974.901
C193

QUARTERLY REPORT

LICENSEE ATLANTIC CITY SHOWBOAT, INC
ADDRESS P.O. BOX 840
ATLANTIC CITY, NEW JERSEY

FOR THE QUARTER ENDED MARCH 31, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

RECEIVED
FEU
MAY 26 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT ... MARK MILLER
OFFICIAL TITLE ..... VICE PRESIDENT FINANCE
ADDRESS ..... P.O. BOX 840
ATLANTIC CITY, NEW JERSEY

TRADING NAME OF LICENSEE: ATLANTIC CITY SHOWBOAT, INC.

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

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

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT, INC.

BALANCE SHEET

MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	ASSETS		
	Current Assets:	$	$
1	Cash	15,197	22,899
2	Marketable securities	–	–
3	Receivables and patrons' checks (net of allowances for doubtful accounts – 19_93_, $ 3,052 ; 19_92_ $ 3,581) .....NOTE 3..	4,243	4,355
4	Inventories	1,646	1,760
5	Prepaid expenses and other current assets.....NOTE 4	5,880	3,216
6	Total current assets	26,966	32,230
7	Investments, Advances, And Receivables ..... NOTE 2 & 11	11,518	16,530
8	Property And Equipment – Gross	312,153	286,284
9	(Accumulated Depreciation/Amortization)	(93,606)	(81,720)
10	Other Assets	8,807	9,621
11	Total Assets	$ 265,838	$ 262,945
	LIABILITIES AND EQUITY		
	Current Liabilities:	$	$
12	Accounts payable	7,769	5,392
13	Notes payable	1,100	–
	Current portion of long–term debt:		
14	Due to affiliates	–	–
15	Other	2,309	2,837
16	Income taxes payable and accrued	–	1,134
17	Other accrued expenses ..... NOTE 5	13,554	13,622
18	Other current liabilities ..... NOTE 6	6,701	8,357
19	Total current liabilities	31,433	31,342
	Long–Term Debt:		
20	Due to affiliates	149,444	149,444
21	Other	3,611	5,918
22	Deferred Credits ..... NOTE 9	11,702	7,720
23	Other Liabilities	–	13,969
24	Commitments And Contingencies NOTE 11		
25	Total Liabilities	196,190	208,393
26	Stockholders', Partners', Or Proprietor's Equity	69,648	54,552
27	Total Liabilities And Equity	$ 265,838	$ 262,945

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 MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	Revenue:		
1	Casino	$ 60,657	$ 61,835
2	Rooms	2,444	2,545
3	Food and beverage	7,290	6,931
4	Other	1,260	1,087
5	Total revenue	71,651	72,398
6	Less: Promotional allowances	5,893	5,476
7	Net revenues	65,758	66,922
	Costs And Expenses:		
8	Costs of goods and services	40,089	39,249
9	Selling, general, and administrative	14,936	13,655
10	Provision for doubtful accounts	413	170
11	Total costs and expenses	55,438	53,074
12	Gross Operating Profit	10,320	13,848
13	Depreciation and amortization	4,000	5,437
	Charges from affiliates other than interest:		
14	Management fees	–	–
15	Other	–	–
16	Income (Loss) From Operations	6,320	8,411
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(4,250)	(4,250)
18	Interest (expense) – external	(111)	(377)
19	Investment alternative tax and related income (expense) – net	(249)	(258)
20	Nonoperating income (expense) – net	(179)	344
21	Total other income (expenses)	(4,789)	(4,541)
22	Income (Loss) Before Income Taxes And Extraordinary Items	1,531	3,870
23	Provision (credit) for income taxes NOTE 9	619	1,312
24	Income (Loss) Before Extraordinary Items	912	2,558
25	Extraordinary items (net of income taxes – 19 93, $ _____ ; 19 92, $ ____) NOTE 9	556	–
26	Net Income (Loss)	$ 1,468	$ 2,558

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c) SHARES	1993 (d) DOLLARS	1992 (e) SHARES	1992 (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)		(8,729)		(24,915)
26	Prior period adjustments				
27	Net income (loss)		1,468		2,558
28	Dividends				
29					
30					
31	Ending balance		(7,261)		(22,357)
32	Ending Stockholder's Equity		$ 69,648		$ 54,552

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
1	Net Cash Provided(Used) By Operating Activities	$ (2,428)	$ 1,043
	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	(15,495)	(4,474)
5	Proceeds from disposition of property and equipment	28	14
6	Purchase of casino reinvestment obligations	(717)	(671)
7	Purchase of other investments and loans/advances made	0	
8	Proceeds from disposal of investments and collection of advances and long-term receivables	32	(58)
9	Cash outflows to acquire business entities		
10			
11			
12	Net Cash Provided (Used) By Investing Activities	(16,152)	(5,189)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	1,100	
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	(541)	(781)
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	559	(781)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(18,021)	(4,927)
25	Cash And Cash Equivalents At Beginning Of Years	33,218	27,826
26	Cash And Cash Equivalents At End Of Years	$ 15,197	$ 22,899

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 8,494	$ 8,759
28	Income taxes	$ 2,100	$ 650

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ 1,468	$ 2,558
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	4,000	5,436
31	Amortization of other assets	117	117
32	Amortization of debt discount or premium		
33	Deferred income taxes – current	(614)	
34	Deferred income taxes – noncurrent	1,045	812
35	(Gain) loss on disposition of property and equipment	374	(4)
36	(Gain) loss on casino reinvestment obligations	249	258
37	(Gain) loss from other investment activities	(15)	
38	Net (increase) decrease in receivables and patrons' checks	458	471
39	Net (increase) decrease in inventories	127	(35)
40	Net (increase) decrease in other current assets	(370)	(1,177)
41	Net (increase) decrease in other assets	(149)	759
42	Net increase (decrease) in accounts payables	591	(1,045)
43	Net increase (decrease) in other current liabilities excluding debt	(6,881)	(2,550)
44	Net increase (decrease) in other noncurrent liabilities excluding debt		(2,000)
45	Showboat, Inc management fees, net of tax	(2,828)	(2,557)
46			
47	Net Cash Provided (Used) By Operating Activities	$ (2,428)	$ 1,043

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 15,495	$ 4,474
49	Less: Capital lease obligations incurred		
50	Cash Outflows For Property And Equipment	$ 15,495	$ 4,474
	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.

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993

(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	$ 2,669		
2	Returned patrons' checks	3,784		
3	Total patrons' checks	6,453	$ 2,987	$ 3,466
4	Hotel Receivables	458	65	393
	Other Receivables:			
5	Receivables due from officers and employees	0		
6	Receivables due from affiliates	81		
7	Other accounts and notes receivables	303		
8	Total other receivables	384	0	384
9	Totals (Form 205)	$ 7,295	$ 3,052	$ 4,243

LINE (f)	DESCRIPTION (g)	UNDEPOSITED PATRONS' CHECKS ACTIVITY: AMOUNT (h)
10	Beginning Balance (January 1)	$ 3,165
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	26,380
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)	(17,529)
13	Checks collected through deposits	(7,612)
14	Checks transferred to return checks	(1,735)
15	Other adjustments	0
16	Ending Balance	$ 2,669
17	"Hold" Checks Included in Balance On Line 16	$ 0
18	Provision For Uncollectible Patrons' Checks	$ 333
19	Provision As A Percent Of Counter Checks Issued	1.3%

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT

PROMOTIONAL EXPENSES AND ALLOWANCES

For The Three Months Ended March 31, 1993
(in Thousands)

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	19	$ 1,244		$
Food	326	3,010		
Beverage	1,386	1,055		
Travel				
Coin			4	640
Coupon			430	7,326
Entertainment	57	569		
Retail & Gifts				
Other	2	15		
Total	1,790	$ 5,893	434	$ 7,966

****

For The Three Months Ended March 31, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	18,567	$ 1,244		$
Food	326,464	3,010		
Beverage	1,385,909	1,055		
Travel				
Coin			3,657	640
Coupon			429,655	7,326
Entertainment	56,900	569		
Retail & Gifts				
Other	1,714	15		
Total	1,789,554	$ 5,893	433,312	$ 7,966

ATLANTIC CITY SHOWBOAT, INC.

Notes to Financial Statements

March 31, 1993 and 1992

(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) 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).

Disclosure

In accordance with the Quarterly Report Instructions, the Company has not submitted updated information for the summary of significant accounting polices, aggregate maturities of long term debt and future lease obligations. There has been no significant changes to the information submitted in our December 31, 1992 Annual Report.

Income Taxes

In February 1992, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 109,"Accounting for Income Taxes" (FAS 109). Under the asset liability method of FAS 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FAS 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

Effective January 1, 1993, the Company adopted FAS 109 and has reported the cumulative effect of that change in the method of accounting for income taxes in the March 31, 1993 statement of income.(Note 9)

The Company previously used the asset and liability method under Statement of Financial Accounting Standards No. 96 (FAS96). Under the asset and liability method of FAS96, deferred assets and liabilities were recognized for all events that had been recognized in the financial statements. Under FAS96, the future tax consequences of recovering assets or setting liabilities at their financial statement carrying amounts were considered in calculating deferred income taxes. Generally, FAS96 prohibited consideration of any other future events in calculating deferred income taxes.

(Continued)

(1) **Summary of Significant Accounting Policies (continued)**

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.

(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 quarters ended March 31, 1993 and 1992, the Company met the Threshold and with the approval of the Commission paid to SBO management fees, net of intercompany tax obligations, of $2,828,000 and $2,557,000, respectively. At March 31, 1993, the Company owed $5,280,000 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.

(Continued)

(2) **Related Party Transactions (continued)**

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. 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 March 31, 1993, the restrictions in the Indenture did not permit OSI to pay dividends to SBO.

At March 31, 1993, the Company had available a $15,000,000 unsecured line of credit which expires August 31, 1993 with interest payable at the bank's prime rate plus .5%. The Company also has available a $5,000,000 secured line of credit for equipment financing with terms of three to five years which expires August 31, 1993 with interest payable at the bank's prime rate plus 1.0%. At March 31, 1993, the Company had borrowed $1,100,000 on its secured line of credit.

(3) **Receivables and Patrons' Checks**

As of March 31, 1993 and 1992, receivables consisted of the following (dollars in thousands):

	1993	1992
Casino	$ 6,453	7,120
Hotel	458	496
Other	384	320
	7,295	7,936
Less allowance for doubtful accounts	3,052	3,581
Receivables, net	$ 4,243	4,355

(4) Prepaid and other current assets

As of March 31, 1993 and 1992, receivables consisted of the following (dollars in thousands):

	1993	1992
Prepaid Insurance	1,153	1,350
Prepaid - Other	1,423	1,866
Current deferred taxes	3,304	-
Total prepaid and other current assets	5,880	3,216

(5) Other Accrued Expenses

As of March 31, 1993 and 1992, other accrued expenses consisted of the following (dollars in thousands) :

	1993	1992
Salaries and wages	$ 5,010	4,485
Taxes, other than taxes on income	2,423	2,270
Medical and liability claims	1,397	1,079
Progressive slot liability	70	2,040
Accrued advertising and promotion	2,259	2,031
Enforcement/annual license	579	563
Settlement Claims	873	784
Other	943	370
	$ 13,554	13,622

(6) Other Current Liabilities

As of March 31, 1993 and 1992, other current liabilities consisted of the following (dollars in thousands) :

	1993	1992
Due to affiliates - interest	$ 708	708
Due to affiliates - mgmnt. fees	5,280	7,000
Outstanding chip liability	469	452
Other	244	197
	$ 6,701	8,357

(7) 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.

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. In April 1993, the annual rent increased $243,000 to $8,118,000. Under the lease, the Company is responsible for taxes, assessments, insurance and utilities.

Rent expense for all operating leases (except those with terms of a month or less that were not renewed) was $2,135,000 and $2,088,000 for the three months ended March 31, 1993 and 1992 respectively.

(8) 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.

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 $35,000 and $31,000 was recognized for the three months ended March 31, 1993 and 1992, respectively. Unearned compensation at March 31, 1993 and 1992 is $108,000 and $213,000, respectively, and is included on the balance sheets in Other Assets.

(9) INCOME TAXES

As discussed in Note 1, the Company adopted the provisions of FAS 109 as of January 1, 1993. The cumulative effect of this change in accounting for income taxes of $556,000 was determined as of January 1, 1993 and is reported separately in the statement of income for the quarter ended March 31, 1993. Prior period financial statements have not been restated to apply the provisions of FAS 109.

