ended December 31, 1992, $6,000,000 in principal payments were made.

The Expandable Wraparound Mortgage also includes a provision whereby New Claridge will loan the Partnership up to $25,000,000 in the form of FF & E promissory notes, secured under the Expandable Wraparound Mortgage, for the purchase of property and equipment. One half of the principal is due in 48 months and the remaining balance is due 60 months from the date of the respective FF&E promissory note. During the year ended December 31, 1992, $1,464,000 in FF & E Promissory Note principal payments were made.

The Expandable Wraparound Mortgage was increased by $17 million to provide the Partnership with funding for the construction of the expansion. Effective on the date that the expansion opened to the public (August 28, 1986), the Partnership commenced making level monthly payments of principal and interest so as to repay on September 30, 1998, in full, the principal balance of this $17 million increase in the Expandable Wraparound Mortgage. The Expandable Wraparound Mortgage was amended to require, in addition to the above, principal payments (in equal monthly installments) due during the years 1988 through 1998 in escalating amounts totalling $80,000,000 and on September 30, 2000 a balloon payment of $67,000,000, which includes $20,000,000 of deferred interest.

The Casino Control Act as amended in December 1984 provides for the imposition of an investment obligation pursuant to criteria set forth in the Act or the payment of an alternative tax. The investment obligation is calculated as 1.25% of the total gaming revenues each calendar year. Gaming revenues are the total revenues derived from gaming operations less the provision for bad debt. If the casino licensee opts not to make an investment as required it is assessed an additional tax of 2.5% of total gaming revenues less the provision for bad debt. The licensee has two options in satisfying its investment obligation: it can make a direct investment in a project which must be approved by the Casino Reinvestment Development Authority ("CRDA") which is the agency responsible for administrating this portion of the Casino Control Act, or it can buy bonds issued by the CRDA which shall, if tax exempt, bear interest at the rate of 66 2/3% of the average rate of Bond Buyer Weekly 25 Revenue Bond Index for the 26 weeks proceeding the issue of the bonds. If the bonds are not tax exempt they shall bear interest at the rate of 66 2/3% of the average rate of Moody's A Rated Utility Index for the 26 weeks preceding the issue of the CRDA bonds. The investment obligation must be paid on the 15th day of the first, fourth, seventh, and tenth months of each year based on the estimated gaming revenues for the three month period preceding the first day of those months. The alternative tax must be paid not later than April 30 of the following year. New Claridge has deposited its reinvestment funds with the State Treasurer. Year to date through December 31, 1992, $939,000 has been deposited with the State. On March 16, 1987 CRDA had its first bond issue of which New Claridge's mandatory share was $602,000. On April 30, 1987 a second bond issue was executed. New Claridge's portion amounted to $1,052,000. Additional bond issuances executed through December 31, 1992 have totalled $371,000. All purchases were made from funds already deposited. These funds deposited are earning

interest at a rate approximately one-third less than market. Since at the time of purchase the bonds will also bear interest at two-thirds of market rates New Claridge records a valuation allowance of approximately one-third; during the year ended December 31, 1992, the valuation allowance recorded totalled $406,000. Until such time as the bonds are issued this valuation allowance may be adjusted due to potential fluctuations in bond interest rates and other factors, including the determination of the terms of the bonds. New Claridge's investment obligation at December 31, 1992 and 1991 is $395,000 and $79,000 respectively.

On December 1, 1989, New Claridge made a donation to the CRDA in the amount of $6,659,000. The amount donated represented amounts previously paid to the CRDA and included all of New Claridge's obligations (a) incurred from January 1, 1984 through September 30, 1989; and (b) incurred prior to January 1, 1984 allocable to Atlantic City which had not, as of November 30, 1989, been applied to the purchase of bonds. In exchange for the donation, New Claridge received a credit equal to $3,396,000, (fifty-one percent of its donation), to be applied to its obligation commencing after September 30, 1989. During the fourth quarter of 1989 New Claridge recorded an expense of $1,102,000 to write-down the book value of the donated amount to $3,396,000. A second donation was made to the CRDA, effective July 1, 1990, of funds previously paid to the CRDA which were allocable to the purchase of obligations of the New Jersey Development Authority for Small Businesses, Minorities and Women's Enterprises ("SBMWE"). In exchange for this donation, which was in the amount of $429,000, New Claridge received a credit equal to $219,000 (fifty-one percent of the donation), to be applied to obligations commencing after June 30, 1990. During the third quarter of 1990, New Claridge recorded an expense of $71,000 to write-down the book value of the donated amount to $219,000. For the year ended December 31, 1992, New Claridge has recorded expense of $571,000, representing the amount of the credits applied to the year of 1992 obligations. As of December 31, 1992, the credit received from the first donation had been used in its entirety.

In addition, it was determined on January 15, 1990 that certain bonds issued by the CRDA and purchased by New Claridge pursuant to its investment obligation as required by the Casino Control Act, had become impaired and that the payment of interest and principal was uncertain. New Claridge's investment in these bonds totals $1,654,000. These bonds as issued were to pay interest at approximately two-thirds of market rate. Consequently, New Claridge had recorded a valuation allowance of approximately $538,000 at the time of purchase in 1987. Given the uncertainty regarding the receipt of principal and interest, New Claridge recorded an additional valuation allowance of $1,116,000 during the fourth quarter of 1989 so as to fully reserve its investment.

At December 31, 1987, New Claridge also had a contingent liability to make a qualified investment in satisfaction of its pre-December 1984 investment obligation. Because no such qualified investment was made by December 31, 1988, New Claridge funded its obligation and accordingly $333,000 was deposited with the State in 1988.

(4) Other Assets

Other assets at December 31, 1992 and 1991 consist of the following:

	1992	1991
	(in thousands)	
Intangible assets (net of accumulated amortization of $337 and $140 at December 31, 1992 and 1991, respectively)	$297	263
Refundable deposits, non-current	119	122
Other	45	-0-
	$461	385

(5) Other Accrued Expenses

Other accrued expenses at December 31, 1992 and 1991 consist of the following:

	1992	1991
	(in thousands)	
Progressive jackpot liability	$ 483	2,924
Accrued payroll and related benefits	4,643	3,731
Accrued interest payable	1,530	1,098
Other	1,641	1,814
	$ 8,297	9,567

In September 1992, certain progressive slot machines were removed from the casino, resulting in the reversal of $2.4 million of progressive jackpot liability. The removal of these units was subject to Casino Control Commission approval.

(6) Other Current Liabilities

Other current liabilities at December 31, 1992 and 1991 consist of the following:

	1992	1991
	(in thousands)	
Due to affiliates	$ 3,600	3,600
Deferred rent, current	15,078	15,078
Auto/general claims liability	1,425	1,611
Other	1,235	925
	$21,338	21,214

As of December 31, 1992 and 1991, Due to Affiliates includes $3.6 million due to the Partnership. On June 16, 1989 pursuant to the terms of the Restructuring Agreement, the Partnership loaned to New Claridge $3.6 million representing all its cash other than funds needed to pay expenses incurred through or at the closing of the Restructuring. This loan is evidenced by an unsecured promissory note and is not due and payable until such time as the full or partial satisfaction of the Wraparound Mortgage and the First Mortgage has been made in connection with a refinancing or sale of all or a partial interest in the Claridge. Interest, which accrues at 12% per annum, is payable in full upon maturity. As of December 31, 1992, such interest which is included in Accrued Expenses, amounted to $1,530,000.

As of December 31, 1992, the amount of deferred rent of $15,078,000 represents the maximum deferral allowed in accordance with the terms of the Operating Lease Agreement and Expansion Operating Lease Agreement, as amended. Payment of the deferred rent is contingent upon the realization of profits or distributions from a sale or further refinancing.

(7) Long-term Debt

Long-term debt at December 31, 1992 and 1991 consists of the following:

	1992	1991
	(in thousands)	
First Mortgage Note (a)	$ 41,501	52,067
Revolving line of credit (b)	1,000	-0-
	42,501	52,067
Less current installments	2,200	1,200
	$ 40,301	50,867

(a) On June 16, 1989, the First Mortgage balance was reduced in accordance with the Restructuring Agreement from $89,015,000 to $74,557,000. The Loan Agreement, which constitutes an amendment to New Claridge's First Mortgage Agreement, was amended subsequent to the Restructuring, on September 29, 1989, and again on April 23, 1991. The current terms of the Loan Agreement require principal payments on the term loan of $1.2 million annually (payable in equal monthly installments), for 1992 and 1993, with a balloon payment due on January 1, 1994. Interest on the term loan, which is payable monthly in arrears, accrues at a rate equal to the "prime rate" of Marine Midland Bank, N.A., plus one and one-half (1 1/2%) percent on a per annum basis.

New Claridge is also required to pay, quarterly, to the First Mortgage Lenders, for permanent application to the outstanding principal balance of the term loan, any excess cash flow as defined in the Loan Agreement. Year to date through December 31, 1992, New Claridge has made principal payments totalling $9,068,000 of its excess cash flow, as calculated per the terms of the Loan Agreement.

Quarterly co-agent fees equal to one fortieth of one percent of the average daily outstanding balance of the First Mortgage during the quarter are required. In addition, New Claridge is required to pay quarterly a commitment fee equal to .5% per annum of the unused portion of the revolving working capital line.

On December 1, 1989, the First Mortgage Lenders agreed to the donation of certain funds, already deposited with the CRDA, to the CRDA. The First Mortgage Lenders required New Claridge to make quarterly principal payments as a permanent reduction to the term loan balance, in an amount equal to one-half of the net savings (the amount of the credit used less the interest income lost due to the donation of the funds) for each quarter. The remaining one-half of the net savings is available to New Claridge. During the year ended December 31, 1992, New Claridge made principal payments totalling $298,000 under this agreement.

The terms of the Loan Agreement also limit the amount New Claridge can expend for capital expenditures to $3.5 million per annum. New Claridge is permitted to carry over to the first quarter of the succeeding year up to $350,000 not expended during any year. In addition, the terms of the Loan Agreement restrict the amount of any "delayed payments" (payments made in a succeeding year for items delivered in any subject year) to a maximum amount of $1 million.

b) Pursuant to the terms of the Loan Agreement as amended on the closing of the Restructuring, the First Mortgage Lenders established a revolving working capital facility in the amount of $5.4 million subject to increase to up to $7.5 million to the extent that during 1989 New Claridge made payments of principal other than scheduled payments of principal on the first mortgage loan. The Loan Agreement was amended subsequent to the Restructuring, on September 29, 1989, and again on April 23, 1991. The current terms of the Loan Agreement provide a revolving working capital facility in the amount of $7.5 million. Interest on the working capital facility borrowings, which is payable monthly in arrears, accrues at a rate equal to the prime rate plus 1.5%.

At December 31, 1992 there was $1 million outstanding on the revolving working capital facility; at December 31, 1991 there were no outstanding borrowings.

(8) Other Liabilities

Other liabilities at December 31, 1992 and 1991 consist of the following:

	1992	1991
	(in thousands)	
Deferred rent	$ 39,525	42,409
Other non-current liabilities	20,000	20,000
Total	$ 59,525	62,409

Pursuant to the Restructuring Agreement, Webb retained an interest, which was assigned to the United Way of Arizona on April 2, 1991, as a creditor, equal to $20 million plus interest at a rate of 15% per annum, compounded quarterly, commencing December 1 , 1988, in any proceeds ultimately recovered from operations and/or the sale or refinancing of the Claridge facility in excess of the first mortgage loan ("Contingent Payment"), which amount is payable under certain circumstances. Consequently, New Claridge deferred the recognition of $20 million of forgiveness income with respect to the Contingent Payment obligation. Interest on the Contingent Payment obligation has not been recorded in the accompanying financial statements since the likelihood of paying such amount is not considered probable at this time. As of December 31, 1992, accrued interest would have amounted to approximately $16.5 million.

(9) Other Nonoperating Income (Expense) - Net

Other nonoperating income (expense) - net for the year ended December 31, 1992 and 1991 consists of the following:

	1992	1991
	(in thousands)	
Interest income - Wraparound Mortgage	$ 18,774	19,554
Interest income - other	157	207
Other nonoperating income/(expense)	254	(118)
Facilities/maintenance fee	530	530
Gain on disposal of assets	18	149
Partnership rent expense	(34,658)	(36,645)
Total	$(14,925)	(16,323)

(10) Operating Lease

New Claridge leases the Hotel Assets and the land on which the Claridge is located from the Partnership under an Operating Lease. The initial lease term is 15 years with three ten-year renewal options.

Basic lease payments under the Operating Lease as amended (as described below), as of December 31, 1992 are as follows:

01/01/93-12/31/93	$ 30,617
01/01/94-12/31/94	30,642
01/01/95-12/31/95	30,570
01/01/96-12/31/96	31,589
01/01/97-12/31/97	41,775
01/01/98-09/30/98	32,531
Total Minimum	$ 197,724

Also, additional rent payments are required based upon fixed assets purchased by the Partnership (the FF&E Replacements, note 3) and then leased to New Claridge. For the years ended December 31, 1992 and 1991 rental expense for all operating leases amounted to $37,043,000 and $38,795,000 respectively, of which $(2,884,000) and $(4,282,000) of rental expense is attributable to the requirement under Statement of Financial Accounting Statements #13 to provide a level rent expense for those leases with escalating payments. Under the terms of the Operating Lease, the Partnership is responsible for taxes, assessments, insurance, maintenance and repairs and other costs related to use and occupancy of the Hotel Assets.

On March 17, 1986 New Claridge entered into an Expansion Operating Lease Agreement with the Partnership whereby New Claridge will lease the expansion facility for an initial term beginning March 17, 1986 and ending on September 30, 1998 with three 10-year renewal options. Basic annual rent payable during the initial term of the Expansion Operating Lease is $3,950,000 in 1986 (prorated based on the day that the Expansion Improvements open to the public), annually thereafter the rental amount will be adjusted based on the Consumer Price Index but any increase not to exceed two percent per annum. The basic annual rent is predicated on the construction of the Expansion Improvements costing a specified amount. If the cost of construction differs from this amount, basic annual rent will be adjusted according to a formula. The total Expansion Operating Lease paid for the year ended December 31, 1992 was $4,358,000. If the term of the Expansion Operating Lease is extended, basic annual rent will be calculated pursuant to a formula, with such rent not to be more than $3,000,000 or less than $2,500,000 and not to be greater than 10% more than the basic annual rent for the immediately preceding lease year in each lease year thereafter.

New Claridge is also required to pay as additional rent certain expenses and the debt service relating to Furniture, Fixture and Equipment Replacements and building improvements (collectively "Expansion FF&E Replacements") for the expanded facility. The Partnership will be required during the entire term of the Expansion Operating Lease to provide New Claridge with Expansion FF&E Replacements and until September 30, 1998, will be required to provide facility maintenance and engineering services to New Claridge. New Claridge will be obligated to lend the Partnership any amounts necessary to fund the cost of Expansion FF&E Replacements. Any advances by New Claridge for the foregoing will be secured under the Expandable Wraparound Mortgage. New Claridge will have the option to purchase, on September 30, 1998 and, if it renews the Expansion Operating Lease, on September 30, 2003, the expansion facility (including air rights) for their fair market value at the time the option is exercised.

Statement of Financial Accounting Standards ("SFAS") #13 requires that rental payment be recorded on a level basis throughout the lease term for those operating leases which include provisions for escalating payments. The Operating Lease requires basic rental payments to be made in equal monthly installments escalating yearly up to $43,375,000 (annualized) in 1998. Under SFAS #13, basic rent expense prior to the closing of the Restructuring was recognized on a leveled basis each year. Therefore, in the early years of the lease term, required cash payments were significantly lower than the related expense recognized for financial reporting purposes. In conjunction with the closing of the Restructuring, the Operating Lease Agreement and the Expansion Operating Lease Agreement were amended to provide for the deferral of $15,078,000 of rental payments during the period July 1, 1988 through the beginning of 1992, and to provide for the abatement of basic rent thereafter. During the third quarter of 1991, the maximum deferral of basic rent allowable under the Operating Lease of $15,078,000 was reached. On August 1, 1991, the Operating Lease Agreement and Expansion Operating Lease Agreement were amended to revise the abatement as follows: commencing January 1, 1991, for each calendar year through 1998, the lease abatements shall not exceed $10 million in any one calendar year, and $38,820,000 in the aggregate.

Effective with the closing of the Restructuring on June 16, 1989, lease expense recognized on a level basis is reduced prospectively, from the use of a revised schedule of rent levelling relative to the abatement of certain rental payments beginning in 1992.

(11) Income Taxes

The provision for income taxes as of December 31, 1992 and 1991 is comprised of the following:

	1992	1991
	(in thousands)	
Current	$2,736	470
Deferred	1,339	1,030
	$4,075	1,500

The deferred income tax provision reflects the results of income and expense items that are reported in different years for financial purposes and income tax purposes, including bad debt expense, rent leveling, Wrap Mortgage discount expense and income related to debt forgiveness.

The provision for income taxes differs from the amount computed at the statutory rate as follows:

	1992	1991
	(in thousands)	
Federal income tax at statutory rates	$3,442	1,251
State income tax less federal benefit	633	249
	$ 4,075	1,500

New Claridge is included in the consolidated income tax return of its parent, the Corporation. At December 31, 1992 and 1991 there are no available net operating loss carryforwards for financial statement purposes. As a result of the Second Mortgage forgiveness in 1990, the remaining financial statement net operating losses were utilized which resulted in the recording of net deferred taxes of approximately $2,580,000. As a result of the restructuring in 1989, the amount of debt forgiven resulted in the loss or reduction of various tax attributes including tax operating loss carryforwards of $37,592,000, unused tax credits of $1,041,000, and reduction in tax basis of assets by $81,251,000. This also resulted in the reduction of net operating loss carryforwards for financial statement purposes in the amount of $98,000,000 and the loss of all tax credit carryforwards for financial statement purposes. As a result of the reduction in tax basis of assets, future cash payments for income taxes will significantly exceed income tax expense for financial statement purposes in future years.

(12) Related Party Transactions

(a) At the closing of the Restructuring on June 16, 1989, the Partnership loaned to New Claridge all cash and cash equivalents remaining in the Partnership other than funds needed to pay expenses incurred through or at the closing of the Restructuring. Interest on this loan accrues at 12% per year. For the years ended December 31, 1992 and 1991 interest expense due to affiliates was $432,000 and $432,000 respectively.

(b) In conjunction with the Restructuring, the Maintenance Services Contract was assigned by DEWNJ to New Claridge; consequently, certain charges are paid directly to the Partnership. The costs of these services for the years ended December 31, 1992 and 1991 amounted to $110,000 and $119,000, respectively.

(c) The Partnership has a direct material interest in the Expandable Wraparound Mortgage Loan Agreement and the Operating Lease as described in the preceding notes. Under the terms of the above agreements, for the years ended December 31, 1992 and 1991 New Claridge has earned interest income of $18,774,000 and $19,554,000 respectively, and incurred lease expense of $34,658,000 and $36,645,000, respectively.

(d) In February 1992, the Corporation's Board of Directors adopted a Long-Term Incentive Plan ("Plan") in which certain key employees of the Corporation and/or New Claridge participate. The Plan provides for the grant of the 273,938 shares of the Corporation's Class A stock, which were held as treasury shares of the Corporation, and for the issuance of 100 Equity Units. The aggregate value of the 100 Equity Units is equal to 5.41 percent of certain amounts as further defined in the Plan. Specified portions of the awarded treasury shares and Equity Units held by participants shall vest upon the attainment of specific goals as described in the Plan. The treasury shares and Equity Units fully vest upon a further restructuring or a change in control as defined. Payment with respect to the Equity Units will only be made (a) upon the occurrence of a transaction in which substantially all of the assets and business operations of the Claridge entities are transferred to one or more entities in a merger, sale of assets or other acquisition-type transaction, or (b) if any change of control of the Corporation occurs, as defined in the Plan.

On April 15, 1992, the Casino Control Commission approved the Plan, and the treasury shares were delivered to the participants. A participant is entitled to vote all awarded treasury shares whether or not vested in such shares.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

SCHEDULE OF RECEIVABLES & PATRONS' CHECKS
DECEMBER 31, 1992
(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES

LINE (A)	DESCRIPTION (B)	ACCT. BAL. (C)	ALLOWANCE (D)	A/R NET OF ALLOW. (E)
	PATRONS' CHECKS:			
1	UNDEPOSITED PATRONS' CHECKS	$ 899		
2	RETURNED PATRONS' CHECKS	1,361		
3	TOTAL PATRONS' CHECKS	2,260	$ 1,424	$ 836
4	HOTEL RECEIVABLES	252	7	245
	OTHER RECEIVABLES:			
5	RECEIVABLES DUE FROM OFFICERS & EMPLOYEES	2		
6	RECEIVABLES DUE FROM AFFILIATES	15,939		
7	OTHER ACCOUNTS & NOTES RECEIVABLES	139		
8	TOTAL OTHER RECEIVABLES	16,080	13	16,067
9	TOTALS (FORM 205)	$ 18,592	$ 1,444	$ 17,148

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (F)	DESCRIPTION (G)	(H) AMOUNT
10	BEGINNING BALANCE (JANUARY 1)	$ 1,138
11	COUNTER CHECKS ISSUED (EXCLUDING COUNTER CHECKS ISSUED THROUGH TRANSACTIONS RELATING TO CONSOLIDATION, PARTIAL REDEMPTIONS, SUBSTITUTIONS, & PATRONS CASH DEPOSITS)	48,437
12	CHECKS REDEEMED PRIOR TO DEPOSIT (EXCLUDING THE UNREDEEMED PORTION OF COUNTER CHECKS REDEEMED THROUGH PARTIAL REDEMPTIONS, & EXCLUDING CHECKS REDEEMED THROUGH TRANSACTIONS RELATING TO CONSOLIDATION, SUBSTITUTIONS, & PATRONS CASH DEPOSITS)	(35,774)
13	CHECKS COLLECTED THROUGH DEPOSITS	(11,700)
14	CHECKS TRANSFERRED TO RETURNED CHECKS	(1,202)
15	OTHER ADJUSTMENTS	
16	ENDING BALANCE	$ 899
17		
18	"HOLD" CHECKS INCLUDED IN BALANCE ON LINE 16	
19	PROVISION FOR UNCOLLECTIBLE PATRONS' CHECKS	$ 484
	PROVISION AS A PERCENT OF COUNTER CHECKS ISSUED	1.0%

THE ACCOMPANYING NOTES ARE IN INTEGRAL PART OF THE FINANCIAL STATEMENTS. VALID COMPARISONS CANNOT BE MADE WITHOUT USING INFORMATION CONTAINED IN THE NOTES.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

PROMOTIONAL EXPENSES & ALLOWANCES
($ IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	82,535	$ 4,529,532	-0-	$ -0-
FOOD	580,413	6,573,229	-0-	-0-
BEVERAGE	980,231	5,133,722	-0-	-0-
TRAVEL	-0-	-0-	3,303	305,646
COIN	-0-	-0-	1,646,200	15,984,549
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	75,186	564,949	-0-	-0-
RETAIL & GIFTS	-0-	-0-	186,905	756,701
PARKING	-0-	-0-	126,138	948,371
OTHER	-0-	-0-	8,963	321,531
TOTAL	1,718,365	$16,801,432	1,971,509	$18,316,798

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	18,969	$ 903,945	-0-	$ -0-
FOOD	133,569	1,267,091	-0-	-0-
BEVERAGE	231,322	1,248,814	-0-	-0-
TRAVEL	-0-	-0-	730	68,861
COIN	-0-	-0-	338,323	3,702,755
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	2,964	63,642	-0-	-0-
RETAIL & GIFTS	-0-	-0-	46,524	218,675
PARKING	-0-	-0-	37,866	263,985
OTHER	-0-	-0-	2,025	77,481
TOTAL	386,824	$ 3,483,492	425,468	$ 4,331,757

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY

COUNTY OF ATLANTIC

Raymond A. Spera, being duly sworn according to law upon my oath deposes and says:

1. I have examined this annual report.

2. All the information contained in this report has been prepared in conformity with Casino Control Comission's annual report instructions and uniform chart of accounts.

3. The information contained in this annual report is accurate to the best of my knowledge and belief.

Raymond A. Spera
Executive Vice President of Finance
and Corporate Development

Lisc. # 002369-11

On Behalf of the Claridge at Park Place, Inc.

Subscribed and sworn to before me on this 12 day of April, 1993.

Patricia K. Westergard
Signature

PATRICIA K. WESTERGARD
NOTARY PUBLIC
MY COMMISSION EXPIRES
SEPTEMBER 21, 1997

Basis of authority to take oaths

GROSS REVENUE

ANNUAL TAX RETURN

THE CLARIDGE AT PARK PLACE, INC.

INDIANA AVENUE AT THE BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL REPORT: RAYMOND A. SPERA

OFFICIAL TITLE: EXECUTIVE VICE PRESIDENT OF FINANCE& CORP. DEVELOPMENT

ADDRESS: INDIANA AVENUE AT THE BOARDWALK
ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

GROSS REVENUE ANNUAL TAX RETURN
FOR THE YEAR ENDED DECEMBER 31, 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE			
	CASINO WIN OR (LOSS)		
1	TABLE GAMES REVENUE	$ 40,758	
2	COIN-OPERATED DEVICES REVENUE	105,600	
3	TOTAL REVENUES		$ 146,358
	LESS - ADJUSTMENT FOR UNCOLLECTIBLE PATRONS' CHECKS:		
4	PROVISION FOR UNCOLLECTIBLE PATRONS' CHECKS	$ 484	
5	MAXIMUM ADJUSTMENT (4% OF LINE 3)	$ 5,854	
6	ADJUSTMENT (THE LESSER OF LINE 4 OR LINE 5)		484
7	GROSS REVENUES (LINE 3 LESS LINE 6)		$ 145,874
8	TAX ON GROSS REVENUES - CURRENT YEAR (8% OF LINE 7)		$ 11,670
9	AUDIT OR OTHER ADJUSTMENTS TO TAX ON GROSS REVENUES IN PRIOR YEARS		-0-
10	TOTAL TAX ON GROSS REVENUES (LINE 8 PLUS OR MINUS LINE 9)		11,670
	DEPOSITS MADE FOR TAX ON CURRENT YEAR'S GROSS REVENUES		
11	JANUARY	$ 630	
12	FEBRUARY	816	
13	MARCH	1,131	
14	APRIL	911	
15	MAY	898	
16	JUNE	1,200	
17	JULY	1,080	
18	AUGUST	1,318	
19	SEPTEMBER	921	
20	OCTOBER	899	
21	NOVEMBER	1,067	
22	DECEMBER	583	
23	JANUARY	216	
24	TOTAL DEPOSITS MADE FOR TAX ON CURRENT YEAR'S GROSS REVENUES		(11,670)
25	SETTLEMENT FOR PRIOR YEARS' TAX ON GROSS REVENUES RESULTING FROM AUDIT OR OTHER ADJUSTMENTS - (DEPOSITS) CREDITS		-0-
26	GROSS REVENUES TAX PAYABLE (LINE 10 LESS LINE 24 PLUS OR MINUS LINE 25)		$ -0-

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY

COUNTY OF ATLANTIC

Raymond A. Spera, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this report has been prepared in conformity with Casino Control Comission's annual report instructions and uniform chart of accounts.

3. The information contained in this annual report is accurate to the best of my knowledge and belief.

Raymond A. Spera
Executive Vice President of Finance
and Corporate Development

Lisc. # 002369-11

On Behalf of the Claridge Casino Hotel

Subscribed and sworn to before me on this 12 day of March, 1993.

Patricia K. Westergard
Signature

PATRICIA K. WESTERGARD
NOTARY PUBLIC
MY COMMISSION EXPIRES
SEPTEMBER 21, 1997

Basis of authority to take oaths

ANNUAL EMPLOYMENT

AND PAYROLL REPORT

THE CLARIDGE AT PARK PLACE, INC.

INDIANA AVENUE AT THE BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL REPORT: RAYMOND A. SPERA

OFFICIAL TITLE: EXECUTIVE VICE PRESIDENT OF FINANCE& CORP. DEVELOPMENT

ADDRESS: INDIANA AVENUE AT THE BOARDWALK
ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

ANNUAL EMPLOYMENT AND PAYROLL REPORT
FOR THE YEAR ENDED DECEMBER 31, 1992
($ IN THOUSANDS)

LINE (A)	DEPARTMENT (B)	NUMBER OF EMPLOYEES (C)	SALARIES AND WAGES		
			OTHER EMPLOYEES (D)	OFFICERS & OWNERS (E)	TOTALS (F)
	CASINO				
1	ADMINISTRATION	11			
2	GAMING	540			
3	SLOTS	97			
4	CASINO ACCOUNTING	261			
5	OTHER	-0-			
6	TOTAL CASINO	909	$ 19,044	$ -0-	$ 19,044
7	ROOMS	174	2,653	-0-	2,653
8	FOOD AND BEVERAGE	507	9,277	-0-	9,277
	OTHER OPERATED DEPARTMENTS				
9	TELEPHONE	11	221	-0-	221
10	TRANSPORTATION	67	1,068	-0-	1,068
11	HEALTH SPA	7	114	-0-	114
12	CASINO CREDIT	14	431	-0-	431
13	GIFT SHOP	15	235	-0-	235
14	_____				
15	_____				
16	_____				
17	_____				
18	_____				
19	_____				
	ADMINISTRATIVE & GENERAL				
20	EXECUTIVE OFFICE	21	546	$ 1,431	1,977
21	ACCOUNTING & AUDITING	108	2,242	-0-	2,242
22	SECURITY	167	3,668	-0-	3,668
23	OTHER ADMIN. & GENERAL DEPT.	69	2,278	-0-	2,278
24	MARKETING	117	2,760	-0-	2,760
25	GUEST ENTERTAINMENT	10	497	-0-	497
26	PROPERTY OPERATION & MAINTENANCE	177	4,562	-0-	4,562
27	TOTALS - ALL DEPARTMENTS	2,373	$ 49,596	$ 1,431	$ 51,027

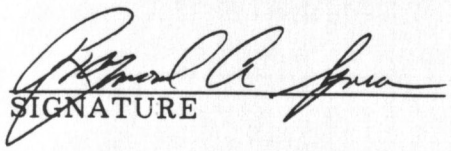
THE CLARIDGE CASINO HOTEL

ANNUAL EMPLOYMENT AND PAYROLL REPORT

SIGNATURE PAGE

FOR THE YEAR ENDED DECEMBER 31, 1992

March 12, 1993
DATE


SIGNATURE

EXECUTIVE VICE PRESIDENT OF
FINANCE AND CORPORATE DEVELOPMENT

NEW JERSEY STATE LIBRARY
3 3009 00079 9140
974.901
C193

QUARTERLY REPORT

LICENSEE Greate Bay Hotel & Casino, Inc.

ADDRESS Indiana Ave. & Brighton Park
Atlantic City, New Jersey 08401

PROPERTY OF NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

FOR THE QUARTER ENDED December 31 **19** 92

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
PEU
MAR 15 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT . . . John R. Rauen

OFFICIAL TITLE. . . . . Vice President Finance

ADDRESS . . . . . Indiana Avenue & Brighton Park
Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE Sands Hotel & Casino

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31 , 1992

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year-to-Date)	CCC-210
Statements of Income (Three Months)	CCC-215
Statements of Changes in Stockholders' Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC-240
Promotionsl Expenses and Allowances	CCC-245
Statement of Conformity and Accuracy	CCC-250

TRADING NAME OF LICENSEE Sands Hotel & Casino

BALANCE SHEETS

December 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	ASSETS		
	Current Assets:	$	$
1	Cash.....Note 2..	11,440	13,013
2	Marketable securities.....	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1992,$13,734 ; 1991,$ 18,177).....	13,573	32,205
4	Inventories.....Note 2..	3,710	3,070
5	Prepaid expenses and other current assets.....	2,343	2,636
6	Total current assets.....	31,066	50,924
7	Investments, Advances, And Receivables.....Notes 6, 13..	18,341	18,282
8	Property Plant & Equipment - Gross.....Note 12..	303,822	300,918
9	(Accumulated Depreciation/Amortization).....Notes 2, 12..	(139,070)	(125,262
10	Other Assets.....Note 2..	10,610	11,308
11	Total Assets.....	$ 224,769	$ 256,170
	LIABILITIES AND EQUITY		
	Current Liabilities:	$	$
12	Accounts payable.....	6,208	6,321
13	Notes payable.....Notes 3, 6..	6,000	8,000
	Current portion of long-term debt:		
14	Due to affiliates.....Note 4..	7,851	4,671
15	Other.....Note 4..	83	907
16	Income taxes payable and accrued.....Note 2..	6,943	6,250
17	Other accrued expenses.....Notes 6, 14..	13,543	18,171
18	Other current liabilities.....Note 6..	5,268	5,895
19	Total current liabilities.....	45,896	50,215
	Long-Term Debt:		
20	Due to affiliates.....Note 4..	161,097	177,187
21	Other.....Notes 3, 4, 6..	9,446	9,604
22	Deferred Credits.....	-	-
23	Other Liabilities.....	1,375	5,215
24	Commitments And Contingencies		
25	Total Liabilities.....	217,814	242,221
26	Stockholders', Partners', Or Proprietor's Equity.....	6,955	13,949
27	Total Liabilities And Equity.....	$ 224,769	$ 256,170

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE Sands Hotel & Casino

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED December 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Revenue:	$	$
1	Casino.....Note 2..	246,934	241,272
2	Rooms.....	10,180	10,459
3	Food and beverage.....	32,660	30,486
4	Other.....	4,858	4,694
5	Total revenue.....	294,632	286,911
6	Less: Promotional allowances.....Note 2..	28,163	26,376
7	Net revenue.....	266,469	260,535
	Costs And Expenses:		
8	Cost of goods and services.....Note 2..	121,238	114,693
9	Selling, general, and administrative.....	96,284	90,837
10	Provision for doubtful accounts.....Note 2..	3,008	4,518
11	Total costs and expenses.....	220,530	210,048
12	Gross Operating Profit.....	45,939	50,487
13	Depreciation and amortization.....Note 2..	16,931	17,475
	Charges from affiliates other than interest:		
14	Management fees.....Note 6..	6,591	6,816
15	Other.....	-	-
16	Income (Loss) From Operations.....	22,417	26,196
	Other Income (Expenses):		
17	Interest (expense) - affiliates.....Notes 2, 6..	<22,696>	<23,855>
18	Interest (expense) - external.....	<447>	<1,384>
19	Investment alternative tax and related income (expense) - net...Note 7..	<1,551>	<2,818>
20	Nonoperating income (expense) - net.....Note 11..	3,549	4,475
21	Total other income (expenses).....	<21,145>	<23,582>
22	Income (Loss) Before Income Taxes And Extraordinary Items.....	1,272	2,614
23	Provision (credit) for income taxes.....Notes 2, 5..	1,666	2,493
24	Income (Loss) Before Extraordinary Items.....	<394>	121
25	Extraordinary items (net of income taxes - 19___, $; 19___, $;.....	-	-
26	Net Income (Loss).....	$ <394>	$ 121

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE Sands Hotel & Casino

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED December 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 199
	Revenue:	$	$
1	Casino	55,669	57,64
2	Rooms	2,457	2,56
3	Food and beverage	7,911	7,88
4	Other	1,368	1,56
5	Total revenue	67,405	69,66
6	Less: Promotional allowances	6,583	6,72
7	Net revenue	60,822	62,93
	Costs And Expenses:		
8	Cost of goods and services	29,735	29,90
9	Selling, general, and administrative	23,667	21,40
10	Provision for doubtful accounts	387	1,30
11	Total costs and expenses	53,789	52,61
12	Gross Operating Profit	7,033	10,32
13	Depreciation and amortization	4,264	4,26
	Charges from affiliates other than interest:		
14	Management fees	1,274	1,57
15	Other	-	
16	Income (Loss) From Operations	1,495	4,48
	Other Income (Expenses):		
17	Interest (expense) - affiliates	<5,359>	<5,88
18	Interest (expense) - external	<29>	<24
19	Investment alternative tax and related income (expense) - net	<345>	<65
20	Nonoperating income (expense) - net	481	67
21	Total other income (expenses)	<5,252>	<6,11
22	Income (Loss) Before Income Taxes And Extraordinary Items	<3,757>	<1,63
23	Provision (credit) for income taxes	<1,329>	<30
24	Income (Loss) Before Extraordinary Items	<2,428>	<1,32
25	Extraordinary items (net of income taxes - 19___, $; 19___, $)	-	
26	Net Income (Loss)	$ $<2,428>	$ <1,32