Income tax expense from continuing operations for the quarter ended March 31, 1993 was $619,000 and consisted of (dollars in thousands):

Quarter ended March 31,1993	Current	Deferred	Total
Federal	($394)	$876	$482
State	26	111	137
Total	($368)	$987	$619

Income tax expense from continuing operations differed from amounts computed by applying the U.S. federal income tax rate of 34% to pretax income from continuing operations at March 31, 1993 as a result of the following:

	(In thousands)
Computed "expected" tax expense	$ 494
Increase (reduction) in income taxes resulting from:	
Change in the beginning of the period valuation allowance for deferred tax assets allocated to income tax expense.	32
Disallowance of 20% of certain employee meals	33
State income taxes, net of federal income tax benefit.	91
Other, net	(31)
	$ 619

(Continued)

(9) INCOME TAXES (continued)

The significant components of deferred income tax expense attributable to income from continuing operations for the quarter ended March 31, 1993 were as follows:

	(In thousands)
Deferred tax expense (exclusive of other components listed below)	$ 955
Increase in the beginning of the year valuation allowance.	32
	$ 987

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at March 31, 1993 are presented below:

	(In thousands)
Deferred tax assets:	
Allowance for doubtful accounts	$ 1,227
Accrued vacations	1,196
Casino Reinvestment Development Authority obligations	1,181
Other	1,599
Total gross deferred tax assets	5,203
Less valuation allowance	(418)
Net deferred tax assets	4,785
Deferred tax liabilities:	
Depreciation and amortization	(13,183)
Total gross deferred tax liabilities	(13,183)
Net deferred tax liability	$ (8,398)

(10) EMPLOYEE BENEFIT PLANS

The Company maintains a retirement and savings plan, under Section 401K of the Internal Revenue Code, 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 $303,000 and $230,000 to this plan for the three months ended March 31, 1993 and 1992, 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 $81,000 and $79,000 during the three months ended March 31, 1993 and 1992, respectively .

(11) 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 March 31, 1993 and 1992, Investments, Advances and Receivables include $9,885,000 and $7,812,000, respectively, representing the Company's deposits with the CRDA of $14,824,000 at March 31, 1993 and $11,692,000 at March 31, 1992 net of a valuation allowance of $4,939,000 and $3,880,000, 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.

(12) COMMITMENTS AND CONTINGENCIES

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.

(13) SUBSEQUENT EVENTS

On April 18, 1993 SBO filed a registration statement with the SEC relating to the issuance of $275,000,000 of 9 1/4% First Mortgage Bonds Due 2008 (9 1/4% Bonds). The registration statement, as amended, was declared effective by the SEC on May 11, 1993. SBO expects to issue the 9 1/4% Bonds on May 18, 1993. The proceeds from the sale of the 9 1/4% Bonds are expected to be $268,000,000 net of underwriting discounts and commissions and expenses.

Approximately $215,000,000 of the proceeds of the offering will be loaned by SBO to the Company which loan will be evidenced by an intercompany note with terms and conditions consistent with those of the 9 1/4% Bonds. Approximately $162,289,000 of these proceeds will be used to defease all of the outstanding Bonds at 105.7% of the principle amount plus accrued interest. The remaining proceeds will be used for the Company's Atlantic City operation and expandsion into new facilities.

The 9 1/4% Bonds are unconditionally guaranteed by the Company, OSI and Showboat Operating Company, a wholly owned subsidiary of SBO. Interest on the 9 1/4% Bonds will be payable semi-annually on May 1 and November 1 of each year commencing November 1, 1993. The 9 1/4% Bonds will not be redeemable prior to May 1, 1998. Thereafter, the 9 1/4% Bonds will be redeemable at any time at the option of the SBO, in whole or in part, at redemption prices specified in the Indenture for the 9 1/4% Bonds (Indenture). The 9 1/4% Bonds will be senior secured obligations of SBO and will rank senior in right of payment to all existing and future subordinated indebtedness of OSI and pari passu with OSI's senior indebtedness. The 9 1/4% Bonds will be secured by a deed of trust representing a first lien on the Las Vegas hotel casino (other than certain assets), by a pledge of all outstanding shares of capital stock of OSI and an intercompany note by the Company in favor of SBO and a pledge of certain intellectual property rights of SBO. OSI's obligation under its guaranty will be secured by a pledge of all outstanding shares of capital stock of the Company. The Company's obligations under its guaranty will be secured by a leasehold deed of trust representing a first lien on the Company's hotel casino (other than certain assets). Showboat Operating Company's guaranty will be secured by a pledge of certain of its assets related to a Las Vegas hotel casino.

The Indenture contains covenants, including, but not limited to, covenants with respect to the following matters: (i) limitations on restricted payments; (ii) limitations on the incurrence of additional indebtedness; (iii) limitations on liens; (iv) limitations on dividend and other payment restrictions affecting subsidiaries; (v) limitations on merger, consolidations, or sale of assets; (vi) requirements for additional subsidiary guaranties; (vii) limitations on transactions with affiliates; (viii) redemption of the Bonds; (ix) limitations on business activities; (x) maintenance of insurance; (xi) limitations on payments to holders of the 9 1/4% Bonds for consent; and (xii) requirements for SEC reports and financial reports.

(14) STATEMENT OF CASH FLOW SUPPLEMENTAL INFORMATION

1. Disposal of fixed assets:

Property Gross	(2,551)
Accumulated Depreciation	2,149
Proceeds	28
Loss on disposals	374

2. Increase in fixed asset acquisition included in accounts payable (483)

3. Increase in CRDA obligation included in accounts payable (30)

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF New Jersey :
: ss
COUNTY OF Atlantic :

Robert A. Malone 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.

Robert A. Malone
Signature

Assistant Controller/Finance
Title

3649-11
License Number

Subscribed and sworn to before me this 17th day of May, 1993

Brenda Sue Wallace
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

974.901
C193

QUARTERLY REPORT

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

FOR THE QUARTER ENDED MARCH 31, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.
RECEIVED
FEB
MAY 17 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY 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)

LIST OF FORMS – QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year-to-Date)	CCC-210
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

MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:	$	$
1	Cash	3,879	4,361
2	Marketable securities	5,015	6,825
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $7,952 ; 1992, $12,302)	4,660	2,598
4	Inventories	1,540	1,281
5	Prepaid expenses and other current assets NOTE 2	26,248	37,016
6	Total current assets	41,342	52,081
7	Investments, Advances, and Receivables NOTE 3	2,418	1,940
8	Property And Equipment - Gross NOTE 4	329,424	305,396
9	(Accumulated Depreciation/Amortization) NOTE 4	(79,834)	(64,007)
10	Other Assets NOTE 5	120,533	112,144
11	Total Assets	$ 413,883	$ 407,554
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 2,216	$ 1,551
13	Notes payable NOTE 6	-	2,700
	Current portion of long-term debt		
14	Due to affiliates	-	-
15	Other	-	-
16	Income taxes payable and accrued	-	2,245
17	Other accrued expenses NOTE 7	17,756	29,423
18	Other current liabilities NOTE 8	1,887	3,298
19	Total current liabilities	21,859	39,217
	Long-Term Debt:		
20	Due to affiliates NOTE 9	272,974	265,542
21	Other	-	-
22	Deferred Credits NOTE 10	59,574	9,750
23	Other Liabilities NOTE 11	31,153	30,517
24	Commitments And Contingencies	-	-
25	Total Liabilities	385,560	345,026
26	Stockholders', Partners', Or Proprietor's Equity NOTE 12	28,323	62,528
27	Total Liabilities And Equity	$ 413,883	$ 407,554

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 INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	50,137	46,197
2	Rooms	2,972	3,823
3	Food and beverage	7,226	6,063
4	Other	2,780	1,479
5	Total revenue	63,115	57,562
6	Less: Promotional allowances	7,395	7,090
7	Net revenue	55,720	50,472
	Costs And Expenses:		
8	Cost of goods and services	25,376	22,436
9	Selling, general, and administrative	18,441	16,712
10	Provision for doubtful accounts	136	289
11	Total costs and expenses	43,953	39,437
12	Gross Operating Profit	11,767	11,035
13	Depreciation and amortization	4,420	4,519
	Charges from affiliates other than interest:		
14	Management fees	–	–
15	Other NOTE 14.	1,751	1,555
16	Income (Loss) From Operations	5,596	4,961
	Other Income (Expenses):		
17	Interest (expense)–affiliates	(7,820)	(8,180)
18	Interest (expense)–external	–	–
19	Investment alternative tax and related income (expense) – net	(299)	(58)
20	Nonoperating income (expense) – net NOTE 15.	345	433
21	Total other income (expenses)	(7,774)	(7,805)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(2,178)	(2,844)
23	Provision (credit) for income taxes NOTE 16.	(636)	(555)
24	Income (Loss) Before Extraordinary Items	(1,542)	(2,289)
25	Extraordinary items (net of income taxes – 1993, $ (1,405) ; 1992, $ –) NOTES 1 and 9.	(31,961)	–
26	Net Income (Loss)	$ (33,503)	$ (2,289)

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 STOCKHOLDERS' EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c) SHARES	1993 (d) DOLLARS	1992 (e) SHARES	1992 (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).		(3,916)		(925)
26	Prior period adjustments.				
27	Net income (loss).		(33,503)		(2,289)
28	Dividends.		( )		( )
29	_____ . . .				
30	_____ . . .				
31	Ending balance.		(37,419)		(3,214)
32	Ending Stockholders' Equity.		$ 28,323		$ 62,528

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

- NOT APPLICABLE -

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	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.	$	$

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 THREE MONTHS ENDED ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities.	$ (2,347)	$ 10,059
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities.	(2,015)	(1,975)
3	Proceeds from the sale of short-term investment securities. . . .	–	–
4	Cash outflows for property and equipment	(1,600)	(2,322)
5	Proceeds from disposition of property and equipment	–	–
6	Purchase of casino reinvestment obligations	(598)	(116)
7	Purchase of other investments and loans/advances made	–	–
8	Proceeds from disposal of investment and collection of advances and long-term receivables.	–	571
9	Cash outflows to acquire business entities.	–	–
10	Short-term advance Bally's Park Place, Inc. (net)	8,000	(8,000)
11	_____	–	–
12	Net Cash Provided (Used) By Investing Activities.	3,787	(11,842)
	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.	272,957	–
16	Costs of issuing debt.	(12,651)	–
17	Payments to settle long-term debt.	(268,840)	–
18	Cash proceeds from issuing stock or capital contribution	–	–
19	Purchases of treasury stock	–	–
20	Payments of dividends or capital withdrawals.	–	–
21	Extraordinary loss on extinguishment of debt, net of tax	2,091	–
22	_____	–	–
23	Net Cash Provided (Used) By Financing Activities	(6,443)	–
24	Net Increase (Decrease) In Cash And Cash Equivalents	(5,003)	(1,783)
25	Cash And Cash Equivalents At Beginning Of Year.	8,882	6,144
26	Cash And Cash Equivalents At End Of Year.	$ 3,879	$ 4,361

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Year For:		
27	Interest (net of amount capitalized)	$ 9,342	$ 44
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: GNOC, CORP. (BALLY'S GRAND)

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ (33,503)	$ (2,289)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	3,606	3,259
31	Amortization of other assets	814	1,260
32	Amortization of debt discount or premium	(367)	(443)
33	Deferred income taxes – current	–	(57)
34	Deferred income taxes – noncurrent	–	(282)
35	(Gain) loss on disposition of property and equipment	–	–
36	(Gain) loss on casino reinvestment obligations	299	58
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	(230)	1,490
39	Net (increase) decrease in inventories	167	59
40	Net (increase) decrease in other current assets	(93)	(459)
41	Net (increase) decrease in other assets	–	–
42	Net increase (decrease) in accounts payables	(1,943)	(549)
43	Net increase (decrease) in other current liabilities excluding debt	(1,110)	7,803
44	Net increase (decrease) in other noncurrent liabilities excluding debt	143	209
45	Cumulative effect on prior years of change		–
46	in accounting for income taxes	29,870	–
47	Net Cash Provided (Used) By Operating Activities	$ (2,347)	$ 10,059
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 1,600	$ 2,322
49	Less: Capital lease obligations incurred	–	–
50	Cash Outflows For Property And Equipment	$ 1,600	$ 2,322
	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	$ –	$ –

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

GNOC, CORP. (the "Company") is a wholly owned subsidiary of GNAC, CORP. ("GNAC"), which is a wholly owned subsidiary of Bally Manufacturing Corporation ("BMC"). The financial statements include the transactions between the Company, GNAC and other affiliates including GNF, CORP. ("GNF"). These statements should be read in conjunction with the Casino Control Commission Annual Report for the year ended December 31, 1992.

All adjustments have been recorded which are, in the opinion of management, necessary for a fair presentation of the balance sheets of the Company at March 31, 1993 and 1992, and the statements of income and cash flows for the three months ended March 31, 1993 and 1992. All such adjustments were of a normal, recurring nature, except for those adjustments required to apply the provisions of SFAS No. 109.

Certain reclassifications have been made to the prior year financial statements to conform with the 1993 presentation.

Effective January 1, 1993, the Company changed its method of accounting for income taxes as required by Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes". SFAS No. 109 retains the current requirement to record deferred income taxes for temporary differences that are reported in different years for financial reporting and for tax purposes; however, the methodology for calculating and recording deferred income taxes has changed. Under the liability method adopted by SFAS No. 109, deferred tax liabilities or assets are computed using the tax rates that will be in effect when the temporary differences reverse. Also, requirements for recognition of deferred tax assets and operating loss and tax credit carryforwards have been liberalized by requiring their recognition when and to the extent that their realization is more likely than not. As permitted by SFAS No. 109, the Company has elected to use the cumulative effect approach rather than to restate the financial statements of any prior periods to apply the provisions of SFAS No. 109. The cumulative effect on prior years of this change in accounting for income taxes as of January 1, 1993 was a charge of $29,870,000. The effect of this change in accounting for income taxes on the income tax benefit for the three months ended March 31, 1993 was not material.

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

NOTE 2 - PREPAID EXPENSES AND OTHER CURRENT ASSETS

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

	1993	1992
Deferred federal and state income tax	$ 6,118	$10,439
Income taxes receivable	10,500	-
Advances to Bally's Park Place, Inc.	8,000	25,000
Other	1,630	1,577
	$26,248	$37,016

Funds were advanced to Bally's Park Place, Inc. ("Bally's Park Place") in 1993 and 1992. 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 March 31, 1993) and interest is payable quarterly. Intercompany interest income earned on funds advanced to Bally's Park Place was $199,000 and $321,000 for the three months ended March 31, 1993 and 1992, respectively.

NOTE 3 - INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of March 31, 1993 and 1992 consisted of funds invested with the New Jersey Casino Reinvestment Development Authority (the "CRDA"), net of related valuation reserves.

NOTE 4 - PROPERTY AND EQUIPMENT

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

	1993	1992
Land and improvements	$ 51,870	$ 51,867
Buildings and leasehold improvements	204,767	187,507
Furniture, fixtures and equipment	71,757	63,841
Construction in progress	1,030	2,181
	329,424	305,396
Less accumulated depreciation and amortization	(79,834)	(64,007)
	$249,590	$241,389

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

NOTE 5 - OTHER ASSETS

Other assets as of March 31 consisted of the following:

	1993	1992
Cost in excess of acquired assets, less accumulated amortization of $17,748 and $14,572	$107,726	$110,902
Deferred finance costs, less accumulated amortization of $105	12,546	-
CRDA credits receivable	261	1,242
	$120,533	$112,144

For the three months ended March 31, 1993 and 1992, the Company expensed $20,000 and $466,000 respectively, representing amortization of CRDA credits.

NOTE 6 - NOTES PAYABLE

In December 1990, the Company received an advance of $2,700,000 from Bally's Park Place. The advance was repaid in June 1992. The interest rate was based on the prime rate of Bally's Park Place's agent bank. Intercompany interest expense on the advance for the three months ended March 31, 1992 was $44,000.

NOTE 7 - OTHER ACCRUED EXPENSES

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

	1993	1992
Accrued payroll	$ 7,179	$ 8,728
Accrued interest	3,704	13,439
Accrued progressive jackpot liability	1,396	3,417
Accrued self insurance claims	1,338	987
Other	4,139	2,852
	$17,756	$29,423

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

NOTE 8 - OTHER CURRENT LIABILITIES

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

	1993	1992
Unredeemed gaming chips and tokens	$ 735	$1,127
Due to Bally's Park Place	636	481
Due to BMC	72	1,036
Due to Bally Gaming, Inc.	-	108
Due to Bally's Las Vegas	-	83
Other	444	463
	$1,887	$3,298

NOTE 9 - LONG TERM DEBT-DUE TO AFFILIATES

On March 10, 1993, GNF completed a private placement (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 10-3/4%. On May 11, 1993, GNF completed the registration of the 10-5/8% Notes. 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 unconditionally guaranteed by GNAC and are secured by a first mortgage and security interest on substantially all property and equipment at Bally's Grand. GNF used the net proceeds from the placement of the 10-5/8% Notes together with the repayment of certain funds on deposit with Bally's Park Place to redeem the 13-1/4% Mortgage-Backed Notes due 1995 at a price of 102.94% of their principal amount plus accrued interest, thereby satisfying all obligations thereunder. The redemption of the 13-1/4% Mortgage-Backed Notes due 1995 resulted in an extraordinary loss of $2,091,000, net of income taxes of $1,405,000.

On April 16, 1993, the Company entered into an agreement with two banks for $20,000,000 of new revolving credit facilities (the "Credit Facility"). The Credit Facility has an initial term of two years and bears interest at the rate of 1% above the banks' stated prime rates and is secured by a pari passu lien on the collateral securing the 10-5/8% Notes. The Company intends to use the Credit Facility for seasonal working capital requirements.

NOTE 9 - LONG TERM DEBT-DUE TO AFFILIATES (cont.)

The 10-5/8% Notes and the Credit Facility contain covenants, including, but not limited to, covenants with respect to the following matters: (i) limitation on indebtedness; (ii) limitation on restricted payments; (iii) limitation on transactions with affiliates; (iv) limitation on capital expenditures; (v) limitations on encumbrances and liens; (vi) limitation on dividends and other payment restrictions affecting subsidiaries; (vii) limitation on issuance of guaranties by subsidiaries; and (viii) restrictions on merger and sales of assets. As of March 31, 1993, approximately $7.5 million was available under the 10-5/8% Notes Indenture and Credit Facility to pay dividends.

Long-term debt due to affiliates as of March 31, 1993 consisted of $272,974,000 including unamortized discount of $2,026,000. As of March 31, 1992, long-term debt due to affiliates consisted of $265,542,000 including unamortized premium of $6,542,000.

NOTE 10 - DEFERRED CREDITS

Deferred credits as of March 31, 1993 and 1992 consisted of deferred federal and state income taxes, which reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

NOTE 11 - OTHER LIABILITIES

Other liabilities as of March 31 consisted of advances due to affiliates and other liabilities as follows:

	1993	1992
GNAC	$31,153	$30,516
Bally's Grand Marketing Corp. (a New York corp.)	-	1,000
	$31,153	$30,517

NOTE 12 - STOCKHOLDER'S EQUITY

At March 31, 1993 and 1992, the Company had 5,000,000 shares of common stock authorized; of such shares 3,002,500 were issued and outstanding.

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

NOTE 13 - JACKPOT PAYOUTS IN MERCHANDISE

There were no jackpot payouts in merchandise for the three months ended March 31, 1993.

Jackpot payouts in merchandise which were charged to operations for the three months ended March 31, 1992 consisted of the following:

	Number of Recipients	Dollar Amount
Motor Vehicles	1	$43

NOTE 14 - CHARGES FROM AFFILIATES - OTHER

The charges from affiliates for the three months ended March 31 consisted of the following:

Affiliate	Nature of Charge	1993	1992
GNAC	Rent	$ 255	$ 321
BMC	Allocated costs and expenses (a)	626	458
Bally's Park Place	Rent (surface area parking lots)	174	174
	Allocated costs and expenses (b)	696	602
		$1,751	$1,555

(a) Costs and expenses allocated from BMC include the Company's proportionate share for directors' and officers' insurance, regulatory and public company reporting, administrative and other corporate overhead 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 15 - NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income, which consisted of interest and dividend income, of $345,000 and $433,000 for the three months ended March 31, 1993 and 1992, respectively.

NOTE 16 - INCOME TAXES

For the three months ended March 31, 1993 and 1992, the effective income tax rates varied from the U.S. statutory tax rate (34%) due principally to the non-deductible amortization of cost in excess of acquired assets. In addition, the 1992 period was impacted by other permanent differences resulting from purchase accounting.

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993

(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	$ 2,978		
2	Returned patrons' checks	8,204		
3	Total patrons' checks	11,182	$ 7,875	$ 3,307
4	Hotel Receivables	477	77	400
	Other Receivables:			
5	Receivables due from officers and employees	–		
6	Receivables due from affiliates	–		
7	Other accounts and notes receivables	953		
8	Total other receivables	953	–	953
9	Totals (Form 205)	$ 12,612	$ 7,952	$ 4,660

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 3,191
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	23,784
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)	(15,596)
13	Checks collected through deposits	(7,710)
14	Checks transferred to returned checks	(691)
15	Other adjustments	–
16	Ending Balance	$ 2,978
17	"Hold" Checks Included In Balance On Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$ 119
19	Provision As A Percent Of Counter Checks Issued	0.50%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For The Three Months Ended March 31, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	37,904	$ 1,729	–	$ –
Food	252,417	3,748	–	–
Beverage	648,555	1,264	–	–
Travel	–	–	8,284	585
Coin	–	–	374,407	5,108
Coupon	–	–	–	–
Entertainment	8,855	179	361	44
Retail & Gifts	8,661	433	45,688	612
Other	2,202	42	30,428	178
Total	958,594	$ 7,395	459,168	$ 6,527

****

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 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

Corporate Controller/Treasurer
Title

03723-11
License Number

Subscribed and sworn to
before me this 14th day
of May , 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

On Behalf Of:

GNOC, CORP.
Casino Licensee

974.901
C193

QUARTERLY REPORT

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

FOR THE QUARTER ENDED MARCH 31, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
MAY 17 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT . . . . Vicki Lynn Guveiyian
OFFICIAL TITLE . . . . . Assistant Vice President / 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 - QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

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
Statement of Conformity and Accuracy	CCC-250

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

BALANCE SHEETS

MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$ 10,806	$ 9,265
2	Marketable securities	---	---
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993 $1,888 ; 1992 $6,160)	3,397	3,610
4	Inventories	1,857	2,047
5	Prepaid expenses and other current assets NOTE 2. .	9,101	8,207
6	Total current assets	25,161	23,129
7	Investments, Advances, and Receivables NOTE 9 . .	34,804	83,370
8	Property and Equipment - Gross NOTE 3. .	742,297	740,048
9	(Accumulated Depreciation/Amortization) NOTE 3. .	(267,929)	(246,919)
10	Other Assets	10,416	15,130
11	Total Assets	$ 544,749	$ 614,758
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 6,495	$ 9,607
13	Notes payable	---	---
	Current portion of long-term debt:		
14	Due to affiliate NOTE 1. .	8,000	25,000
15	Other	42	7,040
16	Income taxes payable and accrued NOTE 1. .	4,442	---
17	Other accrued expenses NOTE 10 .	29,586	24,057
18	Other current liabilities	2,410	6,210
19	Total current liabilities	50,975	71,914
	Long Term Debt:		
20	Due to affiliates NOTE 4. .	350,000	350,000
21	Other NOTE 4. .	25,763	24,813
22	Deferred Credits NOTE 5. .	27,666	14,765
23	Other Liabilities NOTE 6. .	7,769	20,679
24	Commitments And Contingencies		
25	Total Liabilities	462,173	482,171
26	Stockholders', Partners', or Proprietors' Equity	82,576	132,587
27	Total Liabilities and Equity	$ 544,749	$ 614,758