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE Sands Hotel & Casino

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED December 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992		(d) 1991	
		(c) SHARES	(d) DOLLARS	(e) SHARES	(f) DOLLARS
	No par value; authorized				
	Common Stock: 2,500 shares		$		$
1	Beginning balance (January 1)	100	3,500	100	3,500
2	Sale of stock				
3					
4	Ending balance				
	Preferred Stock:				
5	Beginning balance (January 1)				
6	Sale of stock				
7					
8	Ending Balance	100	3,500	100	3,500
	Additional Paid-in Capital:	++++++++++++++		++++++++++++++	
9	Beginning balance (January 1)	++++++++++++++	6,538	++++++++++++++	19,738
10	Dividends	++++++++++++++	<6,538>	++++++++++++++	<13,200>
11		++++++++++++++		++++++++++++++	
12	Ending balance	++++++++++++++	-	++++++++++++++	6,538
	Treasury Stock:				
13	Beginning balance (January 1)		( )		( )
14	Purchase of additional stock		( )		( )
15	Sale or retirement of stock				
16	Ending balance		( )		( )
	Subscriptions Receivable For				
	Capital Stock:				
17	Beginning balance (January 1)		( )		( )
18					
19					
20	Ending balance		( )		( )
	Net Unrealized Loss On Noncurrent	++++++++++++++		++++++++++++++	
	Marketable Equity Securities:	++++++++++++++		++++++++++++++	
21	Beginning balance (January 1)	++++++++++++++	( )	++++++++++++++	( )
22		++++++++++++++		++++++++++++++	
23		++++++++++++++		++++++++++++++	
24	Ending balance	++++++++++++++		++++++++++++++	
	Retained Earnings:	++++++++++++++		++++++++++++++	
25	Beginning balance (January 1)	++++++++++++++	3,911	++++++++++++++	3,790
26	Prior period adjustments	++++++++++++++		++++++++++++++	
27	Net income (loss)	++++++++++++++	<394>	++++++++++++++	121
28	Dividends	++++++++++++++	<62>	++++++++++++++	
29		++++++++++++++		++++++++++++++	
30		++++++++++++++		++++++++++++++	
31	Ending balance	++++++++++++++	3,455	++++++++++++++	3,911
	Ending Stockholders'	++++++++++++++	$	++++++++++++++	$
32	Equity	++++++++++++++	6,955	++++++++++++++	13,949

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE SANDS HOTEL & CASINO

STATEMENTS OF CHANGES IN PARTNERS'
OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED December 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Invested Capital:	$	$
1	Beginning balance (January 1)		
2	Additional capital invested		
3	_____		
4	Ending balance		
	Accumulated Income (Loss):		
5	Beginning balance (January 1)		
6	Prior period adjustments		
7	Net income (loss)		
8	_____		
9	Ending balance		
	Capital Withdrawals:		
10	Beginning balance (January 1)	( )	( )
11	Additional capital withdrawals	( )	( )
12	_____		
13	Ending balance	( )	( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning balance (January 1)	( )	( )
15	_____		
16	_____		
17	Ending balance	( )	( )
	Ending Partners' Or		
18	Proprietor's Equity	$	$

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE Sands Hotel & Casino

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED December 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 199
1	Net Cash Provided (Used) By Operating Activities	$ 28,447	$ 14,65
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities	-	
3	Proceeds from the sale of short-term investment securities	-	
4	Purchase outflows for property and equipment	<4,352>	<4,16
5	Proceeds from disposition of property and equipment	208	38
6	Purchase of casino reinvestment obligations	<2,271>	<37
7	Purchase of other investments and loans/advances made	-	
8	Proceeds from disposal of investments and collection of advances and long-term receivables	-	
9	Cash outflows to acquire business entities	-	
10		-	
11		-	
12	Net Cash Provided (Used) By Investing Activities	<6,415>	<4,14
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	3,996	7,000
14	Payments to settle short-term debt	<11,996>	<4,000
15	Cash proceeds from issuance of long-term debt	-	
16	Costs of issuing debt	<233>	
17	Payments to settle long-term debt	<14,253>	<2,27
18	Cash proceeds from issuing stock or capital contributions	-	
19	Purchases of treasury stock	-	
20	Payments of dividends or capital withdrawals	<6,600>	<13,200
21	Net borrowings from (advances to) Affiliates	5,481	2,578
22		-	
23	Net Cash Provided (Used) By Financing Activities	<23,605>	<9,893
24	Net Increase (Decrease) In Cash And Cash Equivalents	<1,573>	620
25	Cash And Cash Equivalents At Beginning Of Period	13,013	12,393
26	Cash And Cash Equivalents At End Of Period	$ 11,440	$ 13,013

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 23,884	$ 25,714
28	Income taxes	$ 706	$ 6,084

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE Sands Hotel & Casino

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED December 31, 1992 and 1991

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Net Cash Flows From Operating Activities:	$	$
29	Net income (loss)	<394>	121
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	15,048	15,728
31	Amortization of other assets	1,883	1,747
32	Amortization of debt discount or premium	361	361
33	Deferred income taxes - current	-	-
34	Deferred income taxes - noncurrent	1,084	<1,144>
35	(Gain) loss on disposition of property and equipment	-	-
36	(Gain) loss on casino reinvestment obligations	1,551	2,818
37	(Gain) loss from other investment activities	-	-
38	Net (increase) decrease in receivables and patrons' checks	18,761	<2,936>
39	Net (increase) decrease in inventories	<640>	17
40	Net (increase) decrease in other current assets	256	<982>
41	Net (increase) decrease in other assets	<1,568>	968
42	Net increase (decrease) in accounts payables	<113>	<1,609>
43	Net increase (decrease) in other current liabilities excluding debt	<5,271>	<859>
44	Net increase (decrease) in other noncurrent liabilities excluding debt	-	-
45	Net <decrease> increase in progressive jackpot accrual	<2,511>	429
46	_____	-	-
47	Net Cash Provided (Used) By Operating Activities	$ 28,447	$ 14,659

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property and Equipment:	$	$
48	Additions to property and equipment	4,352	4,162
49	Less: Capital lease obligations incurred	-	-
50	Cash Outflows For Property And Equipment	$ 4,352	$ 4,162
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$	$
52	Goodwill acquired		
53	Net assets acquired other than cash, goodwill, and property and equipment		
54	Long-term debt assumed		
55	Issuance of stock or capital invested		
56	Cash Outflows To Acquire Business Entities	$	$
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$	$
58	Less: Issuances to settle long-term debt		
59	Consideration in acquisition of business entities		
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$	$

GREATE BAY HOTEL AND CASINO, INC.
(a wholly owned subsidiary of Pratt Casino Properties, Inc.)

NOTES TO FINANCIAL STATEMENTS

(1) Organization, business and basis of presentation

Greate Bay Hotel and Casino, Inc. ("GBH&C") is a New Jersey corporation and a wholly owned subsidiary of Pratt Casino Properties, Inc. ("Pratt Casino Properties"), a Delaware corporation. GBH&C's principal business activity includes its ownership of the Sands Hotel and Casino in Atlantic City, New Jersey (the "Sands"). The Sands is managed by Pratt Casino Management, Inc. ("PCMI"), also a wholly owned subsidiary of Pratt Casino Properties. Substantially all of GBH&C's revenues and net income are attributable to the operations of the Sands.

Pratt Casino Properties is wholly owned by Pratt Hotel Corporation ("PHC"), also a Delaware corporation. Pratt Casino Properties was incorporated during October 1987, and acquired the ownership of GBH&C through contributions of capital by its parent.

Greate Bay Property Funding Corp. ("Funding"), a New Jersey corporation and a wholly owned subsidiary of Pratt Casino Properties, was incorporated on June 29, 1987 for the purpose of borrowing funds through the issuance of $173,030,000 of seven-year, non-callable, nonrecourse first mortgage notes (the "First Mortgage Notes") for the benefit of GBH&C.

(2) Summary of significant accounting policies

The significant accounting policies followed in the preparation of the accompanying financial statements are discussed below.

Casino revenues, promotional allowances and departmental expenses -

GBH&C recognizes the net win from gaming activities (the difference between gaming wins and losses) as casino revenues. Casino revenues are net of accruals for anticipated payouts of progressive and certain other slot machine jackpots. Such anticipated jackpot payouts are reflected as current liabilities in the accompanying balance sheets. During 1992, GBH&C removed certain progressive jackpots from the gaming floor, in accordance with regulations approved by the New Jersey Casino Control Commission (the "Casino Commission") resulting in a reduction of approximately $2,900,000 in progressive jackpot liabilities and a corresponding recognition of an equal amount of slot machine revenues.

The retail value of rooms, food and beverage and other items which were provided to customers without charge has been included in revenues and a corresponding amount has been deducted as promotional allowances. The costs of such complimentaries have been included as cost of goods and services in the accompanying statements of income.

Cash and cash equivalents -

Cash and cash equivalents are generally comprised of cash and investments with original maturities of three months or less, such as commercial paper, certificates of deposit and fixed repurchase agreements.

Allowance for doubtful accounts -

The allowance for doubtful accounts is maintained at a level considered adequate to provide for possible future losses. Provisions for doubtful accounts amounting to $3,008,000 and $4,518,000 were made during the years ended December 31, 1992 and 1991, respectively.

Inventories -

Inventories are stated at the lower of cost (on a first-in, first-out basis) or market.

Property and equipment -

Property and equipment have been recorded at cost and are being depreciated over their estimated useful lives utilizing the straight-line method based on the following:

Buildings	25 years
Furniture and Equipment	3-7 years

Deferred financing costs -

The costs of issuing long-term debt, including all underwriting, legal and accounting fees, have been capitalized and are being amortized over the term of the related debt issue. The unamortized balance of deferred financing costs amounted to $2,648,000 and $4,298,000 at December 31, 1992 and 1991, respectively and are included in other assets in the accompanying balance sheets. Amortization of such costs was $1,883,000 and $1,747,000 for the years ended December 31, 1992 and 1991, respectively.

Interest expense -

Interest expense includes the accretion of debt discount amounting to $361,000 for each of the years ended December 31, 1992 and 1991. Interest costs related to property and equipment acquisitions were capitalized during the acquisition period and are being amortized over the useful lives of the related assets. Interest paid for the years ended December 31, 1992 and 1991 amounted to $23,884,000 and $25,714,000, respectively.

Income taxes -

GBH&C is included in PHC's consolidated federal income tax return. Pursuant to agreements between GBH&C, Pratt Casino Properties and PHC, GBH&C's provision for federal income taxes is based on the amount of tax which would be provided if a separate federal income tax return were filed. GBH&C paid $100,000 and $4,849,000 in connection with its current federal tax provisions for 1992 and 1991, respectively. As of December 31, 1992 and 1991, current federal taxes payable pursuant to the aforementioned tax allocation agreements amounting to $5,871,000 and $4,845,000, respectively, (including approximately $5,319,000 and $4,204,000, respectively, attributable to the arbitration award collected during August 1992 - see Note 8) were included in income taxes payable and accrued in the accompanying balance sheets. The payment of taxes in accordance with the tax allocation agreement is subject to the approval of the Casino Commission. For the years ended December 31, 1992 and 1991, GBH&C paid state income taxes of $606,000 and $1,235,000 respectively.

Reclassifications -

Certain reclassifications have been made to the prior years' financial statements to conform such statements to the 1992 presentation.

(3) Short-term credit facilities

The short-term credit facilities described below, as well as the $8,000,000 term loan due in 1993 and other indebtedness amounting to approximately $1,000,000, were replaced on February 19, 1993, when a subsidiary of Pratt Casino Properties issued $21,000,000 of Series A and Series B 13.5% Guaranteed First Mortgage Notes due in 1994 (the "Series Notes"). The Series Notes are guaranteed by certain subsidiaries of PHC involved with the Sands and are collateralized by certain assets of the Sands.

As of December 31, 1992 and 1991, GBH&C had available lines of credit and similar credit facilities totaling $9,000,000 and $10,000,000, respectively. Also during 1992, certain principal shareholders of PHC arranged an additional $3,000,000 credit facility, the proceeds of which were made available to GBH&C. Borrowing activity under the various credit facilities is summarized below.

	1992	1991
Weighted average balance outstanding.....	$ 5,561,000	$ 7,153,000
Weighted average interest rate on borrowings...	7.1%	9.3%
Maximum balance outstanding.....	$11,996,000	$ 8,000,000
Balance outstanding at December 31.....	$ -	$ 8,000,000

During 1992, GBH&C borrowed $6,000,000 from its parent, Greate Bay Casino Corporation ("GBCC"), which borrowings are due on demand, or if no demand is made, on April 1, 1998 and bear interest at the greater of (a) one percentage point above the bank prime interest rate or (b) LIBOR plus 2.625% per annum through September 30, 1992 and LIBOR plus 3.625% per annum from October 1992 through March 1993. As of December 31, 1992, the outstanding balance on such borrowings was $6,000,000 and it is anticipated that GBH&C may, from time to time, obtain additional loans from GBCC under similar terms. GBCC's source of funds for the loans to GBH&C was borrowings from Hollywood Casino Corporation ("HCC"), parent of PHC.

(4) Long-term debt and pledge of assets

	December 31, 1992	December 31, 1991
11.75% first mortgage notes, due 1994, net of discount of $571,000 and $932,000, respectively (a)	$ 166,348,000	$ 170,658,000
16.5% promissory note, due 1998 (b)	2,600,000	11,200,000
Term loan, due 1993 (c)	8,000,000	8,000,000
Note payable to bank (d)	1,050,000	2,025,000
Other	479,000	486,000
	178,477,000	192,369,000
Less - current maturities	(7,934,000)	(5,578,000)
	$ 170,543,000	$ 186,791,000

(a) On August 6, 1987, GBH&C obtained $170,504,000 from Funding who issued the First Mortgage Notes, net of a $2,526,000 discount. The First Mortgage Notes are collateralized by a first mortgage on the Sands and are guaranteed by PHC to the extent of $10,000,000. The First Mortgage Notes bear interest at 11.75% per annum, payable monthly; interest only was payable during the first four years. Commencing in August 1991, principal and interest became payable in monthly installments of $2,049,000 based on a 15-year amortization schedule with the unpaid balance of $158,310,000 due during August 1994.

The mortgage indenture contains various provisions that, among other things, restrict the ability of GBH&C to incur additional secured indebtedness, create additional liens on the property or sell the Sands. Additionally, maintenance of certain cash balances is required, as well as a requirement that a minimum of $5,000,000 be committed annually for property and fixture renewals, replacements and betterments.

(b) The note is payable to an affiliate, bears interest at 16.5% per annum, payable semi-annually in March and September, and matures in March 1998. The outstanding balance of $2,600,000 at December 31, 1992 has been included in current maturities of long-term debt as management of GBH&C intends to repay this obligation during 1993.

(c) The loan was repaid in February 1993 in connection with the issuance of the Series Notes. The note accrued interest at LIBOR plus 3.625% per annum (LIBOR plus 2.625% through September 1992) and was payable quarterly.

(d) The note was repaid in February 1993 in connection with the issuance of the Series Notes. The note accrued interest at 1.25 percentage points above the bank's prime lending rate (one percentage point prior to June 1, 1992) and was payable monthly.

Scheduled payments of long-term debt as of December 31, 1992 are:

1993	$ 7,934,000
1994	170,653,000
1995	9,000
1996	10,000
1997	12,000
Thereafter	430,000
Total	$179,048,000

GBH&C currently anticipates that it will be able to refinance certain indebtedness totaling approximately $180,000,000 which matures during 1994; however, there can be no assurance that such refinancing will occur or that any replacement financing can be obtained, if necessary.

Substantially all of GBH&C's assets are pledged in connection with its long-term indebtedness. Additionally, these agreements contain certain cross-default provision, including default on indebtedness by its affiliates.

(5) Income taxes

Components of the provision for income taxes consisted of the following:

	Year Ended December 31,	
	1992	1991
Provision (benefit) in lieu of federal income taxes:		
Current	$ 502,000	$2,722,000
Deferred	723,000	(791,000)
State income tax provision (benefit):		
Current	80,000	915,000
Deferred	361,000	(353,000)
	$1,666,000	$2,493,000

Deferred income taxes result primarily from the use of the allowance method rather than the direct write-off method for doubtful accounts, the use of accelerated methods of depreciation for federal and state income tax purposes and differences in the timing of deductions taken between tax and financial reporting purposes for contributions and for adjustments to the carrying value of certain investment obligations.

A reconciliation between the calculated tax provision based on the statutory rates in effect and the effective tax rates follows:

	Year ended December 31,	
	1992	1991
Calculated income tax provision at 34%	$ 432,000	$ 889,000
Amortization of excess purchase price	803,000	803,000
Disallowance of travel and entertainment	209,000	234,000
State income taxes	291,000	371,000
Settlement of prior year taxes	-	100,000
Other	(69,000)	96,000
Tax provision as shown on statement of operations	$ 1,666,000	$ 2,493,000

The New Jersey Division of Taxation is currently examining the state income tax returns of GBH&C for the years 1987, 1988 and 1989. In the opinion of management, the results of such examination will not have a material adverse effect on the financial position of GBH&C.

The Financial Accounting Standards Board has issued a new standard on accounting for income taxes. GBH&C anticipates adoption of the new accounting standard and disclosure rules no later than its fiscal year ended December 31, 1993.

(6) Transactions with related parties

PCMI, under a management agreement with GBH&C, is responsible for the supervision, direction and control of the day-to-day operations of the Sands. PCMI is entitled to receive annually (i) a basic consulting fee of 1.5% of "adjusted gross revenues" as defined, and (ii) incentive compensation of between 5% and 7.5% of gross operating profits in excess of certain stated amounts should annual "gross operating profits," as defined, exceed $5,000,000. Such fees amounted to $6,591,000 and $6,816,000, during the years ended December 31, 1992 and 1991, respectively, and are included in management fees charged from affiliate in the accompanying financial statements. As of December 31, 1992, no management fees were payable to PCMI. As of December 31, 1991 management fees payable of $2,904,000 were included in other current liabilities in the accompanying financial statements.

GBH&C licenses the trade name "Sands" from a subsidiary of PHC, who licenses the name from an unaffiliated third party. Amounts payable by GBH&C under this agreement are equal to the amounts paid to the unaffiliated third party. Such charges amounted to $305,000 and $314,000 for the years ended December 31, 1992 and 1991, respectively.

GBH&C has, from time to time, advanced monies to Pratt Casino Properties or certain of its subsidiaries and PHC or certain of its subsidiaries have advanced monies to GBH&C primarily for working capital purposes. With respect thereto, GBH&C had net advances outstanding to certain affiliates amounting to $5,750,000 and $5,231,000 as of December 31, 1992 and 1991, respectively. All such related party advances are included in investments, advances and receivables, other current liabilities and other liabilities in the accompanying financial statements and bear interest at the rate of 16.5% per annum. GBH&C also has short-term borrowings from an affiliate of $6,000,000 at December 31, 1992 (see Note 3). Interest income earned on related party advances was $1,769,000 and $2,131,000 during the years ended December 31, 1992 and 1991. Interest receivable on affiliate advances, included in investments, advances and receivables in the accompanying balance sheets at December 31, 1992 and 1991 was $2,559,000 and $1,611,000, respectively. Interest accrued on affiliate advances and short-term borrowings from affiliates, classified as other accrued expenses in the accompanying balance sheets at December 31, 1992 and 1991, was $172,000 and $544,000, respectively.

For the years ended December 31, 1992 and 1991, respectively, GBH&C recognized the following amounts in interest expense on related party debt and advances:

	1992	1991
11.75% first mortgage notes	$ 20,251,000	$ 20,607,000
16.5% promissory note	1,457,000	1,848,000
Cash advances from affiliates	988,000	1,400,000
Totals	$ 22,696,000	$ 23,855,000

(7) New Jersey regulations and obligatory investments

GBH&C conducts gaming operations in Atlantic City, New Jersey and operates a hotel, several restaurants and related support facilities. The operation of an Atlantic City casino/hotel is subject to significant regulatory control which affects virtually all of its operations. Under the New Jersey Casino Control Act (the"Casino Act"), GBH&C was required to obtain and is required to periodically renew its operating license. On May 14, 1992, the Casino Commission renewed GBH&C's license to operate the Sands through May 31, 1993. Some of the terms of the license require GBH&C to comply with periodic financial reporting requirements as well as obtain prior Casino Commission approval of certain cash transfers to affiliates. A casino license is not transferable and, after the initial licensing and two one-year renewal periods, is issued for a term of two years. However, the Casino Commission has the authority to require the licensee to submit to licensing proceedings after one year at the Casino Commission's discretion.

The Casino Act requires casino licensees to make certain approved investments in New Jersey or to pay an investment alternative tax. Casino licensees may obtain investment credits, which amount to 1.25% of casino revenues, by purchasing bonds at below-market interest rates from the Casino Reinvestment Development Authority (the "CRDA") or by making qualified investments approved by the CRDA. This governmental agency administers the statutorily mandated investments and reinvestments made by casino licensees and is required to expend the monies received by it for eligible projects defined in the statute. The investment alternative tax amounts to 2.5% of casino revenues. Payments of the investment obligations must be made quarterly. GBH&C has elected to comply with the requirements by obtaining investment credits or by making qualified investments.

As of December 31, 1992 and 1991, GBH&C had purchased bonds totaling $3,769,000, and $3,685,000, respectively. In addition, GBH&C had remaining funds on deposit and held in escrow by the CRDA at December 31, 1992 and 1991 of $8,548,000 and $7,342,000, respectively. The bonds purchased and the amounts on deposit and held in escrow are collectively referred to as "obligatory investments" in the accompanying footnotes.

Obligatory investments at December 31, 1992 and 1991 are net of accumulated valuation allowances of $5,420,000 and $4,802,000, respectively, based upon the estimated realizable values of the investments. Provisions for valuation allowances during the years ended December 31, 1992 and 1991 amounted to $618,000 and $101,000, respectively.

Through 1992, GBH&C has contributed certain amounts held in escrow to the CRDA. In consideration thereof, the CRDA granted GBH&C waivers of certain of its investment obligations in future periods. The book value of the obligatory investments contributed during the years ended December 31, 1992 and 1991 was $1,561,000 and $840,000, respectively, resulting in waivers granted by the CRDA totaling $797,000 and $428,000, respectively. Amortization of the waivers during 1992 and 1991 totaled $169,000 and $2,717,000, respectively. The unamortized portion of waivers obtained from the CRDA of $885,000 at December 31, 1992 will be charged to operations in future periods based upon the related casino revenues.

(8) Arbitration award

In January 1989, the American Arbitration Association issued a determination in favor of GBH&C on its claim against a construction management company for damages due to improper performance in the completion of the renovation of the Sands during 1983 and 1984. On August 6, 1992, the Supreme Court of New Jersey affirmed the judgment in favor of GBH&C and against the construction management company. On August 10, 1992, GBH&C collected $17,510,000 which included the award and post-judgment interest less certain amounts due the construction management company and other related costs.

(9) Commitments and contingencies

GBH&C is a party to various legal proceedings with respect to its conduct of casino/hotel operations. In the opinion of management, based upon the advice of counsel, settlement or resolution of these proceedings should not have a material adverse impact upon GBH&C's financial position.

(10) Disclosures about fair value of financial instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents -

The carrying amounts approximate fair value because of the short maturity of these instruments.

Obligatory investments -

The carrying amount of obligatory investments approximates fair value as a result of such investments being stated net of an allowance reflecting the below market interest rate which reduces the carrying amount to below that resulting from the discounting of net cash flows.

Interest payable -

The carrying amount of interest payable approximates fair value because of the short maturity of the obligation.

Long-term debt -

The fair value of GBH&C's long-term debt is estimated based on either the quoted market prices for recent trades of the issue or on the discounted cash flow of future payments utilizing current rates available to GBH&C for debt of similar remaining maturities. Debt obligations with a short remaining maturity are valued at the carrying amount.

The estimated carrying amounts and fair values of GBH&C's financial instruments at December 31, 1992 are as follows:

	Carrying amount	Fair Value
Financial Assets		
Cash and cash equivalents	$ 11,440,000	$ 11,440,000
Obligatory investments	6,897,000	6,897,000
Financial Liabilities		
Interest payable	$ 1,538,000	$ 1,538,000
First Mortgage Notes	166,919,000	165,250,000
Term loan	8,000,000	8,000,000
Other	4,128,000	4,128,000

(11) Nonoperating income

For the years ended December 31, 1992 and 1991, interest income of $3,549,000 and $4,475,000, respectively, was earned on cash and cash equivalents, obligatory investments and related party advances.

(12) Property and equipment

Property and equipment as of December 31, 1992 and 1991 consisted of the following:

	1992	1991
Land and land improvements	$ 37,554,000	$ 37,554,000
Buildings	169,340,000	169,583,000
Furniture and equipment	95,711,000	92,946,000
Construction in progress	1,217,000	835,000
	303,822,000	300,918,000
Less: accumulated depreciation and amortization	(139,070,000)	(125,262,000)
Net property and equipment	$164,752,000	$175,656,000

(13) Investments, advances, and receivables

As of December 31, 1992 and 1991, the line item Investments, Advances and Receivables is comprised of the following:

	1992	1991
Obligatory investments (net of allowance of $5,420,000 and $4,802,000 at December 31, 1992 and 1991, respectively)	$ 6,897,000	$ 6,225,000
Cash advances to affiliate - Noncurrent	11,412,000	12,057,000
Other	32,000	-
Total Investments, Advances and Receivables	$ 18,341,000	$ 18,282,000

(14) Other accrued expenses

As of December 31, 1992 and 1991, the line item Other Accrued Expenses is comprised of the following:

	1992	1991
Accrued expenses	$ 4,567,000	$ 5,782,000
Accrued salaries and wages	3,339,000	3,904,000
Accrued progressive jackpot	1,628,000	4,139,000
Accrued interest	1,538,000	2,009,000
Accrued insurance	2,418,000	2,337,000
	$ 13,490,000	$ 18,171,000

TRADING NAME OF LICENSEE Sands Hotel & Casino

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES

LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE-NET OF ALLOWANCE (e)
	Patrons' Checks:	$		
1	Undeposited patrons' checks	6,169		
2	Returned patrons' checks	18,763		
3	Total patrons' checks	24,932	<13,638>	11,294
4	Hotel Receivables	938	<96>	842
	Other Receivables:			
5	Receivables due from officers and employees	-		
6	Receivables due from affiliates	129		
7	Other accounts and notes receivables	1,308		
8	Total other receivables	1,437	-	1,437
9	Totals (Form 205)	$ 27,307	$ <13,734>	$ 13,573

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 6,249
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits	208,828
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(160,680)
13	Checks collected through deposits	(37,746)
14	Checks transferred to returned checks	(10,482)
15	Other adjustments	-
16	Ending Balance	$ 6,169
17	"Hold" Checks Included in Balance On Line 16	$ -
18	Provision For Uncollectible Patrons' Checks	$ 2,961
19	Provision As A Percent Of Counter Checks Issued	1.42 %

TRADING NAME OF LICENSEE Sands Hotel & Casino

PROMOTIONAL EXPENSES AND ALLOWANCES
($ in Thousands)

FOR THE TWELVE MONTHS ENDED December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	128,175	$ 5,478	-	$ -
Food	884,939	10,177	-	-
Beverage	1,723,358	10,340	-	-
Travel	-	-	25,237	6,547
Coin	-	-	272,984	12,118
Coupon	-	-	804,809	11,034
Entertainment	30,414	1,391	-	-
Retail & Gifts	-	-	143,519	4,323
Other	97,074	777	158,109	1,062
Total	2,863,960	$ 28,163	1,404,658	$ 35,084

****

For The Three Months Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	25,025	$ 1,244	-	$ -
Food	198,150	2,280	-	-
Beverage	407,922	2,447	-	-
Travel	-	-	4,631	1,201
Coin	-	-	92,183	3,986
Coupon	-	-	190,200	2,388
Entertainment	7,166	409	-	-
Retail & Gifts	-	-	32,941	992
Other	25,339	203	40,429	238
Total	663,602	$ 6,583	360,384	$ 8,805

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

John R. Rauen, being duly sworn according to law upon my oath
NAME
deposes and says:

1. I have examined this Quarterly Report.

2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.

3. The information contained in this Quarterly Report is accurate to the best of my knowledge and belief.

Signature

John R. Rauen
Vice President, Finance

Title

866-11
License Number

Subscribed and sworn to
before me this 12th day
of March, 1993

Robin L. Lieb
Signature

ROBIN L LIEB
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 16, 1995

Basis of Authority
to Take Oaths

On Behalf Of:

Greate Bay Hotel & Casino, Inc.
Casino Licensee

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE Greate Bay Hotel & Casino, Inc.

ADDRESS Indiana Ave. & Brighton Park
Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 19 92

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
MAR
CASINO CONTROL COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL TAX RETURN..... John R. Rauen

OFFICIAL TITLE..... Vice President Finance

ADDRESS..... Indiana Avenue & Brighton Park
Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE Sands Hotel & Casino

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

(UNAUDITED)

AMENDED 3/19/93

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 102,589	
2	Coin-operated devices revenue	142,641	
3	Total revenues		$ 245,230
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 2,961	
5	Maximum adjustment (4% of line 3)	$ 9,809	
6	Adjustment (the lesser of line 4 or line 5)		2,961
7	Gross revenues (line 3 less line 6)		$ 242,269
8	Tax on gross revenues - current year (8% of line 7)		$ 19,382
9	Audit or other adjustments to tax on gross revenues in prior years		-
10	Total tax on gross revenues (line 8 plus or minus line 9)		19,382
	Deposits made for tax on current year's gross revenues:		
11	January	$ 1,072	
12	February	1,463	
13	March	1,837	
14	April	1,504	
15	May	1,448	
16	June	1,784	
17	July	1,854	
18	August	2,209	
19	September	1,530	
20	October	1,509	
21	November	1,709	
22	December	1,097	
23	January	366	
24	Total deposits made for tax on current year's gross revenues		(19,382)
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		-
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ -

1/85

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF New Jersey :
:ss.
COUNTY OF Atlantic :

John R. Rauen, being duly sworn according
Name

to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Return has been prepared in conformity with the Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

J R Rauen
Signature

John R. Rauen

Vice President Finance
Title

866-11
License Number

On Behalf Of:

Greate Bay Hotel & Casino, Inc.
Casino Licensee

Subscribed and sworn to
before me this 12th day
of March, 1993.

Robin L. Lieb
Signature

ROBIN L. LIEB
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 18, 1995

Basis of Authority
to Take Oaths

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE Greate Bay Hotel & Casino, Inc.

ADDRESS Indiana Ave. & Brighton Park

Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL EMPLOYMENT AND PAYROLL REPORT..... John R. Rauen

OFFICIAL TITLE..... Vice President Finance

ADDRESS..... Indiana Avenue & Brighton Park

Atlantic City, New Jersey 08401

1/85

TRADING NAME OF LICENSEE Sands Hotel & Casino

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 19 92
($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	(d) OTHER EMPLOYEES	SALARIES AND WAGES (e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	16			1,032
2	Gaming	752			15,394
3	Slots	127			3,166
4	Casino accounting	382			7,780
5	Other ...Casino Credit	22	$	$	$ 680
6	Total-casino	1,299			28,052
7	ROOMS	333			6,835
8	FOOD AND BEVERAGE	832			12,302
	OTHER OPERATED DEPARTMENTS				
9	Human Resources	27			1,041
10	Legal	16			761
11	Planning & Research	6			276
12	Data Processing	35			1,873
13	Purchasing	20			462
14	Day Tours	17			388
15	Print Shop	18			537
16	Valet & Health Club	81			1,318
17	Surveillance	21			529
18	Recycling	7			128
19		-			-
	ADMINISTRATIVE AND GENERAL				
20	Executive office	15			1,952
21	Accounting and auditing	88			2,736
22	Security	124			2,746
23	Other administrative and general department	-			-
24	MARKETING	165			6,857
25	GUEST ENTERTAINMENT	140			556
26	PROPERTY OPERATION AND MAINTENANCE	34			1,213
		3,278	$ 67,031	$ 3,531	$ 70,562

CCC-376

Trading Name of Licensee Sands Hotel & Casino

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

For the Year Ended December 31, 19 92

March 15, 1993
Date


Signature

John R. Rauen
Vice President, Finance
Title

NEW JERSEY STATE LIBRARY
3 3009 00079 9231
974.901
C193

Trading Name of Licensee: HARRAH'S CASINO HOTEL, ATLANTIC CITY

LIST OF FORMS - QUARTERLY REPORT

For the Quarter Ended: December 31, 1992

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year-to-Date)	CCC-210
Statements of Income (Three Months)	CCC-215
Statements of Changes in Stockholders' Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC-240
Promotional Expenses and Allowances	CCC-245
Statement of Conformity and Accuracy	CCC-250

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

BALANCE SHEETS

DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1992	(d) 1991
	ASSETS		
	Current Assets:		
1	Cash	$ 12,562	$ 8,147
2	Marketable Securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1992 $ 3,583; . . . . 1991 $ 5,426	9,563	9,146
4	Inventories	2,569	2,167
5	Prepaid expenses and other current assets (Note 5)	2,928	2,200
6	**Total Current Assets**	27,622	21,660
7	Investments, Advances and Receivables (Note 6)	30,003	29,730
8	Property and Equipment – Gross (Note 2)	364,893	343,938
9	(Accumulated Depreciation/Amortization)	(105,443)	(93,540)
10	Other Assets	7,928	1,214
11	**Total Assets**	325,003	303,002
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts Payable	$ 2,221	$ 2,683
13	Notes Payable	0	0
	Current portion of long–term debt:		
14	Due to affiliates	0	0
15	Other .....(Note 4)	113	73
16	Income taxes payable and accrued	1,097	1,557
17	Other accrued expenses...(Note 9)	14,998	12,821
18	Other current liabilities	797	622
19	**Total current liabilities**	19,226	17,756
	Long–Term Debt:		
20	Due to affiliates	0	0
21	Other .....(Notes 3 & 4)	307,276	191
22	Deferred Credits	0	0
23	Other Liabilities .....(Note 10)	33,890	28,807
24	Commitments and Contingencies ...(Note 7)	0	0
25	**Total Liabilities**	360,392	46,754
26	**Stockholders', Partners', or Proprietor's Equity**	(35,389)	256,248
27	**Total Liabilities and Equity**	$ 325,003	$ 303,002

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CIY

STATEMENTS OF INCOME

For the Twelve Months Ended December 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1992	(d) 1991
	Revenue:		
1	Casino	$ 288,310	$ 283,578
2	Rooms	21,402	18,423
3	Food and Beverage	38,082	37,954
4	Other	9,230	8,776
5	Total revenue	357,024	348,731
6	Less: Promotional Allowance	41,664	35,781
7	Net revenue	315,360	312,950
	Costs and Expenses:		
8	Cost of goods and services	176,196	169,369
9	Selling, general, and administrative	58,811	62,879
10	Provision for doubtful accounts	1,590	2,013
11	Total costs and expenses	236,597	234,261
12	Gross Operating Profit	78,763	78,689
13	Depreciation and amortization	12,775	12,894
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	0	0
16	Income (Loss) from Operations	65,988	65,795
	Other Income (Expenses):		
17	Interest (expense) – affiliates	0	0
18	Interest (expense) – external .... (Note 4)	(10,020)	(183)
19	Investment alternative tax and related income .... (expense) – net	(303)	(1,104)
20	Nonoperating Income (expense) – net	477	798
21	Total other income (expenses)	(9,846)	(489)
22	Income (Loss) Before Income Taxes and Extraord. Items	56,142	65,306
23	Provision (credit) for income taxes (Note 11)	5,269	5,666
24	Income (Loss) Before Extraordinary Items	50,873	59,640
25	Extraordinary items (net of income taxes – 1992, $0; 1991, $0)	0	0
26	**Net Income (Loss)**	$ 50,873	$ 59,640