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 MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LI (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 65,379	$ 62,392
2	Rooms	7,280	7,134
3	Food and Beverage	8,918	8,635
4	Other	1,848	2,604
5	Total Revenue	83,425	80,765
6	Less: Promotional allowances	(7,655)	(8,522)
7	Net Revenue	75,770	72,243
	COSTS AND EXPENSES:		
8	Costs of Goods and Services	41,951	41,587
9	Selling, General, and Administrative	10,742	13,493
10	Provision for Doubtful Accounts	62	131
11	Total cost and expenses	52,755	55,211
12	Gross Operating Profit	23,015	17,032
13	Depreciation and amortization	7,030	7,603
	Charges from affiliates other than interest:		
14	Management fees	---	---
15	Other NOTE 1.	1,155	760
16	Income (Loss) from Operations	14,830	8,669
	Other Income (Expenses):		
17	Interest (expense) - affiliates NOTE 7.	(10,384)	(10,371)
18	Interest (expense) - external NOTE 7.	(696)	(1,364)
19	Investment alternative tax and related income (expense) - net NOTE 11	(414)	(337)
20	Nonoperating income (expense) - net NOTE 12	287	1,219
21	Total other income (expenses)	(11,207)	(10,853)
22	Income (Loss) Before Income Taxes and Extraordinary Items	3,623	(2,184)
23	Provision (credit) for income taxes NOTE 8.	1,438	(943)
24	Income (Loss) Before Extraordinary Items	2,185	(1,241)
25	Extraordinary items (net of income taxes - 19___, : 19___,)		
	Cumulative effect on prior years of change in accounting for income taxes. NOTE 1	(11,377)	---
26	Net Income (Loss)	$ (9,192)	$ (1,241)

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LIN (a)	DESCRIPTION (b)	1993 SHARES (c)	1993 DOLLARS (d)	1992 SHARES (e)	1992 DOLLARS (f)
	Common Stock:				
1	Beginning balance (January 1)	100	$ 91,768	100	$ 93,987
2	Sale of stock				
3					
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
10					
11	_____				
12	Ending balance		---		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)	---	---	---	---
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)		---		5,189
26	Prior period adjustments				
27	Net income (loss)		(9,192)		(1,241)
28	Dividends				
29					
30	_____				
31	Ending balance		(9,192)		3,948
32	*Ending Stockholders' Equity*		$ 82,576		$ 132,587

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	Description (b)	1993 (c)	1992 (d)
1	Net Cash Used By Operating Activities	$ (10,155)	$ (9,784)
	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	(1,625)	(3,883)
5	Proceeds from disposition of property and equipment	---	---
6	Purchase of casino reinvestment obligations	(824)	(166)
7	Purchase of other investments and loans/advances made	---	(65)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	12	11
9	Cash outflows to acquire business entities	---	---
10	Payments to affiliate for exchange of CRDA credits	---	(572)
11	Proceeds from disposal of property and equipment	146	227
12	Net Cash Used By Investing Activities	(2,291)	(4,448)
	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	64,000	32,000
16	Costs of issuing debt	---	---
17	Payments to settle long-term debt	(45,011)	(29,009)
18	Cash proceeds from issuing stock or capital contributions	---	---
19	Purchases of treasury stock	---	---
20	Payments of dividends or capital withdrawals	---	---
21	Advance from (repayment to) affiliate.	(8,000)	8,000
22	_____		
23	Net Cash Provided By Financing Activities	10,989	10,991
24	Net Decrease In Cash And Cash Equivalents	(1,457)	(3,241)
25	Cash And Cash Equivalents At Beginning Of Period	12,263	12,506
26	Cash And Cash Equivalents At End Of Period	$ 10,806	$ 9,265

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 21,440	$ 21,660
28	Income taxes	$ ---	$ 599

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	Description (b)	1993 (c)	1992 (d)
	Net Cash Flows From Operating Activities:		
29	Net loss	$ (9,192)	$ (1,241)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	6,602	6,684
31	Amortization of other assets	428	530
32	Amortization of debt discount or premium	---	---
33	Deferred income taxes - current	(505)	(380)
34	Deferred income taxes - noncurrent	1,928	1,986
35	(Gain) loss on disposition of property and equipment	---	---
36	Loss on casino reinvestment obligations	413	337
37	Loss from other investment activities	39	47
38	Net decrease in receivables and patrons' checks	505	979
39	Net decrease in inventories	115	76
40	Net increase in other current assets	(560)	(65)
41	Net (increase) decrease in other assets	3,733	(465)
42	Net decrease in accounts payables	(887)	(707)
43	Net decrease in other current liabilities excluding debt	(8,420)	(17,703)
44	Net decrease in other noncurrent liabilities excluding debt	(15,731)	(251)
45	Cumulative effect of change in accounting for income taxes	11,377	---
46	Amortization of CRDA credits	---	389
47	Net Cash Used By Operating Activities	$ (10,155)	$ (9,784)

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 1,625	$ 3,883
49	Less: Capital lease obligations incurred	---	---
50	Cash Outflows For Property And Equipment	$ 1,625	$ 3,883
	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	$ ---	$ ---

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993

(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	$ 1,241		
2	Returned patrons' checks	1,422		
3	Total patrons' checks	2,663	$ 1,588	$ 1,075
4	Hotel Receivables	951	300	651
	Other Receivables:			
5	Receivables due from officers and employees	19		
6	Receivables due to affiliates	901		
7	Other accounts and notes receivables	751		
8	Total other receivables	1,671	---	1,671
9	Totals (Form 205)	$ 5,285	$ 1,888	$ 3,397

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 1,701
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	16,503
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)	(13,547)
13	Checks collected through deposits	(2,807)
14	Checks transferred to returned checks	(609)
15	Other adjustments	---
16	Ending Balance	$ 1,241
17	"Hold" Checks Included In Balance On Line 16	$ ---
18	Provision For Uncollectible Patrons' Checks	$ 62
19	Provision As A Percent Of Counter Checks Issued	0.4%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the three months ended March 31, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	34,734	$ 2,985		$
Food	274,384	2,999		
Beverage	796,946	1,594		
Travel			14,965	299
Coin				
Coupon			308,063	3,731
Entertainment	2,934	50		
Retail & Gifts				
Other	890	27	(5,033)	(252)
Total	1,109,888	$ 7,655	317,995	$ 3,778

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 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

Assistant Vice President / Controller
Title

#000558-11
License Number

Subscribed and sworn to
before me this 14th day
of May, 1993

On Behalf Of:

Signature

Bally's Park Place, Inc. NJ
Casino Licensee

CHERYL ANN RUGGLES
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb 16, 1994

Basis of Authority
to Take Oaths

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Three Months Ended March 31, 1993 and 1992
(Unaudited)

The accompanying financial statements of Bally's Park Place Casino Hotel and Tower (the "Company") should be read in conjunction with the consolidated financial statements in the Casino Control Commission Annual Report for the year ended December 31, 1992.

Please refer to the Annual Report for the following:

1. Summary of Significant Accounting Policies
2. Leases (except rent expense for the periods)
3. Provision for Income Taxes, Reconciliation to Statutory Rate
4. Pension Plans
5. Reinvestment Obligation
6. Capital Stock-Description of Features
7. Contingent Liabilities

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 in a building in Atlantic City for sale and lease) and Bally's Park Place Realty Company (which owns land in Atlantic City). The investments in these subsidiaries are reflected in the accompanying financial statements using the equity method.

Transactions with related parties

The accompanying financial statements reflect an allocation of costs and expenses incurred by Bally Manufacturing Corporation ("BMC") of $1,155,000 and $760,000 for the three months ended March 31, 1993 and 1992, respectively. These costs represent the Company's proportionate share of BMC's insurance, regulatory and public company reporting, administrative and other corporate overhead costs. In March 1993, BMC received approval from the New Jersey Casino Control Commission (the "CCC") to authorize payment by the Company, however, no payment has been made to BMC in 1993.

Certain executive officers of the Company function in similar capacity for GNAC CORP., ("Bally's Grand"), and exercise decision making and operational authority over both entities. No allocation of cost is made from the Company to Bally's Grand for these executive officers. In addition, 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 of these operations are allocated by the Company either directly or using various formulas based on estimates of Bally's Grand's utilization of such services and totalled $696,000 and $602,000 for the three months ended March 31, 1993 and 1992, respectively.

In addition, the Company leases surface area parking lots to Bally's Grand. Rental income was $174,000 for the three months ended March 31, 1993 and 1992, respectively.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Three Months Ended March 31, 1993 and 1992
(Unaudited)

In April 1990, the Company advanced BMC $50,000,000 secured by a promissory note. In October 1992, BMC petitioned the CCC to allow the Company to declare the receivable due from BMC as a dividend. The CCC approved this request in December 1992. No interest was paid to the Company subsequent to April 1, 1992. The Company earned interest at the prime rate of its agent bank. Intercompany interest earned on this advance was $808,000 for the three months ended March 31, 1992.

In December 1990, the Company advanced Bally's Grand $2,700,000. This advance was repaid in June 1992. The Company earned interest monthly at the prime rate of its agent bank. Intercompany interest earned on this advance was $44,000 for the three months ended March 31, 1992.

Funds were advanced to the Company from Bally's Grand in 1993 and 1992. The advances are payable on demand. As of March 31, 1993, the Company owed Bally's Grand $8,000,000 for advances used by the Company to reduce the outstanding balance under its revolving credit agreement. The Company pays interest monthly at the prime rate of its agent bank (6% at March 31, 1993). Intercompany interest accrued and paid to Bally's Grand on this advance for the three months ended March 31, 1993 and 1992 was $199,000 and $321,000, respectively.

Income taxes

Taxable income or loss of the Company is included in the consolidated federal income tax return of BMC. Under an agreement between the Company and BMC, 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 BMC for the tax benefit of the Company's net operating losses and tax credits, if any, that can be utilized in BMC's consolidated federal income tax return, whether or not such losses or credits could be utilized by the Company on a separate return basis.

Effective January 1, 1993, the Company changed its method of accounting for income taxes as required by Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes." SFAS No. 109 retains the requirement to record deferred income taxes for temporary differences that are reported in different years for financial reporting and for tax purposes; however, the methodology for calculating and recording deferred income taxes has changed. Under the liability method adopted by SFAS No. 109, deferred tax liabilities or assets are computed using the tax rates that will be in effect when the temporary differences reverse. Also, requirements for recognition of deferred tax assets and operating loss and tax credit carryforwards have been liberalized by requiring their recognition when and to the extent that their realization is more likely than not. As permitted by SFAS No. 109, the Company has elected to use the cumulative effect approach rather than to restate the financial statements of any prior periods to apply the provisions of SFAS No. 109. The cumulative effect on prior years of this change in accounting for income taxes as of January 1, 1993 was a charge of $11,377,000. The effect of this change in accounting for income taxes on the provision for income taxes for the three months ended March 31, 1993 was not material.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Three Months Ended March 31, 1993 and 1992
(Unaudited)

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities as of January 1, 1993, along with their classification, are as follows:

	Assets	Liabilities
Expenses which are not currently deductible for tax purposes:		
Bad debts	$ 706,000	$
Deferred compensation and pension	8,937,000	
Other	9,857,000	
Depreciation and capitalized costs		38,437,000
Tax loss carryforwards	83,000	
Other	14,000	
	19,597,000	$38,437,000
Valuation allowance	(7,000)	
	$ 19,590,000	
Current	$ 6,888,000	$
Long-term	12,702,000	38,437,000
	$ 19,590,000	$38,437,000

For the three months ended March 31, 1993 and 1992, the effective income tax rate of the income tax provision (benefit) differed from the federal statutory rate of 34% (39.7% and 43.2%, respectively) due principally to state income taxes, net of the related federal income tax benefit.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 2 - Prepaid Expenses and
Other Current Assets
March 31,
(Unaudited)

	1993	1992
Deferred Income Taxes	$ 7,398,000	$ 6,236,000
Prepaid Insurance	580,000	359,000
Other *	1,123,000	1,612,000
	$ 9,101,000	$ 8,207,000

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

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 3 - Property, Plant and Equipment
March 31,
(Unaudited)

	1993	1992
Land	$ 64,169,000	$ 64,169,000
Buildings, Leasehold Improvements	539,361,000	536,783,000
Furniture, Fixtures and Equipment	137,306,000	135,399,000
Construction in Progress	1,461,000	3,697,000
	742,297,000	740,048,000
Less Accumulated Depreciation and Amortization	(267,929,000)	(246,919,000)
Property and Equipment, Net	$474,368,000	$493,129,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 4 - Long-Term Debt, Affiliates and Other
March 31,
(Unaudited)

Long-Term Debt

	1993	1992
Due to affiliates:		
11 7/8% First Mortgage Notes due 1999	$350,000,000	$350,000,000
Other:		
Revolving credit agreement	$ 23,000,000	$ 21,000,000
Other secured and unsecured debt	2,763,000	3,813,000
	$ 25,763,000	$ 24,813,000

The indenture relating to the 11 7/8% First Mortgage Notes (the "Notes") and the revolving credit agreement contain covenants restricting the Company's investment policies, total indebtedness, encumbrances on property and equipment securing the Notes and the revolving credit agreement, sale, transfer or lease of assets, the amounts of additional debt which may be incurred and minimum coverage of current maturities of long-term debt and fixed charges. Payments of dividends are restricted in amount, and at March 31, 1993, approximately $7,200,000 was available under the Notes indenture and revolving credit agreement to pay dividends.