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF INCOME

For the Three Months Ended December 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1992	(d) 1991
	Revenue:		
1	Casino	$ 66,742	$ 63,377
2	Rooms	4,849	4,509
3	Food and Beverage	8,708	8,641
4	Other	2,047	1,938
5	Total revenue	82,346	78,465
6	Less: Promotional Allowance	9,614	8,380
7	Net revenue	72,732	70,085
	Costs and Expenses:		
8	Cost of goods and services	41,980	41,500
9	Selling, general, and administrative	13,135	11,097
10	Provision for doubtful accounts	213	151
11	Total costs and expenses	55,328	52,748
12	Gross Operating Profit	17,404	17,337
13	Depreciation and amortization	3,457	3,225
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	0	0
16	Income (Loss) from Operations	13,947	14,112
	Other Income (Expenses):		
17	Interest (expense) – affiliates	0	0
18	Interest (expense) – external .... (Note 4)	(7,123)	(11)
19	Investment alternative tax and related income .... (expense) – net	(12)	(54)
20	Nonoperating Income (expense) – net	70	205
21	Total other income (expenses)	(7,065)	140
22	Income (Loss) Before Income Taxes and Extraord. Items	6,882	14,252
23	Provision (credit) for income taxes (Note 11)	649	954
24	Income (Loss) Before Extraordinary Items	6,233	13,298
25	Extraordinary items (net of income taxes – 1992, $0; 1991, $0)	0	0
26	**Net Income (Loss)**	$ 6,233	$ 13,298

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

Trading Name of Licensee: HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the Years Ended December 31, 1992 and 1991

(Unaudited)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1992 (c) Shares	1992 (d) Dollars	1991 (e) Shares	1991 (f) Dollars
	Common Stock:				
1	Beginning balance (January 1). .		$		$
2	Sale of stock				
3	_____ .				
4	Ending balance				
	Preferred Stock:				
5	Beginning balance (January 1). .				
6	Sale of stock				
7	_____ .				
8	Ending balance				
	Additional Paid-in Capital:	++++++++++		++++++++++	
9	Beginning balance (January 1). .	++++++++++		++++++++++	
10	_____ .	++++++++++		++++++++++	
11	_____ .	++++++++++		++++++++++	
12	Ending balance	++++++++++		++++++++++	
	Treasury Stock:				
13	Beginning balance (January 1) .		( )		( )
14	Purchase of additional stock .		( )		( )
15	Sale or retirement of stock .				
16	Ending balance		( )		( )
	Subscriptions Receivable For				
	Capital Stock:				
17	Beginning balance (January 1) .		( )		( )
18	_____ .				
19	_____ .				
20	Ending balance		( )		( )
	Net Unrealized Loss on Noncurrent	++++++++++		++++++++++	
	Marketable equity securities:	++++++++++		++++++++++	
21	Beginning balance (January 1) .	++++++++++	( )	++++++++++	( )
22	_____ .	++++++++++		++++++++++	
23	_____ .	++++++++++		++++++++++	
24	Ending balance	++++++++++	( )	++++++++++	( )
	Retained Earnings:	++++++++++		++++++++++	
25	Beginning balance	++++++++++		++++++++++	
26	Prior period adjustments . . .	++++++++++		++++++++++	
27	Net income (loss)	++++++++++		++++++++++	
28	Dividends	++++++++++	( )	++++++++++	( )
29	_____ .	++++++++++		++++++++++	
30	_____ .	++++++++++		++++++++++	
31	Ending balance	++++++++++		++++++++++	
32	Ending Stockholders' Equity	++++++++++	$	++++++++++	$

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

For the Twelve Months Ende December 31, 1992 and 1991
(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1992	(d) 1991
	Invested Capital:		
1	Beginning balance (January 1)	$ 141,594	$ 141,594
2	Additional capital invested	0	0
3	_____	0	0
4	Ending balance	141,594	141,594
	Additional Income (Loss):		
5	Beginning balance (January 1)	596,211	536,571
6	Prior period adjustments	0	0
7	Net income (loss)	50,873	59,640
8	_____	0	0
9	Ending balance	647,084	596,211
	Capital Withdrawals:		
10	Beginning balance (January 1)	(481,557)	(106,738)
11	Additional capital withdrawals	(342,510)	(374,819)
12	_____	0	0
13	Ending balance	(824,067)	(481,557)
	Net Unrealized Loss on Noncurrent Marketable equity securities:		
14	Beginning balance (January 1)	0	0
15	_____	0	0
16	_____	0	0
17	Ending balance	0	0
18	**Ending Partner's or Propietor's Equity**	(35,389)	256,248

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF CASH FLOWS

For the Twelve Months Ended December 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1992	(d) 1991
1	**Net Cash Provided (Used) by Operating Activities**	$ 68,584	$ 79,731
	Cash Flows from Investing Activities:		
2	Purchase of short-term investment securities	0	0
3	Proceeds from the sale of short-term investment securities	0	0
4	Purchase outflows for property and equipment	(21,756)	(20,547)
5	Proceeds from disposition of property and equipment	519	4,773
6	Purchase of casino reinvestment obligations	(3,186)	(3,082)
7	Purchase of other investments and loan advances made	0	(66,446)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	3,003	2,729
9	Cash outflows to acquire business entities	0	0
10		0	0
11		0	0
12	**Net Cash Provided (Used) by Investing Activities**	(21,420)	(82,573)
	Cash Flows from Financing Activities:		
13	Cash proceeds from issuance of short-term debt		
14	Payments to settle short-term debt		
15	Cash proceeds from issuance of long-term debt		
16	Costs of issuing debt		
17	Payments to settle long-term debt	(95)	(97)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals	(42,654)	0
21			
22			
23	**Net Cash Provided (Used) by Financing Activities**	(42,749)	(97)
24	**Net Increase (Decrease) in Cash and Cash Equivalents**	4,415	(2,939)
25	**Cash and Cash Equivalents at Beginning of Period**	8,147	11,086
26	**Cash and Cash Equivalents at End of Period**	$ 12,562	$ 8,147

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period for:		
27	Interest (net of amount capitalized)	$ 7,870	$ 28
28	Income Taxes	$ 5,725	$ 5,675

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF CASH FLOWS

For the Twelve Months Ended December 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1992	(d) 1991
	Net Cash Flows From Operating Activities:		
29	Net Income (loss)	$ 50,873	$ 59,640
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property & equipment	12,728	12,864
31	Amortization of other assets	495	30
32	Amortization of debt discount or premium	0	0
33	Deferred income taxes – current	0	0
34	Deferred income taxes – noncurrent	0	0
35	(Gain) loss in dispostion of property & equipment	(10)	(71)
36	(Gain) loss on casino reinvestment obligation	302	1,103
37	(Gain) loss from other investment activities	0	0
38	Net (increase) decrease in receivables and patrons checks	(512)	1,256
39	Net (increase) decrease in inventories	(402)	61
40	Net (increase) decrease in other current assets	(892)	(1,055)
41	Net (increase) decrease in other assets	(1,279)	(50)
42	Net increase (decrease) in accounts payables	166	(672)
43	Net increase (decrease) in other current liabilities excluding debt . . .	1,892	2,289
44	Net increase (decrease) in other noncurrent liabilities excluding debt . . .	5,223	4,336
45			
46			
47	**Net Cash Provided (Used) by Operating Activities . . . .**	$ 68,584	$ 79,731
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCIAL ACTIVITES		
	Aquisition of Property and Equipment:		
48	Additions to property and equipment	$ 21,756	$ 20,781
49	Less: capital lease obligations incurred	0	234
50	**Cash Outflows for Property and Equipment . . . . . .**	$ 21,756	$ 20,547
	Acquisition of Business Entities:		
51	Property and equipment acquired	$	$
52	Goodwill Acquired		
53	Net assets acquired other than cash, goodwill, and property and equipment		
54	Long–term debt assumed		
55	Issuance of stock or capital invested		
56	Cash Outflows To Acquire Business Entities	$	$
	Stock Issued or Capital Contributions:		
57	Total issuance of stock or capital contributions	$	$
58	Less: issuances to settle long–term debt, and		
59	Consideration in acquistion of business entities		
60	Cash Proceeds from Issuing Stock or Capital Contributions	$	$

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

HARRAH'S CASINO HOTEL, ATLANTIC CITY

NOTES TO FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

Organization - Marina Associates (the Company), doing business as Harrah's Casino Hotel, Atlantic City, operates as a general partnership. The Promus Companies, Inc., through its subsidiaries, is the sole owner of the Company.

Gaming Revenues - Gaming revenues are the net win from gaming activities and represent the difference between amounts wagered and amounts won by patrons.

Promotional Allowances - Gross revenues include the retail value of complimentary food, beverage, theater and hotel services furnished to patrons. The retail value of these promotional allowances is deducted to arrive at net revenues. The cost of promotional allowances is charged to operations.

Inventories - Inventories of provisions and supplies are valued at the lower of cost, weighted average, or market.

Property and Equipment - Property and Equipment is carried at cost and is depreciated on the straight-line method using rates based on the following estimated useful lives:

Buildings, leaseholds and improvements	40 years
Furniture, fixtures and equipment	3-10 years

The interest associated with borrowings used to finance the construction and expansion of the hotel/casino during the construction period has been capitalized and is being amortized over the estimated useful life of the complex.

When management determines that some element of property and equipment is to be disposed of, its net realizable value is estimated and a write-down is recorded if the estimated net realizable value is less than the net book value.

A valuation allowance is included as a component of accumulated depreciation.

Pre-Opening Expenses - Costs incurred prior to opening and expansion were deferred and charged to operations over a three year period using the straight-line method.

Income Taxes - The accompanying financial statements do not include a provision for Federal Income Tax purposes by the individual partners.

In accordance with regulations prescribed by the New Jersey Casino Control Act, the Company files a State Income Tax return on behalf of the partners.

NOTE 2: Property and Equipment

Property and Equipment consists of the following:

	DECEMBER 31	
	1992 (000's)	1991
Land and Land Improvements	$ 30,745	$ 28,326
Buildings, Leaseholds and Improvements	251,711	225,133
Furniture, Fixtures and Equipment	68,893	63,883
Construction in Progress	10,309	5,403
Equipment held under Capital Leases	345	345
C-I-P NE Inlet Redevelopment Project	2,890	20,848
	$364,893	$343,938
Less Accumulated Depreciation	(105,443)	(93,540)
Property and Equipment, Net	$259,450	$250,398

The Northeast Inlet Redevelopment Project is an approved CRDA project sponsored by Harrah's. The project includes 130 townhomes, a retail strip center and a mid-rise apartment building. Seventy-six of the townhomes are to be sold and the balance are to be rented. Rental operations began in February 1992 for the townhomes and August of 1992 for the mid-rise building. Currently contained in the C-I-P account is the retail strip center.

NOTE 3: Supplemental Cash Flow Information

Supplemental disclosure of non-cash financing activities:

In August 1992, after receiving Casino Control Commission approval, a transaction was initiated pursuant to an amendment to an existing Master Facility Agreement. Marina Associates issued a note payable in the amount of $307,220,000 to a bank syndicate that held a note receivable from Embassy Suites, Inc., of the same amount. Embassy Suites is Marina Associates' great-great-grandparent. Marina Associates, in exchange for issuing the note payable, received the Embassy note receivable from the banks. Marina then transferred the note receivable to its great-grandparent, Harrah's. This transfer of the note receivable from Embassy Suites, Inc., was accounted for on Marina Associates' books as a Capital Withdrawal.

During October 1992, Embassy Suites passed down to Harrah's Atlantic City deferred finance charges that are associated with the original note payable between Embassy Suites and the bank syndicate referred to above. The finance charges totaled $6,167,299 and will be amortized over the life of the Term Loan Agreement.

These non-cash transaction have been excluded from the Statement of Cash Flows.

NOTE 4: Long-Term Debt

The Company is an obligee on a $307,220,000 Term Loan Borrowing which resulted from the transaction described in Note 3.

Interest accrues at the rate of LIBOR plus 2.5%. At December 31, 1992, rates were 6.4375% per annum.

NOTE 4: Long-Term Debt (Cont.)

As required by the Facility Agreement, the Company has obtained $140,000,000 in interest rate protection as a hedge against future changes in interest rates. The interest rate protection is in the form of a rate collar transaction. The arrangement fixes the Company's rate between 10.3% and 13.5%. This rate collar expires in 1995.

The term loan is expected to be repaid according to the following schedule:

Date	Amount Due
6/30/94	$ 55,200,000
12/31/94	55,200,000
5/30/96	100,000,000
2/21/97	96,820,000

Total Long-Term Debt consists of:

	DECEMBER 31 1992 (000's)	1991
Long-term debt - Term Loan	$307,220	$ 0
Long-term debt - Capital Leases	169	264
Capital Lease Obligation Due within 1 Year	(113)	(73)
Total Long-Term Debt	$307,276	$ 191

Long-Term Debt - Capital Leases - Represents three thirty-six month capital leases for computer equipment.

Future minimum lease payments consist of:

Year	Amount
1992	$ 19,249
1993	111,528
1994	58,716
	$189,893
Less amounts representing interest	(20,168)
Present value of net minimum lease payments	$169,325

NOTE 5: Prepaid Expenses and Other Current Assets

	DECEMBER 31 1992 (000's)	1991
Prepaid Slot Tax	$ 500	$ 469
Prepaid Insurance	240	230
Prepaid Air Charters	486	339
Prepaid Marketing	166	547
Prepaid Other	1,434	347
Future Credit against CRDA Obligations	102	268
	$ 2,928	$ 2,200

NOTE 6: Investments, Advances and Receivables

	DECEMBER 31 1992 (000's)	1991
Notes Receivable	$ 2,343	$ 2,370
Investment in CRDA Bonds - Net of Valuation Adj.	2,261	2,113
Reinvestment Obligation Deposits - Net of Val. Adj.	1,335	1,233
Due from Affiliates	22,043	22,127
Funds Advanced to Northeast Inlet Redevelopment Project to be Reimbursed by a UDAG Grant	743	743
Investment in Developer's Component of CRDA Project	1,083	1,044
Interest Receivable	195	100
	$ 30,003	$ 29,730

Due from Affiliates consists of the following unsecured, non-interest bearing inter-company amounts at December 31, 1992 and 1991.

	DECEMBER 31 1992 (000's)	1991
Harrah's New Jersey, Inc.	$ 18,962	$ 18,962
Harrah's Lake Tahoe	125	155
Embassy Suites, Inc.	2,301	2,378
Harrah's Del Rio	145	128
Harrah's Reno	399	393
Bill's Casino	111	111
Total Due from Affiliates	$ 22,043	22,127

NOTE 7: Commitments and Contingencies

Leases - The Company has several operating leases relating to a storage warehouse, parking areas, computer and communication equipment, transportation equipment and shoreline land. These leases have various expiration dates through 2003. Rental expenses for the twelve months ended December 31, 1992 and 1991, were approximately $2,959,113 and $2,722,448, respectively.

Future minimum lease payments due under these leases are as follows:

Year	Amount
1993	$2,718,314
1994	2,177,083
1995	1,287,619
1996	663,184
1997	357,021
Thereafter	1,224,000
	$8,427,221

NOTE 7: Commitments and Contingencies (Cont.)

The Company has entered into several long-term contracts for entertainment, marketing and laundry. The future commitments follow:

1993	$ 2,159,349
1994	2,146,839
1995	1,896,839
1996	1,747,044
1997	1,747,044
Thereafter	3,494,088
	$13,191,203

NOTE 8: Investment Obligations

Section 144 of the New Jersey Casino Control Act as amended in 1984 requires a casino licensee to make investments in New Jersey or pay an investment alternative tax if it fails to do so. For each of the calendar years 1979 to 1983, a casino licensee whose gross casino revenues exceed its cumulative investment (the "cumulative investment"), must either make investments in an amount equal to 2% of its gross casino revenues or pay an investment alternative tax in the same amount within five years of the applicable calendar year. The cumulative investment of a casino licensee includes the real property and improvement costs associated with its hotel/casino complex.

Commencing with calendar year 1984, and continuing for twenty five years thereafter, a casino licensee must either obtain investment tax credits in an amount equivalent to 1.25% of its gross casino revenues or pay an alternative tax of 2.5% of its gross casino revenues. Investment tax credits may be obtained by making approved direct investments, purchasing bonds which pay interest below market rates which are issued by the Casino Reinvestment Development Authority (CRDA), or by donating funds directly to the CRDA in return for credit against future obligations. In addition, commencing with obligations incurred after 1983, payments of a casino licensee's obligation must be made quarterly.

The Company has filed a petition with the CRDA and has received final approval for a direct investment project in Atlantic City. This project will be eligible for credit in satisfaction of the investment obligation, and the Company will not be required to continue purchasing bonds or pay the investment alternative tax. Accordingly, no liability has been recorded in the financial statements for the Atlantic City portion of the Company's obligation.

The Company, in the absence of receiving approval for a direct investment project will have to purchase bonds in order to satisfy obligations outside of Atlantic City. At August 31, 1992, the Company has established a valuation allowance of $298,611 to provide for the charge against operations which would be incurred at the time that these bonds were issued. The charge against operations would reflect the below market rate interest paid by the bonds.

During 1990 and 1991, the Company donated obligations on deposit, allocable to South Jersey and the New Jersey Development Authority, totalling $2,000,367, directly to the CRDA, in lieu of purchasing bonds. The donation was made in consideration of 51% credit against future obligations.

NOTE 9: Other Accrued Expenses

Other Accrued Expenses consists of the following:

	DECEMBER 31 1992 (000's)	1991
Accrued Salaries, Wages and Benefits	$ 7,513	$ 7,006
Taxes Payable	668	540
Other Accrued Expenses	3,365	2,972
Accrued Progressive Slot Liability	789	1,606
Accrued CCC/DGE/Casino License Fees	511	555
Accrued Megabucks Handle Fees	72	129
Accrued Interest L-T-D	2,080	13
	$ 14,998	$ 12,821

NOTE 10: Other Liabilities

Other Liabilities consists of the following:

	DECEMBER 31 1992 (000's)	1991
Long Term Due to Affiliates	$ 30,714	$ 26,419
Other Liabilities	986	858
Deferred Income - ACIA Grant	737	884
Deferred Income - CRDA Grant	133	159
Deferred Income - NJHMFA Grant	469	488
Deferred Income - DCA Grant	851	0
	$ 33,890	$ 28,808

Due to Affiliates consists of the following unsecured, non-interest bearing inter-company accounts:

	DECEMBER 31 1992 (000's)	1991
Harrah's Holdings, Inc.	$ 617	$ 623
Harrah's Atlantic City, Inc.	29,750	25,451
Harrah's Holiday Inns of N.J., Inc.	293	293
Holiday Casino, Inc.	54	52
	$ 30,714	$ 26,419

NOTE 11: Provision for State Income Taxes

The Company, in accordance with regulations prescribed by the New Jersey Casino Control Act, has provided for New Jersey State Tax at the statutory rate (9.375%).

NOTE 12: Savings and Retirements Plan

An employee Savings and Retirement Plan was established on October 1, 1985. This plan covers all non-union employees who have been employed at least one year with a minimum of one thousand hours worked. The Company will match employee contributions up to 6% of gross pay. A participating employee is vested in Company contributions according to their years of service. The Company's contribution through the twelve months ended December 31, 1992, was $2,896,552.

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

December 31, 1992
(UNAUDITED)
($ IN THOUSANDS)
Accounts Receivable Balances

LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE (e) NET OF ALLOWANCE
	Patrons' Checks			
1	Undeposited patrons' checks	$ 3,419		
2	Returned patrons's checks	5,977		
3	Total patrons' checks	9,396	$ 3,562	$ 5,834
4	Hotel Receivables	892	21	871
	Other Receivables:			
5	Receivables due from officers and employees	12		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivable	2,845		
8	Total other receivables	2,857	0	2,857
9	**Totals (Form 205)**	$ 13,145	$ 3,583	$ 9,562

UNDEPOSITED PATRON'S CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 3,187
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	141,350
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(93,179)
13	Checks collected through deposits	(43,090)
14	Checks transferred to returned checks	$ (4,849)
15	Other adjustments	$ 0
16	Ending Balance	$ 3,419
17		
18	"Hold" Checks Included in Balance on Line 16	$ 0
19	Provision for Uncollectible Patrons' Checks	$ 1,590
	Provision as a Percent of Counter Checks Issued	1.1%

TRADING NAME OF LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the Twelve Months Ended December 31,1992

	Promotional Allowances			Promotional Expenses		
	Number of Recipients		Dollar Amount	Number of Recipients		Dollar Amount
Rooms	149	$	13,016		$	
Food	1,821	$	18,210		$	
Beverage	2,752	$	6,880		$	
Travel		$	0	77	$	7,614
Gin		$	0	1,320	$	16,501
Coupon		$	0		$	
Entertainment	178	$	3,558		$	
Retail & Gifts		$	0	399	$	1,994
Other		$	0	N/A	$	27
Total	4,900	$	41,664	1,796	$	26,136

For the Three Months Ended December 31,1992

	Promotional Allowances			Promotional Expenses		
	Number of Recipients		Dollar Amount	Number of Recipients		Dollar Amount
Rooms	32	$	2,830		$	
Food	432	$	4,319		$	
Beverage	665	$	1,662		$	
Travel		$	0	17	$	1,657
Gin		$	0		$	3,977
Coupon		$	0		$	
Entertainment	40	$	803		$	
Retail & Gifts		$	0		$	462
Other		$	0		$	(1)
Total	1,169	$	9,614	17	$	6,095

STATEMENTS OF CONFORMITY AND ACCURACY

State of NEW JERSEY :
: ss
County of ATLANTIC :

Joseph A. Domenico, being duly sworn according to law upon my oath disposes and says:

1. I have examined this Quarterly Report
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Quarterly Report is accurate to the best of my knowledge and belief.

Signature

Vice President of Finance
Title

01833-11
License Number

Subscribed and sworn to
before me this 12th day
of March, 1993

Signature

CYDNEY KINTER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 25, 1995

Basis of Authority
to Take Oaths

On Behalf of:

Marina Associates
Casino Licensee

TRADING NAME OF LICENSEE: HARRAH'S CASINO HOTEL, ATLANTIC CITY

ANNUAL EMPLOYMENT AND PAYROLL REPORT
For the year ended December 31, 1992
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	NUMBER OF (c) EMPLOYEES	OTHER (d) EMPLOYEES	SALARIES AND WAGES (e) OFFICERS & OWNERS	TOTALS
	CASINO				
1	Administration	1			
2	Gaming	592			
3	Slots	159			
4	Casino Accounting	66			
5	Other	588			
6	Total – casino	1,406	35,146	0	35,146
7	**ROOMS**	232	4,524	0	4,524
8	**FOOD AND BEVERAGE**	936	15,040	0	15,040
	OTHER OPERATED DEPARTMENTS				
9	Marina	2	70	0	70
10	Cafeteria	16	896	0	896
11	Communications	17	360	0	360
12	Gift Shop	28	474	0	474
13	Jewelry Store	6	26	0	26
14					0
15					0
16					0
..19					0
	ADMINISTRATIVE AND GENERAL				
20	Executive office	7	583	0	583
21	Accounting and auditing	66	2,011	0	2,011
22	Security	181	4,251	0	4,251
23	Other administrative and general department	217	5,568	0	5,568
24	**MARKETING**	15	682	0	682
25	**GUEST ENTERTAINMENT**	53	2,269	0	2,269
26	**PROPERTY OPERATION AND MAINTENANCE**	276	7,820	0	7,820
27	**TOTALS – ALL DEPARTMENTS**	3,458	79,720	0	79,720

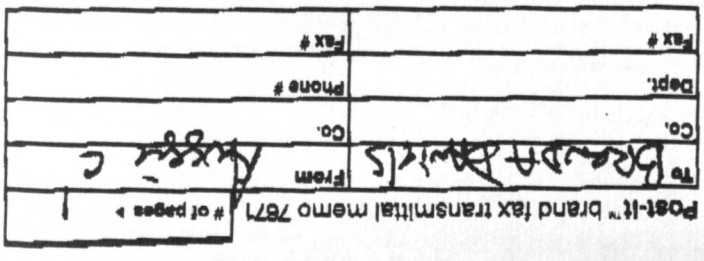
Trading Name of Licensee: HARRAH'S CASINO HOTEL, ATLANTIC CITY

GROSS REVENUE ANNUAL TAX RETURN

For the Year Ended December 31, 1992
(Unaudited)
($ in Thousands)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 79.153	
2	Coin-operated devices revenue	208.341	
3	Total revenues		$287.494
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 1.521	
5	Maximum adjustment (4% of line 3)	$ 11.500	
6	Adjustment (the lesser of line 4 or line 5)		1.521
7	Gross revenues (line 3 less line 6)		$285.973
8	Tax on gross revenues - current year (8% of line 7)		$ 22.878
9	Audit or other adjustments to tax on gross revenues in prior years		
10	Total tax on gross revenues (line 8 plus or minus line 9)		22.878
	Deposits made for tax on current year's gross revenues:		
11	January		
12	February	$ 1.227	
13	March	1.652	
14	April	2.027	
15	May	1.781	
16	June	1.686	
17	July	2.358	
18	August	2.025	
19	September	2.613	
20	October	1.857	
21	November	1.812	
22	December	2.094	
23	January	1.252	
24	Total deposits made for tax on current year's gross revenues	499	(22.883)
25	Settlement of prior year's tax on gross revenues resulting from audit or other adjustments - (deposits) credits		5
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ -0-

1/85



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STATE OF NEW JERSEY

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NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING

THIS ANNUAL REPORT ..... LUCY McLAUGHLIN
OFFICIAL TITLE ..... DIRECTOR – FINANCIAL ACCOUNTING
ADDRESS ..... 1133 BOARDWALK
ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)

LIST OF FORMS – ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

TITLE	FORM NO.
Balance Sheets	CCC–205
Statements of Income (Year to Date)	CCC–210
Statements of Income (Three Months)	CCC–215
Statements of Changes in Stockholders' Deficit	CCC–220
Statements of Changes in Partners' or Proprietor's Equity	CCC–225
Statements of Cash Flows	CCC–235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC–240
Promotional Expenses and Allowances	CCC–245
Statement of Conformity and Accuracy	CCC–250

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
BALANCE SHEETS
DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	ASSETS		
	Current Assets:		
1	Cash	$ 12,915	$ 12,117
2	Marketable securities (Short-term Money Market At Cost)	9,728	4,769
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1992, $4,248; 1991, $5,653; NOTE 2.	55,406	57,599
4	Inventories	1,542	1,469
5	Prepaid expenses and other current assets	1,862	1,528
6	Total current assets	81,453	77,482
7	Investments, Advances, and Receivables	7,450	5,968
8	Property and Equipment - Gross NOTE 3.	178,109	162,578
9	(Accumulated Depreciation/Amortization) NOTE 3.	(22,419)	(11,027)
10	Other Assets	1,543	234
11	**Total Assets**	$ 246,136	$ 235,235
	LIABILITIES AND STOCKHOLDERS' DEFICIT		
	Current Liabilities:		
12	Accounts payable	$ 1,528	$ 2,339
13	Notes payable		
14	Current portion of long-term debt:		
15	Due to affiliate		
16	Other NOTE 6.	642	958
17	Income taxes payable and accrued		
18	Other accrued liabilities NOTE 4.	16,611	17,222
19	Other current liabilities NOTE 5.	65,394	68,375
20	Total current liabilities	84,175	88,894
	Long-Term Debt:		
21	Due to affiliate NOTE 6.	325,000	325,000
22	Other NOTE 6.	904	1,539
23	Deferred Credits NOTE 7.	415	574
24	Other Liabilities		
25	Commitments and Contingencies NOTE 13.		
26	**Total Liabilities**	410,494	416,007
27	**Stockholders' Deficit**	(164,358)	(180,772)
	Total Liabilities and Stockholders' Deficit	$ 246,136	$ 235,235

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	REVENUE:		
1	Casino	$ 236,181	$ 220,631
2	Rooms	16,133	15,146
3	Food and beverage	31,250	31,223
4	Other	6,470	6,558
5	Total revenue	290,034	273,558
6	Less: promotional allowances	24,893	24,334
7	Net revenue	265,141	249,224
	COSTS AND EXPENSES:		
8	Cost of goods and services	164,775	157,733
9	Selling, general, and administrative	53,862	51,432
10	Provision for doubtful accounts	1,415	3,480
11	Total costs and expenses	220,052	212,645
12	**Gross Operating Profit**	45,089	36,579
13	Depreciation and amortization	11,402	9,087
14	Charges from affiliates other than interest NOTE 9		
15	Management fees	8,629	8,154
16	Other	2,381	2,350
	Income (Loss) From Operations	22,677	16,988
17	Other Income (Expenses):		
18	Interest (expense) – affiliates		
19	Interest (expense) – external	(388)	(570)
20	Investment alternative tax and related in. (exp) NOTE 13	(1,448)	(1,574)
21	Nonoperating income – net NOTE 10	6,515	6,917
22	Total other income	4,679	4,773
23	**Income Before Income Taxes And Extraordinary Items**	27,356	21,761
24	Provision for income taxes NOTE 1,11	10,942	8,704
25	**Income Before Extraordinary Items**	16,414	13,057
26	Extraordinary items (net of income taxes – 1992, $0 ; 1991, $0)		
	Net Income	$ 16,414	$ 13,057

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	REVENUE:		
1	Casino	$ 53,800	$ 49,550
2	Rooms	3,880	3,613
3	Food and beverage	6,840	7,204
4	Other	1,482	1,512
5	Total revenue	66,002	61,879
6	Less: promotional allowances	5,813	5,670
7	Net revenue	60,189	56,209
	COSTS AND EXPENSES:		
8	Cost of goods and services	39,719	38,056
9	Selling, general, and administrative	12,769	12,957
10	Provision for doubtful accounts	576	784
11	Total costs and expenses	53,064	51,797
12	**Gross Operating Profit**	7,125	4,412
13	Depreciation and amortization	2,776	2,268
14	Charges from affiliates other than interest		
15	Management fees NOTE 9	1,964	1,843
16	Other NOTE 9	379	284
	Income From Operations	2,006	17
17	**Other Income (Expenses):**		
18	Interest (expense) – affiliates		
19	Interest (expense) – external	(78)	(132)
20	Investment alternative tax and related in. (exp) NOTE 12	(330)	(330)
21	Nonoperating income – net NOTE 10	1,710	1,772
22	Total other income	1,302	1,310
23	**Income Before Income Taxes And Extraordinary Items**	3,308	1,327
24	Provision for income taxes NOTE 1,11	1,322	530
25	**Income Before Extraordinary Items**	1,986	797
26	Extraordinary items (net of income taxes – 1992, $0 ; 1991, $0)		
	Net Income	$ 1,986	$ 797

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c) SHARES	1992 (d) DOLLARS	1991 (e) SHARES	1991 (f) DOLLARS
	Common Stock: ($1 par value, 2,500 shares authorized)				
1	Beginning balance (January 1)	100	$	100	$
2	Sale of Stock				
3	_____				
4	Ending balance	100		100	
	Preferred Stock:				
5	Beginning balance (January 1)				
6	Sale of Stock				
7	_____				
8	Ending balance				
	Excess of Liabilities over Assets at Reorganization				
9	Beginning balance (January 1).....NOTE 13..		(198,829)		(198,829)
10	_____				
11	_____				
12	Ending balance		(198,829)		(198,829)
	Treasury Stock:				
13	Beginning balance (January 1)				
14	Purchase of additional stock				
15	Sale or retirement of stock				
16	Ending balance				
	Subscription Receivable for Capital Stock:				
17	Beginning balance (January 1)				
18	_____				
19	_____				
20	Ending balance				
	Net unrealized Loss on Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1)				
22	_____				
23	_____				
24	Ending balance				
	Retained Earnings:				
25	Beginning balance (January 1)		18,057		5,000
26	Prior period adjustments				
27	Net income		16,414		13,057
28	Dividends				
29	_____				
30	_____				
31	Ending balance		34,471		18,057
32	**Ending Stockholders' Deficit**		$ (164,358)		$ (180,772)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CHANGES IN PARTNERS'
OR PROPRIETOR'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	Invested Capital:		
1	Beginning Balance (January 1)	$	$
2	Additional capital invested		
3	_____		
4	Ending Balance		
	Accumulated Income (Loss):		
5	Beginning Balance (January 1)	-	
6	Prior period adjustments		
7	Net income (loss)		
8	_____		
9	Ending Balance		
	Capital Withdrawals:		
10	Beginning Balance (January 1)	( )	( )
11	Additional capital invested	( )	( )
12	_____		
13	Ending Balance	( )	( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning Balance (January 1)		
15	_____		
16	_____		
17	Ending Balance		
18	**Ending Partners' Or Proprietor's Equity**	$	$

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
1	**Net Cash Provided by Operating Activities**	$ 26,919	$ 26,183
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities		
3	Proceeds from the sale of short-term investments securities		
4	Cash outflows for property and equipment	(15,496)	(21,571)
5	Proceeds from disposition of property and equipment	1	68
6	Purchase of casino reinvestment obligations	(2,871)	(2,709)
7	Purchase of other investments and loans/advances made		
8	Proceeds from disposal of investments and collections of advances and long-term receivables		
9	Cash outflows to acquire business entities		
10	Investment in Subsidiary		
11			112
12	**Net Cash Used By Investing Activities**	(18,366)	(24,100)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt		
14	Payments to settle short-term debt	(1,004)	(1,496)
15	Cash proceeds from issuance of long-term debt		
16	Costs of issuing debt		
17	Payments to settle long-term debt		
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals		
21	Payments for recapitalization cost		
22	Advances from(repayment to) parent company and affiliates	(1,792)	2,202
23	**Net Cash Provided (Used) By Financing Activities**	(2,796)	706
24	**Net Increase in Cash And Cash Equivalents**	5,757	2,789
25	**Cash And Cash Equivalents At Beginning Of Year**	16,886	14,097
26	**Cash And Cash Equivalents At End Of Year**	$ 22,643	$ 16,886

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	**Cash Paid During Year For:**		
28	Interest (net of amount capitalized)	$ 395	$ 21,316
	Income taxes	$	$

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1992 AND 1991
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	Net Cash Provided by Operating Activities		
29	Net income	$ 16,414	$ 13,057
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization for property and equipment	11,402	9,084
31	Amortization of other assets	(4)	3
32	Amortization of debt discount or premium		
33	Deferred income taxes – current		
34	Deferred income taxes – noncurrent		
35	Loss on disposition of property and equipment	7	267
36	Loss on casino reinvestment obligations	1,451	1,574
37	(Gain) loss from other investment activities		
38	Net decrease in receivables and patrons' checks	1,068	1,281
39	Net (increase) decrease in inventories	(73)	280
40	Net (increase) decrease in other current assets	(334)	1,443
41	Net (increase) decrease in other assets	(1,308)	77
42	Net decrease in accounts payable	(811)	(1,727)
43	Net increase (decrease) in other current liabilities excluding debt	(734)	811
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(159)	33
45	Other		
46			
47	**Net Cash Provided By Operating Activities**	$ 26,919	$ 26,183

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES

48	**Acquisition Of Property And Equipment:**		
49	Additions to property and equipment	$ (15,549)	$ (22,734)
50	Less: Capital lease obligations incurred	53	1,163
	Cash Outflow For Property And Equipment	$ (15,496)	$ (21,571)
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$	$
52	Goodwill acquired		
53	Net assets acquired other than cash, goodwill, and property and equipment		
54	Long–term debt assumed		
55	Issuance of stock or capital invested		
56	**Cash Outflow To Acquire Business Entities**	$	$
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$	$
58	Less: Issuance to settle long–term debt		
59	Consideration in acquisition of business entities		
60	**Cash Proceeds From Issuing Stock Or Capital Contributions**	$	$

MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Resorts International Hotel, Inc. ("RIH"), a wholly owned subsidiary of Resorts International, Inc. ("RII"), owns and operates Merv Griffin's Resorts Casino Hotel ("Resorts Casino Hotel"), a casino/hotel complex located in Atlantic City, New Jersey.

Principles of Consolidation

The consolidated financial statements include the accounts of RIH and its subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Revenue Recognition

RIH records as revenue the win from gaming activities which represents the difference between amounts wagered and amounts won by patrons. Revenues from hotel and related services and from theatre ticket sales are recognized at the time the related service is performed.

Promotional Allowances

Gross revenues include the retail value of complimentary rooms, food, beverage and other hotel services furnished to casino patrons. The retail value of these complimentary services is deducted as a promotional allowance to arrive at net revenues. The cost of complimentary services is charged to cost of goods and services and selling, general and administrative.

Cash Equivalents

RIH considers all of its short-term money market securities purchased with maturities of three months or less to be cash equivalents. The carrying value of cash equivalents approximates fair value due to the short maturity of these instruments.

Inventories

Inventories of provisions, supplies and spare parts are carried at the lower of cost (first-in, first-out) or market.

Property and Equipment

Property and equipment are depreciated over their useful lives using the straight-line method for financial reporting purposes.

Casino Reinvestment Development Authority ("CRDA") Obligations

Under the New Jersey Casino Control Act ("Casino Control Act"), RIH is obligated to purchase CRDA bonds, which will bear a below market interest rate, or make an alternative qualifying investment. RIH charges to expense an estimated discount related to CRDA investment obligations as of the date the obligation arises based on fair market interest rates of similar quality bonds in existence as of that date. On the date RIH actually purchases the CRDA bond, the estimated discount previously recorded is adjusted to reflect the actual terms of the bonds issued and the then existing fair market interest rate for similar quality bonds. The discount on CRDA bonds purchased is amortized to interest income over the life of the bonds using the effective interest rate method.

Income Taxes

RIH and RII's other domestic subsidiaries file consolidated federal income tax returns with RII.

RIH has agreed with RII that it will provide for federal and state income taxes using a combined rate of 40%. Material transactions which would be subject to combined tax rates that are significantly different from the 40% rate will be separately tax effected. The resulting liability is settled on a current basis.

NOTE 2 - RECEIVABLES AND PATRONS' CHECKS

Components of receivables at December 31, were as follows:

(In Thousands of Dollars)	1992	1991
Gaming		
Less allowance for doubtful accounts	$ 8,703 (4,200)	$10,912 (5,326)
	4,503	5,586
Non-gaming		
Hotel and related	450	761
Other	501	454
	951	1,215
Less allowance for doubtful accounts	(48)	(327)
	903	888
Receivable due from affiliate	50,000	51,125
	$55,406	$57,599

In 1988, RIH loaned $50,000,000 pursuant to a pre-arranged back-to-back loan to Resorts International (Bahamas) 1984 Limited ("RIB"), an indirect wholly owned subsidiary of RII, in exchange for a promissory note. Such note is payable on demand and bears interest at 13 1/2% per annum, with interest payments due each May 1 and November 1. The note is guaranteed by certain of RIB's subsidiaries. The guarantees are secured by mortgages on the Paradise Island Resort & Casino, the Ocean Club Golf & Tennis Resort, and the Paradise Paradise Beach Resort on Paradise Island in The Bahamas, and all furniture, machinery and equipment used in connection therewith. The RIB promissory note and the mortgages securing payment thereof have been assigned as part of the collateral for the Senior Secured Redeemable Notes due April 15, 1994 issued by RII (the "Series Notes"). See Note 6.

NOTE 3 - PROPERTY AND EQUIPMENT - NET

Property and equipment at December 31, are summarized as follows:

(In Thousands of Dollars)	1992	1991
Land and land rights	$ 53,250	$ 53,250
Land improvements	130	97
Hotel and other buildings	93,235	80,718
Furniture, machinery and equipment	31,168	26,665
Construction in progress	326	1,848
	178,109	162,578
Less accumulated depreciation	(22,419)	(11,027)
	$155,690	$151,551

Substantially all of RIH's property and equipment has been pledged as collateral for the Series Notes issued by RII. See Note 6.

NOTE 4 - OTHER ACCRUED LIABILITIES

Components of other accrued expenses at December 31, were as follows:

(In Thousands of Dollars)	1992	1991
Advertising		$ 15
Accrued payroll and related taxes and benefits	$10,687	9,389
Progressive slot liability	315	3,147
Restructuring reserve	2,805	2,606
Accrued gaming taxes, fees and related assessments	890	887
Professional fees	121	106
Utilities	519	514
Various taxes	189	208
Other	1,085	350
	$16,611	$17,222

NOTE 5 - OTHER CURRENT LIABILITIES

Components of other current liabilities at December 31, were as follows:

(In Thousands of Dollars)	1992	1991
Inter-Company R.I.I.	$57,874	$60,792
CRDA Bond Disc.	5,000	5,000
CRDA Bond Obligation	666	607
Customer Deposit Liability	253	257
Deferred Revenue	85	66
Tenant Deposits	32	39
Unclaimed Wage Liability	5	17
Other	1,479	1,597
	$65,394	$68,375

NOTE 6 - LONG-TERM DEBT

Components of long-term debt at December 31, were as follows:

(In Thousands of Dollars)	1992	1991
Due to affiliates:		
13 7/8% note payable to affiliate	$200,000	$200,000
13 1/2% note payable to affiliate	125,000	125,000
	$325,000	$325,000
Other:		
Capitalized lease obligations	$1,546	$2,497
Less - current portion	642	958
	$904	$1,539

Long-Term Debt: Due to Affiliate

In 1988, Griffin Resorts Inc. ("GRI"), a subsidiary of RII, issued $325,000,000 principal amount of notes (the "Securities"). GRI loaned the proceeds of the Securities to RIH in exchange for (i) two promissory notes payable to GRI (the "RIH-GRI Notes"); (ii) a first mortgage on the Resorts Casino Hotel and the other properties owned by RIH, and a first priority security interest in the personal property of RIH; and (iii) the assignment of RIB's promissory note for $50,000,000 and mortgage securing such note. See Note 2.

In 1990 the terms of the RIH-GRI Notes were modified and such amended notes were pledged as collateral for the Series Notes issued by RII. In 1992 the notes were further amended (the "Second Amended RIH-GRI Notes").

The sole purpose of the Second Amended RIH-GRI Notes is to collateralize RII's Series Notes. The Second Amended RIH-GRI Notes are payable on demand after April 15, 1994 and are non-interest bearing, but the principal due upon demand by GRI accretes according to a schedule. As of April 15, 1994, the principal amount of the notes would accrete to $446,150,000. However, GRI and RIH have entered into an intercompany agreement whereby GRI will not require payment of the amount in excess of the original $325,000,000 principal amount of the notes unless GRI is instructed to do so by the Indenture Trustee or other collateral pledgee of the Series Notes. At December 31, 1992 the accretion in principal amount of these notes in excess of $325,000,000 amounted to $73,290,000.

RIH's assets were restated to their estimated fair values in 1990. See Note 3 for a summary of RIH's property and equipment balances.

The indentures for RII's Series Notes restrict RIH from the incurrence of additional indebtedness, with certain exceptions.

Long-Term Debt: Other

RIH is the lessee of computer equipment, slot machines and printing equipment under capital leases expiring in various years through 1996. The assets and liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are depreciated over the lower of their useful lives or their related lease terms.

Property debt under capital leases at December 31, are summarized as follows:

(In Thousands of Dollars)	
Computer equipment	$ 1,323
Slot machines	80
Printing equipment	135
Lighting equipment	9
Accum. Depreciation	(1,129)
Capital Leases, Net	$ 418

Interest rates on capital leases vary from 13.7% to 33.3%. Minimum principal payments of Long-Term Debt: Other outstanding at December 31, are as follows:

(In Thousands of Dollars)	
1993	$ 643
1994	744
1995	122
1996	38
Total	$1,547

NOTE 7 - DEFERRED CREDITS

Deferred credits represent the unrecognized portion of a lump-sum payment made by a tenant at the inception, July 1983, of a fifteen year lease. As of June 1, 1990 management extended the life of the lease by ten years to end June 30, 2008. This payment is being recognized and recorded, in earnings, in equal monthly installments over the life of the lease. The recognized portions were $330,000 and $508,000 for the twelve months ended December 31, 1992 and 1991, respectively.

NOTE 8 - SAVINGS AND PENSION PLANS

RIH has a defined contribution plan (the "Savings Plan"), in which substantially all non-union employees are eligible to participate. Employees of certain other affiliated companies are also eligible to participate in the Savings Plan. Under the Savings Plan, eligible participating employees may contribute up to a total of 4% of their annual cash compensation as a basic contribution and may also elect to contribute up to an additional 10% as a voluntary contribution. RIH and other subsidiaries of RII contribute an amount equal to 50% of their employees' basic contributions and, on a discretionary basis, may make additional contributions. RIH's contributions under the Savings Plan were $665,000 and $654,000 for the years ended December 31, 1992 and 1991, respectively.

Union employees are covered by various multi-employer pension plans to which contributions are made by RIH and other unrelated employers. Contributions by RIH were $827,000 and $745,000 for the years ended December 31, 1992 and 1991, respectively.

NOTE 9 - CHARGES FROM AFFILIATES

RIH recorded the following expenses for the twelve months ended December 31, from RII and other affiliates:

(In Thousands of Dollars)		1992	1991
AFFILIATED COMPANY	TRANSACTION		
Resorts International, Inc.	Management fee	$8,629	$8,154
Resorts International, Inc.	Insurance	$1,637	$1,805
	Property Rental	325	325
		1,962	2,130
PIVI	Flights	206	201
RII	Transportation	55	
Chalks Airlines, Inc.	Flights		14
Other		158	5
		419	220
		$2,381	$2,350

RII charges RIH a fee of three (3) percent of gross revenues for administrative and other services. Also, recapitalization costs reflected on the Consolidated Statements of Operations represents RIH's allocated portion, one-third, of certain of RII's consolidated recapitalization costs.

In addition to the above, charges for insurance cost are allocated to RIH based on relative operating revenue, payroll, property value, or the appropriate measures.

NOTE 10 - NONOPERATING INCOME, NET

Components of nonoperating income, net for the twelve months ended December 31, were as follows:

(In Thousands of Dollars)	1992	1991
Interest income from affiliates	$6,750	$6,750
Interest income	826	763
Corporate office expense	(179)	(227)
Restructuring/refinancing costs	(874)	
Gain (loss) on fixed assets	(7)	(267)
Other	(1)	(102)
	$6,515	$6,917

NOTE 11 - INCOME TAXES

For federal tax purposes RIH has net operating loss carryforwards of approximately $188,000,000 at December 31, 1992, which expire in 2003 through 2005. These loss carryforwards were produced in periods prior to a change in ownership of the consolidated group of which RIH is a part. Therefore these loss carryforwards are limited in their availability to offset future taxable income.

For state tax purposes RIH has net operating loss carryforwards of approximately $170,000,000 at December 31, 1992, which expire in 1994 through 1997.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

CRDA

The Casino Control Act, as originally adopted, required a licensee to make investments equal to 2% of the licensee's net casino win (as defined under the Casino Control Act) (the "investment obligation") for each calendar year, commencing in 1979, in which such net casino win exceeded its "cumulative investments" (as defined in the Casino Control Act). A licensee had five years from the end of each calendar year to satisfy this investment obligation or become liable for an "alternative tax" in the same amount. In 1984, the New Jersey legislature amended the Casino Control Act so that these provisions now apply only to investment obligations for the years 1979 through 1983.

Effective for 1984 and subsequent years, the amended Casino Control Act requires a licensee to satisfy its investment obligation by purchasing bonds to be issued by the CRDA, or by making other investments authorized by the CRDA, in an amount equal to 1.25% of a licensee's net casino win. If the investment obligation is not satisfied, then the licensee will be subject to an investment alternative tax of 2.5% of net casino win. Since 1985, a licensee has been required to make quarterly deposits with the CRDA against its current year investment obligation.

An analysis of RIH's investment obligations under the Casino Control Act and RIH's means of settlement since 1979 follows:

(In Thousands of Dollars)	1979-1983	1984-1992	TOTAL
Investment obligations	$(21,637)	$(26,118)	$(47,755)
Means of settlement:			
Housing related investments under audit	13,104		13,104
Housing related investments previously approved	1,000		1,000
CRDA deposits/bond purchases	7,533	25,454	32,987
Remaining investment obligation at December 31, 1992, which was deposited in January 1993	$ -0-	$ (664)	$ (664)

With regard to the housing related investments under audit, in January 1988, the CRDA notified RIH of its interpretation as to the periods of time during which expenditures could be made to satisfy investment obligations. This interpretation differs from RIH's and if found to be correct would decrease the amount of RIH's qualifying expenditures by approximately $5,000,000 to $6,000,000. RIH believes that its interpretation is correct and intends to contest this issue.

RIH also received a letter dated November 9, 1989, from the State of New Jersey Department of the Treasury (the "Treasury") stating that the housing related investments made by RIH were not sufficient to meet its investment obligation for the years 1979 through 1983. The letter also stated that alternative tax in the amount of $21,637,000 was due for those years, in addition to penalties and interest thereon which amounted to $12,514,000 as of the date of the letter. As set forth in the table above, RIH believes that $8,533,000 of such obligations have been settled; $7,533,000 in cash and $1,000,000 by previously approved housing related investments. Also, RIH has received an audit report issued by an agency acting on behalf of the Treasury identifying qualifying credits from housing related investments of $10,165,000. This leaves a total of $2,939,000 of housing related investments under audit in question. RIH has notified the Treasury that it takes exception to the Treasury's computation of amounts due. Further, RIH believes that the $2,939,000 of housing related investments in question will be found, under further audit, to have been satisfied.

Although these matters have been dormant for some time, the Company's counsel was recently contacted by the Treasury and expects an update of the status of these matters in the near future. If the CRDA's interpretation as to the periods of time during which qualifying expenditures can be made is found to be correct, or if the Treasury's issue is determined adversely, RIH could be required to pay the relevant amount in cash to the CRDA. In the opinion of management, based upon advice of counsel, the aggregate liability, if any, arising from these issues will not have a material adverse effect on the accompanying financial statements.

As reflected in the table above, through December 31, 1992, RIH had made CRDA deposits/bond purchases totaling $32,987,000. However, in August 1989 RIH donated $12,048,000 to the CRDA in exchange for which RIH was relieved of its obligation to purchase CRDA bonds of $18,193,000. Because RIH already had the $18,193,000 for bond purchases on deposit with the CRDA, the difference between this amount and the amount of the donation, or $6,145,000, was refunded to RIH in August 1989. Thus, at December 31, 1992, RIH had a remaining balance of $4,873,000 face value of bonds issued by the CRDA and had $9,921,000 on deposit with the CRDA. These bonds and deposits, net of an estimated discount charged to expense to reflect the below-market interest rate payable on the bonds, were recorded as other assets in RIH's Consolidated Balance Sheets.

RIH records charges to expense to reflect the below-market interest rate payable on the bonds it may have to purchase to fulfill its investment obligation at the date the obligation arises. The charges in 1992 and 1991 for discounts on obligations arising in those years were $1,451,000 and $1,574,000, respectively.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
DECEMBER 31, 1992
(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES

LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE (e)NET OF ALLOWANCE
	Patrons' Checks:			
1	Undeposited patrons' checks	$ 3,126		
2	Returned patrons' checks	5,577		
3	Total Patrons' Checks	8,703	$ 4,200	$ 4,503
4	**Hotel Receivables**	450	48	402
	Other Receivables:			
5	Receivables due from officers and employees	(5)		
6	Receivables due from affiliates	50,000		
7	Other accounts and notes receivables	506		
8	Total Patrons' Checks	50,501		50,501
9	**Total (Form 305)**	$ 59,654	$ 4,248	$ 55,406

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	**Beginning Balance (January 1)**	$ 3,727
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	127,862
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(106,173)
13	Checks collected through deposits	(16,822)
14	Checks transferred to returned checks	(5,468)
15	Other adjustments	
16	**Ending Balance**	$ 3,126
17	"Hold" Checks Included In Balance On Line 16	$
18	Provision For Uncollectible Patrons' Checks	$ 1,334
19	Provision As A Percent Of Counter Checks Issued	1.0%

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
PROMOTIONAL EXPENSES AND ALLOWANCES
($ IN THOUSANDS)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	106	$ 7,442		$
FOOD	1,104	11,042		
BEVERAGE	508	2,030		
TRAVEL			22	2,227
COIN			1,901	19,014
COUPON	270	2,093		
ENTERTAINMENT	159	1,902		
RETAIL & GIFTS	6	324		
OTHER	31	60	287	3,452
TOTAL	2,184	$ 24,893	2,210	$ 24,693

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	25	$ 1,803		$
FOOD	260	2,606		
BEVERAGE	123	491		
TRAVEL			6	577
COIN			401	4,207
COUPON	63	467		
ENTERTAINMENT	26	309		
RETAIL & GIFTS	1	97		
OTHER	8	40	69	821
TOTAL	506	$ 5,813	476	$ 5,605

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

LUCY MCLAUGHLIN, being duly sworn according to law
Name

upon my oath deposes and says:

1. I have examined this Annual Report.
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

L M McLaughlin
Signature

DIRECTOR - FINANCIAL ACCOUNTING
Title

003703-11
License Number

Subscribed and sworn to
before me this 3 day
of March, 1993.

Margaret M Bradley
Signature

MARGARET M. BRADLEY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 23, 1994

Basis of Authority to Take Oaths

On Behalf Of:

MERV GRIFFIN'S RESORTS CASINO HOTEL

GROSS REVENUE

ANNUAL TAX RETURN

LICENSEE **RESORTS INTERNATIONAL HOTEL, INC.**
ADDRESS **1133 BOARDWALK**
ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992
TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
MAR 15 1993

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING

THIS ANNUAL REPORT ..... **LUCY McLAUGHLIN**
OFFICIAL TITLE ..... **DIRECTOR – FINANCIAL ACCOUNTING**
ADDRESS ..... **1133 BOARDWALK**
ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE			
	Casino win		
1	Table games revenue	$ 80,023	
2	Coin-operated devices revenue	155,492	
3	Total revenues		$ 235,515
	Less – adjustment for uncollectible patons' checks:		
4	Provision for uncollectable patrons' checks	$ 1,334	
5	Maximum adjustment (4% of line 3)	$ 9,421	
6	Adjustment (the lesser of line 4 or 5)		1,334
7	Gross revenues (line 3 less line 6)		$ 234,181
8	Tax on gross revenues – current year (8% of line 7)		$ 18,734
9	Audit or other adjustments to tax on gross revenues in prior years		0
10	Total tax on gross revenues (line 8 plus or minus line 9)		$ 18,734
	Deposits made for tax on currents year's gross revenues:		
11	January	$ 1,064	
12	February	1,404	
13	March	1,707	
14	April	1,361	
15	May	1,481	
16	June	1,832	
17	July	1,689	
18	August	2,113	
19	September	1,583	
20	October	1,443	
21	November	1,710	
22	December	980	
23	January	367	
24	Total deposits made for tax on current year's gross revenue		(18,734)
25	Settlement of priors years' tax on gross revenues resulting from audit or other adjustments – (deposits) credits		0
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ 0

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

LUCY MCLAUGHLIN, being duly sworn according to law
Name

upon my oath deposes and says:

1. I have examined this Annual Report.

2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.

3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

L McLaughlin
Signature

DIRECTOR - FINANCIAL ACCOUNTING
Title

003703-11
License Number

Subscribed and sworn to
before me this 2 day
of March , 1993.

Margaret M Bradley
Signature

MARGARET M. BRADLEY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 1994

Basis of Authority to Take Oaths

On Behalf Of:

MERV GRIFFIN'S RESORTS CASINO HOTEL

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE RESORTS INTERNATIONAL HOTEL, INC.
ADDRESS 1133 BOARDWALK
ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992
TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEB
MAR
CASINO
CONTROL

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING

THIS ANNUAL REPORT..... LUCY McLAUGHLIN
OFFICIAL TITLE..... DIRECTOR – FINANCIAL ACCOUNTING
ADDRESS..... 1133 BOARDWALK
ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

($ IN THOUSANDS)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	(d) OTHER EMPLOYEES	SALARIES AND WAGES (e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	4			
2	Gaming	727			
3	Slots	143			
4	Casino accounting	41			
5	Other	473			
6	Total – casino	1,388	$ 25,518	$ 1,535	$ 27,053
7	ROOMS	224	3,927	148	4,075
8	FOOD AND BEVERAGE	1,136	14,437	208	14,645
	OTHER OPERATED DEPARTMENTS				
9	Public Areas	170	3,225		3,225
10	Employee Cafeterias	67	1,394		1,394
11	Transportation	64	1,105		1,105
12	Uniform Room	16	252		252
13	Telephone	17	301		301
14	Health Club	17	305		305
15	Other	18	263		263
16					
17					
18					
19					
	ADMINISTRATION AND GENERAL				
20	Executive office	11	467	745	1,212
21	Accounting and auditing	86	2,393	156	2,549
22	Security	198	4,844		4,844
23	Other administrative and general department	179	4,584	367	4,951
24	MARKETING	13	3,928	265	4,193
25	GUEST ENTERTAINMENT	284	2,737		2,737
26	PROPERTY OPERATION AND MAINTENANCE	137	4,433		4,433
27	TOTALS – ALL DEPARTMENTS	4,025	$ 74,113	$ 3,424	$ 77,537

TRADING NAME OF LICENSEE **MERV GRIFFIN'S RESORTS CASINO HOTEL**

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

FOR THE YEAR ENDED DECEMBER 31, 1992

3/4/93
DATE

SIGNATURE

Director Financial Accounting
TITLE

NEW JERSEY STATE LIBRARY
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QUARTERLY REPORT

LICENSEE Adamar of New Jersey, Inc.
dba TropWorld Casino & Entertainment Resort

ADDRESS Brighton and the Boardwalk
Atlantic City, New Jersey 08401

FOR THE QUARTER ENDED December 31, 1992

PROPERTY OF NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 16 1993
CASINO CONTROL COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT . . . Lester Brzozowski

OFFICIAL TITLE. . . . . Senior Vice President/Finance and Administration

ADDRESS . . . . . Brighton and the Boardwalk
Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE: TROPWORLD CASINO & ENTERTAINMENT RESORT

LIST OF FORMS - QUARTERLY REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year-to-Date)	CCC-210
Statements of Income (Three Months)	CCC-215
Statements of Changes in Stockholders' Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC-240
Promotional Expenses and Allowances	CCC-245
Statement of Conformity and Accuracy	CCC-250

TRADING NAME OF LICENSEE TROPWORLD CASINO AND ENTERTAINMENT RESORT

BALANCE SHEETS

DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ in Thousands)

*Restated
03/15/93

LINE (a)	DESCRIPTION (b)	1992 (c)	1991* (d)
	ASSETS		
	Current Assets:		
1	Cash	$14,087	$13,285
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1992, $8,241; 1991, $9,896)	16,988	15,433
4	Inventories	2,657	2,499
5	Prepaid expenses and other current assets (Note 7, 11, 14)	12,789	3,953
6	Total current assets	46,521	35,170
7	Investments, Advances, And Receivables (Note 8, 10, 15)	73,157	72,219
8	Property And Equipment – Gross (Note 3)	325,446	320,619
9	(Accumulated Depreciation/Amortization) (Note 3)	(96,703)	(84,514)
10	Other Assets (Note 7, 11)	14,017	515
11	Total Assets	$362,438	$344,009
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$3,358	$4,138
13	Notes payable	0	0
	Current portion of long-term debt:		
14	Due to affiliates	0	0
15	Other (Note 4, 6)	2,901	2,788
16	Income taxes payable and accrued	0	(662)
17	Other accrued expenses (Note 16)	19,050	24,309
18	Other current liabilities (Note 8)	3,169	2,185
19	Total current liabilities	28,478	32,758
	Long-Term Debt:		
20	Due to affiliates (Note 4, 10)	140,000	140,000
21	Other (Note 4, 6)	6,731	6,014
22	Deferred Credits (Note 7)	0	0
23	Other Liabilities (Note 10, 17)	29,604	34,634
24	Commitments And Contingencies (Note 8)		
25	Total Liabilities	204,813	213,406
26	Stockholders', Partners', Or Proprietor's Equity (Note 5)	157,625	130,603
27	Total Liabilities And Equity	$362,438	$344,009

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ in Thousands)

*Restated
03/15/93

LINE (a)	DESCRIPTION (b)	1992 (c)	1991* (d)
	Revenue:		
1	Casino	$315,959	$286,341
2	Rooms	20,464	19,782
3	Food and beverage	34,371	32,991
4	Other	12,533	11,350
5	Total revenue	383,327	350,464
6	Less: Promotional allowances	42,165	37,039
7	Net revenue	341,162	313,425
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 9, 10)	171,614	161,634
9	Selling, general, and administrative (Note 10)	86,843	81,990
10	Provision for doubtful accounts	466	1,953
11	Total costs and expenses	258,923	245,577
12	Gross Operating Profit	82,239	67,848
13	Depreciation and amortization	15,812	15,897
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	66,427	51,951
	Other Income (Expenses):		
17	Interest (expense) – affiliates (Note 4)	(18,900)	(18,900)
18	Interest (expense) – external (Note 4)	(2,902)	(2,590)
19	Investment alternative tax & related income (exp)–net (Note 8)	(1,106)	(1,064)
20	Nonoperating income (expense) – net (Note 6, 18)	(37,104)	(38,857)
21	Total other income (expenses)	(60,012)	(61,411)
22	Income(Loss) Before Income Tax & Extraordinary Items	6,415	(9,460)
23	Provision (credit) for income taxes (Note 11)	2,793	0
24	Income (Loss) Before Extraordinary Items	3,622	(9,460)
25	Extraordinary items (net of income taxes – 1992, $ 23,400 ; 1991, $ –0–) (Note 12)	(23,400)	0
26	Net Income (Loss)	$27,022	($9,460)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDING DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ in Thousands)

*Restated
03/15/93

LINE (a)	DESCRIPTION (b)	1992 (c)	1991* (d)
	Revenue:		
1	Casino	$73,493	$68,760
2	Rooms	5,060	4,631
3	Food and beverage	8,136	7,690
4	Other	3,116	2,930
5	Total revenue	89,805	84,011
6	Less: Promotional allowances	10,107	8,651
7	Net revenue	79,698	75,360
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 9, 10)	41,831	42,653
9	Selling, general, and administrative (Note 10)	21,469	20,798
10	Provision for doubtful accounts	(265)	371
11	Total costs and expenses	63,035	63,822
12	Gross Operating Profit	16,663	11,538
13	Depreciation and amortization	3,962	3,946
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	12,701	7,592
	Other Income (Expenses):		
17	Interest (expense) – affiliates (Note 4)	(4,725)	(4,725)
18	Interest (expense) – external (Note 4)	(844)	(402)
19	Investment alternative tax & related income (exp)–net (Note 8)	(237)	(208)
20	Nonoperating income (expense) – net (Note 6, 18)	(9,402)	(9,825)
21	Total other income (expenses)	(15,208)	(15,160)
22	Income(Loss) Before Income Tax & Extraordinary Items	(2,507)	(7,568)
23	Provision (credit) for income taxes (Note 11)	(1,076)	0
24	Income (Loss) Before Extraordinary Items	(1,431)	(7,568)
25	Extraordinary items (net of income taxes – 1992, $ –0– ; 1991, $ –0–) (Note 12)	0	0
26	Net Income (Loss)	($1,431)	($7,568)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c) SHARES	1992 (d) DOLLARS	1991 (e) SHARES	1991 (f) DOLLARS
	Common Stock:				
1	Beginning balance (January 1).....	100	$1	100	$1
2	Sale of stock.....				
3	_____.....				
4	Ending balance.....	100	1	100	1
	Preferred Stock:				
5	Beginning balance (January 1).....	70,609	78,902	70,609	78,902
6	Sale of stock.....				
	Preferred Stock cancellation / Contri-				
7	butions to Paid-in Capital (Note 5)...	(70,609)	(78,902)		
8	Ending balance.....	0	0	70,609	78,902
	Additional Paid-in Capital:				
9	Beginning balance (January 1).....		53,883		53,883
10	_____.....				
	Preferred Stock cancellation / Contri-				
11	butions to Paid-in Capital (Note 5)...		78,902		
12	Ending balance.....		132,785		53,883
	Treasury Stock:				
13	Beginning balance (January 1).....				
14	Purchase of additional stock.....				
15	Sale or retirement of stock.....				
16	Ending balance.....				
	Subscriptions Receivable For				
	Capital Stock:				
17	Beginning balance (January 1).....				
18	_____.....				
19	_____.....				
20	Ending balance.....				
	Net Unrealized Loss On Noncurrent				
	Marketable Equity Securities:				
21	Beginning balance (January 1).....				
22	_____.....				
23	_____.....				
24	Ending balance.....				
	Retained Earnings:				
25	Beginning balance (January 1).....		(2,183)		7,277
26	Prior period adjustments.....				
27	Net income (loss).....		3,622		(9,460)
28	Dividends.....				
29	Extraordinary item.....				
30	Change in acct method.....(Note 12)....		23,400		0
31	Ending balance.....		24,839		(2,183)
32	Ending Stockholders' Equity.....		$157,625		$130,603

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes

TRADING NAME OF LICENSEE TropWorld Casino & Entertainment Resort

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

Not Applicable

FOR THE YEARS ENDED DECEMBER 31, 19 92 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 ___	(d) 19 ___
1	Invested Capital:		
2	Beginning balance (January 1)	$	$
3	Additional capital invested		
4	_____		
	Ending balance		
5	Accumulated Income (Loss):		
6	Beginning balance (January 1)		
7	Prior period adjustments		
8	Net income (loss)		
9	_____		
	Ending balance		
10	Capital Withdrawals:		
11	Beginning balance (January 1)	( )	( )
12	Additional capital withdrawals	( )	( )
13	_____		
	Ending balance	( )	( )
14	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
15	Beginning balance (January 1)	( )	( )
16	_____		
17	_____		
	Ending balance	( )	( )
18	Ending Partners' Or Proprietor's Equity	$	$

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
1	Net Cash Provided (Used) By Operating Activities	$10,916	$20,032
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities		
3	Proceeds from the sale of short-term investment securities		
4	Cash outflows for property and equipment	(4,983)	(6,126)
5	Proceeds from disposition of property and equipment	163	650
6	Purchase of casino reinvestment obligations	(3,875)	(3,568)
7	Purchase of other investments and loans/advances made	(3,677)	(3,266)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	4,998	2,619
9	Cash outflows to acquire business entities		
10	_____		
11	_____		
12	Net Cash Provided (Used) By Investing Activities	(7,374)	(9,691)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt		
14	Payments to settle short-term debt		
15	Cash proceeds from issuance of long-term debt		
16	Costs of issuing debt		
17	Payments to settle long-term debt	(2,740)	(2,687)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals		
21	_____		
22	_____		
23	Net Cash Provided (Used) By Financing Activities	(2,740)	(2,687)
24	Net Increase (Decrease) In Cash And Cash Equivalents	802	7,654
25	Cash And Cash Equivalents At Beginning Of Period	13,285	5,631
26	Cash And Cash Equivalents At End Of Period	$14,087	$13,285

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$21,653	$21,606
28	Income taxes	$0	$0

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDING DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1992 (c)	1991 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$27,022	($9,460)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	15,804	15,673
31	Amortization of other assets	8	224
32	Amortization of debt discount or premium		
33	Deferred income taxes – current	(7,248)	0
34	Deferred income taxes – noncurrent	(13,359)	0
35	(Gain) loss on disposition of property and equipment	(229)	1,178
36	(Gain) loss on casino reinvestment obligations	1,106	1,064
37	(Gain) loss from other investment activities		
38	Net (increase) decrease in receivables and patrons' checks	591	2,143
39	Net (increase) decrease in inventories	(158)	235
40	Net (increase) decrease in other current assets	(1,588)	529
41	Net (increase) decrease in other assets	26	103
42	Net increase (decrease) in accounts payables	(780)	(179)
43	Net increase (decrease) in other current liabilities excluding debt	(3,613)	1,069
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(5,030)	7,940
45	Net (increase) decrease in accrued interest income	(1,636)	(487)
46	_____		
47	Net Cash Provided (Used) By Operating Activities	$10,916	$20,032

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

48	Acquisition Of Property And Equipment:		
49	Additions to property and equipment	($8,553)	($8,251)
50	* Less: Capital lease obligations incurred	(3,570)	(2,125)
	Cash Outflows For Property And Equipment	($4,983)	($6,126)
51	Acquisition Of Business Entities:		
52	Property and equipment acquired		
53	Goodwill acquired		
54	Net assets acquired other than cash, goodwill, and property & equipment		
55	Long-term debt assumed		
56	Issuance of stock or capital invested		
	Cash Outflows To Acquire Business Entities		
57	Stock Issued Or Capital Contributions:		
58	Total issuance of stock or capital contributions		
59	Less: Issuances to settle long-term debt		
60	Consideration in acquisition of business entities		
	Cash Proceeds From Issuing Stock Or Capital Contributions		

* Capital lease obligations of $3,687 and $3,282 were incurred for 1992 and 1991, respectively when Adamar entered into new property and equipment leases. Capital lease obligation retirements of $117 and $1,157 were incurred for 1992 and 1991, respectively. A note receivable in the amount of $225 was issued for the sale of fixed assets of which $48 has been received.

ADAMAR OF NEW JERSEY, INC.
DBA TROPWORLD CASINO AND ENTERTAINMENT RESORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation.

The consolidated financial statements include the accounts of Adamar of New Jersey, Inc. (the "Company") and its wholly-owned subsidiary, Manchester Mall, Inc., after elimination of all significant intercompany accounts and transactions.

The Company is a wholly-owned subsidiary of Ramada New Jersey Holdings Corporation ("RNJHC") which is, in turn, a subsidiary of Aztar Corporation ("Aztar"). The financial statements reflect the intercompany transactions and accounts with RNJHC, Aztar and affiliates.

Cash and cash equivalents

Highly liquid debt instruments purchased with a maturity of three months or less that are not being held pending reimbursement in capital projects are classified as cash and cash equivalents.

Inventories

Inventories, which consist primarily of food, beverage and operating supplies are stated at the lower of cost or market. Cost has been determined using the first-in, first-out method.

Property and equipment

Property and equipment are stated at historical cost. Maintenance and repairs are charged to operations when incurred. Renewals and betterments which significantly extend the useful lives of existing property and equipment are capitalized. During construction the Company capitalizes interest and other direct and indirect development costs.

Gains or losses on dispositions of property and equipment are reflected in earnings as realized.

Depreciation is computed on the straight-line basis over the estimated useful lives (building and improvements - 3 to 40 years; equipment, furniture and fixtures - 3 to 15 years).

Leasehold improvements are amortized over the shorter of the estimated useful life of the improvement or the term of the related lease.

Deferred charges

Gaming license costs are amortized over the renewal period.

Casino Revenue

Casino revenue consists of the net win from gaming activities, which is the difference between gaming wins and losses.

Complimentaries

The retail value of complimentary food, beverage, and hotel services furnished to customers is included in gross revenues and then deducted as promotional allowances in arriving at net revenue.

Jackpot Payouts

The retail value of jackpot payouts are included in Costs of Goods and Services.

Income taxes

The Company is included in Aztar's consolidated corporate Federal income tax return. Deferred income taxes represent the tax effect of differences in the timing of income and expense recognition for tax purposes versus financial statement reporting purposes.

Note 2. SALE/LEASEBACK TRANSACTION

In November 1984, the Company transferred the original building (the "Building") and certain other non-gaming assets (collectively, the "Hotel Assets") of TropWorld Casino and Entertainment Resort ("TropWorld"), to Ambassador General Partnership ("AGP"), in exchange for a 99.9% interest in AGP. Simultaneously with the transfer, the Company gave its interest in AGP to Aztar as a dividend, which then sold the interest to a limited partnership, Ambassador Real Estate Investors, L.P. ("AREI"). A director of Aztar is a general partner in AGP and AREI (collectively, the "Partnerships") and also holds a limited partnership interest in AREI.

In addition to the transfer of assets to AGP, the Company leased the land (the "Land") on which the Building is located to AGP for a term of 65 years and leased back the Hotel Assets and Land from AGP under a 10-year lease agreement (the "Operating Lease") with three 10-year renewal options. For financial reporting purposes, the leaseback has been principally recorded as an operating lease (see Note 6) except for the portion related to furniture and equipment, which has been capitalized.

Aztar has an option to repurchase AGP's interest in TropWorld commencing in 1991 for a repurchase price determined by an adjusted fair market appraisal method with a minimum of $268,900,000 and a maximum of $375,000,000.

Beginning in 1985, the Company funds the purchase of replacement furniture and equipment required for the operation of TropWorld, up to certain maximum amounts per year, with loans collateralized by a mortgage receivable (the "FF&E Mortgage") with AGP. Such furniture and equipment purchases are leased back to the Company by AGP pursuant to a lease agreement under which the Company pays rent to AGP for a period of five years. For financial reporting purposes these leases are recorded as capital leases. Principal and interest payments are not made on the loans until the maturity of each loan.

Aztar has entered into a maintenance services contract with AGP to provide certain maintenance services at cost plus an annual fee of $500,000. Aztar has subcontracted the contract to the Company. The Company also provides the Partnerships with accounting and other administrative services on a reimbursable basis.