The revolving credit agreement expires on 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 agreement provides for maximum borrowings up to $75,000,000. The rate of interest on the borrowings (weighted average rate of 4.42% at March 31, 1993) is at the Company's option, based upon the agent bank's prime rate or certain other short-term rates. The Company pays an annual fee of 1/2 of 1 percent on the unused commitment. The unused amount of the credit line at March 31, 1993 is $52,000,000.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 5 - Deferred Credits
March 31,
(Unaudited)

	1993	1992
Deferred Federal Income Taxes	$27,666,000	$14,765,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 6 - Other Liabilities
March 31,
(Unaudited)

	1993	1992
Accrued S.E.R.P.	$ 6,481,000	$ 5,273,000
Deferred Long-Term Compensation (net of unamortized discount of $3,656,000 in 1992)	—	13,944,000
1983 Reinvestment Obligation (net of unamortized discount $286,000 in 1993 and $413,000 in 1992)	1,288,000	1,462,000
	$ 7,769,000	$20,679,000

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

On January 8, 1993, the Company and BMC entered into a Retirement and Separation Agreement with a former executive of the Company and BMC. The Company paid this executive $14,500,000 on such date in full settlement of the remaining amounts due under his employment contract and for the liability under a previous settlement of his supplemental executive retirement plan (present value at December 31, 1992 was $16,042,000).

In January 1992, the Company and the New Jersey Department of the Treasury entered into an agreement settling a dispute regarding 1983 qualified investments. The Company is obligated to make remaining payments totalling $1,650,000 between 1993 and 1996 and to participate in certain approved low income mortgage guarantee programs.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 7 - Interest Expense
For the Three Months Ended March 31,
(Unaudited)

	1993	1992
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$10,391,000	$10,391,000
Capitalized interest	(7,000)	(20,000)
	$10,384,000	$10,371,000
External Sources		
Interest on various loans	$ 698,000	$ 1,369,000
Capitalized interest	(2,000)	(5,000)
	$ 696,000	$ 1,364,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 8 - Provision for Income Taxes
For the Three Months Ended March 31,
(Unaudited)

	1993	1992
Current:		
Federal	$ 79,000	$(2,010,000)
State	(63,000)	(540,000)
	16,000	(2,550,000)
Deferred:		
Federal	1,090,000	1,232,000
State	332,000	375,000
	1,422,000	1,607,000
Total Income Taxes	$ 1,438,000	$ (943,000)

Reconciliation of Deferred Income Taxes
For the Three Months Ended March 31,
(Unaudited)

	1993	1992
Short-term	$ (298,000)	$ (294,000)
Long-term	1,720,000	1,901,000
	$ 1,422,000	$ 1,607,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 9 - Investments, Advances and Receivables
March 31,
(Unaudited)

	1993	1992
Other long-term investments and receivables:		
Investment in subsidiaries - equity:		
Bally Warwick, Inc. - 100% owned	$ 4,261,000	$ 4,339,000
B.W. Realty, Inc. - 100% owned	4,736,000	2,778,000
Total investments in subsidiaries - equity	8,997,000	7,117,000
Casino Reinvestment Development Authority funds (less discount of $7,715,000 in 1993 and $6,039,000 in 1992)	7,636,000	5,282,000
Jacobs Family Terrace Mortgage Receivable (less reserve of $225,000 in 1993 and $175,000 in 1992)	2,586,000	2,682,000
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	(45,000)	(41,000)
Total Investments, Advances and Receivables	$34,804,000	$83,370,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 10 - Other Accrued Expenses
March 31,
(Unaudited)

	1993	1992
Payroll	$ 7,018,000	$ 6,708,000
Progressive Jackpots	3,256,000	2,188,000
Interest	5,327,000	5,537,000
*Miscellaneous	13,985,000	9,624,000
Total	$29,586,000	$24,057,000

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

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 11 - Reinvestment Obligation
March 31, 1993
(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 March 31, 1993 and 1992, the Company had $14,222,000 and $10,323,000 respectively, in remaining bond purchase commitments on deposit with the CRDA. The Company has purchased $1,129,000 and $998,000 in bonds from the CRDA as of March 31, 1993 and 1992, respectively.

Since deposits held by and bonds issued by the CRDA earn interest at rates below market and may be issued for terms up to 50 years, the Company provides on a current basis for the estimated diminution in value due to the below market rates and possible realizable value. For the three months ended March 31, 1993 and 1992, $413,000 and $337,000, respectively were charged to operations.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 12 - Non-Operating Income
For the Three Months Ended March 31,
(Unaudited)

	1993	1992
Interest income	$ 252,000	$ 1,106,000
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	(20,000)	(30,000)
Bally Warwick, Inc.	(19,000)	(17,000)
Other	74,000	160,000
Total	$ 287,000	$ 1,219,000

974.901
C193

QUARTERLY REPORT

LICENSEE BOARDWALK REGENCY CORPORATION
d/b/a CAESARS ATLANTIC CITY

ADDRESS 2100 PACIFIC AVENUE
ATLANTIC CITY, NJ 08401

FOR THE QUARTER ENDED MARCH 31, 19 93

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEB
MAY 27 1993
CASINO CONTROL
COMMISSION

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

OFFICIAL TITLE. . . . . VICE PRESIDENT FINANCE

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

TRADING NAME OF LICENSEE CAESARS ATLANTIC CITY

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

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: CAESARS ATLANTIC CITY

BALANCE SHEETS

MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash . . . . . NOTE 14 . .	$ 11,320	$ 7,033
2	Marketable securities	–	–
3	Receivables and patrons' checks(net of allowance for doubtful		
4	accounts – 1993, $9,510 ; 1992, $10,481)	9,068	13,345
5	Inventories . . . . . NOTE 1 . .	3,563	3,988
6	Prepaid expenses and other current assets . . . . . NOTE 2 . .	16,661	14,354
7	Total current assets	40,612	38,720
8	Investments, Advances, and Receivables . . . . . NOTES 3 & 14 .	4,310	1,797
9	Property And Equipment – Gross . . . . . NOTES 1, 4 & 10 .	414,388	401,512
10	(Accumulated Depreciation/Amortization)	(139,360)	(122,146)
11	Other Assets . . . . . NOTES 1 & 12 .	14,604	14,733
	Total Assets	$ 334,554	$ 334,616
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 5,090	$ 5,927
13	Notes payable . . . . . NOTE 5 .	11,533	4,505
14	Current portion of long–term debt :		
15	Due to affiliates	–	–
16	Other . . . . . NOTES 10 & 14 .	293	274
17	Income taxes payable and accrued . . . . . NOTES 1 & 6 .	–	5,924
18	Other accrued expenses . . . . . NOTE 7 .	15,081	15,396
19	Other current liabilities . . . . . NOTE 8 .	4,164	4,278
	Total current liabilities	36,161	36,304
	Long–Term Debt:		
20	Due to affiliates . . . . . NOTES 9 & 14 .	68,300	69,500
21	Other . . . . . NOTES 10 & 14 .	10,994	11,237
22	Deferred Credits . . . . . NOTE 6 .	6,982	6,136
23	Other Liabilities . . . . . NOTE 11	6,879	6,810
24	Commitments And Contingencies . . . . . NOTE 15	–	–
25	**Total Liabilities**	129,316	129,987
26	**Stockholders', Partners', Or Proprietor's Equity**	205,238	204,629
27	**Total Liabilities And Equity**	$ 334,554	$ 334,616

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 MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1993	(d) 1992
	Revenue:			
1	Casino	NOTE 1	$ 71,267	$ 81,781
2	Rooms		3,683	3,899
3	Food and beverage		7,181	8,948
4	Other		2,297	2,347
5	Total revenue		84,428	96,975
6	Less: Promotional allowances	NOTE 1	8,230	10,477
7	Net revenue		76,198	86,498
	Costs And Expenses :			
8	Cost of goods and services		42,983	44,142
9	Selling, general and administrative		16,226	18,230
10	Provision for doubtful accounts		419	447
11	Total costs and expenses		59,628	62,819
12	Gross Operating Profit		16,570	23,679
13	Depreciation and amortization	NOTE 1	4,591	5,192
	Charges from affiliates other than interest:			
14	Management fees	NOTE 13	2,284	2,564
15	Other	NOTE 13	3,647	3,572
16	Income (Loss) From Operations		6,048	12,351
	Other Income (Expenses) :			
17	Interest (expense) – affiliates	NOTES 5 & 9	(2,087)	(2,104)
18	Interest (expense) – external		(291)	(297)
19	Investment alternative tax and related income (expense) – net	NOTE 15	(114)	(267)
20	Nonoperating income (expense) – net		70	46
21	Total other income (expenses)		(2,422)	(2,622)
22	Income (Loss) Before Income Taxes And Extraordinary Items		3,626	9,729
23	Provision (credit) for income taxes	NOTE 6	1,449	3,903
24	Income (Loss) Before Extraordinary Items		2,177	5,826
25	Extraordinary Items (net of income taxes – 1993, $; 1992 , $)		–	–
26	**Net Income (Loss)**		$ 2,177	$ 5,826

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 MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1993	(d) 1992
	Revenue:			
1	Casino	NOTE 1	$ 71,267	$ 81,781
2	Rooms		3,683	3,899
3	Food and beverage		7,181	8,948
4	Other		2,297	2,347
5	Total revenue		84,428	96,975
6	Less: Promotional allowances	NOTE 1	8,230	10,477
7	Net revenue		76,198	86,498
	Costs And Expenses :			
8	Cost of goods and services		42,983	44,142
9	Selling, general and administrative		16,226	18,230
10	Provision for doubtful accounts		419	447
11	Total costs and expenses		59,628	62,819
12	Gross Operating Profit		16,570	23,679
13	Depreciation and amortization	NOTE 1	4,591	5,192
	Charges from affiliates other than interest:			
14	Management fees	NOTE 13	2,284	2,564
15	Other	NOTE 13	3,647	3,572
16	Income (Loss) From Operations		6,048	12,351
	Other Income (Expenses) :			
17	Interest (expense) – affiliates	NOTES 5 & 9	(2,087)	(2,104)
18	Interest (expense) – external		(291)	(297)
19	Investment alternative tax and related income (expense) – net	NOTE 15	(114)	(267)
20	Nonoperating income (expense) – net		70	46
21	Total other income (expenses)		(2,422)	(2,622)
22	Income (Loss) Before Income Taxes And Extraordinary Items		3,626	9,729
23	Provision (credit) for income taxes	NOTE 6	1,449	3,903
24	Income (Loss) Before Extraordinary Items		2,177	5,826
25	Extraordinary Items (net of income taxes – 1993, $; 1992, $)		–	–
26	**Net Income (Loss)**		$ 2,177	$ 5,826

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c) SHARES	1993 (d) DOLLARS	1992 (e) SHARES	1992 (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		46,065
10	_____		–		–
11	_____		–		–
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)		161,626		151,368
26	Prior period adjustments		–		–
27	Net Income (loss)		2,177		5,826
28	Dividends (Note 8)		(6,000)		(–)
29	_____		–		–
30	_____		–		–
31	Ending balance		157,803		157,194
32	Ending Stockholders' Equity		$ 205,238		$ 204,629

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	$ 6,370	$ 8,008
	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	(3,067)	(4,752)
5	Proceeds from disposition of property and equipment	–	–
6	Purchase of casino reinvestment obligations	(840)	(791)
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	(3,907)	(5,543)
	Cash Flows From Financing Activities :		
13	Cash proceeds from issuance of short-term debt	16,892	23,155
14	Payments to settle short-term debt	(11,500)	(19,844)
15	Cash proceeds from issuance of long-term debt	–	–
16	Costs of issuing debt	–	–
17	Payments to settle long-term debt	(58)	(7,296)
18	Cash proceeds from issuing stock or capital contributions	–	–
19	Purchases of treasury stock	–	–
20	Payments of dividends or capital withdrawals	(6,000)	–
21	_____	–	–
22	_____	–	–
23	Net Cash Provided (Used) by Financing Activities	(666)	(3,985)
24	Net Increase (Decrease) In Cash And Cash Equivalents	1,797	(1,520)
25	Cash And Cash Equivalents At Beginning Of Period	9,523	8,553
26	Cash And Cash Equivalents At End Of Period	$ 11,320	$ 7,033

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 2,378	$ 2,425
28	Income taxes	$ 4,609	$ 4,437

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ 2,177	$ 5,826
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	4,306	4,925
31	Amortization of other assets	285	267
32	Amortization of debt discount or premium	–	–
33	Deferred income taxes – current	(78)	(216)
34	Deferred income taxes – noncurrent	336	(135)
35	(Gain) loss on disposition of property and equipment	(16)	–
36	(Gain) loss on casino reinvestment obligations	114	267
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	1,994	(665)
39	Net (increase) decrease in inventories	145	(10)
40	Net (increase) decrease in other current assets	(2,474)	301
41	Net (increase) decrease in other assets	(133)	(549)
42	Net increase (decrease) in accounts payable	(854)	(907)
43	Net increase (decrease) in other current liabilities excluding debt	571	6
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(3)	(1,102)
45	_____	–	–
46	_____	–	–
47	Net Cash Provided (Used) By Operating Activities	$ 6,370	$ 8,008

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 3,067	$ 4,752
49	Less: Capital lease obligations incurred	–	–
50	Cash Outflows For Property And Equipment	$ 3,067	$ 4,752
	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 acquisiton of business entities	–	–
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$ –	$ –

BOARDWALK REGENCY CORPORATION
(d/b/a CAESARS ATLANTIC CITY)
(unaudited)

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 three months ended March 31, 1993 and 1992. 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

Included in "Other Assets" is the excess of purchase price over fair value of assets acquired in December 1990, approximately $8,829,000, which 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.