NOTE 3. PROPERTY AND EQUIPMENT

At December 31, 1992 and 1991, the components of property and equipment consisted of:

	1992	1991
Land	$ 39,218,000	$ 39,099,000
Building, furniture and fixtures	285,538,000	280,515,000
Construction in progress	690,000	1,005,000
Total property and equipment-gross	325,446,000	320,619,000
Accumulated depreciation	(96,703,000)	(84,514,000)
Total property and equipment	$228,743,000	$236,105,000

NOTE 4. LONG-TERM DEBT

At December 31, 1992 and 1991, long-term debt consisted of:

	1992	1991
Note payable to Aztar Mortgage Funding, Inc.; 13.5%; due 1996;	$140,000,000	$140,000,000
Obligations under capital leases	9,632,000	8,802,000
	149,632,000	148,802,000
Less current portion	(2,901,000)	(2,788,000)
Long-term portion	$146,731,000	$146,014,000

Substantially all of the Company's property and equipment is pledged as collateral for long-term debt.

The aggregate fixed maturities for all long-term debt are:

1993	$ 2,901,000
1994	2,609,000
1995	1,804,000
1996	141,478,000
1997	840,000
TOTAL	$149,632,000

NOTE 5. CANCELLATION OF PREFERRED STOCK/CONTRIBUTION TO PAID-IN CAPITAL

The authorized, issued and outstanding shares of capital stock at December 31, 1992 consisted of 100 shares of Common Stock, without par value.

Effective December 31, 1992, Adamar cancelled the Series A and B preferred shares issued and outstanding to Aztar. The cancellation was treated as a capital contribution from Aztar to RNJHC and subsequently from RNJHC to Adamar. This action causes the amount reflected in Adamar's Preferred Stock account to be reclassified to the additional Paid-in Capital account and will leave total Stockholders' Equity unchanged.

NOTE 6. LEASE OBLIGATIONS

The Company is a party to noncancelable lease agreements involving land, buildings and equipment. The leases extend for varying periods up to 86 years and generally provide for the payment of taxes, insurance and maintenance (executory costs) by the lessee. Some of these leases have provisions for renewal options primarily under similar terms, and/or options to purchase at various dates.

The Building lease has been principally recorded as an operating lease except for that portion related to furniture and equipment which has been capitalized. The initial term of the Operating Lease is ten years (but may be extended an additional two years under certain circumstances), with options to extend the term for three consecutive terms of ten years each. The basic rent has been adjusted for changes in the Consumer Price Index subject to ceilings in the cumulative percentage increase, beginning in 1987, and is adjusted every two years thereafter. The lease also provides for the payment of certain executory costs by the Company.

The Company has entered into an agreement with Adamar Garage Corporation ("AGC"), an affiliate of the Company, for the lease of the Transportation Center (a 1,100-space self-park garage and a 9-bay bus terminal) and a 1,100-space parking garage along with the land, all improvements and air rights. The rental amount is $6,200,000 per year and will expire on February 4, 2078.

Minimum future lease obligations on noncancelable leases at December 31, 1992 are as follows (in thousands):

YEAR	OPERATING	CAPITAL
1993	$ 53,691	$ 5,443
1994	45,860	4,267
1995	7,357	2,793
1996	7,357	1,958
1997	7,357	943
Thereafter	497,681	-
Total	$619,303	15,404
Amount representing executory costs		(82)
Amount representing interest		(5,690)
Net present value		9,632
Less current portion		(2,901)
Long-term portion		$ 6,731

Rental expenses under operating leases for 1992 and 1991 amounted to $63,779,000 and $63,822,000, respectively.

NOTE 7. DEFERRED CREDITS

Deferred credits consist of income taxes due to timing differences between financial and taxable income.

NOTE 8. COMMITMENTS AND CONTINGENCIES

Licensing

On November 26, 1982, the Company was granted a permanent gaming license by the New Jersey Casino Control Commission. The license is renewable on a biennial basis. The license was renewed on October 28, 1991, effective November 26, 1991, for a period of two years. Management has received no indication that future renewals will not be granted.

Adamar is a party to various claims, legal actions and complaints arising in the ordinary course of business or asserted by way of defense or counter-claim in actions filed by Adamar.

Management believes that its defenses are substantial in each of the above-mentioned matters and that the Company's legal posture can be successfully defended without material adverse effect on its consolidated financial position.

The New Jersey Casino Control Commission imposes an annual tax of eight percent on gross revenue. Pursuant to legislation adopted in 1984, casino licensees are required to invest an additional one and one-quarter percent of gross casino revenue for the purchase of bonds to be issued by the Casino Reinvestment Development Authority ("CRDA") or make other approved investments equal to that amount; in the event the investment requirement is not met, the casino licensee is subject to a tax of two and one-half percent on gross casino revenue. As mandated by the legislation, the interest rate of the CRDA bonds purchased by the licensee will be two-thirds of the average market rate for bonds available for purchase and published by a national bond index at the time of the CRDA bond issuance. The Company's reinvestment obligation for 1992 and 1991, respectively, was $3,875,000 and $3,568,000 for the purchase of CRDA bonds and, accordingly, the Company recorded a loss provision of $1,106,000 and $1,064,000 to recognize the effect of the below market interest rate the bonds would have borne had they been issued on December 31, 1992 and 1991, respectively.

NOTE 9. JACKPOT PAYOUTS

Jackpot payouts for the year ended December 31, 1992 are:

	PAYOUTS INCLUDED IN PROMOTIONAL ALLOWANCES		OTHER PAYOUTS	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	-0-	$ -0-	27*	$545,000
Total	-0-	$ -0-	27	$545,000

Jackpot payouts for the three months ending December 31, 1992 are:

	PAYOUTS INCLUDED IN PROMOTIONAL ALLOWANCES		OTHER PAYOUTS	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	-0-	$ -0-	5	$ 75,000
Total	-0-	$ -0-	5	$ 75,000

* Note: Cash was taken by 26 patrons instead of motor vehicles.

NOTE 10. RELATED PARTIES

Due to affiliates is reflected in Other Liabilities. The identity of the affiliates and corresponding balances are:

	1992	1991
Due to Aztar Corporation	$ 5,051,000	$ 9,010,000
Due to Aztar Mortgage Funding, Inc.	5,408,000	5,408,000
Due to Ramada New Jersey, Inc.	2,291,000	1,505,000
Due to Adamar Garage Corporation	13,290,000	11,567,000
Due to Atlantic Deauville, Inc.	382,000	142,000
	$ 26,422,000	$ 27,632,000

Advances to affiliates are reflected in Investments, Advances and Receivables. The identity of the affiliates and corresponding balances are:

	1992	1991
Advances to Tropicana West	$ 18,042,000	$ 21,386,000
Note Receivable-Adamar Garage Corporation	17,052,000	17,052,000
	$ 35,094,000	$ 38,438,000

A note payable to Aztar Mortgage Funding, Inc. in the amount of $140,000,000 is included in Long-term debt to affiliates (see Note 4).

For the twelve months ended December 31, 1992 and 1991 the Company incurred charges from affiliates which are indicated in the accompanying Statements of Income as Cost of goods and services and selling, general, and administrative. The nature of the charges and dollar amounts are as follows:

COST OF GOODS AND SERVICES	1992	1991
Executive Deferred Compensation Plan	$ 8,000	$ 4,000
Property Insurance	464,000	455,000
Workman's Compensation	981,000	1,062,000
Other	1,000	-
	$1,454,000	$1,521,000

	1992	1991
SELLING, GENERAL AND ADMINISTRATIVE		
Insurance (1)	$ 970,000	$1,144,000
Executive Deferred Compensation Plan	36,000	28,000
Workman's Compensation	200,000	278,000
Long-term Incentive	834,000	856,000
Restricted Stock	128,000	158,000
Other	40,000	-
	2,208,000	2,464,000
Total	$3,662,000	$3,985,000

(1) Insurance amounts include various premiums and claim settlements.

NOTE 11. INCOME TAXES/BENEFITS

The provision for income taxes before cumulative effect of accounting change is comprised of the following (in thousands):

	1992	1991
Current:		
Federal	-0-	-0-
State	-0-	-0-
	-0-	-0-
Deferred:		
Federal	$ (2,644)	-0-
State	(149)	-0-
	(2,793)	-0-
	$ (2,793)	-0-

For income tax purposes, the Company is included in Aztar's consolidated corporate Federal income tax return. The Company uses a modified separate return method for purposes of allocating the consolidated tax provision. The Internal Revenue Service is examining the income tax returns for the years 1986 through 1989. The New Jersey Division of Taxation is examining the income tax returns for the years 1983 through 1986. Management believes that adequate provision for income taxes and interest has been made in the financial statements.

General business credits are taken as a reduction of the provision for federal taxes during the year such credits become available. The following table provides a reconciliation of the (provision)/benefit for income taxes with amounts determined by applying the statutory Federal income tax rate to income before income taxes as follows:

	1992	1991
(Provision)/benefit at statutory rate:	$ (2,181)	$ 3,057
(Increase)/decrease in tax resulting from:		
Disallowance of business meals	(251)	(136)
IRS examination settlement	(353)	-0-
Contributions and gifts	-0-	(85)
Casino license amortization	-0-	(85)
General business credits	-0-	(85)
Unbenefited net operating loss	-0-	(2,666)
Other	(8)	-0-
	$ (2,793)	$ -0-

The income tax effects of loss carryforwards, tax credit carryforwards and temporary differences between financial and income tax reporting that give rise to the deferred income tax assets and liabilities at December 31, 1992, are as follows (in thousands):

	Deferred Income Tax	
	Assets	Liabilities
Net operating loss carryforward	$ 34,769	-0-
Accrued rent expense	3,020	-0-
Accrued bad debt expense	3,465	-0-
Accrued compensation	1,755	-0-
General business credits	1,516	-0-
Accrued liabilities	-0-	$ 10
Other	-0-	834
Depreciation and amortization	-0-	15,474
	44,525	16,318
Valuation allowance	(7,600)	-0-
	$ 36,925	$ 16,318

Deferred income taxes are provided when revenue and expense items are recognized in different years for income tax purposes than for financial reporting purposes. The major components of the deferred tax portion of the income tax (provision)/benefit are as follows:

	1991
Depreciation and amortization	$ (366)
Accrued expenses	(1,231)
Nonutilized net operating loss	1,597
	$ -0-

At December 31, 1992, tax benefits are available to offset future income for income tax purposes as follows (in thousands):

	Federal	State
Net operating losses	$78,265	$92,882
General business credits	1,516	-0-

These tax benefits will expire in the years 2001 through 2006 unless they are first offset against taxable income.

NOTE 12. CUMULATIVE EFFECT OF ACCOUNTING CHANGE

In February 1992, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 109, Accounting for Income Taxes ("SFAS 109"), which supersedes Statement of Financial Accounting Standards No. 96 ("SFAS 96"). SFAS 96 was never adopted by the Company. The Company adopted the provisions of SFAS 109 in the first quarter of 1992 and elected not to restate prior year financial statements. The effect from prior years of adopting SFAS 109 as of the beginning of fiscal 1992 is a net deferred income tax benefit of $23,400,000 and it is reflected in the Statement of Operations as the Cumulative effect of accounting change.

The income tax effects of loss carryforwards, tax credit carryforwards and temporary differences between financial and income tax reporting that give rise to the deferred income tax assets and liabilities at January 1, 1992, are as follows (in thousands):

	Deferred Income Tax	
	Assets	Liabilities
Net operating loss carryforward	$28,037	-0-
Accrued rent expense	3,679	-0-
Accrued bad debt expense	4,257	-0-
Accrued compensation	1,022	-0-
Accrued liabilities	1,553	-0-
Other	803	-0-
Depreciation and amortization	-0-	$ 8,354
	39,351	8,354
Valuation allowance	(7,597)	-0-
	$31,754	$ 8,354

NOTE 13. PENSION PLAN

Effective June 1, 1988, the Company merged its retirement savings plan with Aztar's employee profit sharing and savings plan that covers substantially all employees located in the United States who are not covered by a collective bargaining unit. The savings account feature of the plan allows employees to defer taxes on their before-tax earnings up to an annual maximum amount of $8,728 for 1992. On December 19,1989, Aztar established the Employee Stock Ownership Plan ("ESOP"). Allocations made by Aztar will be in the form of Aztar Series B Preferred Stock. ESOP expense for 1992 and 1991 was $834,000 and $856,000, respectively.

Adamar makes contributions based on hours worked, as specified in five union agreements, to union administered, multiemployer, defined contribution pension plans. Contributions for these plans during 1992 and 1991 amounted to $461,000 and $432,000, respectively.

NOTE 14. PREPAID EXPENSES AND OTHER CURRENT ASSETS

At December 31, 1992 and 1991, Prepaid expenses and Other current assets consisted of the following:

	1992	1991
Current deferred taxes	$ 7,248,000	$ -0-
Other	5,541,000	3,953,000
Total	$ 12,789,000	$ 3,953,000

NOTE 15. INVESTMENTS, ADVANCES, AND RECEIVABLES

At December 31, 1992 and 1991, Investments, Advances, and Receivables consisted of the following:

	1992	1991
Due from affiliates	18,042,000	21,386,000
CRDA investments	19,250,000	16,481,000
Mortgage receivable	18,416,000	16,903,000
Note receivable-Adamar Garage Corporation	17,052,000	17,052,000
Long-term note receivable	397,000	397,000
Total	$ 73,157,000	$ 72,219,000

NOTE 16. OTHER ACCRUED EXPENSES

At December 31, 1992 and 1991, Other Accrued Expenses consisted of the following:

	1992	1991
Accrued payroll taxes and benefits	$ 7,022,000	$ 7,421,000
Accrued progressive slot win	1,444,000	7,205,000
Accrued miscellaneous	2,213,000	1,407,000
Deferred rent	3,819,000	3,819,000
Other	4,552,000	4,457,000
Total	$ 19,050,000	$ 24,309,000

NOTE 17. OTHER LIABILITIES

At December 31, 1992 and 1991, Other Liabilities consisted of the following:

	1992	1991
Due to affiliates	$ 26,422,000	$ 27,632,000
Deferred rent	3,182,000	7,002,000
TOTAL	$ 29,604,000	$ 34,634,000

NOTE 18. NON-OPERATING INCOME/(EXPENSE)

For the period ending December 31, 1992 and 1991, Non-operating income/(expense) consisted of the following:

	1992	1991
Interest income	$ 6,561,000	$ 6,481,000
Administrative fee	100,000	100,000
Leased land rental	5,542,000	5,542,000
Maintenance reimbursement	12,827,000	12,514,000
Gain/(Loss) on dispositions	229,000	(1,178,000)
Rent expense	(62,363,000)	(62,316,000)
Total	$(37,104,000)	$(38,857,000)

TRADING NAME OF LICENSEE: TROPWORLD CASINO AND ENTERTAINMENT RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992
(UNAUDITED)
($ IN THOUSANDS)

	ACCOUNTS RECEIVABLE BALANCES			
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE- (e) NET OF ALLOWANCE
	Patrons' Checks:			
1	Undeposited patrons' checks	$3,085		
2	Returned patrons' checks	12,598		
3	Total patrons' checks	15,683	($7,987)	$7,696
4	Hotel Receivables	1,048	(254)	.794
	Other Receivables:			
5	Receivables due from officers and employees	9		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivables	8,489		
8	Total other receivables	8,498		8,498
9	Totals (Form 205)	$25,229	($8,241)	$16,988

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$3,773
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	120,824
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed throuh partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(83,175)
13	Checks collected through deposits	(33,705)
14	Checks transferred to returned checks	(4,632)
15	Other adjustments	0
16	Ending Balance	$3,085
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectable Patrons' Checks	$458
19	Provision As A Percent Of Counter Checks Issued	0.4%

TRADING NAME OF LICENSEE: TROPWORLD CASINO AND ENTERTAINMENT RESORT

PROMOTIONAL EXPENSES AND ALLOWANCES
(in Thousands)
For The Year Ended December 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Room	209,488	$13,082,000	19	$ 1,000
Food	1,512,254	14,820,000	114,941	1,126,000
Beverage	5,542,156	6,733,000	-0-	-0-
Travel	-0-	-0-	3,453	1,209,000
Coin	-0-	-0-	2,530,448	33,005,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	229,642	1,987,000	16,336	327,000
Retail & Gifts	410,993	4,110,000	-0-	-0-
Other	143,400	1,433,000	63,571	635,000
Total	8,047,933	$42,165,000	2,728,768	$36,303,000

****

For The Three Months Ended December 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Room	51,052	$ 3,126,000	19	$ 1,000
Food	355,389	3,483,000	27,287	267,000
Beverage	1,334,063	1,602,000	-0-	-0-
Travel	-0-	-0-	557	195,000
Coin	-0-	-0-	590,253	7,791,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	31,365	353,000	3,079	62,000
Retail & Gifts	125,207	1,252,000	-0-	-0-
Other	29,219	291,000	24,800	247,000
Total	1,926,295	$10,107,000	645,995	$ 8,563,000

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

Lester Brzozowski, being duly sworn according to law upon my oath
Name

deposes and says:

1. I have examined this Annual Report.

2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.

3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

Lester Brzozowski
Signature

Senior Vice President
Finance and Administration
Title

03032-11
License Number

Subscribed and sworn to
before me this 12th day
of March, 1993

Dolores Durfor
Signature

On Behalf Of:

TropWorld Casino &
Entertainment Resort
Casino Licensee

DOLORES DURFOR
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 22, 1993

Basis of Authority
to Take Oaths

1/86

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE Adamar of New Jersey, Inc

ADDRESS Brighton and the Boardwalk

Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY



RECEIVED

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL EMPLOYMENT AND PAYROLL REPORT..... Lester Przozowski

OFFICIAL TITLE..... Senior VP/Finance and Administration

ADDRESS..... Brighton and the Boardwalk

Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE Tropworld Casino and Entertainment Resort

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 19 92
($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	SALARIES AND WAGES (d) OTHER EMPLOYEES	(e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	19			
2	Gaming	907			
3	Slots	188			
4	Casino accounting	580			
5	Other	138	$	$	$
6	Total-casino	1832	33,908.8		33,908.8
7	ROOMS	507	8,072.7		8,072.7
8	FOOD AND BEVERAGE	951	13,436.3		13,436.3
	OTHER OPERATED DEPARTMENTS				
9	Communications	20	335.8		335.8
10	Retail Shops	34	478.6		478.6
11	Transportation	161	2,097.5		2,097.5
12	Hotel Sales	7	191.8		191.8
13	Tivoli Pier	75	1,062.0		1,062.0
14					
15					
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	16	1,114.9		1,114.9
21	Accounting and auditing	196	3,718.8		3,718.8
22	Security	208	4,236.7		4,236.7
23	Other administrative and general department	78	1,793.8		1,793.8
24	MARKETING	124	1,816.1		1,816.1
25	GUEST ENTERTAINMENT	111	1,227.7		1,227.7
26	PROPERTY OPERATION AND MAINTENANCE	120	3,691.2		3,691.2
27	TOTALS - ALL DEPARTMENTS	4440	$ 77,182.7	$	$ 77,182.7

CCC-3-6

Trading Name of Licensee: TropWorld Casino and Entertainment Resort

ANNUAL EMPLOYMENT AND PAYROLL REPORT

SIGNATURE PAGE

For the Year Ended December 31, 1992

3/12/93
Date

Signature

Senior Vice President/
Finance and Administration

Title

1/85

CCC-377

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE TROPWORLD CASINO & ENTERTAINMENT RESORT

ADDRESS Brighton Avenue and the Boardwalk
Atlantic City, NJ 08401-6390

FOR THE YEAR ENDED DECEMBER 31, 19 92

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 17 1993
CASINO CONTROL
COMMISSION



NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL TAX RETURN..... Lester Brzozowski

OFFICIAL TITLE..... Senior Vice President of Finance and Administration

ADDRESS..... Brighton Avenue and the Boardwalk
Atlantic City, NJ 08401-6390

TRADING NAME OF LICENSEE TROPWORLD CASINO & ENTERTAINMENT RESORT

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

(UNAUDITED)

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 82,723.9	
2	Coin-operated devices revenue	227,474.9	
3	Total revenues		$ 310,198.8
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 458.5	
5	Maximum adjustment (4% of line 3)	$ 12,408.0	
6	Adjustment (the lesser of line 4 or line 5)		458.5
7	Gross revenues (line 3 less line 6)		$ 309,740.3
8	Tax on gross revenues - current year (8% of line 7)		$ 24,779.2
9	Audit or other adjustments to tax on gross revenues in prior years		-
10	Total tax on gross revenues (line 8 plus or minus line 9)		24,779.2
	Deposits made for tax on current year's gross revenues:		
11	January	$ 1,378.1	
12	February	1,753.6	
13	March	2,248.4	
14	April	1,837.6	
15	May	1,885.4	
16	June	2,473.4	
17	July	2,284.4	
18	August	2,728.2	
19	September	2,036.5	
20	October	1,896.7	
21	November	2,233.8	
22	December	1,432.7	
23	January	590.4	
24	Total deposits made for tax on current year's gross revenues		(24,779.2)
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		-0-
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ -0-

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF New Jersey :
:ss.#144-46-1542
COUNTY OF Atlantic :

Lester Brzozowski
Name, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Return has been prepared in conformity with the Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

Lester Brz
Signature

Senior Vice President of Finance and Administration
Title

#03032-11
License Number

My Commission Expires [illegible]

Subscribed and sworn to before me this 15th day of June, 1993

Dolores Dunfee
Signature

Basis of Authority to Take Oaths

On Behalf Of:
TropWorld Casino & Entertainment Resort
Casino Licensee

NEW JERSEY STATE LIBRARY
3 3009 00079 9181
974.901
C193

QUARTERLY REPORT

LICENSEE Trump's Castle Associates

ADDRESS Huron Avenue & Brigantine Boulevard
Atlantic City, NJ 08401

FOR THE QUARTER ENDED December 31, 19 92

PROPERTY OF NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

CASINO CONTROL COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT . . . Thomas P. Venier

OFFICIAL TITLE. . . . . Sr. Vice President of Finance

ADDRESS . . . . . Huron Avenue & Brigantine Boulevard
Atlantic City, NJ 08401

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

LIST OF FORMS – QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31, 1992

TITLE	FORM NO.
Balance Sheets	CCC–205
Statements of Income (Twelve Months)	CCC–210
Statements of Income (Three Months)	CCC–215
Statements of Changes in Stockholders' Equity	CCC–220
Statements of Changes in Partners' or Proprietor's Equity	CCC–225
Statements of Cash Flows	CCC–235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC–240
Promotional Allowances and Expenses	CCC–245
Statement of Conformity and Accuracy	CCC–250

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

BALANCE SHEETS

DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	ASSETS		
	Current Assets:		
1	Cash	$23,810	$14,970
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1992, $2,720; 1991, $3,104)	6,942	7,796
4	Inventories	2,160	1,851
5	Prepaid expenses and other current assets	3,254	3,749
6	Total current assets	36,166	28,366
7	Investments, Advances, And Receivables	2,213	844
8	Property And Equipment – Gross (NOTE 2)	483,057	474,483
9	(Accumulated Depreciation/Amortization)	(142,674)	(123,306)
10	Other Assets (NOTE 6)	783	10,914
11	Total Assets	$379,545	$391,301
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable (NOTE 7)	$5,221	$6,328
13	Notes payable (NOTE 4)	0	13,000
14	Current portion of long–term debt:		
15	Due to affiliates (NOTE 3,5)	0	318,818
16	Other (NOTE 4)	0	50,000
17	Income taxes payable and accrued	0	0
18	Other accrued expenses (NOTE 8)	20,154	52,540
19	Other current liabilities (NOTE 9)	13,922	14,016
	Total current liabilities	39,297	454,702
	Long–Term Debt:		
20	Due to affiliates (NOTE 3)	234,445	0
21	Other (NOTE 4)	45,000	0
22	Deferred Credits	0	0
23	Other Liabilities	7	7
24	Commitments And Contingencies (NOTE 11)		
25	Total Liabilities	318,749	454,709
26	Stockholders', Partners', Or Proprietor's Equity	60,796	(63,408)
27	Total Liabilities and Equity	$379,545	$391,301

5/92

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Revenue:		
1	Casino	$242,008	$195,996
2	Rooms	17,786	16,599
3	Food and beverage	34,569	32,963
4	Other	8,151	10,058
5	Total revenue	302,514	255,616
6	Less: Promotional allowances	33,864	32,465
7	Net revenue	268,650	223,151
	Costs And Expenses:		
8	Cost of goods and services	152,429	133,671
9	Selling, general, and administrative	76,406	60,652
10	Provision for doubtful accounts	2,289	2,946
11	Total costs and expenses	231,124	197,269
12	Gross Operating Profit	37,526	25,882
13	Depreciation and amortization	19,802	21,414
14	Charges from affiliates other than interest:		
15	Management fees (NOTE 15)	1,028	0
16	Other	0	0
	Income (Loss) From Operations	16,696	4,468
17	Other Income (Expenses):		
18	Interest (expense) – affiliates (NOTE 3,5)	(40,962)	(42,345)
19	Interest (expense) – external (NOTE 4)	(4,398)	(6,031)
20	Investment alternative tax and related income (expense) – net (NOTE 11)	(1,335)	(2,348)
21	Nonoperating income (expense) – net (NOTE 10)	(5,485)	(3,943)
22	Total other income (expenses)	(52,180)	(54,667)
23	Income (Loss) Before Income Taxes And Extraordinary Items	(35,484)	(50,199)
24	Provision (credit) for income taxes (NOTE 1)	0	0
25	Income (Loss) Before Extraordinary Items	(35,484)	(50,199)
26	Extraordinary items (net of income taxes – 1992, $ 126,837,000; 1991, $0) (NOTE 14)	126,837	0
	Net Income (Loss)	$91,353	($50,199)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Revenue:		
1	Casino	$57,599	$49,240
2	Rooms	4,132	4,079
3	Food and beverage	7,849	7,995
4	Other	1,779	1,611
5	Total revenue	71,359	62,925
6	Less: Promotional allowances	7,530	8,185
7	Net revenue	63,829	54,740
	Costs And Expenses:		
8	Cost of goods and services	38,805	33,821
9	Selling, general, and administrative	18,634	15,620
10	Provision for doubtful accounts	362	749
11	Total costs and expenses	57,801	50,190
12	Gross Operating Profit	6,028	4,550
13	Depreciation and amortization	4,584	5,331
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	425	0
15	Other	0	0
16	Income (Loss) From Operations	1,019	(781)
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(10,073)	(10,560)
18	Interest (expense) – external (NOTE 4)	(1,048)	(1,442)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(146)	(463)
20	Nonoperating income (expense) – net (NOTE 10)	187	(1,514)
21	Total other income (expenses)	(11,080)	(13,979)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(10,061)	(14,760)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	(10,061)	(14,760)
25	Extraordinary items (net of income taxes – 1992, $0; 1991, $0) (NOTE 14)	0	0
26	Net Income (Loss)	($10,061)	($14,760)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 and 1991

NOT APPLICABLE

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1991 (c) SHARES	1991 (d) DOLLARS	1990 (e) SHARES	1990 (f) DOLLARS
	Commom Stock:				
1	Beginning balance (January 1)		$		$
2	Sale of stock				
3	_____				
4	Ending balance				
	Preferred Stock				
5	Beginning balance (January 1)				
6	Sale of stock				
7	_____				
8	Ending balance				
	Additional Paid–in Capital:				
9	Beginning balance (January 1)				
10	_____				
11	_____				
12	Ending balance				
	Treasury Stock:				
13	Beginning balance (January 1)		( )		( )
14	Purchase of additional stock		( )		( )
15	Sale or retirement of stock				
16	Ending balance		( )		( )
	Subscriptions Receivable For Capital Stock:				
17	Beginning balance (January 1)		( )		( )
18	_____				
19	_____				
20	Ending balance		( )		( )
	Net Unrealized Loss on Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1)		( )		( )
22	_____				
23	_____				
24	Ending balance		( )		( )
	Retained Earnings:				
25	Beginning balance (January 1)				
26	Prior period adjustments				
27	Net income (loss)				
28	Dividends		( )		( )
29	_____				
30	_____				
31	Ending balance				
32	Ending Stockholders' Equity		$ N/A		$ N/A

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Invested Capital:		
1	Beginning balance (January 1)	$71,196	$71,196
2	Additional capital invested	32,851	0
3	_____	0	0
4	Ending balance	104,047	71,196
	Accumulated Income (Loss):		
5	Beginning balance (January 1)	(96,154)	(45,955)
6	Prior period adjustments	0	0
7	Net income (loss)	91,353	(50,199)
8	_____	0	0
9	Ending balance	(4,801)	(96,154)
	Capital Withdrawals:		
10	Beginning balance (January 1)	(38,450)	(38,450)
11	Additional capital withdrawals	0	0
12	_____	0	0
13	Ending balance	(38,450)	(38,450)
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning balance (January 1)	0	0
15	_____	0	0
16	_____	0	0
17	Ending balance	0	0
18	Ending Partners' Or Proprietor's Equity	$60,796	($63,408)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
1	Net Cash Provided (Used) By Operating Activities	($16,946)	$12,802
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities	0	0
3	Proceeds from the sale of short-term investment securities	0	0
4	Cash outflows for property and equipment	(8,574)	(7,329)
5	Proceeds from disposition of property and equipment	0	1,841
6	Purchase of casino reinvestment obligations	(1,561)	(388)
7	Purchase of other investments and loans/advances made	0	0
8	Proceeds from disposal of investments and collection of advances and long-term receivables	0	0
9	Cash outflows to acquire business entities	0	0
10	Redemption of A-1 Bonds	0	0
11	_____	0	0
12	Net Cash Provided (Used) By Investing Activities	(10,135)	(5,876)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	0	0
14	Payments to settle short-term debt	0	0
15	Cash proceeds from issuance of long-term debt	3,070	0
16	Costs of issuing debt	0	0
17	Payments to settle long-term debt	0	0
18	Cash proceeds from issuing stock or capital contributions	0	0
19	Purchases of treasury stock	0	0
20	Payments of dividends or capital withdrawls	32,851	0
21	_____	0	0
22	_____	0	0
23	Net Cash Provided (Used) By Financing Activities	35,921	0
24	Net Increase (Decrease) In Cash And Cash Equivalents	8,840	6,926
25	Cash And Cash Equivalents At Beginning Of Period	14,970	8,044
26	Cash And Cash Equivalents At End Of Period	$23,810	$14,970

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	Cash Paid During Period For:		
28	Interest (net of amount capitalized)	$8,172	$7,786
	Income taxes	0	0

The accompanying notes are an integral part of the financial statments. Valid comparisons cannot be made without using information contained in the ntoes.

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 and 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$91,353	($50,199)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	19,367	20,903
31	Amortization of other assets	435	933
32	Amortization of debt discount or premium	6,617	2,904
33	Deferred income taxes – current	0	0
34	Deferred income taxes – noncurrent	0	0
35	(Gain) loss on disposition of property and equipment	(44)	(51)
36	(Gain) loss on casino reinvestment obligations	1,335	2,348
37	(Gain) loss from other investment activities	0	0
38	Net (increase) decrease in receivables and patrons' checks	854	6,689
39	Net (increase) decrease in inventories	(309)	922
40	Net (increase) decrease in other current assets	495	(1,381)
41	Net (increase) decrease in other assets	(961)	(589)
42	Net increase (decrease) in accounts payables	(1,107)	(4,809)
43	Net increase (decrease) in other current liabilities excluding debt	(6,794)	35,133
44	Net increase (decrease) in other noncurrent liabilities excluding debt	0	(1)
45		(128,187)	0
46		0	0
47	Net Cash Provided (Used) By Operating Activities	($16,946)	$12,802

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

48	Acquisition Of Property And Equipment:		
49	Additions to property and equipment	$8,574	$7,329
50	Less: Capital lease obligations incurred	0	0
	Cash Outflows For Property And Equipment	$8,574	$7,329
51	Acquisition Of Business Entities:		
52	Property and equipment acquired	$0	$0
53	Goodwill acquired	0	0
54	Net assets acquired other than cash, goodwill, and property and equipment	0	0
55	Long–term debt assumed	0	0
56	Issuance of stock or capital invested	0	0
	Cash Outflows To Acquire Business Entities	$0	$0
57	Stock Issued Or Capital Contributions:		
58	Total issuances of stock or capital contributions	$0	$0
59	Less: Issuances to settle long–term debt	0	0
60	Consideration in acquisition of business entities	0	0
	Cash Proceeds From Issuing Stock Or Capital Contributions	$0	$0

TRUMP'S CASTLE HOTEL & CASINO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Operation:

Trump's Castle Associates Limited Partnership (the "Partnership") was formed as a limited partnership in 1985 for the sole purpose of acquiring and operating Trump's Castle Casino Resort by the Bay ("Trump's Castle"). The Partnership converted to a general partnership in February 1992. The current partners and their respective ownership interests are Donald J. Trump, 49.995%, the Managing General Partner, Trump's Castle Hotel and Casino, Inc. ("TCHC"), .01% and TC/GP, Inc. ("TC/GP"), 49.995%.

Revenue Recognition:

The Partnership records as revenue the win from gaming activities which represents the difference between amounts wagered and amounts won by patrons. Revenues from hotel and related services are recognized at the time the related service is performed.

Promotional Allowances:

Gross revenues include the retail value of complimentary food, beverage and hotel services furnished to patrons. The retail value of these promotional allowances is deducted from gross revenue to arrive at net revenues. The cost of promotional allowances is charged to operations.

Income Taxes/Deferred Credits:

The accompanying financial statements do not include a provision for Federal income taxes of the Partnership, since any income or losses allocated to the Partners are reportable for Federal income tax purposes by the Partners.

Under the New Jersey Casino Control Commission regulations, the Partnership is required to file a consolidated New Jersey corporation business tax return. However, no provision for state income taxes has been reflected in the accompanying financial statements, since the Partnership has experienced operating losses during the periods contained in this report.

Allowance for Doubtful Accounts:

The allowance for doubtful accounts is maintained at a level considered adequate to provide for possible future losses. The Partnership has provided $2,720,000 through December 31,1992.

Inventories:

Food and beverage inventories are carried on a weighted average basis and all other inventories are carried at the lower of cost or market on a first in, first out basis.

Property and Equipment:

Property and equipment is recorded at cost and is depreciated on the straight-line method over the estimated useful lives of assets. Estimated useful lives for furniture, fixtures and equipment are from three to eight years and 40 years for buildings.

Original Issuance Discount and Bond Issuance Costs:

Original issue discount is accreted over the life of the related indebtedness using the effective interest method.

NOTE 2 - PROPERTY AND EQUIPMENT:

Property and equipment as of December 31:

	1992	1991
	(In thousands)	
Land	$ 36,223	$ 33,431
Buildings	235,170	235,170
Furniture, Fixtures and Equipment	97,052	94,298
Construction in Progress	2,401	324
Building/Leasehold Improvements	112,211	111,260
TOTAL	$483,057	$474,483
Less Accumulated Depreciation	(142,674)	(123,306)
Net Property and Equipment	$340,383	$351,177

NOTE 3 - LONG TERM DEBT:

Trump's Castle Funding (the "Company") was incorporated on May 28, 1985 solely to serve as a financing company to raise funds through the issuance of its 13-3/4% First Mortgage Bonds, Series A-1, due 1997 (the "Series A-1 Bonds") and 7% First Mortgage Bonds, Series A-2, due 1999 (the "Series A-2 Bonds," and together with the Series A-1 Bonds, the "Old Bonds"), the proceeds of which were loaned to the Partnership. In return for such proceeds, the Partnership issued a promissory note (the "Old Partnership Note") to the Company in a principal amount equal to the aggregate principal amount of the Old Bonds and with similar payment terms. In addition, the Partnership directly guaranteed the payment of the principal of, premium, if any, and interest on the Old Bonds (the "Old Guaranty"). On the Effective Date, the Old Partnership

Note and Old Guaranty were discharged, the Partnership issued a new promissory note (the "Partnership Note") and a new guaranty (the "Guaranty") and the Old Bonds were exchanged for the Company's 9.50% Mortgage Bonds, due 1998 (the "New Bonds") and shares of common stock of TC/GP (the "Common Stock").

On March 9, 1992, the Company, the Partnership, and its general partners filed a voluntary petition for relief under Chapter 11 of title 11, United States Code (the "Bankruptcy Code") and filed a Plan of Reorganization (the "Plan"). The Plan was confirmed by the Bankruptcy Court on May 5, 1992 and the Plan was consummated on May 29, 1992 (the "Effective Date"). Pursuant to the terms of the Plan, the Old Bonds were exchanged for the New Bonds and Common Stock (Note 3) and certain modifications were made to the terms of the bank borrowings (Note 4), and amounts owed to Donald J. Trump (Note 5). The issuance of the Common Stock resulted in approximately 50% of the beneficial ownership interest in the Partnership being transferred to the holders of Old Bonds.

In accordance with AICPA Statement of Position 90-7, "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code," the New Bonds have been stated at the present value of amounts to be paid, determined at current interest rates (effective rate of approximately 17.5%). The effective interest rate of the New Bonds was determined based on the trading price of the New Bonds for a specific period. Stating the debt at its present value resulted in a reduction of approximately $96,896,000 in the carrying amount of the New Bonds. This gain will be offset by increased interest costs over the period of the New Bonds to accrete such bonds to their face value at maturity.

On the Effective Date, TC/GP received a 50% beneficial interest in Trump's Castle Hotel & Casino, Inc., a partner in the Partnership, and was admitted as a partner in the Partnership, giving TC/GP a 50% beneficial interest in the Partnership. On the Effective Date, the partners executed the Amended and Restated Partnership Agreement (the "Partnership Agreement"), which provides, among other things, for a Board of Partners Representatives (the "Board") to oversee the business and operations of the Partnership. Pursuant to the terms of the Partnership Agreement, Donald J. Trump was appointed the Managing General Partner of the Partnership responsible for its day-to-day operations, and has the right to appoint four of the seven members of the Board; the remaining members of the Board are appointed by TC/GP through the holders of its Common Stock. Upon the occurrence of certain events, TC/GP has the right to appoint four members to the Board, and Donald J. Trump has the right to appoint three.

The Plan resulted in an extraordinary gain totaling approximately $128,187,000, including the $96,896,000 discussed above, $18,000,000 representing the forgiveness of the bank debt (Note 3), and $22,805,000 representing a discharge of accrued interest and accretion on indebtedness, less the write-off of unamortized loan issuance costs of $9,514,000. On the Effective

Date, 35,447 of additional units (Note 3) were issued in lieu of the Bond Carryforward Amount and the Effective Date Amount, as defined. Additionally, the Plan resulted in a discharge of related party indebtedness in the approximate amount of $33,325,000 which has been accounted for as a contribution to capital (Note 5).

Upon consummation of the Plan on May 29, 1992, each $1,000 principal amount of the Company's Series A-1 Bonds or $1,000 accreted amount as of December 15, 1990 of Series A-2 Bonds was exchanged for a Unit consisting of $1,000 in principal amount of the Company's New Bonds, together with one share of the Common Stock of TC/GP and certain other payments. The New Bonds and Common Stock trade together as a Unit and may not be transferred separately, except upon the occurrence of certain events. The New Bonds bear interest at 9.50% per annum from the date of issuance, payable semi-annually on each February 15 and August 15, commencing August 15, 1992. The Company is required to pay interest in cash to holders of New Bonds outstanding on the immediately preceding August 1 or February 1 at varying rates per annum (the "Mandatory Cash Amounts") as follows:

Period	Mandatory Cash Rate (Per Annum)
From issuance to August 15, 1992	5.00%
From August 15, 1992 to February 15, 1993	6.00
From February 15, 1993 to August 15, 1993	7.00
From August 15, 1993 to February 15, 1994	8.00
From February 15, 1994 and thereafter	9.50

For interest payment dates on or before February 15, 1994, the difference between interest calculated at the rate of 9.50% per annum and the Mandatory Cash Amount (the "Additional Amount") is payable to holders of New Bonds in cash to the extent that Excess Available Cash, as defined, of the Partnership is available for such purpose and in additional Units to the extent that Excess Available Cash is less that the Additional Amount.

The New Bonds are secured by an assignment to First Bank National Association, the trustee under the indenture pursuant to which the New Bonds were issued (the "Indenture"), of a promissory note of the Partnership to the Company (the "Partnership Note") in an amount and with payment terms necessary to service the New Bonds. The Partnership Note is secured by a mortgage on Trump Castle and substantially all of the other assets of the Partnership (the "Mortgage"). The New Bonds are guaranteed as to payment of principal and interest, on a nonrecourse basis by the Partnership and are secured by a mortgage on the Partnership's real property.

The New Bonds are subject to redemption at any time, in whole, but not in part, at specified prices. Upon the redemption

of the New Bonds, the Common Stock will cease to trade as a Unit with the New Bonds, and will trade separately.

NOTE 4 - BANK BORROWINGS:

On February 16, 1988, the Company and the Partnership entered into a $50,000,000 revolving credit facility with Midlantic National Bank ("Midlantic"), later converted to a term loan in August 1990 ("Term Loan") to finance a portion of the cost of constructing a helipad on the roof of Trump's Castle's parking garage and a new hotel tower, including a ballroom. In June 1990, the Partnership borrowed $13,000,000 from Midlantic under an unsecured line of credit pursuant to a grid note (the "Grid Note"). Pursuant to the Plan, the terms of both of these loans were modified. The restructured Term Loan bears interest at 9% per annum over the first three years and will adjust to a market rate if the maturity thereof is extended in accordance with its terms. Additionally, the principal amount of the Term Loan was reduced to $38,000,000. The amended Term Loan will mature three years from the Effective Date and is secured by a mortgage lien on Trump's Castle that is prior to the lien securing the New Bonds. The restructured Grid Note bears interest at 8.5% per annum for the first three years and will be adjusted to a market rate if the maturing thereof is extended in accordance with its terms. The outstanding principal amount of the Grid Note has been reduced to $7,000,000 and the Grid Note has been converted into a demand note, although Midlantic has agreed not to demand payment for a period of three years from the Effective Date so long as no Event of Default has occurred thereunder.

NOTE 5 - OTHER BORROWINGS:

The Partnership borrowed $28,264,878 from Donald J. Trump, one of its general partners which included $9,889,000 of Series A-1 Bonds (face value $12,480,000) the proceeds of which were used to partially satisfy the June 1990 interest and sinking fund requirements of the Old Bonds. Pursuant to the Plan the above obligations were canceled and contributed to capital and Donald J. Trump received in exchange thereof a priority interest in the Partnership (the "Trump Priority Interest"). The Trump Priority Interest will initially be $15,000,000 and the Partnership will be required to pay a priority return thereon semi-annually at a rate per annum of up to 9.50%. The priority return on capital will be paid currently out of certain cash in excess of the First Tier Sweep Amount, as defined, or under certain circumstances, the Third Tier Sweep Amount, as defined. To the extent not paid in full, the Trump Priority Interest will be entitled to a priority distribution upon dissolution of the Partnership.

In December 1990, Fred Trump, the father of Donald J. Trump, placed $3,500,000 in cash on deposit with the Partnership's casino cage, which was recorded by the Partnership as a gaming patron deposit. Counter checks totaling $3,500,000 were issued against the deposit, for which Fred Trump received gaming chips valued at $3,500,000. To date, Fred Trump has redeemed $1,000,000 of the

gaming chips for cash. The balance of these gaming chips were included in the outstanding chip liability on the Partnership's books at December 31, 1992. Any subsequent redemption of the remaining outstanding gaming chips will be done in accordance with the Indenture.

NOTE 6 - OTHER ASSETS - (NET):

	1992	1991
	(In thousands)	
Deferred Loan Cost	$ 0	$ 362
Deferred Bond Costs (Net)	0	9,587
Other Non-Current Assets	783	965
Deferred Marina Improvement	0	0
TOTAL OTHER ASSETS	$ 783	$10,914

NOTE 7 - ACCOUNTS PAYABLE:

	1992	1991
	(In thousands)	
Accounts Payable Trade	$ 4,484	$ 5,611
Patron Deposits	689	678
Other	48	39
TOTAL ACCOUNTS PAYABLE	$ 5,221	$ 6,328

NOTE 8 - OTHER ACCRUED EXPENSES:

	1992	1991
	(In thousands)	
Accrued Payroll & Taxes	$ 3,267	$ 2,793
Accrued Interest	11,713	43,249
Accrued Advertising/Promotions	45	203
Accrued Progressive Jackpots	287	1,941
Accrued Sick/Vacation	4,344	3,978
Other	498	376
TOTAL OTHER ACCRUED EXPENSES	$20,154	$52,540

NOTE 9 - OTHER CURRENT LIABILITIES:

	1992	1991
	(In thousands)	
Outstanding Chip Liability	$ 3,765	$ 5,486
Outstanding Token Liability	350	628
Patron Deposits	67	119
Accrued Utilities	11	1,471
Accrued Group Health insurance	1,555	1,615
Accrued Insurance	$ 3,381	$ 1,107
A/P Other	3,326	2,746
Accrued Legal	350	294
Accrued CCC/DGE	257	261
Construction Retainage	30	0
Accrued Inventories	225	176
Accrued CRDA	605	113
TOTAL OTHER CURRENT LIABILITIES	$13,922	$14,016

NOTE 10 - NON-OPERATING INCOME (EXPENSES) - NET:

Non-operating income for quarter ended December 31, 1992:

	Three Months	
	1992	1991
	(In thousands)	
Discount Earned	$ 0	$ 0
Interest Income	187	132
Gain/(Loss) Disp. of Equipment	0	0
Debt Restructuring	0	(1,646)
	$ 187	$(1,514)

Non-operating income for nine months ended December 31, 1992:

	Twelve Months	
	1992	1991
	(In thousands)	
Discount Earned	$ 0	$ 0
Interest Income	497	505
Gain/(Loss) Disp. of Equipment	0	51
Debt Restructuring	(5,982)	(4,499)
	$ (5,485)	$(3,943)

NOTE 11 - COMMITMENTS AND CONTINGENCIES:

In May 1989, the New Jersey Casino Control Commission ("CCC") issued the Partnership a license to operate Trump Castle. A license is not transferable, is issued for a term of two years, and must be acted upon by the CCC no later than 30 days prior to the expiration of the license then in force. The continued operations of the Partnership are subject to its retaining its operating license.

On May 8, 1991, the CCC renewed the casino license of the Partnership through May 16, 1993, subject to the conditions that both the Partnership and Donald J. Trump demonstrate their financial stability through May 16, 1993 at a subsequent CCC proceeding. On June 20, 1991, the CCC determined that Donald J. Trump, as a natural person qualifier, had by clear and convincing evidence established his financial stability, integrity, and responsibility through May 16, 1993 but required that by July 31, 1991 Donald J. Trump file with the CCC and the Division final executed contracts effectuating agreements with certain lender banks to which Donald J. Trump and certain of his Affiliates are a party. On June 26, 1991, the CCC required that the Partnership (a) by July 31, 1991 agree upon definitive documentation reflecting a previously agreed upon outline of principal terms; (b) by July 31, 1991 file with the SEC the Registration Statement outlining a Plan of Reorganization; and (c) within forty-five days of the registration Statement being declared effective by the SEC, file a Petition with the United States Bankruptcy Court for approval of the Plan. On March 9, 1992, the Company, the Partnership, and its general partners filed a voluntary petition for relief under Chapter 11 of title 11, United States Code (the "Bankruptcy Code") and filed a Plan of Reorganization (the "Plan"). The Plan was confirmed by the Bankruptcy Court on May 5, 1992 and the Plan was consummated on May 29, 1992 (the "Effective Date"). Pursuant to the terms of the Plan, the Old Bonds were exchanged for the New Bonds and Common Stock (Note 3) and certain modifications were made to the terms of the bank borrowings (Note 4), and amounts owed to Donald J. Trump (Note 5). The issuance of the Common Stock resulted in approximately 50% of the beneficial ownership interest in the Partnership being transferred to the holders of Old Bonds.

CASINO REINVESTMENT DEVELOPMENT AUTHORITY OBLIGATIONS

The New Jersey Casino Control Act requires the Partnership to make qualified investments, as defined, in New Jersey, or pay an investment alternative tax.

Commencing 12 months after the date of opening (June 17, 1985) and continuing for a period of 25 years thereafter, the Partnership must either obtain investment tax credits, as defined, in an amount equivalent to 1.25% of its gross casino revenues or pay an alternative tax of 2.5% of its gross casino revenues. Investment tax credits may be obtained by the purchase of bonds at below market interest rates from the

Casino Reinvestment Development Authority (CRDA) or by making qualified investments which must be approved by the CRDA. The Partnership is required to make quarterly deposits with the CRDA to satisfy its investment obligation.

In April 1990, the Partnership modified its agreement with the Casino Reinvestment Development Authority (CRDA) under which it is required to purchase bonds to satisfy the investment alternative tax on gross revenues.

Under the modified terms of the agreement, the Partnership has donated approximately $9,588,000 in deposits to the CRDA in exchange for satisfaction of an equivalent amount of its prior bond purchase commitments, as well as receiving future tax credits in the amount of approximately $4,890,000 which credits are to be utilized to satisfy substantial portions of the Partnership's investment alternative tax obligations over approximately the next three to four quarters.

The Partnership made an additional donation of its existing CRDA deposits during the third quarter of 1991, totaling approximately $524,000, in exchange for satisfaction of an equivalent amount of its prior bond purchase commitments, in addition to receiving future tax credits totaling approximately $267,000.

As a result of this agreement, the Partnership has charged $1,048,000 for the twelve months ending December 31,1992 to operations, which represents application of a portion of the tax credits, as well as the effect of below market interest rates associated with the bond purchase commitment.

Additionally, the Partnership has charged $278,000 and $257,000 respectively to its second quarter of 1992 and 1991 results to give effect to the CRDA donations. These charges represent the write down of the asset value of the CRDA deposits to the value of the tax credits issued to the Partnership by the CRDA.

ROADWAY IMPROVEMENTS

The Partnership, along with another Atlantic City casino, has entered into a joint venture agreement with the New Jersey Department of Transportation to fund the construction of certain roadway improvements in the Atlantic City Marina District. The agreement requires that the Partnership make cash contributions totaling $8,000,000. As of December 31, 1992, the Partnership had made contributions totaling approximately $7,316,000.

NOTE 12 - EMPLOYEE BENEFIT PLANS:

Effective November 1, 1986, the Company adopted a retirement savings plan for its non-union employees under Section 401K of the Internal Revenue Code. The plan allows employees of the

Partnership to defer up to 15% of their income on a pre-tax basis through contributions to the plan.

The Partnership will match 50% of eligible employees' contributions up to a maximum of 4% of an individual's earnings. Effective January 1, 1992, the Partnership will match 50% of eligible employees' contributions up to a maximum of 5% of an individual's earnings.

The Partnership recorded charges of approximately $747,000 for matching contributions for the twelve months ended December 31, 1992.

The Partnership made payments to various trusted pension plans under industry-wide union agreements. The payments are based on the hours worked by or gross wages paid to covered employees. It is not practical to determine the amount of payments ultimately used to fund pension benefit plans or the current financial condition of these plans. Under the Employee Retirement Income Security Act, the Partnership may be liable for its share of the plans unfunded liability, if any, if the plans are terminated.

NOTE 13 - JACKPOT PAYOUTS:

Jackpot payouts in the form of merchandise which are included in cost of goods and services consisted of the following:

For The Three Months Ended 12/31/92

	Number of Recipients	Amount
Motor Vehicles	0	$ 0
TOTALS	0	$ 0

For The Twelve Months Ended 12/31/92

	Number of Recipients	Amount
Motor Vehicles	0	$ 0
TOTALS	0	$ 0

NOTE 14 - EXTRAORDINARY ITEM:

Since June 1990, various purported class actions have been commenced on behalf of the holders of Trump's Castle Bonds and the publicly traded bonds of the Other Trump Casinos. Pursuant to an Order of the New Jersey District Court, on or about March 1, 1991, plaintiffs in the class actions filed an amended and consolidated complaint that superseded the complaints originally filed in those three actions. On July 30, 1991, counsel for the parties in the above litigation reached an agreement in principal pursuant to which Trump's Castle Associates created a settlement fund in the amount of $1,350,000 in cash. This settlement fund is presented as an extraordinary item for these financial statements.

The Plan resulted in an extraordinary gain totaling approximately $128,187,000, including the $96,896,000 discussed above, $18,000,000 representing the forgiveness of the bank debt (Note 3), and $23,805,000 representing a discharge of accrued interest and accretion on indebtedness, less the write-off of unamortized loan issuance costs of $9,514,000. On the Effective Date, 35,447 of additional units (Note 3) were issued in lieu of the Bond Carryforward Amount and the Effective Date Amount, as defined. Additionally, the Plan resulted in a discharge of related party indebtedness in the approximate amount of $33,325,000 which has been accounted for as a contribution to capital (Note 5).

NOTE 15 - RELATED PARTY TRANSACTIONS:

The Partnership has recorded expenses for the three months ended June 30, 1992 and 1991 from Trump's Castle Management Corp. ("TCM") as follows:

		Three Months	
Affiliate	Transaction	1992	1991
		(In Thousands)	
Trump's Castle Management Corp.	Management Fee	$ 425	$ 0

		Twelve Months	
Affiliate	Transaction	1992	1991
		(In Thousands)	
Trump's Castle Management Corp.	Management Fee	$1,028	$ 0

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

(UNAUDITED)
($ IN THOUSANDS)

	ACCOUNTS RECEIVABLE BALANCES			
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE– (e) NET OF ALLOWANCE
	Patrons' Checks:			
1	Undeposited patrons' checks	$3,769		
2	Returned patrons' checks	3,525		
3	Total patrons' checks	7,294	$2,612	$4,682
4	Hotel Receivables	801	108	693
	Other Receivables:			
5	Receivables due from officers and employees	5		
6	Receivables due from affiliates	772		
7	Other accounts and notes receivables	790		
8	Total other receivables	1,567	0	1,567
9	Totals (Form 305)	$9,662	$2,720	$6,942

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$4,204
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	157,634
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(119,764)
13	Checks collected through deposits	(33,540)
14	Checks transferred to returned checks	(4,765)
15	Other adjustments	0
16	Ending Balance	$3,769
17		
18	"Hold" Checks Included In Balance On Line 16	$0
19	Provision For Uncollectible Patrons' Checks	2,030
	Provision As A Percent Of Counter Checks Issued	1.3%

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	137,153	11,023,000	0	0
FOOD	1,133,867	17,008,000	0	0
BEVERAGE	1,054,353	4,481,000	0	0
TRAVEL	0	0	38,606	6,756,000
COIN	0	0	0	0
COUPON	0	0	2,923,906	25,764,000
ENTERTAINMENT	43,600	1,090,000	390	12,839
RETAIL & GIFTS	47,800	239,000	0	0
OTHER	4,600	23,000	32,420	1,621,000
TOTAL	2,421,373	$33,864,000	2,995,322	$34,153,839

****

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	22,820	2,448,000	0	0
FOOD	242,067	3,632,000	0	0
BEVERAGE	260,471	1,107,000	0	0
TRAVEL	0	0	9,892	1,731,000
COIN	0	0	0	0
COUPON	0	0	764,991	6,384,000
ENTERTAINMENT	11,360	284,000	134	3,873
RETAIL & GIFTS	11,000	55,000	0	0
OTHER	800	4,000	10,720	536,000
TOTAL	548,518	$7,530,000	785,737	$8,654,873

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

Thomas P. Venier, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Quarterly Report.
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Quarterly Report is accurate to the best of my knowledge and belief.

Tom Venier
Signature

Sr. Vice President Finance
Title

00711-11
License Number

Subscribed and sworn to
before me this 12th day
of March, 1993

James R. Kelleher
Signature

On behalf Of:

Trump's Castle Hotel & Casino
Casino Licensee

Basis of Authority
to Take Oaths

1/86

JAMES R. KELLEHER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 4, 1993

CCC-250

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE Trump's Castle Casino Resort

ADDRESS Huron Avenue & Brigantine Blvd.

Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 192

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL EMPLOYMENT AND PAYROLL REPORT..... Thomas P. Venier

OFFICIAL TITLE..... Sr. Vice President of Finance

ADDRESS..... Huron Ave., & Brigantine Blvd.

Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE Trump's Castle Casino Resort

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 19 92
($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	SALARIES AND WAGES (d) OTHER EMPLOYEES	(e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	13			
2	Gaming	490			
3	Slots	359			
4	Casino accounting	29			
5	Other	198			
6	Total-casino		$ 30,441	$ 0	$ 30,441
7	ROOMS	266	4,727		4,727
8	FOOD AND BEVERAGE	796	12,979		12,979
	OTHER OPERATED DEPARTMENTS				
9	Communication/PBX	17	307		307
10	Retail Shops	20	368		368
11	Garage	41	658		658
12	Wardrobe	21	440		440
13	Health Club	3	68		68
14	Marina Operations	5	190		190
15	Environmental Services	155	3,023	0	3,023
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	12	0	2,283	2,283
21	Accounting and auditing	206	4,682	0	4,682
22	Security	199	4,266		4,266
23	Other administrative and general department	43	975		975
24	MARKETING	69	2,208	0	2,208
25	GUEST ENTERTAINMENT	17	863		863
26	PROPERTY OPERATION AND MAINTENANCE	122	4,011	0	4,011
27	TOTALS - ALL DEPARTMENTS	3,081	$ 70,206	$ 2,283	$ 72,489

1/85

CCC-376

Trading Name of Licensee Trump's Castle Casino Resort

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

For the Year Ended December 31, 19 92

3/11/93
Date

Tom Kane
Signature

Sr.Vice President of Finance
Title

TRADING NAME OF LICENSEE TRUMP CASTLE HOTEL AND CASINO

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

(UNAUDITED)

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 77,734	
2	Coin-operated devices revenue	162,620	
3	Total revenues		$ 240,354
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 2,030	
5	Maximum adjustment (4% of line 3)	$ 9,614	
6	Adjustment (the lesser of line 4 or line 5)		2,030
7	Gross revenues (line 3 less line 6)		$ 238,324
8	Tax on gross revenues - current year (8% of line 7)		$ 19,066
9	Audit or other adjustments to tax on gross revenues in prior years		0
10	Total tax on gross revenues (line 8 plus or minus line 9)		19,066
	Deposits made for tax on current year's gross revenues:		
11	January	$ 1,409	
12	February	1,516	
13	March	1,495	
14	April	1,363	
15	May	1,551	
16	June	1,509	
17	July	1,992	
18	August	1,913	
19	September	1,740	
20	October	1,697	
21	November	1,614	
22	December	1,267	
23	January	0	
24	Total deposits made for tax on current year's gross revenues		(19,066)
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		0
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ 0

ANNUAL REPORT

974.901
C193



LICENSEE: TRUMP PLAZA HOTEL & CASINO

ADDRESS: MISSISSIPPI AVENUE & BOARDWALK
ATLANTIC CITY, NJ 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEB
MAR 1 [illegible]
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT..... FRANCIS X. MCCARTHY, JR

OFFICIAL TITLE..... SENIOR VICE PRESIDENT OF FINANCE & ADMINISTRATION

ADDRESS..... MISSISSIPPI AVENUE & BOARDWALK
ATLANTIC CITY, NJ 08401

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

LIST OF FORMS – ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992

TITLE	FORM NO.
Balance Sheets	CCC–205
Statements of Income (Year–to–Date)	CCC–210
Statements of Income (Three Months)	CCC–215
Statements of Changes in Partners' or Proprietor's Equity	CCC–225
Statements of Cash Flows	CCC–235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC–240
Promotional Expenses and Allowances	CCC–245
Statement of Conformity and Accuracy	CCC–250

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

BALANCE SHEETS

DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1992	(d) 1991	
	ASSETS				
	Current Assets:				
1	Cash		$ 18,802	$ 10,475	
2	Marketable securities		–	–	
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1992, $14,402; 1991, $20,231)		7,870	12,644	
4	Inventories		3,068	2,901	
5	Prepaid expenses and other current assets	NOTE 2	2,502	3,280	
6	Total current assets		32,242	29,300	
7	Investments, Advances, and Receivables	NOTE 3	5,021	4,512	
8	Property and Equipment – Gross	NOTE 4	409,739	401,907	
9	(Accumulated Depreciation/Amortization)	NOTE 4	(109,473)	(95,073)	
10	Other Assets	NOTE 5	33,882	39,010	
11	Total Assets		$ 371,411	$ 379,656	
	LIABILITIES AND EQUITY				
	Current Liabilities:				
12	Accounts Payable		$ 5,890	$ 7,263	
13	Notes Payable		194	396	
	Current portion of long–term debt:				
14	Due to affiliates	NOTE 8	–	225,000	*
15	Other	NOTE 9	9,980	31,420	*
16	Income taxes payable and accrued		–	–	
17	Other accrued expenses	NOTE 6	28,487	19,693	
18	Other current liabilities	NOTE 7	7,071	7,786	
19	Total current liabilities		51,622	291,558	*
	Long–Term Debt:				
20	Due to affiliates	NOTE 8	225,000	–	*
21	Other	NOTE 9	24,723	33,326	*
22	Deferred Credits	NOTE 10	496	729	
23	Other Liabilities	NOTE 13	58,208	–	
24	Commitments and Contingencies	NOTE 14	–	–	
25	Total Liabilities		360,049	325,613	
26	Stockholders', Partners', or Proprietor's Equity		11,362	54,043	
27	Total Liabilities and Equity		$ 371,411	$ 379,656	

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

5/92 * Prior year restated to conform to current year presentation.

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Revenue:		
1	Casino	$ 268,441	$ 235,007
2	Rooms	25,783	27,016
3	Food and beverage	45,506	43,102
4	Other	10,910	7,840
5	Total revenue	350,640	312,965
6	Less: Promotional allowances	39,905	36,242
7	Net revenue	310,735	276,723
	Costs and Expenses:		
8	Costs of goods and services	165,328	149,132
9	Selling, general, and administrative	80,441	78,107
10	Provision for doubtful accounts	4,675	5,233
11	Total costs and expenses	250,444	232,472
12	Gross Operating Profit	60,291	44,251
13	Depreciation and amortization	15,842	16,193
	Charges from affiliates other than interest:		
14	Management fees NOTE 1B	708	–
15	Other NOTE 14	2,127	8,478
16	Income (Loss) from Operations	41,614	19,580
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(27,720)	(30,444)
18	Interest (expense) – external	(4,123)	(3,951)
19	Investment alternative tax and related income (expense) – net	(2,003)	(2,445)
20	Nonoperating income (expense) – net NOTE 12	(5,583)	(14,834)
21	Total other income (expense)	(39,429)	(51,674)
22	Income (Loss) before Income Taxes and Extraordinary Items	2,185	(32,094)
23	Provision (credit) for income taxes NOTE 16	(233)	(2,864)
24	Income (Loss) before Extraordinary Items	2,418	(29,230)
25	Extraordinary items (net of income taxes – 1992,$ – , 1991, $ –) NOTE 15	(38,205)	–
26	Net Income (Loss)	$ (35,787)	$ (29,230)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE	DESCRIPTION	(c) 1992	(d) 1991
(a)	(b)		
	Revenue:		
1	Casino	$ 59,659	$ 54,391
2	Rooms	3,958	6,331
3	Food and beverage	10,234	10,664
4	Other	1,791	1,805
5	Total revenue	75,642	73,191
6	Less: Promotional allowances	8,948	8,722
7	Net revenue	66,694	64,469
	Costs and Expenses:		
8	Costs of goods and services	38,379	36,939
9	Selling, general, and administrative	18,713	18,773
10	Provision for doubtful accounts	(392)	1,010
11	Total costs and expenses	56,700	56,722
12	Gross Operating Profit	9,994	7,747
13	Depreciation and amortization	3,911	4,109
	Charges from affiliates other than interest:		
14	Management fees NOTE 1B	250	–
15	Other NOTE 14	535	2,032
16	Income (Loss) from Operations	5,298	1,606
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(6,750)	(7,241)
18	Interest (expense) – external	(832)	(1,274)
19	Investment alternative tax and related income (expense) – net	(230)	(575)
20	Nonoperating income (expense) – net NOTE 12	(436)	(15,490)
21	Total other income (expense)	(8,248)	(24,580)
22	Income (Loss) before Income Taxes and Extraordinary Items	(2,950)	(22,974)
23	Provision (credit) for income taxes NOTE 16	(240)	(2,022)
24	Income (Loss) before Extraordinary Items	(2,710)	(20,952)
25	Extraordinary items (net of income taxes – 1992, $ – ; 1991, $ –)	–	–
26	Net Income (Loss)	$ (2,710)	$ (20,952)

The accompanying notes are an integral part of the financial statements. Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Invested Capital:		
1	Beginning balance (January 1)	$ 50,707	$ 50,707
2	Additional capital invested	–	–
3	_____	–	–
4	Ending balance	50,707	50,707
	Accumulated Income (Loss):		
5	Beginning balance (January 1)	50,511	79,741
6	Prior period adjustments	–	–
7	Net income (loss)	(35,787)	(29,230)
8	_____	–	–
9	Ending balance	14,724	50,511
	Capital Withdrawals:		
10	Beginning balance (January 1)	(47,175)	(47,175)
11	Additional capital withdrawals	–	–
12	Preferred Partnership Interest Distribution	(6,894)	–
13	Ending balance	(54,069)	(47,175)
	Net Unrealized Loss on Noncurrent Marketable Equity Securities:		
14	Beginning balance (January 1)	–	–
15	_____	–	–
16	_____	–	–
17	Ending balance	–	–
18	Ending Partners' or Proprietor's Equity	$ 11,362	$ 54,043

The accompanying notes are an integral part of the financial statements. Valid comparison cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
1	Net Cash Provided (Used) by Operating Activities	$ 27,017	$ 8,815
	Cash Flows from Investing Activities:		
2	Purchase of short-term investment securities	–	–
3	Proceeds from the sale of short-term invest. securities	–	–
4	Cash outflows for property and equipment	(7,119)	(5,763)
5	Proceeds from disposition of property and equipment	34	149
6	Purchase of casino reinvestment obligations	(1,853)	(666)
7	Purchase of other investments and loans/advances made	(971)	–
8	Proceeds from disposal of investments and collection of advances and long-term receivables	–	462
9	Cash outflows to acquire business entities	–	–
10	Casino Reinvestment Obligation Donation	312	–
11		–	–
12	Net Cash Provided (Used) by Investing Activities	(9,597)	(5,818)
	Cash Flows from Financing Activities:		
13	Cash proceeds from issuance of short-term debt	1,523	1,501
14	Payments to settle short-term debt	(1,725)	(1,008)
15	Cash proceeds from issuance of long-term debt	51	25,075
16	Costs of issuing debt	–	–
17	Payments to settle long-term debt	(6,618)	(28,095)
18	Cash proceeds from issuing stock or capital contribution	–	–
19	Purchases of treasury stock	–	–
20	Payments of dividends or capital withdrawals	(2,324)	–
21		–	–
22		–	–
23	Net Cash Provided (Used) by Financing Activities	(9,093)	(2,527)
24	Net Increase (Decrease) in Cash and Cash Equivalents	8,327	470
25	Cash and Cash Equivalents at Beginning of Period	10,475	10,005
26	Cash and Cash Equivalents at End of Period	$ 18,802	$ 10,475

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 25,310	$ 34,533
28	Income taxes	$ –	$ –

The accompanying notes are an integral part of the financial statements. Valid comparison cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991	
	Net Cash Flows from Operating Activities:			
29	Net income (loss)	$ (35,787)	$ (29,230)	
	Noncash items included in income and cash items excluded from income:			
30	Depreciation and amortization of property & equipment	15,211	15,270	
31	Amortization of other assets	631	923	
32	Amortization of debt discount or premium	–	–	
33	Deferred income taxes – current	–	–	
34	Deferred income taxes – noncurrent	(233)	(2,801)	
35	(Gain) loss on disposition of property and equipment	(34)	105	
36	(Gain) loss on casino reinvestment obligation	2,003	2,445	
37	(Gain) loss from other investment activities	–	–	
38	Net (increase) decrease in receivables and patrons' checks	4,774	5,135	
39	Net (increase) decrease in inventories	(167)	200	
40	Net (increase) decrease in other current assets	778	1,370	
41	Net (increase) decrease in other assets	(958)	(1,701)	
42	Net increase (decrease) in accounts payable	(1,373)	(641)	
43	Net increase (decrease) in other current liabilities excluding debt	3,967	6,890	*
44	Settlement of Regency obligation	–	10,850	*
45	Extraordinary Loss	38,205	–	
46		–	–	
47	Net Cash Provided (Used) by Operating Activities	$ 27,017	$ 8,815	

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:			
48	Additions to property and equipment	$ (8,643)	$ (5,763)	
49	Less: Capital lease obligations incurred	1,524	–	
50	Cash Outflows for Property and Equipment	$ (7,119)	$ (5,763)	
	Acquisition of Business Entities:			
51	Property and equipment acquired	$ –	$ –	
52	Goodwill acquired	–	–	
53	Net assets acquired other than cash, goodwill, and property and equipment	–	–	
54	Long–term debt assumed	–	–	
55	Issuance of stock or capital invested	–	–	
56	Cash Outflows to Acquire Business Entities	$ –	$ –	
	Stock Issued or Capital Contributions:			
57	Total issuances of stock or capital contribution	$ –	$ –	
58	Less: Issuances to settle long–term debt	–	–	
59	Consideration in acquisition of business entities	–	–	
60	Cash Proceeds from Issuing Stock or Capital Contributions	$ –	$ –	

* Prior year restated to conform to current year presentation.

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Trump Plaza Associates, (the "Company"), doing business as Trump Plaza Hotel and Casino ("Trump Plaza") was organized in June 1982 as a general partnership under the laws of the State of New Jersey for the purpose of acquiring, completing the construction of and operating Trump Plaza. In return for the proceeds of the 12 7/8% First Mortgage Bonds (the "Old Bonds"), the Company issued a promissory note (the "Old Partnership Note") to Trump Plaza Funding, Inc. ("TPF") in a principal amount equal to the aggregate principal amount of the Old Bonds and with similar payment terms. In addition, the Company directly guaranteed the payments of the principal of, premium, if any, and interest on the Old Bonds (the "Old Guaranty"). As part of a prepackaged plan of reorganization under Chapter 11 of the United States Bankruptcy Code (the "Plan") consummated on May 29, 1992 (the "Effective Date") the Old Partnership Note and the Old Guaranty were discharged, and the Company issued a new promissory note (the "Partnership Note") and a new non-recourse guaranty (the "Guaranty") to reflect the terms of the 12% Mortgage Notes (the "New Bonds"). See Note 1B - Plan of Reorganization.

B. Plan of Reorganization

As of December 31, 1991 the Partnership was experiencing a liquidity problem, had incurred losses in the past two years, had negative working capital of $262,258,000 and had filed a Plan which created a technical default under the Bond Indenture. As a result, the Old Partnership Note and the Promissory Notes were classified as current liabilities as of December 31, 1991 (See Notes 8 and 9). These factors resulted from an overall deterioration in the Atlantic City gaming market as indicated by reduced rates of casino growth for the industry for the last three years, aggravated by an economic recession in the Northeast, a significant increase in capacity in the Atlantic City gaming market and less than anticipated revenues at Trump Plaza.

On March 9, 1992, the Company filed the Plan under Chapter 11 of the United States Bankruptcy Code of 1978, as amended. The Plan was confirmed by order of the United States Bankruptcy Court for the District of New Jersey on April 30, 1992, and consummated on May 29, 1992.

On May 29, 1992, each $1,000 principal amount of the Old Bonds and 11% Notes ("Notes") were exchanged for $900 principal amount of New Bonds, twelve shares of 9.34% Participating Cumulative Redeemable Preferred Stock, with a liquidation value of $25 per share (the "Preferred Stock") and twelve shares of Common Stock, par value $.00001 per share (the "Common Stock"). Each share of Preferred Stock trades as a unit with one share of Common Stock, such shares are transferable only as a unit (See Note 13 - Other Liabilities). The New Bonds mature on September 15, 2002 and are not subject to any sinking fund requirement. The Company is required to redeem all outstanding shares of the Preferred Stock on September 15, 2004 at $25 per share, plus accrued and unpaid dividends.

Plan of Reorganization cont.:

The Plan resulted in the exchange of $250,000,000 of Old Bonds and Notes for $225,000,000 of New Bonds and $75,000,000 liquidation preference of Preferred Stock. In accordance with AICPA Statement of Position 90-7, "Financial Reporting by Entities in Reorganization under the Bankruptcy Code", the New Bonds and Preferred Stock have been stated at the present value of amounts to be paid, determined at current interest rates (effective rate of approximately 12% and 13%, respectively). The effective interest rate of the New Bonds and Preferred Stock was determined based on the trading price for a specified period subsequent to issuance. Stating the New Bonds and Preferred Stock at their approximate present value of $225,000,000 and $57,750,000, respectively, resulted in an extraordinary loss of approximately $32,750,000 (See Note 15 - Extraordinary Loss).