Disclosures

Certain disclosures have been omitted in conformance with the Casino Control Commission's quarterly instruction that usually are required for a fair presentation of the financial statements in accordance with generally accepted accounting principles. The omitted disclosures pertain to the aggregate maturities of long term debt and future minimum lease payments for operating and capital leases. The disclosures were omitted because there was not a material change in the information previously disclosed in the Company's annual financial statements for the year ended December 31 1992.

NOTE 2. PREPAID EXPENSES AND OTHER CURRENT ASSETS:

	1993	1992
	(In Thousands)	
Deferred income taxes.(NOTE 6)..	$12,282	$12,209
Prepaid income taxes - current..	2,548	-
Other.....	1,831	2,145
	$16,661	$14,354

NOTE 3. INVESTMENTS, ADVANCES AND RECEIVABLES:

	1993	1992
	(In Thousands)	
CRDA deposits	$6,028	$2,349
CRDA bonds receivable	521	521
	6,549	2,870
Less: valuation allowance on CRDA investments	2,239	1,073
	$4,310	$1,797

The carrying value of these assets approximated their fair value.

NOTE 4. PROPERTY AND EQUIPMENT:

	1993	1992
	(In Thousands)	
Land	$ 51,503	$ 51,503
Buildings and improvements	256,778	251,754
Furniture, fixtures and equipment	90,663	82,199
Construction in progress	3,104	3,716
Properties under capital leases.	12,340	12,340
	414,388	401,512
Less: accumulated depreciation and amortization	139,360	122,146
	$275,028	$279,366

NOTE 5. NOTES PAYABLE:

In August 1992, CWI entered into an 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. Also, in August 1992 CWI issued $150,000,000 of 8 7/8 percent Senior Subordinated Notes due August 15, 2002. The bank loan agreement and 8 7/8 percent 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

NOTE 5. NOTES PAYABLE (cont'd):

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. 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 1993 and 1992, the maximum amount outstanding at any month-end was $12,944,000 and $9,960,000, respectively, the average of the month-end amounts outstanding was $11,189,000 and $7,893,000, respectively, and the weighted average interest rate was 6.0 percent and 6.5 percent, respectively.

At March 31, 1993 and 1992, the outstanding balance on the revolving line of credit was $11,533,000 and $4,505,000, respectively.

NOTE 6. INCOME TAXES:

The provision for income taxes for the three months ended March 31, 1993 and 1992 is comprised of the following:

	1993	1992
	(In Thousands)	
Current:		
Federal	$ 860	$3,232
State	331	1,022
Deferred:		
Federal	227	(294)
State	31	(57)
	$1,449	$3,903

NOTE 6. INCOME TAXES (cont'd):

Deferred credits of $6,982,000 and $6,136,000 at March 31, 1993 and 1992, respectively, represent noncurrent deferred income taxes which result from timing differences between income for financial reporting purposes and income for tax purposes. The most significant timing 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 three months ended March 31, 1993 and 1992 differs from the amount computed at the statutory rate as follows:

	1993	1992
	(In Thousands)	
Federal income tax at statutory rate.	$1,233	$3,308
State income taxes, net of federal benefit.....	215	578
Other, net.....	1	17
	$1,449	$3,903

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:

	1993	1992
	(In Thousands)	
Salaries, wages and vacation pay....	$ 3,151	$ 3,152
General liability, etc.....	4,561	3,301
Taxes, other than income taxes.....	2,269	2,061
Other.....	5,100	6,882
	$15,081	$15,396

NOTE 8. OTHER CURRENT LIABILITIES:

	1993	1992
	(In Thousands)	
Due to CWI	$2,239	$2,290
Due to DPI	664	674
Other	1,261	1,314
	$4,164	$4,278

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

	1993	1992
	(In Thousands)	
DPI term note due June 1, 1996, interest at 11.45%	$68,300	$69,500

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.

At March 31, 1993, the carrying value of this note approximated its fair value.

NOTE 10. LONG-TERM DEBT, OTHER:

	1993	1992
	(In Thousands)	
Mortgage payable	$ 1,732	$ 2,023
Capitalized lease obligation, net of amounts representing interest	9,262	9,214
	$10,994	$11,237

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

Mortgage payable is comprised of the following:

	1993	1992
	(In Thousands)	
Mortgage payable, interest at 8.0% maturing January 1999, secured by property	$2,025	$2,297
Less current maturities	293	274
	$1,732	$2,023

The carrying value at March 31 1993 approximated its fair value.

BRC 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, which expires in 2076, provides that BRC pay all applicable taxes, insurance and maintenance expenses and requires annual payments of $875,000. The lease 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.

Rent expense for the three months ended March 31, 1993 and 1992 was $603,000 and $698,000, respectively.

NOTE 11. OTHER LIABILITIES:

	1993	1992
	(In Thousands)	
General liability, etc.	$4,481	$4,555
Other	2,398	2,255
	$6,879	$6,810

NOTE 12. PENSION PLANS:

BRC participates in CWI's nonqualified defined benefit pension plans (the 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 March 31, 1993, the amount in this revocable trust was $1,662,000 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 $111,000 and $93,000 for the three months ended March 31, 1993 and 1992, 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 $202,000 and $202,000 for the three months ended March 31, 1993 and 1992, 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.

NOTE 13. RELATED TRANSACTIONS:

BRC has recorded expenses for the three months ended March 31, 1993 and 1992 from CWI and affiliates as follows:

Affiliate	Transaction	1993	1992
		(In Thousands)	
Caesars World, Inc.	Management Fee	$2,284	$2,564
Caesars World Marketing Corp.	Reservation Offices	$1,697	$1,531
Caesars Palace Corp	Tradename Fee	1,200	1,200
Caesars World, Inc.	Allocated Payroll	750	841
		$3,647	$3,572

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

NOTE 14. 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 March 31, 1993, 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.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993
(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	$ 4,263	–	
2	Returned patrons' checks	12,678	–	
3	Total patrons' checks	16,941	$ 9,409	$ 7,532
4	Hotel Receivables	1,099	101	998
	Other Receivables:			
5	Receivables due from officers and employees	2	–	
6	Receivables due from affiliates	73	–	
7	Other accounts and notes receivables	463	–	
8	Total other receivables	538	–	538
9	Totals (Form 205)	$ 18,578	$ 9,510	$ 9,068

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 6,406
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	55,417
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)	(40,664)
13	Checks collected through deposits	(16,034)
14	Checks transferred to returned checks	(862)
15	Other adjustments	–
16	Ending Balance	$ 4,263
17	"Hold" Checks Included Balance on Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$ 419
19	Provision As A Percent Of Counter Checks Issued	0.8%

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

(UNAUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	47,586	$ 2,494		$
Food	197,920	3,330		
Beverage	393,775	1,953		
Travel			8,704	2,247
Coin			303,131	2,539
Coupon			65,050	1,679
Cash Rebates			118	621
Entertainment	13,276	349	4,205	614
Retail & gifts			648	188
Other	4,440	104	45,484	795
Total	656,997	$ 8,230	427,340	$ 8,683

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 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.

M J Walsh
Signature

VICE PRESIDENT FINANCE
Title

1482-11
License Number

Subscribed and sworn to
before me this 14th day
of May, 1993

Mary Nocella
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

974.901
C193

QUARTERLY REPORT

THE CLARIDGE AT PARK PLACE, INC.

INDIANA AVENUE AT THE BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE QUARTER ENDED MARCH 31, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 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:	**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 - QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

TITLE	FORM #
BALANCE SHEETS	CCC - 205
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
MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	ASSETS		
	CURRENT ASSETS:		
1	CASH	$ 5,906	$ 6,403
2	MARKETABLE SECURITIES	-0-	-0-
3	RECEIVABLES & PATRONS CHECKS (NET OF ALLOW. FOR DOUBTFUL ACCOUNTS - 1993, $1,453; 1992, $1,245	17,460	17,132
4	INVENTORIES	2,292	2,259
5	PREPAID EXPENSES & OTHER CURRENT ASSETS	990	1,284
6	TOTAL CURRENT ASSETS	26,648	27,078
7	INVESTMENTS, ADVANCES & RECEIVABLES...(NOTE 3)	121,858	127,350
8	PROPERTY & EQUIPMENT - GROSS	13,851	13,888
9	(ACCUMULATED DEPRECIATION/AMORTIZATION)	(9,428)	(10,157)
10	OTHER ASSETS.....(NOTE 4)	421	578
11	TOTAL ASSETS	$153,350	$158,737
	LIABILITIES & EQUITY		
	CURRENT LIABILITIES:		
12	ACCOUNTS PAYABLE	$ 3,063	$ 2,051
13	NOTES PAYABLE	-0-	-0-
	CURRENT PORTION OF LONG-TERM DEBT:		
14	DUE TO AFFILIATES	-0-	-0-
15	OTHER.....(NOTE 7)	4,148	2,966
16	INCOME TAXES PAYABLE & ACCRUED	314	316
17	OTHER ACCRUED EXPENSES.....(NOTE 5)	8,209	10,589
18	OTHER CURRENT LIABILITIES.....(NOTE 6)	21,296	21,001
19	TOTAL CURRENT LIABILITIES	37,030	36,923
	LONG TERM DEBT:		
20	DUE TO AFFILIATES	-0-	-0-
21	OTHER.....(NOTE 7)	37,850	48,689
22	DEFERRED CREDITS	5,188	3,625
23	OTHER LIABILITIES.....(NOTE 8)	58,735	61,644
24	COMMITMENTS & CONTINGENCIES (NOTE 1)		
25	TOTAL LIABILITIES	138,803	150,881
26	STOCKHOLDERS', PARTNERS, OR PROPRIETOR'S EQUITY	14,547	7,856
27	TOTAL LIABILITIES & EQUITY	153,350	$158,737

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 MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	REVENUE:		
1	CASINO	$ 34,853	$ 34,140
2	ROOMS	2,302	2,182
3	FOOD & BEVERAGE	4,245	4,682
4	OTHER	489	836
5	TOTAL REVENUE	41,889	41,840
6	LESS: PROMOTIONAL ALLOWANCES	3,612	4,132
7	NET REVENUE	38,277	37,708
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	21,409	21,813
9	SELLING, GENERAL & ADMINISTRATIVE	11,141	9,927
10	PROVISION FOR DOUBTFUL ACCOUNTS	136	140
11	TOTAL COSTS & EXPENSES	32,686	31,880
12	GROSS OPERATING PROFIT	5,591	5,828
13	DEPRECIATION & AMORTIZATION	334	311
	CHARGES FROM AFFILIATES OTHER THAN INTEREST:		
14	MANAGEMENT FEES	-0-	-0-
15	OTHER	29	27
16	INCOME (LOSS) FROM OPERATIONS	5,228	5,490
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES.....(NOTE 12)	(108)	(108)
18	INTEREST (EXPENSES) - EXTERNAL	(816)	(1,077)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(150)	(370)
20	NONOPERATING INCOME (EXPENSE) - NET....(NOTES 9 & 11)	(3,727)	(3,543)
21	TOTAL OTHER INCOME (EXPENSE)	(4,801)	(5,098)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	427	392
23	PROVISION (CREDIT) FOR INCOME TAXES..(NOTE 11)	86	83
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	341	309
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES - 1993, $ -0-; 1992, $-0-)	-0-	-0-
26	NET INCOME (LOSS)	$ 341	$ 309