On the Effective Date, TPF, which theretofore had no interest in the Company, received a 50% beneficial interest in TP/GP, a New Jersey Corporation ("TP/GP"), and TPF and TP/GP were admitted as partners of the Company. Pursuant to the terms of the Partnership Agreement, TPF was issued the Preferred Partnership Interest, which provides TPF with the Preferred Distribution which is designed to provide the Company with distributions sufficient to pay required dividends on, and the redemption price of, the Preferred Stock and administrative expenses. TP/GP became the managing general partner of the Company, and through its Board of Directors, manages the affairs for the Company.

Pursuant to the terms of the Partnership's Amended and Restated Partnership Agreement executed on the Effective Date (the "Partnership Agreement"), the Company is required to pay (i) its taxes attributable to (a) distributions that TPF receives from the Company and (b) TPF's interest in the Company's earnings, (ii) its officers and directors fees and any amounts required to be paid to directors pursuant to indemnification obligations, (iii) premiums on a directors and officers liability insurance policy, and (iv) other reasonable general and administrative expenses. The required distributions are a non-recourse obligation of the Company. TPF is also entitled to receive, to the extent there is Cash Available for Preferred Distribution (as such term is defined in the Partnership Agreement), the Preferred Distribution in an amount sufficient to pay dividends on the Preferred Stock. If the Preferred Distribution has been made in full, the Company, on or after March 31 of any year commencing March 31, 1993, is required, subject to certain conditions, to distribute 10% of the first $20,000,000 of Excess Available Cash, as defined, and 50% of Excess Available Cash, as defined, in excess of $20,000,000 for the immediately preceding calendar year to Donald J. Trump. Among the conditions which must be satisfied in order for there to be a distribution of a portion of Excess Available Cash, as defined, to Donald J. Trump, are that specified percentages of Excess Available Cash, as defined, be used by the Company to purchase and retire New Bonds and Preferred Stock and that the Company have at least $10,000,000 of working capital after giving effect to any such distribution to Donald J. Trump.

On the Effective Date, the Company entered into a services agreement with Trump Plaza Management Corp. ("TPM"), a corporation beneficially owned by Donald J. Trump (the "Services Agreement"). The Services Agreement provides that TPM will provide to the Company, from time to time when reasonably requested, consulting and other services on a non-exclusive basis, relating to marketing, advertising, promotional and other similar and related services (the "Services") with respect to the business and operations of the Company. TPM is not required to devote any prescribed amount of time to the performance of its duties. In consideration for the Services, the

Plan of Reorganization cont.:

Company pays TPM each year an annual fee of $1,000,000 in equal monthly installments, and reimburses TPM on a monthly basis for all reasonable out-of-pocket expenses incurred by TPM in performing its obligations under the Services Agreement, up to certain amounts. Under this agreement $708,000 was charged to expense in 1992.

C. Gaming Revenues

Gaming revenues represent the net win from gaming activities which is the difference between amounts wagered and amounts won by patrons. During 1992, certain Progressive Slot Jackpot Programs were discontinued which resulted in $4,100,000 of related accruals being taken into income.

D. Promotional Allowances

Total (gross) revenues include the retail value of complimentary food, beverage and hotel services furnished to patrons. The retail value of these promotional allowances is deducted from gross revenues to arrive at new revenues. The cost of promotional allowances is charged to operations.

E. Inventories

Inventories of provisions and supplies are valued at the lower of cost (weighted average) or market.

F. Property and Equipment

Property and equipment is carried at cost and is depreciated on the straight-line method using rates based on the following estimated useful lives:

Building and improvements	40 years
Furniture, fixtures and equipment	3-10 years
Leasehold improvements	10-40 years

Interest associated with borrowings used to finance construction projects has been capitalized and is being amortized over the estimated useful life of the assets.

G. Land Rights

Land rights represent the fair value of such rights, at the time of contribution, of certain land leases contributed to the Company by the Trump Plaza Corporation, an affiliate of the Company. These rights are being amortized over the period of the underlying operating leases which extend through 2078.

H. Income Taxes

Income taxes are provided in accordance with Statements of Financial Accounting Standards No. 109.

The accompanying financial statements do not include a provision for Federal income taxes, since any income or losses allocated to its partners are reportable for Federal income tax purposes by such partners.

Under the New Jersey Casino Control Commission regulations, the Company is required to file a consolidated New Jersey corporation business tax return. Accordingly, a benefit for state income taxes has been reflected in the accompanying financial statements.

Deferred State income taxes result primarily from differences in the timing of reporting of depreciation for tax and financial statement purposes.

I. Fair Value of Financial Instruments

The carrying amount of the following financial instruments of the Company approximates fair value, as follows: (a) cash and cash equivalents, accrued interest receivables and payables and the Harrah's note payable are based on the short term nature of these financial instruments. (b) CRDA bonds and deposits are based on the allowances to give effect to the below market interest rates.

The estimated fair values of other financial instruments are as follows:

	December 31, 1992	
	Carrying Amount	Fair Value
Preferred Stock (a)	$ 58,092,000	$ 70,500,000
12% Mortgage Bonds (a)	$225,000,000	$225,000,000
Regency Note (b)	$ 17,500,000	$ 12,000,000

(a) The fair values of the Preferred Stock and Mortgage Bonds are based on quoted market prices obtained by the Company from its investment advisor.

(b) The fair value of the Regency Note is based on the amount that the Company expects to pay resulting from the early payment of the Note from the proceeds of the proposed offering of Mortgage Notes and Units (See Note 14E).

There are no quoted market prices for the Company's mortgage notes and other notes payable and a reasonable estimate could not be made without incurring excessive costs.

J. Statement of Cash Flows

For purposes of the statements of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

K. Reclassifications

Certain reclassifications were made to the 1991 financial statements to present them on a basis consistent with the 1992 classification.

NOTE 2: PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets as of December 31 consisted of the following:

	1992	1991
Prepaid taxes	$ 444,000	$ 423,000
Prepaid insurance	670,000	734,000
Prepaid transportation costs	12,000	94,000
Prepaid rent	124,000	159,000
Prepaid advertising costs	306,000	150,000
Prepaid CRDA expense	516,000	1,147,000
Prepaid service contracts	80,000	105,000
Prepaid sewerage costs	104,000	129,000
Prepaid entertainment	-	133,000
Other	246,000	206,000
	$2,502,000	$3,280,000

NOTE 3: INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of December 31 consisted of the following:

	1992	1991
Advances due from -		
Trump Seashore Associates	$1,153,000	$1,415,000
The Trump Organization	-	14,000
Trump Crystal Tower Associates	-	285,000
Other Affiliated Companies	-	9,000
Casino reinvestment bonds and escrow deposit, net of valuation adjustment- (1992) $1,934,000; (1991) $1,392,000	3,868,000	2,789,000
	$5,021,000	$4,512,000

NOTE 4: PROPERTY AND EQUIPMENT - NET

Property and equipment as of December 31 consisted of the following:

	1992	1991
Land and land improvements	$ 34,906,000	$ 34,760,000
Buildings	293,908,000	292,364,000
Furniture, fixtures and equipment	74,623,000	69,968,000
Leasehold improvements	2,378,000	2,378,000
Construction in progress	3,924,000	2,437,000
	409,739,000	401,907,000
Less - Accumulated depreciation & amortization	(109,473,000)	(95,073,000)
Net property and equipment	$300,266,000	$306,834,000

NOTE 5: OTHER ASSETS

Other assets as of December 31 consisted of the following:

	1992	1991
Land rights, net	$ 30,428,000	$ 30,797,000
Debt issuance costs, net	-	5,568,000
Deposits	1,285,000	621,000
Other deferred charges	2,169,000	2,024,000
	$ 33,882,000	$ 39,010,000

NOTE 6: OTHER ACCRUED EXPENSES

Other accrued expenses as of December 31 consisted of the following:

	1992	1991
Accrued payroll	$ 5,760,000	$ 6,206,000
Accrued progressive jackpot liabilities	1,000,000	5,189,000
Accrued interest	8,024,000	1,495,000
Accrued gaming taxes payable	438,000	353,000
Accrued Casino Control Commission & Division of Gaming Enforcement fees	580,000	819,000
Accrued utilities	366,000	206,000
Accrued union benefits	297,000	311,000
Accrued health insurance benefits	1,645,000	375,000
Accrued sales, use & luxury tax	133,000	170,000
Accrued professional costs	1,942,000	1,904,000
Accrued special event costs	934,000	587,000
Accrued repairs & maintenance cost	95,000	183,000
Accrued restructuring expense	1,414,000	-
Accrued preferred stock dividends	2,026,000	-
Distribution payable on preferred stock to Trump Plaza Funding, Inc.	2,086,000	-
Other	1,747,000	1,895,000
	$ 28,487,000	$ 19,693,000

NOTE 7: OTHER CURRENT LIABILITIES

Other current liabilities as of December 31 consisted of the following:

	1992	1991
Unredeemed chip/token liability	$ 1,788,000	$ 3,353,000
Patron deposits	835,000	275,000
Casino reinvestment liability	753,000	154,000
Reserve for insurance claims	2,153,000	2,135,000
Advance room/theatre deposits	104,000	281,000
Advances due to Trump Castle Associates	333,000	345,000
Advances due to Trump Penthouse Parcel	87,000	26,000
Advances due to Seashore Four Associates	592,000	665,000
Advances due to Taj Mahal Associates	50,000	222,000
Unclaimed wages	328,000	308,000
Other	48,000	22,000
	$ 7,071,000	$ 7,786,000

NOTE 8: LONG-TERM DEBT-DUE TO AFFILIATES

Long-term debt-due to affiliates as of December 31 consisted of the following:

	1992	1991
12% Partnership note, interest payable semi-annually, maturing in 2002.	$225,000,000	$ -
12 7/8% Partnership note, interest payable semi-annually, maturing in 1998.	-	225,000,000
Less-current maturities	-	225,000,000
	$225,000,000	$ -

On May 29, 1992 TPF issued $900 principal amount of New Bonds, among other securities, in exchange for each $1,000 principal amount of the outstanding Old Bonds and the Company's Notes to Belmont Fund L.P., a Bermuda Limited Partnership ("Belmont") and Fidelity Capital, an investment Fund ("Fidelity"), a mutual fund business trust (see Note 1B). This resulted in an exchange of $250,000,000 of Old Bonds and Notes for $225,000,000 of New Bonds, the Preferred Stock and the Common Stock. In exchange for the New Bonds, the Company issued a Partnership Note to TPF.

The New Bonds mature on September 15, 2002, and are not subject to any sinking fund requirement. The New Bonds bear interest at the rate of 12% per annum from the date of issuance, payable semi-annually on each March 15 and September 15, commencing September 15, 1992. The New Bonds are secured by a mortgage (the "Amended Mortgage") on the assets constituting the real property owned and leased by the Company and substantially all of the Company's other fixed assets, all of which constitute the casino/hotel known as the Trump Plaza. The lien of the Amended Mortgage ranks senior to the liens securing other indebtness of the Company other than certain existing mortgages, a working capital facility and certain other indebtness permitted by the New Indenture. In addition, the Company issued its

NOTE 8: LONG-TERM DEBT-DUE TO AFFILIATES, CONT.

non-recourse Guaranty of the payment of principal of, premium, if any, and interest on the New Bonds. The Guaranty is secured by a mortgage on the assets of the Company described above on a basis senior to the lien of the Amended Mortgage.

NOTE 9: LONG-TERM DEBT - OTHER

Long-term debt - other as of December 31 consisted of the following:

	1992	1991
Promissory notes payable, interest payable monthly, maturing in 1996	$ -	$25,000,000
10% note payable to Harrah's Atlantic City, Inc., interest payable monthly, maturing in 1993 (A)	8,471,000	11,859,000
Mortgage notes payable in monthly installments, including interest, with interest rates ranging from 9.5% to 11.0%. The notes are due at various dates between 1994 and 1998 and are secured by certain real property.	7,284,000	10,162,000
Regency Note (B)	17,500,000	17,500,000
Other notes with interest rates ranging from 8.0% to 11.5%, principal and interest payable monthly, secured by automobile and computer equipment	1,448,000	225,000
	34,703,000	64,746,000
Less-current maturities	9,980,000	31,420,000
	$ 24,723,000	$ 33,326,000

(A) Interest on the note accrues at the rate of 10% per annum and is payable monthly. The entire principal amount is due May 16, 1993.

(B) On the Effective Date, the Company rejected its lease of the Trump Regency Hotel (the "Regency Lease") and issued on that date a promissory note in the principal amount of approximately $17,500,000 (the "Regency Note") in settlement of its obligations under the Regency lease. A charge of $10,850,000 was incurred in the settlement (see Note 12). The Regency Note matures on March 15, 2003. The Regency Note bears interest payable semi-annually on unpaid principal at the rate of 9.14% per annum. Payments of principal in the amount of $1,000,000 are due and payable annually from the Company commencing December 15, 1995 until maturity. In addition, Donald J. Trump has assigned a portion of his interest in Excess Available Cash, as defined, from the Company to be applied to further payments of principal

NOTE 9: LONG-TERM DEBT - OTHER CONT.

with respect to the Regency Note in each of 1996, 1997, 1998 and 1999 in the amounts of $2,000,000, $3,000,000, $4,000,000 and the remaining amount due, respectively, with, and to the extent of, a portion of his share of Excess Available Cash, as defined. Any such payments would reduce the principal balance of the Regency Note. In addition, the Company agreed to continue to operate the Trump Regency Hotel at its expense until September 30, 1992.

The aggregate maturities of long-term debt - other in each of the years subsequent to 1992 are:

1993	$ 9,980,000
1994	1,443,000
1995	3,791,000
1996	1,534,000
1997	3,021,000
Thereafter	14,934,000
	$34,703,000

The Company has a working capital facility under which up to $10,000,000 may be borrowed by the Company solely for working capital purposes. At December 31, 1992 there were no outstanding borrowings under this working capital facility.

NOTE 10: DEFERRED CREDITS

Deferred credits as of December 31, 1992 and 1991 consisted of deferred state income taxes.

NOTE 11: INTEREST (EXPENSE) - AFFILIATES

Interest (Expense) - Affiliates for the twelve months ended December 31, 1992 and 1991 consisted of the 12-7/8% Old Partnership Note and the applicable interest on the 12% New Partnership Note which was exchanged for the 12 7/8% Old Partnership Note on May 29, 1992, the Effective Date of the Plan.

NOTE 12: NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income (expense) - net for the three months and twelve months ended December 31 consisted of the following:

	Three months ended		Twelve months ended	
	1992	1991	1992	1991
Interest income	$ 136,000	$ 208,000	$ 487,000	$ 612,000
(Loss) Gain on disposal of property and equipment	-	(10,000)	34,000	(105,000)
Regency Lease Settlement Claim (see Note 9)	-	(10,850,000)	-	(10,850,000)
Litigation expense	(320,000)	(3,968,000)	(1,462,000)	(3,968,000)
Restructuring cost	(566,000)	(943,000)	(5,177,000)	(943,000)
Other nonoperating income	314,000	73,000	535,000	420,000
	$(436,000)	$(15,490,000)	$(5,583,000)	$(14,834,000)

NOTE 13: OTHER LIABILITIES

Other liabilities as of December 31 consisted of the following:

	1992	1991
Preferred Partnership Interest (A)	$58,092,000	$ -
Deferred Income Taxes relating to accretion of Preferred Partnership Interest	116,000	-
	$58,208,000	$ -

(A) On May 29, 1992, TPF issued its 9.34% Preferred Stock and its Common Stock, together with New Bonds, of which both are non-recourse obligations of the Company, in exchange for each $1,000 Old Bonds and Notes Payable to Belmont and Fidelity (as more fully described in Note 8 - Long-term debt due to Affiliates). Each share of the Common Stock trades as a unit with the Preferred Stock with which it was issued, and is subject to mandatory redemption at a price of $.00001 per share at the time such Preferred Stock is redeemed.

The Preferred Stock has a liquidation preference of $25 per share. Regular semi-annual dividends on each share of Preferred Stock of $2.335 per annum accrue from the date of issuance, whether or not declared. Dividends on the Preferred Stock, together with any tax liabilities, are payable by TPF in cash to the extent of certain required priority cash distributions to TPF by the Company (the "Preferred Distribution"). Under certain circumstances, all or a portion of the dividend payment on the Preferred Stock may be paid in additional shares of Preferred Stock (including the related Common Stock) and is subject to optional redemption, in whole or in part, at TPF's discretion at any time and to mandatory redemption on September 15, 2004, in each case at a redemption price of $25 per share, plus accrued and unpaid dividends to the date of redemption. TPF has the right to acquire Preferred Stock in the open market from time to time with Excess Available Cash, as defined, and any Preferred Stock so acquired will be retired. The Preferred Stock will be accreted over the respective periods to its face value at maturity.

NOTE 14: COMMITMENTS AND CONTINGENCIES

A. Leases

The Company leases property (primarily land), certain parking space, and various equipment under operating leases. Rent expense for the years ended December 31, 1992 and 1991 was $4,361,000 and $11,219,000 respectively, of which $2,127,000 and $8,478,000, respectively, relates to affiliates of the Company.

Note 14: COMMITMENTS AND CONTINGENCIES CONT.

Future minimum lease payments under the noncancelable operating leases are as follows:

	Total	Amounts Relating to Affiliates
1993	$ 3,100,000	$ 1,900,000
1994	3,100,000	1,900,000
1995	3,325,000	2,125,000
1996	3,550,000	2,350,000
1997	3,550,000	2,350,000
Thereafter	277,733,000	195,950,000
	$ 294,358,000	$ 206,575,000

Certain of these leases contain options to purchase the leased properties at various prices throughout the leased terms. At December 31, 1992, the aggregate option price for these leases was approximately $30,500,000.

B. Casino Reinvestment Development Authority Obligations

As a result of the April 1990 modified agreement and certain other agreements in 1992, the Company had for the twelve months ended December 31, 1992 and 1991, charged $1,358,000 and $2,226,000, respectively to operations to give effect to the utilization of tax credits received in connection with the donations. For the twelve months ended December 31, 1992 and 1991 the Company charged to operations $645,000 and $219,000 respectively to give effect to the below market interest rates associated with the CRDA bonds. Investments, advances and receivables also include $3,683,000 of below market interest rate bonds issued by the CRDA and $2,119,000 of deposits paid towards the purchase of below market interest rate bonds.

C. Casino License Renewal

The operation of an Atlantic City hotel and casino is subject to significant regulatory controls which affect virtually all of its operations. Under the New Jersey Casino Control Act (the "Act") the Company is required to maintain certain licenses.

In May 1991, the New Jersey Casino Control Commission ("CCC") renewed the Company's license to operate Trump Plaza. The license is not transferable, is issued for a term of two years and must be acted upon by the CCC no later than 30 days prior to the expiration of the license. The continued operation of the Company are subject to its retaining its operating license.

Casino License Renewal, cont.

This license must be renewed in May, 1993, is not transferable and will include a review of the financial stability of the Company. Upon revocation, suspension for more than 120 days, or failure to renew the casino license, the Act provides for the mandatory appointment of a conservator to take possession of the hotel and casino's business and property, subject to all valid liens, claims and encumbrances.

D. Proposed Leases

On February 2, 1993, the Company entered into an option agreement with Donald J. Trump, in consideration for $700,000 to acquire the exclusive right to lease certain land adjacent to Trump Plaza hotel and casino for fixed annual rent of approximately $3,100,000, plus net expenses. The initial lease terms would be for 10 years, followed by six consecutive 10 year renewal options.

E. Proposed Offering of Mortgage Notes and Units

TPF and the Company have filed a registration statement for the offering and sale of $325,000,000 Mortgage Notes and Trump Plaza Holding Associates ("Holding") a newly formed partnership, beneficially owned 100% by Donald J. Trump, has filed a Registration Statement for the offering of Units consisting of an aggregate of $50,000,000 Pay-In-Kind Notes ("PIK Notes"), together with warrants to acquire an additional $10,000,000 of PIK Notes at no additional cost. The combined proceeds, together with cash on hand, will be used to repay the existing New Bonds, redeem the existing Preferred Stock units, repay certain other indebtness and to make a $50,000,000 special distribution to Donald J. Trump. After giving effect to the issuance of the Mortgage Notes and Units and the proposed use of the proceeds, at December 31, 1992 on a pro forma basis, TPF, the Company and Holding would have had $393,732,000 of combined indebtness. Prospective investors should consider, among other risks, the high leverage and fixed charges of TPF, the Company and Holding, pending litigation, the risks of refinancing and repayment of indebtness, the recent results of operations of the Company, Holding's capital structure and limitations on access to cash flow and assets of the Company and Holding. See "Risk Factors" section of the registration statements for additional information.

Note 15: Extraordinary Loss:

The extraordinary loss consists of the effect of stating the New Bonds and Preferred Stock at current fair value ($32,750,000 See Note 1B) and the write-off of $5,455,000 of unamortized loan costs relating to the Old Bonds and Promissory Note.

NOTE 16: PROVISION (CREDIT) FOR INCOME TAXES

The provision (credit) for state income taxes for the three and twelve months ended December 31, consisted of the following:

	Three months ended		Twelve months ended	
	1992	1991	1992	1991
Current	$ -	$ -	$ -	$ (63,000)
Deferred	(240,000)	(2,022,000)	(233,000)	(2,801,000)
Total	$(240,000)	$(2,022,000)	$(233,000)	$(2,864,000)

Note 17: Employee Benefit Plans

The Company has a retirement savings plan for its nonunion employees under Section 401(K) of the Internal Revenue Code. Employees are eligible to contribute up to 15% of their earnings to the plan and the Company will match 50% of an eligible employee's contributions up to a maximum of 4% of the employee's earnings. The Company recorded charges of $699,000 and $571,000 for matching contributions for the years ended December 31, 1992 and 1991, respectively.

The Company makes payments to various trusteed pension plans under industry-wide union agreements. The payments are based on the hours worked by or gross wages paid to covered employees. It is not practical to determine the amount of payments ultimately used to fund pension benefit plans or the current financial condition of these plans. Under the Employee Retirement Income Security Act, the Company may be liable for its share of the plans; unfunded liabilities, if any, if the plans are terminated. Pension expense for the years ended December 31, 1992 and 1991 was $446,000 and $433,000, respectively.

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

(UNAUDITED)
($ IN THOUSANDS)

	ACCOUNTS RECEIVABLE BALANCES			
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE–NET OF ALLOWANCE (e)
1	Patrons' Checks: Undeposited patrons' checks	$ 3,232		
2	Returned patrons' checks	17,302		
3	Total patrons' checks	20,534	$ 14,011	$ 6,523
4	Hotel Receivables	1,537	391	1,146
5	Other Receivables: Receivables due from officers and employees	31		
6	Receivables due from affiliates	–		
7	Other accounts and notes receivables	170		
8	Total other receivables	201	–	201
9	Totals (Form 205)	$ 22,272	$ 14,402	$ 7,870

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 5,432
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	200,515
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks, redemmed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(157,466)
13	Checks collected through deposits	(28,950)
14	Checks transferred to returned checks	(16,299)
15	Other adjustments	–
16	Ending Balance	$ 3,232
17	"Hold Checks" included in Balance on Line 16	$ –
18	Provision for Uncollectible Patrons' Checks	$ 4,933
19	Provision as a percent of Counter Checks Issued	2.5%

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL AND CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

For the Three Months Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	21,257	$2,454,000	1,265	$95,000
Food	220,716	2,869,000	–	–
Beverage	693,265	2,080,000	–	–
Travel	–	–	4,705	706,000
Coin	–	–	728,768	4,606,000
Coupon	195,107	1,065,000	–	–
Entertainment	13,900	278,000	1,508	60,000
Retail & Gifts	–	–	43	425,000
Other	20,126	202,000	6,030	151,000
Total	1,164,371	$8,948,000	742,319	$6,043,000

For the Twelve Months Ended December 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	99,230	$11,862,000	2,484	$186,000
Food	934,682	12,151,000	–	–
Beverage	2,934,006	8,802,000	–	–
Travel	–	–	22,658	3,399,000
Coin	–	–	2,858,024	19,200,000
Coupon	442,611	4,919,000	–	–
Entertainment	71,065	1,421,000	8,098	324,000
Retail & Gifts	–	–	318	1,777,000
Other	74,903	750,000	28,205	705,000
Total	4,556,497	$39,905,000	2,919,787	$25,591,000

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :
:ss.
COUNTY OF ATLANTIC :

FRANCIS X. McCARTHY, JR. , being duly sworn according to law upon my oath
Name

deposes and says:

1. I have examined this Quarterly Report.
2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. The information contained in this Quarterly Report is accurate to the best of my knowledge and belief.

Signature

SR. VP OF FINANCE & ADMIN.
Title

001015-11
License Number

On Behalf Of:

TRUMP PLAZA ASSOCIATES
Casino Licensee

Subscribed and sworn to
before me this 12 day
of March , 1993

Signature

Sherry A. Field
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JULY 28, 1998

Basis of Authority
to Take Oaths

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE Trump Plaza Hotel and Casino

ADDRESS Mississippi Ave. & Boardwalk

Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 19 92

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL EMPLOYMENT AND PAYROLL REPORT..... Francis X. McCarthy, Jr.

OFFICIAL TITLE..... Senior V.P. of Finance & Administration

ADDRESS..... Mississippi Ave. & Boardwalk

Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE Trump Plaza Hotel and Casino

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 19 92
($ In Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	(d) OTHER EMPLOYEES	SALARIES AND WAGES (e) OFFICERS & OWNERS	(f) TOTALS
	CASINO				
1	Administration	1			
2	Gaming	855			
3	Slots	157			
4	Casino accounting	436			
5	Other	11			
6	Total-casino	1,460	$ 30,970	$ -	$ 30,970
7	ROOMS	195	5,057	-	5,057
8	FOOD AND BEVERAGE	857	14,208	-	14,208
	OTHER OPERATED DEPARTMENTS				
9	Other Operated Departments	215	4,443	-	4,443
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	8	410	1,331	1,741
21	Accounting and auditing	139	3,442	-	3,442
22	Security	192	4,894	-	4,894
23	Other administrative and general department	132	3,463	-	3,463
24	MARKETING	155	3,580	-	3,580
25	GUEST ENTERTAINMENT	34	1,249	-	1,249
26	PROPERTY OPERATION AND MAINTENANCE	318	9,564	-	9,564
			$ 81,280	$ 1,331	$ 82,611

1/85

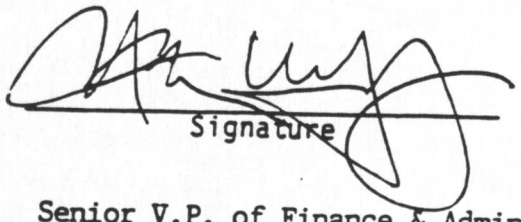
CCC-376

Trading Name of Licensee Trump Plaza Hotel and Casino

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

For the Year Ended December 31, 19 92

3/12/93
Date


Signature

Senior V.P. of Finance & Administration
Title

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE Trump Plaza Hotel and Casino

ADDRESS Mississippi Ave. & Boardwalk
Atlantic City, New Jersey 08401

FOR THE YEAR ENDED DECEMBER 31, 19 92

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
MAY
CASINO
CONTROL

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS ANNUAL TAX RETURN ..... Francis X. McCarthy, Jr.

OFFICIAL TITLE ..... Senior V.P. of Finance & Administration

ADDRESS ..... Mississippi Ave. & Boardwalk
Atlantic City, New Jersey 08401

TRADING NAME OF LICENSEE Trump Plaza Hotel and Casino

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 19 92

Amended 3/17/93

(UNAUDITED)

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 95,864	
2	Coin-operated devices revenue	168,387	
3	Total revenues		$ 264,251
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	$ 4,933	
5	Maximum adjustment (4% of line 3)	$ 10,570	
6	Adjustment (the lesser of line 4 or line 5)		4,933
7	Gross revenues (line 3 less line 6)		$ 259,318
8	Tax on gross revenues - current year (8% of line 7)		$ 20,745
9	Audit or other adjustments to tax on gross revenues in prior years		-
10	Total tax on gross revenues (line 8 plus or minus line 9)		20,745
	Deposits made for tax on current year's gross revenues:		
11	January	$ 1,396	
12	February	1,649	
13	March	1,819	
14	April	1,599	
15	May	1,409	
16	June	2,089	
17	July	1,824	
18	August	2,217	
19	September	1,803	
20	October	1,427	
21	November	1,859	
22	December	1,220	
23	January	440	
24	Total deposits made for tax on current year's gross revenues		(20,751)
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		6
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ -0-

1/85

(revised 3/15/93)

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF :
:ss.
COUNTY OF :

Francis X. McCarthy, Jr.
Name
, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Return has been prepared in conformity with the Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

Signature

Sr. V.P. of Finance & Administration
Title

001015-11
License Number

On Behalf Of:

Trump Plaza Associates
Casino Licensee

Subscribed and sworn to
before me this 12 day
of March, 1993.

Signature

Sherry A. Field
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JULY 28, 1994
Basis of Authority
to Take Oaths

NEW JERSEY STATE LIBRARY
3 3009 00079 9207

ANNUAL REPORT

974.901
C193

LICENSEE TRUMP TAJ MAHAL CASINO RESORT

ADDRESS 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAR 30 1993
185 W. STATE ST.
TRENTON, N.J.

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 1[illegible] 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS ANNUAL REPORT..... R. BRUCE MCKEE

OFFICIAL TITLE..... VICE PRESIDENT – FINANCE

ADDRESS..... 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

LIST OF FORMS – ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1992.

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year)	CCC-210
Statements of Income (Three Months)	CCC-215
Statements of Changes in Stockholders' Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Notes to Financial Statements	
Schedule of Receivables and Patrons' Checks	CCC-240
Promotional Expenses and Allowances	CCC-245
Statement of Conformity and Accuracy	CCC-250

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

BALANCE SHEETS

DECEMBER 31, 1992 AND 1991

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	DECEMBER (c) 1992	DECEMBER (d) 1991
	ASSETS		
	Current Assets:		
1	Cash and cash investments	$ 34,042	$ 22,515
2	Marketable securities	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1992, $5,275; 1991, $5,664)	14,225	17,073
4	Inventories	3,073	3,067
5	Prepaid expenses and other current assets	3,671	2,633
6	Total current assets	55,011	45,288
7	Investment, Advances, and Receivables - CRDA	4,368	1,806
8	Property and Equipment - Gross NOTES 3,4 & 8	846,634	834,854
9	(Accumulated Depreciation/Amortization) NOTES 3 & 8	(104,505)	(68,719)
10	Other Assets	1,028	802
11	Total Assets	$ 802,536	$ 814,031
	LIABILITIES AND EQUITY		
	Current Liabilites:		
12	Accounts Payable	$ 5,159	$ 4,519
13	Notes Payable	-	-
	Current portion of long-term debt:		
14	Due to affiliates	-	-
15	Other NOTES 2 & 4	513	739
16	Income taxes payable and accrued	-	-
17	Other accrued expenses NOTE 5	32,116	34,815
18	Other current liabilities NOTE 6	6,789	6,338
19	Total current liabilities	44,577	46,411
	Long-Term Debt:		
20	Due to affiliates NOTES 2 & 4	550,140	528,124
21	Other NOTES 2 & 4	45,542	45,720
22	Deferred Credits	-	-
23	Other Liabilities NOTE 7	31,384	25,959
24	Commitments and Contingencies NOTE 8		
25	Total Liabilities	671,643	646,214
26	Stockholders', Partners', or Proprietor's Equity	130,893	167,817
27	Total Liabilities and Equity	$ 802,536	$ 814,031

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF INCOME

TWELVE MONTHS ENDED DECEMBER 31, 1992 AND 1991

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	REVENUE:		
1	Casino	$ 417,972	$ 383,356
2	Rooms	41,044	41,333
3	Food and Beverage	59,456	57,828
4	Other	16,458	12,090
5	Total Revenue	534,930	494,607
6	Less: Promotional allowances	61,250	53,935
7	Net Revenue	473,680	440,672
	COSTS AND EXPENSES:		
8	Cost of Goods and Services	227,601	208,751
9	Selling, General and Administrative	128,387	120,113
10	Provision for Doubtful Accounts	6,197	8,591
11	Total Costs and Expenses	362,185	337,455
12	Gross Operating Profit	111,495	103,217
13	Depreciation and Amortization	36,388	36,202
	Charges from Affiliates other than Interest:		
14	Management Fees	-	-
15	Other NOTE 9	-	4,179
16	Income (Loss) From Operations	4,517	2,804
		70,590	60,032
	Other Income (Expenses):		
17	Interest (Expenses) - Affiliates NOTE 4	(98,072)	(96,509)
18	Interest (Expenses) - External NOTE 4	(5,977)	(4,946)
19	Investment Alternative Tax and Related Income(Expense) - Net NOTE 8	(2,563)	(1,806)
20	Nonoperating Income (Expense) - Net NOTE 10	923	(27,876)
21	Total Other Income (Expenses)	(105,689)	(131,137)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(35,099)	(71,105)
23	Provision (Credit) for Income Taxes	-	-
24	Income (Loss) Before Extraordinary Items	(35,099)	(71,105)
25	Extraordinary Items (Net of Incomes Taxes - 1991, $7,155) NOTE 2	-	259,618
26	Net Income (Loss)	$ (35,099)	$ 188,513

The accompanying notes are an intergral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF INCOME

THREE MONTHS ENDED DECEMBER 31, 1992 AND 1991

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1992	(d) 1991
	REVENUE:			
1	Casino		$ 98,999	$ 89,571
2	Rooms		9,269	9,473
3	Food and Beverage		12,692	12,847
4	Other		4,155	3,339
5	Total Revenue		125,115	115,230
6	Less: Promotional allowances		12,102	11,801
7	Net Revenue		113,013	103,429
	COSTS AND EXPENSES:			
8	Cost of Goods and Services		54,366	51,569
9	Selling, General and Administrative		31,529	27,310
10	Provision for Doubtful Accounts		441	2,205
11	Total Costs and Expenses		86,336	81,084
12	Gross Operating Profit		26,677	22,345
13	Depreciation and Amortization		9,138	9,131
	Charges from Affiliates other than Interest:			
14	Management Fees		-	-
15	Other	NOTE 9	-	-
16	Income (Loss) From Operations		1,061	1,023
			16,478	12,191
	Other Income (Expenses):			
17	Interest (Expenses) - Affiliates	NOTE 4	(24,867)	(23,924)
18	Interest (Expenses) - External	NOTE 4	(2,180)	(1,663)
19	Investment Alternative Tax and Related Income(Expense) - Net	NOTE 8	(617)	(547)
20	Nonoperating Income (Expense) - Net	NOTE 10	228	(2,023)
21	Total Other Income (Expenses)		(27,436)	(28,157)
22	Income (Loss) Before Income Taxes and Extraordinary Items		(10,958)	(15,966)
23	Provision (Credit) for Income Taxes		-	-
24	Income (Loss) Before Extraordinary Items		(10,958)	(15,966)
25	Extraordinary Items		-	-
26	Net Income (Loss)		$ (10,958)	$ (15,966)

The accompanying notes are an intergral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

UNAUDITED

($ IN THOUSANDS)

NOT APPLICABLE

LINE	DESCRIPTION	1992		1991	
		(C) SHARES	(D) DOLLARS	(E) SHARES	(F) DOLLARS
	Common Stock:				
1	Beginning Balance (January 1)		$		$
2	Sale of Stock				
3	_____				
4	Ending Balance				
	Preferred Stock:				
5	Beginning Balance (January 1)				
6	Sale of Stock				
7	_____				
8	Ending Balance				
	Additional Paid-in Capital:				
9	Beginning Balance (January 1)				
10	_____				
11	_____				
12	Ending Balance				
	Treasury Stock:				
13	Beginning Balance (January 1)		( )		( )
14	Purchase of Additional Stock		( )		( )
15	Sale or Retirement of Stock				
16	Ending Balance		( )		( )
	Subscriptions Receivable for Capital Stock:				
17	Beginning Balance (January 1)		( )		( )
18	_____				
19	_____				
20	Ending Balance		( )		( )
	Net Unrealized Loss on Noncurrent Marketable Equity Securities:				
21	Beginning Balance (January 1)		( )		( )
22	_____				
23	_____				
24	Ending Balance		( )		( )
	Retained Earnings:				
25	Beginning Balance (January 1)				
26	Prior Period Adjustments				
27	Net Income (Loss)				
28	Dividends		( )		( )
29	_____				
30	_____				
31	Ending Balance				
32	Ending Stockholders' Equity		$		$

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The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Invested Capital:		
1	Beginning Balance	$ 123,745	$ 75,001
2	Capital Contributions NOTE 2	0	48,744
3	_____	0	0
4	Ending Balance	123,745	123,745
	Accumulated Income (Loss):		
5	Beginning Balance	44,072	(144,441)
6	Prior Period Adjustments	0	0
7	Net Income (Loss)	(35,099)	188,513
8	_____	0	0
9	Ending Balance	8,973	44,072
	Capital Withdrawals:		
10	Beginning Balance	-	-
11	Additional Capital Withdrawals	-	-
12	Partnership Distribution NOTE 12	(1,825)	-
13	Ending Balance	(1,825)	0
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning Balance	-	-
15	_____	-	-
16	_____	-	-
17	Ending Balance	0	0
18	Ending Partners' or Proprietor's Equity	$ 130,893	$ 167,817

The accompanying notes are an intergral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
1	Net Cash Provided (Used) by Operating Activities	$ 22,942	$ 35,126
	Cash Flows from Investing Activities:		
2	Purchase of Short-Term Investment Securities	-	-
3	Proceeds from the Sale of Short-Term Investment Securities	-	-
4	Purchase Outflows for Property and Equipment	(12,111)	(17,045)
5	Proceeds from Disposition of Property and Equipment	-	-
6	Purchase of Casino Reinvestment Obligations	(5,648)	(1,856)
7	Purchase of Other Investments and Loans/Advances Made	-	-
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables	-	-
9	Cash Outflows to Acquire Business Entities	-	-
10	_____	-	-
11	_____	-	-
12	Net Cash Provided (Used) by Investing Activities	(17,759)	(18,901)
	Cash Flows from Financing Activites:		
13	Cash Proceeds from Issuance of Short-Term Debt	-	-
14	Payments to Settle Short-Term Debt	-	-
15	Cash Proceeds from Issuance of Long-Term Debt	8,000	0
16	Costs of Issuing Debt	-	-
17	Payments to Settle Long-Term Debt	(8,675)	(709)
18	Cash Proceeds from Issuing Stock or Capital Contributions	-	-
19	Reduction in Debt Due To Restructuring	-	-
20	Subcontractor's Note Settlement	-	(15,461)
21	Issuance of Additional Bonds	8,844	-
22	Partnership Distribution	(1,825)	0
23	Net Cash Provided (Used) by Financing Activites	6,344	(16,170)
24	Net Increase (Decrease) in Cash and Cash Equivalents	11,527	55
25	Cash and Cash Equivalents at Beginning of Period	22,515	22,460
26	Cash and Cash Equivalents at End of Period	$ 34,042	$ 22,515

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period for:		
27	Interest (Net of Amount Capitalized)	$ 74,778	$ 47,415
28	Income Taxes	$ -	$ -

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1992	(d) 1991
	Net Cash Flows from Operating Activities:		
29	Net Income (Loss)	$ (35,099)	$ 188,513
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment	36,388	36,202
31	Amortization of Other Assets	-	(259,618)
32	Amortization of Debt Discount or Premium	13,172	2,942
33	Deferred Income Taxes - Current	-	8591
34	Deferred Income Taxes - Noncurrent	-	-
35	(Gain) Loss on Disposition of Property and Equipment	-	-
36	(Gain) Loss on Casino Reinvestment Obligations	3086	1,806
37	(Gain Loss from Other Investment Activities	-	-
38	Net (Increase) Decrease in Receivables and Patrons' Checks	2,848	(7,340)
39	Net (Increase) Decrease in Inventories	(6)	1,498
40	Net (Increase) Decrease in Other Current Assets	(1,038)	(785)
41	Net (Increase) Decrease in Other Assets	(226)	(36)
42	Net Increase (Decrease) in Accounts Payables	640	(6,989)
43	Net Increase (Decrease) in Other Current Liabilities Excluding Debt	(2,248)	60,893
44	Net Increase (Decrease) in Other Noncurrent Liabilities Excluding Debt	3,906	0
45	Net Increase in Notes Payable	-	-
46	Costs related to lease guarantee	1,519	9,449
47	Net Cash Provided (Used) by Operating Activites	$ 22,942	$ 35,126

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:		
48	Additions to Property and Equipment	$ 12,382	$ 17,046
49	Less: Captial Lease Obligations Incurred	(271)	-
50	Cash Outflows for Property and Equipment	$ 12,111	$ 17,046
	Acquisition of Business Entities:		
51	Property and Equipment Acquired	$ N/A	$ N/A
52	Goodwill Acquired	-	-
53	Net Assets Acquired Other than Cash, Goodwill, and Property and Equipment	-	-
54	Long-Term Debt Assumed	-	-
55	Issuance of Stock or Capital Invested	-	-
56	Cash Outflows to Acquire Business Entities	$ -	$ -
	Stock Issued or Capital Contributions:		
57	Total Issuances of Stock or Capital Contributions	$ N/A	$ N/A
58	Less: Issuances to Settle Long-Term Debt	-	-
59	Consideration in Acquisition of Business Entities	-	-
60	Cash Proceeds from Issuing Stock or Capital Contributions	$ -	$ -

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TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

DECEMBER 31, 1992

($ IN THOUSANDS)

		ACCOUNTS RECEIVABLE BALANCE		
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE-NET OF ALLOWANCE (e)
	Patrons' Checks:			
1	Undeposited Patrons' Checks	$ 9,383		
2	Returned Patrons' Checks	7,395		
3	Total Patrons' Checks	16,778	$ (4,876)	$ 11,902
4	Hotel Receivables	1,983	(399)	1,584
	Other Receivables:			
5	Receivables Due From Officers and Employees	0		
6	Receivables Due From Affiliates	0		
7	Other Accounts and Notes Receivables	739		
8	Total Other Receivables	739	0	739
9	Totals (Form 205)	$ 19,500	$ (5,275)	$ 14,225

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 8,945
11	Counter Checks Issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	286,786
12	Checks Redeemed Prior to Deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(212,207)
13	Checks Collected Through Deposits	(59,308)
14	Checks Transferred to Returned Checks	(16,021)
15	Other Adjustments	0
16	Ending Balance	$ 8,195
17	"Hold" Checks Included in Balance on Line 16	$ 0
18	Provision for Uncollectible Patrons' Checks	$ 6,041
19	Provision as a Percent of Counter Checks Issued	2.1%

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	177,202	$23,692		$
Food	1,301,094	16,964		
Beverage	4,702,734	8,901		
Travel				
Coin			31,764	4,426
Coupon			3,249,450	37,604
Entertainment	878,317	8,558		
Retail & Gifts	109,810	2,273		
Other			6,424	154
	53,304	862	260,275	7,762
Total	7,222,461	$61,250	3,547,913	$49,946

FOR THE THREE MONTHS ENDED DECEMBER 31, 1992

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	34,790	$ 4,678		$
Food	287,175	3,678		
Beverage	1,041,625	1,981		
Travel				
Coin			7,917	1,194
Coupon			830,772	9,008
Entertainment	151,551	1,144		
Retail & Gifts	23,126	453		
Other			2,305	39
	12,432	168	57,225	2,103
Total	1,550,699	$12,102	898,219	$12,344

TRUMP TAJ MAHAL CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

NOTE 1 - ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operation:

Trump Taj Mahal Associates was formed on June 23, 1988, as a New Jersey limited partnership. The Partnership was converted to a general partnership in December, 1990. As a result of the Plan of Reorganization (Note 2), the current partners and their respective ownership interests are Trump Taj Mahal, Inc. ("TTMI"), 49.995%, The Trump Taj Mahal Corporation ("Trump Corp."), .01%, and TM/GP Corporation ("TMGP"), the managing general partner, and a wholly owned subsidiary of Taj Mahal Holding Corp. ("Holding"), 49.995%.

The Partnership was formed for the purpose of acquiring, constructing and operating the Trump Taj Mahal Casino Resort (the "Taj Mahal"), an Atlantic City Hotel, Casino and Convention Center Complex. On April 2, 1990, the Partnership opened the Taj Mahal to the public. Prior to such date, the Partnership was in the development stage and incurred losses amounting to approximately $24,164,000 (unaudited).

Trump Taj Mahal Funding, Inc. (the "Company") was incorporated on June 3, 1988 for the purpose of raising funds through the issuance of its 14% First Mortgage Bonds, Series A, due 1998 (the "Bonds"), the proceeds of which were loaned to the Partnership for construction of the Taj Mahal. The Bonds were subsequently exchanged for the Company's 11.35% Mortgage Bonds, Series A, due 1999 (the "New Bonds"), as more fully described in Note 2. Since the Company has no business operations, its ability to repay the principal and interest on the New Bonds is completely dependent on the operations of the Partnership (See Note 3).

Donald J. Trump beneficially owns 50% of the Company and the Partnership and has pledged his total ownership interest as collateral under various debt agreements.

Summary of Significant Accounting Policies:

Revenue Recognition

Casino revenues consist of the net win from gaming activities, which is the difference between gaming wins and losses. Revenues from hotel and other services are recognized at the time the related service is performed. During 1992, certain Progressive Slot Jackpot Programs were discontinued which resulted in approximately $2,186,000 of related accruals being taken into income.

Promotional Allowances

Gross revenues include the retail value of complimentary rooms, food, beverages and other services furnished to patrons. The retail value of these promotional allowances is deducted from gross revenues to arrive at net revenues. The cost of promotional allowances is charged to operations. Promotional allowances consisted of the following:

	Year Ended December 31,		
	1992	1991	1990
		(in thousands)	
Rooms	$23,692	$21,076	$18,146
Food & Beverage	34,403	31,118	30,436
Other	3,155	1,741	2,861
	$61,250	$53,935	$51,443

Income Taxes

The accompanying financial statements do not include a provision for Federal income taxes of the Partnership, since any income or losses allocated to the Partners are reportable for Federal income tax purposes by the Partners.

Under the New Jersey Casino Control Commission regulations, the Partnership is required to file a consolidated New Jersey corporation business tax return.

Inventories

Inventories are carried at cost on a weighted average basis.

Property and Equipment

Property and equipment is recorded at cost and is depreciated on the straight-line method over the estimated useful lives of assets. Estimated useful lives range from three to seven years for furniture, fixtures and equipment and 40 years for buildings and building improvements. Leasehold improvements are amortized over the term of the related lease commencing in the period these assets are placed in service.

The interest expense associated with borrowings used to fund the purchase and construction of the Taj Mahal has been capitalized and is being amortized over the estimated useful life of the facility.

Cash and Cash Investments

Cash and cash investments include hotel and casino funds, funds on deposit with banks and temporary investments having a maturity of three months or less.

Fair Value of Financial Instruments

The carrying amount of the Company's and the partnership's financial instruments approximate fair value, as follows:

(a) cash and cash equivalents and accrued interest payable due to the short term nature of the financial instruments; and,

(b) CRDA deposits are based on the valuation allowances to give effect to the below market interest rates.

The estimated fair values of the other financial instruments are as follows (Note 3):

	December 31, 1992 (in thousands)	
	Carrying Amount	Fair Value
11.35% Mortgage Bonds	$550,140	$595,256

The fair value of the Mortgage Bonds is based on quoted market prices as of December 31, 1992. There are no quoted market prices for the NatWest term loan and other debt and a reasonable estimate could not be made without incurring excessive costs.

NOTE 2 - PLAN OF REORGANIZATION:

On July 16, 1991, the Company, the Partnership, and its general partners filed a voluntary petition for relief under Chapter 11 of title 11, United States Code (the "Bankruptcy Code"). On July 17, 1991 these entities filed a Plan of Reorganization, as amended (the "Plan"). The Plan was confirmed by the Bankruptcy Court on August 28, 1991 and the Plan was consummated on October 4, 1991 (the "Effective Date"). Pursuant to the terms of the Plan, the Company's 14% First Mortgage Bonds, Series A, due 1998 (the "Old Bonds") were exchanged for the Company's 11.35% Mortgage Bonds, Series A, due 1999 (the "New Bonds") and certain modifications were made to the terms of bank borrowings, and amounts owed to both Donald J. Trump and his affiliates. In addition, approximately 50% of the ownership interest in the Partnership was transferred indirectly to the holders of the Old Bonds. Since the Company has no business operations, its ability to repay the principal and interest on the New Bonds is completely dependent on the operations of the Partnership.

In accordance with AICPA Statement of Position 90-7, "Financial Reporting By Entities in Reorganization Under the Bankruptcy Code", the New Bonds upon issuance were stated at the present value of amounts to be paid, determined at current interest rates (effective rate of approximately 18%). The effective interest rate of the New Bonds was determined based on the trading price of the New Bonds

for a specific period. Stating the debt at its approximate present value resulted in a reduction of approximately $204,276,000 in the carrying amount of the New Bonds. This gain is being offset by increased interest costs over the period of the New Bonds to accrete such bonds to their face value at maturity. The current interest rates of other borrowings approximated their stated interest rates as of the Effective Date. The accretion amounted to approximately $13,172,000 in 1992 and $2,942,000 in 1991.

The restructuring resulted in an extraordinary gain, net of deferred state income tax of $7,155,000, totaling approximately $259,618,000, including the $204,276,000 discussed above and $20,000,000 related to settlement of debts due subcontractors, with the balance representing a discharge of accrued interest on indebtedness. Additionally, the restructuring resulted in a discharge of related party indebtedness in the approximate amount of $48,744,000, which has been accounted for as a contribution to capital.

NOTE 3 - PROPERTY AND EQUIPMENT

	December 31,	
	1992	1991
	(in thousands)	
Land	$ 37,291	$ 37,291
Buildings	639,695	634,347
Furniture, fixtures and equipment	144,022	138,940
Leasehold improvements	25,676	24,276
Total	846,634	834,854
Less Accumulated Depreciation	(104,505)	(68,719)
Net Property and Equipment	$742,129	$766,135

NOTE 4 - LONG TERM DEBT

Long term debt consisted of the following at December 31:

	1992	1991
	(in thousands)	
Long-term Portion		
Due to affiliates:		
Trump Taj Mahal Funding, Inc. (A)	$738,302	$729,458
Unamortized discount	(188,162)	(201,334)
Net	$550,140	$528,124
Other:		
Bank term loan (B)	$ 45,314	$ 45,400
Other	228	320
Total other	$ 45,542	$ 45,720
Current Portion		
Other:		
Bank term loan (B)	$ 160	$ 209
Other	353	530
Total other	$ 513	$ 739

	Twelve months ended December 31,	
	1992	1991
	(in thousands)	
Interest Expense Affiliates		
Trump Taj Mahal Funding, Inc. (A)	$ 83,381	$ 91,511
Accretion - bond discount	13,172	2,942
Trump line of credit	-	1,710
Accretion - lease guarantee (Note 6A)	1,519	346
Total	$ 98,072	$ 96,509
Interest Expense External		
Bank term loan (B)	$ 4,341	$ 4,229
Other	845	204
Working Capital line of credit	791	513
Total	$ 5,977	$ 4,946

NOTE 4 - LONG TERM DEBT (continued)

	Three months ended December 31, 1992	1991
	(in thousands)	
Interest Expense Affiliates		
Trump Taj Mahal Funding, Inc. (A)	$ 20,949	$ 20,636
Accretion - bond discount	3,516	2,942
Accretion - lease guarantee (Note 6A)	402	346
Total	$ 24,867	$ 23,924
Interest (Income) Expense External		
Bank term loan (B)	$ 1,090	$ 1,095
Other	761	55
Working Capital line of credit	329	513
Total	$ 2,180	$ 1,663

(A) On the Effective Date of the Plan, each $1,000 principal amount of the Company's 14% First Mortgage Bonds, Series A, due 1998 was exchanged for $1,070 principal amount of the Company's 11.35% Mortgage Bonds, Series A, due November 15, 1999 together with one share of Holding's Class B, redeemable common stock, par value $.01 per share for each $1,000 principal amount of New Bonds. The New Bonds and Class B Stock trade together as a Unit, and may not be transferred separately. Interest on the New Bonds is due semi-annually on each November 15 and May 15. Interest on the New Bonds must be paid in cash on each interest payment date at the rate of 9.375% per annum (the "Mandatory Cash Interest Amount"). In addition to the Mandatory Cash Interest Amount, effective May 15 1992 and annually thereafter, an additional amount of interest (the "Additional Amount") in cash or additional New Bonds or a combination thereof, is payable equal to the difference between 11.35% of the outstanding principal amount of the New Bonds and the Mandatory Cash Interest Amount previously paid. To the extent that there is excess available cash flow ("EACF") of the Partnership, as defined in the Indenture for the immediately preceding calendar year, the Company will pay the Additional Amount in cash up to 10.28% and the balance thereof may be paid at the option of the Company in cash or additional Units, provided that an equivalent amount of cash is used to purchase or redeem Units. Additional New Bonds issued on the Effective Date amounted to approximately $7,208,000. For the period from the Effective Date through May 15, 1992, the Company satisfied the Additional Amount through the issuance of approximately $8,844,000 in additional New Bonds. The Partnership further expects to satisfy the Additional Amount due May 15, 1993 through the issuance of New Bonds in the amount of

approximately $14,580,000. Accordingly, approximately $9,113,000, the amount accrued as of December 31, 1992, is classified as a long term liability in the accompanying financial statements.

The New Bonds are guaranteed as to payment of principal and interest by the Partnership and are secured by a mortgage on the Partnership's real property.

(B) On November 3, 1989, the Partnership entered into a loan agreement with National Westminster Bank, U.S.A. (the "NatWest Loan") which provided financing up to $50,000,000 for certain items of furniture, fixtures and equipment installed in the Taj Mahal. The Partnership failed to make interest and principal payments commencing October 1, 1990 and the terms of the NatWest Loan were modified as part of the Plan. The restructured NatWest Loan bears interest at 9 3/8% per annum. Principal and interest is payable monthly in the fixed amount of $373,000 to be applied first to accrued interest and the balance to the extent available, to principal, through maturity, November 15, 1999. Additionally, on May 15 of each year (May 15, 1992 through May 15, 1999), to the extent principal is still outstanding, NatWest will receive 16.5% of the EACF of the preceding calendar year in excess of the Additional Amount, to be applied first to accrued but unpaid interest, and then to principal.

The NatWest Loan is secured by a first priority lien on the furniture, fixtures and equipment acquired with the proceeds of the NatWest Loan plus any after acquired furniture, fixtures and equipment that replaces such property, or of the same type, provided however, that the NatWest Loan may be subordinated to a lien to secure purchase money financing of such after acquired property up to 50% of the value of such after acquired property.

In addition to the above borrowings, in November, 1991 the Partnership obtained a working capital line of credit in the amount of $25,000,000 with a maturity of five years. Interest on advances under the line is at prime plus 4% with a minimum of 9% per annum. The Agreement provides for a 1% annual fee and 3/4% unused line fee and contains various covenants during the term of the facility. During 1992 the Partnership borrowed and repaid $8,000,000 against the line of credit at the rate of 10%.

Aggregate annual maturities of long term debt at accreted value are as follows:

1993	$513,000
1994	404,000
1995	194,000
1996	200,000
1997	233,000
Thereafter	782,813,000

NOTE 5 - OTHER ACCRUED EXPENSES

	December 31, 1992	1991
	(in thousands)	
Accrued Advertising	$ 1,980	$ 1,172
Accrued CRDA obligation	1,233	-
Accrued interest	8,700	8,524
Accrued payroll & related	11,045	8,128
Progressive jackpot	2,210	4,041
Restructuring costs	-	4,734
Other	** 6,948	** 8,216
Total	$ 32,116	$ 34,815

** None of the individual components of Other exceed 5% of the total.

NOTE 6 - OTHER CURRENT LIABILITIES

The Partnership has engaged in certain transactions with Donald J. Trump and entities that are wholly and partially owned by Donald J. Trump. Amounts owed to (from) these affiliates at ~~December 31~~ are indicated ~~below~~:

	1992	1991
	(in thousands)	
Affiliates:		
Donald J. Trump (A)	$ 311	$ 402
Trump Taj Mahal Realty ("Realty") (B)	-	-
Trump's Castle Associates (C)	175	70
Trump Plaza Associates (C)	(51)	(223)
Helicopter Air Service (D)	(43)	(43)
	392	206
Advance deposits	802	514
Unredeemed chip liability	2,475	1,185
Insurance reserves	2,530	2,237
Reserve for litigation	-	500
Other	590	1,696
	6,397	6,132
Total	$ 6,789	$ 6,338

(A) Pursuant to the Plan, the Partnership has entered into a Services Agreement (the "Services Agreement"), which provides that Donald J. Trump will render to the Partnership marketing, advertising, promotional and related services with respect to the business operations of the Partnership. In consideration for the services to be rendered, the Partnership will pay an annual fee equal to 1.5% of the Partnership's earnings before interest, taxes and depreciation, as defined, less capital expenditures and partnership distributions for such year, with a minimum base fee of $500,000. The services fee is payable monthly through November 15, 1999, although the agreement provides for earlier termination under certain events. Portions of the fee have been assigned to First Fidelity Bank in connection with the Loan to Realty which has been guaranteed by Donald J. Trump. For the years ended December 31, 1992 and 1991, the Partnership incurred $1,315,000 and $924,000, respectively, under the Services Agreement.

(B) As part of the Plan, the leases between the Partnership and Realty were amended and consolidated. The amended lease extends the term through 2023 and provides for Base Rentals payable by the Partnership, prior to the time that the NatWest loan is paid in full, of $2,725,000 per year, plus 3 1/2% of the EACF less the Additional Amount and, upon payment in full of the NatWest loan, increasing to include the payments to which NatWest is otherwise entitled under the amended NatWest Agreement (Note 4). The amended lease was assigned by Realty to First Fidelity Bank ("First Fidelity"). The first $3,300,000 received by First Fidelity each year will be applied to the interest due on the Realty loan (the "Loan"). Any additional sums paid will also reduce the Partnership's guarantee (see below) and the principal amount of the Loan. The Loan is secured by a first mortgage lien on the underlying parcels owned by Realty.

Pursuant to a limited subordinated guarantee the Partnership will, under certain circumstances, reimburse First Fidelity for any deficiency in the amount owed to First Fidelity upon maturity of the Loan, up to a maximum of $30,000,000, provided that First Fidelity first pursues its first mortgage lien on the parcels, and provided further that the New Bonds have been paid in full. Inasmuch as the Partnership's lease payments are Realty's sole source of funds to satisfy the Loan and the amount of the Loan exceeds the estimated fair market value of the land by more than $30,000,000, the Partnership recorded the present value of the maximum guarantee amount as of the Effective Date. Discounted at 15%, a reasonable incremental cost of capital, the obligation amounted to approximately $9,103,000, which amount has been included in restructuring costs (Note 10) in the accompanying financial statements. This obligation is being accreted as interest expense over the life of the New Bonds and is included in Other Liabilities. The accretion amounted to approximately $1,519,000 in 1992 and $346,000 in 1991.

(C) The Partnership engages in various transactions with the two other Atlantic City hotel/casinos owned by Donald J. Trump. These transactions are

charged at cost or normal selling price in the case of retail items and include the utilization of fleet maintenance and limousine services, certain shared payroll costs as well as exchange of services offered to customers. During 1992, the Partnership incurred approximately $622,000 and $93,000 of costs for these services from Trump Castle and Trump Plaza, respectively. In addition, the Partnership charged $67,000 and $309,000 to Trump Castle and Trump Plaza, respectively, for similar services. During 1991, the Partnership incurred approximately $1,574,000 and $1,699,000 of costs for these services from Trump Castle and Trump Plaza, respectively. In addition, the Partnership charged $493,000 and $744,000 to Trump Castle and Trump Plaza, respectively, for similar services.

(D) Helicopter Air Services and Trump Shuttle provided aircraft charter and travel services to certain patrons of the Taj Mahal on behalf of the Partnership. During 1992, the Partnership incurred no charges from Helicopter Air Services and $29,000 from Trump Shuttle.

NOTE 7 - OTHER LIABILITIES

Other liabilities at December 31, consisted of the following (in thousands):

	1992	1991
Deferred taxes	$ 7,155	$ 7,155
Insurance reserves	1,837	2,237
Accrued interest - Long Term	9,113	3,522
Accounts payable - Long Term	1,000	2,030
Lease guarantee	10,968	9,449
Other	1,311	1,566
	$31,384	$25,959

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Leases and Employment Agreements

The Partnership has entered into employment agreements with certain key employees and lease agreements for land, office and warehouse space under noncancellable operating leases expiring at various dates through 2023. At December 31, 1992, minimum commitments under these arrangements are as follows:

1993	$5,703,000
1994	4,262,000
1995	3,726,000
1996	3,673,000
1997	2,962,000
Thereafter	70,850,000

Rent expense was $4,096,000 and $3,580,000 for the years ended December 31, 1992 and 1991, respectively.

Certain leasehold improvements are situated on land leased by the Partnership from Realty. In January, 1992, the Partnership amended its agreement with the Housing Authority of the City of Atlantic City (the "Housing Authority"), wherein the Partnership has committed to complete construction of the Entertainment Complex located on the leased land by December, 1993, at an estimated cost of $5,700,000 of which $1,100,000 was expended during 1992. Failure to complete the improvements on schedule as outlined in the amended agreement will enable the Housing Authority to exercise a right of reverter with respect to the land on which the improvements are located. If the Housing Authority exercises this right of reverter, the costs incurred to date in the construction of the theater, which are approximately $20,100,000 may be lost. The Partnership believes it will be able to comply with the amended agreement.

The Partnership's Coastal Area Facilities Review Act ("CAFRA") Permit requires that certain improvements be made to another land parcel leased from Realty known as the Steel Pier. The CAFRA permit is issued by the New Jersey Department of Environmental Protection ("NJDEP") and is a condition to the operation of the Taj Mahal. These improvements were to have commenced by October, 1992 and be completed within eighteen months of commencement. The Partnership initially proposed a concept to improve the Steel Pier, the estimated cost of which is $30 million, which concept was approved by NJDEP. The Partnership is seeking a modification of its CAFRA Permit to reduce the scope of such improvements, and has applied for an extension of the commencement and completion dates. Discussions with the NJDEP are continuing in an effort to propose an interim use for the Pier, in exchange for extensions of the required commencement and completion dates. Management of the Partnership believes the extensions will be granted, although no assurances can be given that such extensions will be granted, or on terms acceptable to the Partnership.

Employee Benefit Plan

Effective January 1, 1989, the Partnership established the Taj Mahal Retirement Savings Plan ("the Benefit Plan") for its employees over 21 years of age who are not covered by a collective bargaining agreement. The Benefit Plan is structured to qualify for favorable tax treatment under Section 401(k) of the Internal Revenue Code and allows eligible participants to contribute up to 15% of their salary (certain limits apply, as defined) to the Benefit Plan with a matching Partnership contribution of 50% of the first 4% of such employee salary contribution. The funds are invested by a Benefit Plan trustee. Partnership contributions for the year ended December 31, 1992 and 1991 were $814,000 and $667,000 respectively.

Casino License Renewal

The Company and the Partnership are subject to regulation and licensing by the New Jersey Casino Control Commission (the "CCC"). The Partnership's casino license must be renewed periodically, is not transferable, is dependent upon the financial stability of the Partnership and can be revoked at anytime. Due to the uncertainty of any license renewal application, there can be no assurance that the license will be renewed. Upon revocation, suspension for more than 120 days, or failure to renew the casino license due to the Partnership's financial condition or for any other reason, the Casino Control Act (the "Act") provides that the CCC may appoint a conservator to take possession of and title to the hotel and casino's business and property, subject to all valid liens, claims and encumbrances. On March 15, 1993, the CCC has scheduled hearings to consider the renewal of the casino license of the Partnership through March 31, 1995.

Legal Proceedings

The Partnership, its Partners, certain of its employees and the Company are involved in various legal proceedings incurred in the normal course of business including certain claims initiated in the Bankruptcy Court. In the opinion of management of the Partnership, the expected disposition of these proceedings would not have a material effect on the Partnership's financial condition or results of operations.

Investment Obligation

The Act requires the Partnership to make qualified investments, as defined, in New Jersey, or pay an investment alternative tax. Commencing twelve months after the date of opening of the Taj Mahal and continuing for a period of twenty-five years thereafter, the Partnership must either obtain investment tax credits, as defined, in an amount equivalent to 1.25% of its gross casino revenues or pay an alternative tax of 2.5% of its gross casino revenues, as defined. Investment tax credits may be obtained by making qualified investments or by the purchase of bonds. The Partnership intends to satisfy its investment obligation through the purchase of bonds. The bonds bear interest at below-market interest rates; accordingly, the Partnership has reduced its carrying value of the bonds by 50% of their cost and charged operations $2,563,000 and $1,806,000 in 1992 and 1991, respectively. The Partnership is required to satisfy its obligations to the CRDA on a quarterly basis.

NOTE 9 - CHARGES FROM AFFILIATES

	Twelve months ended December 31, 1992	1991
	(in thousands)	
Trump Hotel Management Corp.	$ -	$ 4,179
Other:		
Rent	$ 2,725	$ 1,824
Allocated salaries	403	279
Trump Services Agreement	1,389	701
	$ 4,517	$ 2,804

	Three months ended December 31, 1992	1991
	(in thousands)	
Other:		
Rent	$ 681	$ 680
Allocated salaries	110	76
Trump Services Agreement	270	267
	$ 1,061	$ 1,023

NOTE 10 - NON-OPERATING INCOME (EXPENSE)

	Twelve months ended December 31, 1992	1991
	(in thousands)	
Litigation expense	$ -	$ (2,250)
Restructuring costs	-	(26,398)
Interest Income	923	772
	$ 923	$(27,876)

	Three months ended December 31, 1992	1991
	(in thousands)	
Litigation expense	$ -	$ (500)
Restructuring costs	-	(1,610)
Interest Income	228	87
	$ 228	$(2,023)

NOTE 11 - JACKPOT PAYOUTS IN MERCHANDISE

The Company purchased motor vehicles and antique slot machines to be used as jackpot payouts. This merchandise was accounted for as operating expenses of the Slot Department which are included in the accompanying statements of income as costs of goods and services.

	Twelve months ended December 31,	
	1992	1991
Merchandise - jackpot payouts	$182,425	$28,467

	Three months ended December 31,	
	1992	1991
Merchandise - jackpot payouts	$ 7,631	$ 0

NOTE 12 - PARTNERSHIP DISTRIBUTION

The Partnership is obligated to reimburse Holding for its operating expenses which consist of directors and officers liability insurance, board of director fees and expenses, and administrative expenses. Total expenses for the year ended December 31, 1992 approximated $1,825,000.

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :

:SS.

COUNTY OF ATLANTIC :

R. BRUCE MCKEE
NAME
, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Annual Report.

2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Annual Report Instructions and Uniform Chart of Accounts.

3. The information contained in this Annual Report is accurate to the best of my knowledge and belief.

R. Bruce McKee
SIGNATURE

Vice President - Finance
TITLE

0548-11
LICENSE NUMBER

Subscribed and Sworn to before me
this 16th day of March, 1992

Lois Decker
Signature

LOIS DECKER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 17, 1996

Basis of Authority
to Take Oaths

On Behalf Of:

Trump Taj Mahal Associates, L.P.
Casino Licensee

1/86

CCC-350

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE TRUMP TAJ MAHAL CASINO RESORT

ADDRESS 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 19 1993
CASINO CONTROL

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS ANNUAL REPORT..... PETER LIGUORI

OFFICIAL TITLE..... DIRECTOR OF FINANCE

ADDRESS..... 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FROM JANUARY 1, 1992 THROUGH DECEMBER 31, 1992

($ IN THOUSANDS)

LINE (a)	DEPARTMENT (b)	NUMBER OF (c) EMPLOYEES	OTHER (d) EMPLOYEES	SALARIES AND WAGES (e) OFFICERS & OWNERS	TOTALS (f)
	CASINO				
1	ADMINISTRATION	15	700		700
2	GAMING	1,250	24,191		24,191
3	SLOTS	221	4,423	176	4,599
4	CASINO ACCOUNTING	585	10,597	119	10,716
5	OTHER	27	794		794
6	TOTAL-CASINO	2,098	40,705	295	41,000
7	ROOMS	445	7,574	382	7,956
8	FOOD AND BEVERAGE	1,669	24,522	181	24,703
	OTHER OPERATED DEPARTMENTS				
9	VENDING, BEAUTY SALON, HEALTH CLUB, RETAIL SHOPS	49	698		698
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	EXECUTIVE OFFICE	10	390	1,298	1,688
21	ACCOUNTING AND AUDITING	210	3,602	408	4,010
22	SECURITY	328	6,492	105	6,597
23	OTHER ADMINISTRATIVE AND GENERAL DEPARTMENTS	339	6,524	402	6,926
24	MARKETING	202	5,347	1,702	7,049
25	GUEST ENTERTAINMENT	147	3,037	108	3,145
26	PROPERTY OPERATION AND MAINTENANCE	494	10,944	99	11,043
27	TOTALS-ALL DEPARTMENTS	5,991	109,835	4,980	114,815

The number of employees listed reflect full time and part time employees, not forty hour equivalents.

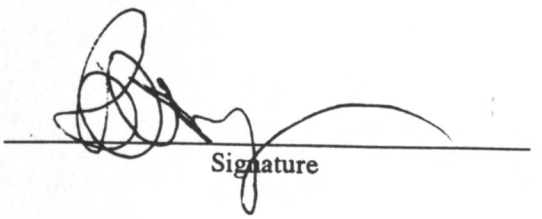
The accompanying notes are an integral part of the financial statements.
Valid comarisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

ANNUAL EMPLOYMENT AND PAYROLL REPORT SIGNATURE PAGE

FROM JANUARY 1, 1992 THROUGH DECEMBER 31, 1992

3/12/93
Date



Signature

Director of Finance
Title

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE TRUMP TAJ MAHAL CASINO RESORT

ADDRESS 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE YEAR ENDED DECEMBER 31, 1992

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAR 17 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT..... THOMAS P. BURKE

OFFICIAL TITLE..... VICE PRESIDENT - CASINO FINANCE

ADDRESS..... 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 1992

($ IN THOUSANDS)

LINE			
	Casino win or (loss)		
1	Table games revenue	$ 169,112	
2	Coin-operated devices revenue	246,948	
3	Total revenues		$ 416,060
	Less - adjustment for uncollectible patrons' checks:		
4	Provision for uncollectible patrons' checks	6,041	
5	Maximum adjustment (4% of line 3)	16,642	
6	Adjustment (the lesser of line 4 or line 5)		6,041
7	Gross revenues (line 3 less line 6)		410,019
8	Tax on gross revenues - current year (8% of line 7)		32,802
9	Audit or other adjustments to tax on gross revenues in prior years		0
10	Total tax on gross revenues (line 8 plus or minus line 9)		32,802
	Deposits made for tax on current year's gross revenue:		
11	January	1,766	
12	February	2,218	
13	March	2,913	
14	April	2,328	
15	May	2,305	
16	June	3,441	
17	July	2,764	
18	August	3,764	
19	September	2,824	
20	October	2,639	
21	November	3,253	
22	December	1,897	
23	January	690	
24	Total deposits made for tax on current year's gross revenues		32,802
25	Settlement of prior years' tax on gross revenues resulting from audit or other adjustments - (deposits) credits		0
26	Gross revenues tax payable (line 10 less line 24 plus or minus line 25)		$ (0)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :

:SS.

COUNTY OF ATLANTIC :

THOMAS P. BURKE
NAME
, being duly sworn according to law upon my oath deposes and says:

1. I have examined this Gross Revenue Annual Tax Return.

2. All the information contained in this Report has been prepared in conformity with Casino Control Commission's Gross Revenue Annual Tax Return Instructions and Uniform Chart of Accounts.

3. The information contained in this Return is accurate to the best of my knowledge and belief.

SIGNATURE Thomas P. Burke

Vice President - Casino Finance
TITLE

609-11
LICENSE NUMBER

Subscribed and Sworn to before me
this 12th day of March, 1993.

Brenda J. Thibault
Signature

BRENDA L THIBAULT
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 11, 1997

Basis of Authority
to Take Oaths

On Behalf Of:

Trump Taj Mahal Casino Resort
Casino Licensee

1/85

CCC-382