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	1993		1992	
		(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)		$9,206		$ 2,547
26	PRIOR PERIOD ADJUSTMENTS				
27	NET INCOME (LOSS)		341		309
28	DIVIDENDS				
29	_____				
30	_____				
31	ENDING BALANCE		9,547		2,856
32	ENDING STOCKHOLDERS' EQUITY		$14,547		$ 7,856

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	$ 920	$ 814
	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.....	(750)	(123)
5	PROCEEDS FROM DISPOSITION OF PROPERTY & EQUIPMENT.....	40	3
6	PURCHASE OF CASINO REINVESTMENT OBLIGATION.....	(418)	(83)
7	PURCHASE OF OTHER INVESTMENTS & LOANS/ADVANCES MADE....	(489)	(653)
8	PROCEEDS FROM DISPOSAL OF INVESTMENTS & COLLECTION OF ADVANCES & LONG TERM RECEIVABLES.....	2,348	2,220
9	CASH OUTFLOWS TO ACQUIRE BUSINESS ENTITIES.....		
10	_____.....		
11	_____.....		
12	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES.....	731	1,364
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	CASH PROCEEDS FROM ISSUANCE OF SHORT-TERM DEBT.....	800	-0-
14	PAYMENTS TO SETTLE SHORT-TERM DEBT.....	(1,000)	-0-
15	CASH PROCEEDS FROM ISSUANCE OF LONG-TERM DEBT.....		
16	COSTS OF ISSUING DEBT.....		
17	PAYMENTS TO SETTLE LONG-TERM DEBT.....	(303)	(412)
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.....	(503)	(412)
24	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	1,148	1,766
25	CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	4,758	4,637
26	CASH & CASH EQUIVALENTS AT END OF PERIOD.....	$ 5,906	$ 6,403

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	CASH PAID DURING YEAR FOR:		
28	INTEREST (NET OF AMOUNT CAPITALIZED).....	$ 816	$ 1,076
	INCOME TAXES.....	$ -0-	$ 351

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
29	NET INCOME (LOSS)	$ 341	$ 309
	NON-CASH ITEMS INCLUDED INCOME & CASH ITEMS EXCLUDED FROM INCOME:		
30	DEPRECIATION & AMORTIZATION OF PROPERTY & EQUIPMENT	287	265
31	AMORTIZATION OF OTHER ASSETS	47	46
32	AMORTIZATION OF DEBT DISCOUNT OR PREMIUM		
33	DEFERRED INCOME TAXES - CURRENT		
34	DEFERRED INCOME TAXES - NONCURRENT	239	15
35	(GAIN) LOSS ON DISPOSITION OF PROPERTY & EQUIPMENT	(39)	(3)
36	(GAIN) LOSS ON CASINO REINVESTMENT OBLIGATIONS	150	371
37	(GAIN) LOSS FROM OTHER INVESTMENT ACTIVITIES		
38	NET (INCREASE) DECREASE IN RECEIVABLES AND PATRONS' CHECKS EXCLUDING RECLASS FROM LONG TERM OF $289 and $351	(23)	(13)
39	NET (INCREASE) DECREASE IN INVENTORIES	(7)	(218)
40	NET (INCREASE) DECREASE IN OTHER CURRENT ASSETS *	76	330
41	NET (INCREASE) DECREASE IN OTHER ASSETS	(7)	(239)
42	NET INCREASE (DECREASE) IN ACCOUNTS PAYABLE	1,194	398
43	NET INCREASE (DECREASE) IN OTHER CURRENT LIABILITIES EXCLUDING DEBT	(310)	525
44	NET INCREASE (DECREASE) IN OTHER NONCURRENT LIABILITIES EXCLUDING DEBT	(790)	(765)
45	DISCOUNT ON WRAPAROUND MORTGAGE RECEIVABLE	(238)	(207)
46			
47	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 920	$ 814

* EXCLUDING DECREASE IN CURRENT PORTION OF CRDA CREDIT OF $-0- AND $330

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

48	ACQUISITION OF PROPERTY & EQUIPMENT:		
49	ADDITIONS TO PROPERTY & EQUIPMENT	$ 750	$ 123
50	LESS: CAPITAL LEASE OBLIGATIONS ACQUIRED		
	CASH OUTFLOWS FOR PROPERTY & EQUIPMENT	$ 750	$ 123
	ACQUISITION OF BUSINESS ENTITIES:		
51	PROPERTY & EQUIPMENT ACQUIRED	$	$
52	GOODWILL ACQUIRED		
53	NET ASSETS ACQUIRED OTHER THAN CASH, GOODWILL & PROPERTY & EQUIPMENT		
54	LONG TERM DEBT ASSUMED		
55	ISSUANCE OF STOCK OR CAPITAL INVESTED		
56	CASH OUTFLOWS TO ACQUIRE BUSINESS ENTITIES	$ -0-	$ -0-
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
57	TOTAL ISSUANCES OF STOCK OR CAPITAL CONTRIBUTIONS	$ -0-	$
58	LESS: ISSUANCES TO SETTLE LONG TERM DEBT		
59	CONSIDERATION IN ACQUISITION OF BUSINESS ENTITIES		
60	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
MARCH 31, 1993 AND 1992

(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. (the "Bank") 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 Bank, 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

On October 7, 1991, New Claridge was issued a two year casino license by the New Jersey Casino Control Commission (the "Commission") for the period commencing October 31, 1991. The relicensing approval was based in part on the execution of the second amendment to the Loan Agreement on April 23, 1991 (as discussed in note 7, Long Term Debt). In addition, New Claridge was required to submit to the Commission by April 30, 1993 a plan to satisfy the balloon payment due on the first mortgage loan on January 1, 1994, pursuant to the terms of the Loan Agreement, with implementation of the plan by June 30, 1993.

On March 26, 1993, the Corporation, New Claridge, and the Bank reached an agreement to modify the terms of the Loan Agreement in order to satisfy this license condition. The modifications as outlined in note 7, Long Term Debt, are subject to the execution of final documents and are anticipated to be effective April 1, 1993. On April 16, 1993, New Claridge submitted to the Commission a summary of the modifications to the terms of the Loan Agreement, thus satisfying the April 30, 1993 reporting condition. Management of the New Claridge is aware of no charges, objections, or other facts which would provide a basis for the Commission to deny renewal of the casino license.

(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 March 31, 1993 and 1992 are summarized as follows:

	1993	1992
		(in thousands)
$127,000,000 Expandable Wraparound Mortgage 14%, maturities through September 30, 2000 (net of $13,061,000 discount and $13,965,000 discount at March 31, 1993 and 1992, respectively)	$ 92,189	97,535
Deferred interest receivable, due September 30, 2000	20,000	20,000
FF&E promissory note, 14%	6,546	5,716
FF&E promissory note - expansion, 14%	10,837	12,040
Reinvestment Obligations	1,993	918
Reinvestment Obligation Credit	62	303
	131,627	136,512
Less Current Installments:		
Receivable	9,769	8,977
Reinvestment Obligation Credit	-0-	185
	$121,858	127,350

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 three months ended March 31, 1993, $1,750,000 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 three months ended March 31, 1993, $282,000 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 March 31, 1993, $395,000 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 March 31, 1993 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 three months ended March 31, 1993, the valuation allowance recorded totalled $136,000. 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 March 31, 1993 and 1992 is $418,000 and $82,000 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 three months ended March 31, 1993, New Claridge has recorded expense of $14,000, representing the amount of the credits applied to the first quarter of 1993 obligation. As of March 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 March 31, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Intangible assets (net of accumulated amortization of $385 and $186 at March 31, 1993 and 1992, respectively)	$258	423
Refundable deposits, non-current	118	110
Other	45	45
	$421	578

(5) Other Accrued Expenses

Other accrued expenses at March 31, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Progressive jackpot liability	$ 240	2,998
Accrued payroll and related benefits	5,228	4,395
Accrued interest due to the Partnership	1,638	1,206
Other	1,103	1,990
	$8,209	10,589

In September 1992, certain progressive slot machines were removed from the casino, resulting in the reversal of $2.4 million of progressive jackpot liability. In January 1993, an additional $257,000 of progressive jackpot liability was reversed as a result of removing additional progressive slot machines. The removal of these units was made following receipt of approval from the Casino Control Commission.

(6) Other Current Liabilities

Other current liabilities at March 31, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Due to affiliates	$ 3,600	3,600
Deferred rent, current	15,078	15,078
Auto/general claims liability	1,399	1,488
Other	1,219	835
	$21,296	21,001

As of March 31, 1993 and 1992, 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 which represented substantially all cash and cash equivalents remaining in the Partnership other than funds needed to pay expenses incurred through 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 March 31, 1993, such interest, which is included in Accrued Expenses, amounted to $1,638,000.

As of March 31, 1993, 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 March 31, 1993 and 1992 consists of the following:

	1993	1992
	(in thousands)	
First Mortgage Note (a)	$41,198	51,655
Revolving line of credit (b)	800	-0-
	41,998	51,655
Less current installments	4,148	2,966
	$37,850	48,689

(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 terms of the Loan Agreement as amended on April 23, 1991, required 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 Bank, for permanent application to the outstanding principal balance of the first mortgage loan, any excess cash flow as defined in the Loan Agreement. In April 1993, New Claridge made principal payments totalling $348,000, representing its excess cash flow, as calculated per the terms of the Loan Agreement, for the first quarter of 1993.

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 Bank agreed to the donation of certain funds, already deposited with the CRDA, to the CRDA. The Bank 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 three months ended March 31, 1993, New Claridge made principal payments totalling $3,000 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.

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. The relicensing approval was based in part on the execution of the second amendment to the Loan Agreement on April 23, 1991. In addition, 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 Loan Agreement, with implementation of the plan by June 30, 1993.

On March 26, 1993, the Corporation, New Claridge, and the Bank reached an agreement to modify the terms of Loan Agreement in order to satisfy this license condition. The modifications which will be effective April 1, 1993 and are subject to the execution of final documents, are as follows:

(i) the extension of the maturity date of the first mortgage loan from January 1, 1994 to December 31, 1996;

(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. New Claridge was required to pay a co-agent's fee equal to one-fortieth of one percent of the average daily outstanding balance of the first mortgage loan.

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

On April 16, 1993, New Claridge submitted to the Commission a summary of the modifications to the terms of the Loan Agreement, as outlined above, thus satisfying the April 30, 1993 reporting condition.

b) Pursuant to the terms of the Loan Agreement as amended on the closing of the Restructuring, the Bank 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%. In conjunction with the amendments to the Loan Agreement as discussed above, which will be effective April 1, 1993, interest on the working capital facility borrowings will be increased to the prime rate plus four percent.

At March 31, 1993 there was $800,000 outstanding on the revolving working capital facility; at March 31, 1992 there were no outstanding borrowings.

(8) Other Liabilities

Other liabilities at March 31, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Deferred rent	$38,735	41,644
Other non-current liabilities	20,000	20,000
Total	$58,735	61,644

Pursuant to the Restructuring Agreement, Webb retained an interest, which was assigned to the United Way of Arizona on April 2, 1990, 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 has deferred the recognition of $20 million of forgiveness income with respect to the Contingent Payment obligation. Interest on the Contingent Payment 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 March 31, 1993, accrued interest would have amounted to approximately $17.9 million.

(9) Other Nonoperating Income (Expense) - Net

Other nonoperating income (expense) - net for the year ended March 31, 1993 and 1992 consists of the following:

	1993	1992
	(in thousands)	
Interest income - Wraparound Mortgage	$ 4,572	4,772
Interest income - other	27	38
Other nonoperating income/(expense)	118	250
Facilities/maintenance fee	132	133
Gain on disposal of assets	39	3
Partnership rent expense	(8,615)	(8,739)
Total	$(3,727)	(3,543)

(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 March 31, 1993 are as follows:

04/01/93 - 03/31/94	$ 30,623
04/01/94 - 03/31/95	30,624
04/01/95 - 03/31/96	30,825
04/01/96 - 03/31/97	34,135
04/01/97 - 03/31/98	41,136
04/01/98 - 09/30/98	21,687
Total Minimum	$ 189,030

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 three months ended March 31, 1993 and 1992 rental expense for all operating leases amounted to $9,931,000 and $9,198,000 respectively, of which $(790,000) and $(765,000) 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 three months ended March 31, 1993 was $1,111,000. 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 March 31, 1993 and 1992 is comprised of the following:

	1993	1992
	(in thousands)	
Current	$(153)	68
Deferred	239	15
	$ 86	83

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:

	1993	1992
	(in thousands)	
Federal income tax at statutory rates	$ 73	70
State income tax less federal benefit	13	13
	$ 86	83

New Claridge is included in the consolidated income tax return of its parent, the Corporation. At March 31, 1993 and 1992 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.

In February 1992, the Financial Accounting Standards Board issued Statement No. 109, "Accounting for Income Taxes." Statement 109 requires a change from the deferred method of accounting for income taxes to the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the estimate future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis.

Effective January 1, 1993, the Corporation adopted Statement 109 on a prospective basis. There is no effect on the Corporation's statement of operations for the three month period ended March 31, 1993 as a result of the adoption of Statement 109.

(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 three months ended March 31, 1993 and 1992 interest expense due to affiliates was $108,000 and $108,000 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 three months ended March 31, 1993 and 1992 amounted to $29,000 and $27,000, 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 three months ended March 31, 1993 and 1992 New Claridge has earned interest income of $4,572,000 and $4,772,000 respectively, and incurred lease expense of $8,615,000 and $8,739,000, 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. With respect to such Plan, no vesting has occurred through March 31, 1993.

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
MARCH 31, 1993
(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	$ 663		
2	RETURNED PATRONS' CHECKS	1,232		
3	TOTAL PATRONS' CHECKS	1,895	$ 1,414	$ 481
4	HOTEL RECEIVABLES	272	26	246
	OTHER RECEIVABLES:			
5	RECEIVABLES DUE FROM OFFICERS & EMPLOYEES	5		
6	RECEIVABLES DUE FROM AFFILIATES	16,480		
7	OTHER ACCOUNTS & NOTES RECEIVABLES	261		
8	TOTAL OTHER RECEIVABLES	16,746	13	16,733
9	TOTALS (FORM 205)	$ 18,913	$ 1,453	$ 17,460

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (F)	DESCRIPTION (G)	(H) AMOUNT
10	BEGINNING BALANCE (JANUARY 1)	$ 899
11	COUNTER CHECKS ISSUED (EXCLUDING COUNTER CHECKS ISSUED THROUGH TRANSACTIONS RELATING TO CONSOLIDATION, PARTIAL REDEMPTIONS,	
12	SUBSTITUTIONS, & PATRONS CASH DEPOSITS)	10,520
	CHECKS REDEEMED PRIOR TO DEPOSIT (EXCLUDING THE UNREDEEMED PORTION OF COUNTER CHECKS REDEEMED THROUGH PARTIAL REDEMPTIONS, & EXCLUDING CHECKS REDEEMED THROUGH TRANSACTIONS RELATING TO CONSOLIDATION,	
13	SUBSTITUTIONS, & PATRONS CASH DEPOSITS)	(8,414)
14	CHECKS COLLECTED THROUGH DEPOSITS	(2,126)
15	CHECKS TRANSFERRED TO RETURNED CHECKS	(216)
16	OTHER ADJUSTMENTS	
	ENDING BALANCE	$ 663
17		
18	"HOLD" CHECKS INCLUDED IN BALANCE ON LINE 16	
19	PROVISION FOR UNCOLLECTIBLE PATRONS' CHECKS	$ 105
	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 THREE MONTHS ENDED MARCH 31, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	18,557	$ 990,681	-0-	$ -0-
FOOD	155,387	1,301,804	-0-	-0-
BEVERAGE	248,647	1,268,224	-0-	-0-
TRAVEL	-0-	-0-	801	78,398
COIN	-0-	-0-	157,597	1,516,089
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	2,457	51,752	-0-	-0-
RETAIL & GIFTS	-0-	-0-	57,471	276,236
PARKING	-0-	-0-	38,279	248,555
OTHER	-0-	-0-	2,251	56,337
TOTAL	425,048	$ 3,612,461	256,399	$ 2,175,615

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 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 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 14 day of May , 1993.

Patricia K Westergard
Signature

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

Basis of authority to take oaths

974.901
C193

QUARTERLY REPORT

LICENSEE Greate Bay Hotel & Casino, Inc.

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

FOR THE QUARTER ENDED March 31, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAY 17 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 March 31 , 1993

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 Sands Hotel & Casino

BALANCE SHEETS

March 31, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 18,223	$ 16,157
2	Marketable securities	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993,$ 14,410 ; 1992,$ 18,753)	11,796	32,034
4	Inventories	3,831	3,088
5	Prepaid expenses and other current assets....Note 4,.11	7,560	2,251
6	Total current assets	41,410	53,530
7	Investments, Advances, And Receivables....Note 5,.8	18,897	19,036
8	Property And Equipment - Gross....Note 7	304,051	301,211
9	(Accumulated Depreciation/Amortization)	(142,458)	(128,868)
10	Other Assets....Note 4	8,401	11,204
11	Total Assets	$ 230,301	$ 256,113
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 4,579	$ 7,717
13	Notes payable....Note 2,.5..	22,400	8,000
	Current portion of long-term debt:		
14	Due to affiliates....Note 3,.5	8,006	4,810
15	Other....Note 3	8	8,907
16	Income taxes payable and accrued....Note 4	6,631	6,232
17	Other accrued expenses....Note 9	16,803	19,153
18	Other current liabilities....Note 5,.10	3,395	6,254
19	Total current liabilities	61,822	61,073
	Long-Term Debt:		
20	Due to affiliates....Note 3,.5	159,776	176,022
21	Other....Note 3	469	1,301
22	Deferred Credits	-	-
23	Other Liabilities....Note 5	949	4,925
24	Commitments And Contingencies		
25	Total Liabilities	223,016	243,321
26	Stockholders', Partners', Or Proprietor's Equity	7,285	12,792
27	Total Liabilities And Equity	$ 230,301	$ 256,113

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 March 31, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	53,168	56,981
2	Rooms	2,290	2,320
3	Food and beverage	6,942	7,471
4	Other	994	950
5	Total revenue	63,394	67,722
6	Less: Promotional allowances	6,233	6,718
7	Net revenue	57,161	61,004
	Costs And Expenses:		
8	Cost of goods and services	27,862	28,874
9	Selling, general, and administrative....Note 5	20,020	21,580
10	Provision for doubtful accounts	655	573
11	Total costs and expenses	48,537	51,027
12	Gross Operating Profit	8,624	9,977
13	Depreciation and amortization	4,337	4,269
	Charges from affiliates other than interest:		
14	Management fees....Note 5	1,253	1,383
15	Other	-	-
16	Income (Loss) From Operations	3,034	4,325
	Other Income (Expenses):		
17	Interest (expense) - affiliates	<5,548>	<5,775>
18	Interest (expense) - external	41	<184>
19	Investment alternative tax and related income (expense) - net	<329>	<397>
20	Nonoperating income (expense) - net	520	638
21	Total other income (expenses)	<5,316>	<5,718>
22	Income (Loss) Before Income Taxes And Extraordinary Items	<2,282>	<1,393>
23	Provision (credit) for income taxes....Note 4	<612>	<236>
24	Income (Loss) Before Extraordinary Items	<1,670>	<1,157>
25	Extraordinary items (net of income taxes - 19___, $; 19___, $;....Note 4	2,000	-
26	Net Income (Loss)	$ 330	$ <1,157>

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 March 31, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino		
2	Rooms		
3	Food and beverage		
4	Other		
5	Total revenue		
6	Less: Promotional allowances		
7	Net revenue		
	Costs And Expenses:		
8	Cost of goods and services		
9	Selling, general, and administrative		
10	Provision for doubtful accounts		
11	Total costs and expenses		
12	Gross Operating Profit		
13	Depreciation and amortization		
	Charges from affiliates other than interest:		
14	Management fees		
15	Other		
16	Income (Loss) From Operations		
	Other Income (Expenses):		
17	Interest (expense) - affiliates		
18	Interest (expense) - external		
19	Investment alternative tax and related income (expense) - net		
20	Nonoperating income (expense) - net		
21	Total other income (expenses)		
22	Income (Loss) Before Income Taxes And Extraordinary Items		
23	Provision (credit) for income taxes		
24	Income (Loss) Before Extraordinary Items		
25	Extraordinary items (net of income taxes - 19___, $; 19___, $)		
26	Net Income (Loss)	$ $	$

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993		(d) 1992	
		(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
10	_____	++++++++++++++		++++++++++++++	
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)	++++++++++++++	3,455	++++++++++++++	3,911
26	Prior period adjustments	++++++++++++++		++++++++++++++	
27	Net income (loss)	++++++++++++++	330	++++++++++++++	(1,157)
28	Dividends	++++++++++++++		++++++++++++++	
29	_____	++++++++++++++		++++++++++++++	
30	_____	++++++++++++++		++++++++++++++	
31	Ending balance	++++++++++++++	3,785	++++++++++++++	2,754
32	Ending Stockholders' Equity	++++++++++++++	$ 7,285	++++++++++++++	$ 12,792

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	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	$	$

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	$ 4,177	$ 7,659
	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	<527>	<519>
5	Proceeds from disposition of property and equipment		
6	Purchase of casino reinvestment obligations	<665>	<82>
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	<1,192>	<601>
	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	<1,629>	
17	Payments to settle long-term debt	<10,308>	<1,419>
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals		
21	Net borrowings from (advances to) Affiliates	15,735	<2,495>
22			
23	Net Cash Provided (Used) By Financing Activities	3,798	<3,914>
24	Net Increase (Decrease) In Cash And Cash Equivalents	6,783	3,144
25	Cash And Cash Equivalents At Beginning Of Period	11,440	13,013
26	Cash And Cash Equivalents At End Of Period	$ 18,223	$ 16,157
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 5,256	$ 5,538
28	Income taxes	$ -	$ 97

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:	$	$
29	Net income (loss)	330	<1,157>
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	3,686	3,832
31	Amortization of other assets	651	437
32	Amortization of debt discount or premium	90	90
33	Deferred income taxes - current		
34	Deferred income taxes - noncurrent	<297>	<317>
35	(Gain) loss on disposition of property and equipment		
36	(Gain) loss on casino reinvestment obligations	329	397
37	(Gain) loss from other investment activities		
38	Net (increase) decrease in receivables and patrons' checks	1,777	2,062
39	Net (increase) decrease in inventories	<121>	<18>
40	Net (increase) decrease in other current assets	285	133
41	Net (increase) decrease in other assets	<265>	<1>
42	Net increase (decrease) in accounts payables	<1,629>	1,396
43	Net increase (decrease) in other current liabilities excluding debt	1,218	485
44	Net increase (decrease) in other noncurrent liabilities excluding debt	-	-
45	Net increase in progressive jackpot accrual	123	320
46	Cumulative effect of accounting change	<2,000>	-
47	Net Cash Provided (Used) By Operating Activities	$ 4,177	$ 7,659

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

48	Acquisition Of Property and Equipment:	$	$
49	Additions to property and equipment	527	519
50	Less: Capital lease obligations incurred		
	Cash Outflows For Property And Equipment	$ 527	$ 519
51	Acquisition Of Business Entities:		
52	Property and equipment acquired	$	$
53	Goodwill acquired		
54	Net assets acquired other than cash, goodwill, and property and 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 issuances 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	$	$

SANDS HOTEL & CASINO
(A Wholly Owned Subsidiary of Pratt Casino Properties, Inc.)
Notes to Financial Statements
(unaudited)

Note 1 - Organization and Business

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 1997, 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.

During the three month period ended March 31, 1993, GBH&C adopted the provisions of Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes" (see note 4). Other than this adoption, there were no other changes in GBH&C's significant accounting policies or in the footnotes presented herein versus those reported in GBH&C's annual report at December 31, 1992 to the Casino Control Commission.

Note 2 - Short-term credit facilities

Available short-term credit facilities in the amount of $9,000,000 at December 31, 1992 along with an $8,000,000 term loan due in 1993 and a note payable to bank amounting to approximately $1,000,000 were replaced during February and March 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 Pratt Casino Properties involved with the Sands and are collateralized primarily by a mortgage on the Sands administrative offices complex and by certain other assets of the Sands.

Note 2 - Short-term credit facilities - (continued)

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 maturity. As of March 31, 1993, the outstanding balance on such borrowings was $1,400,000 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, parent of PHC.

Note 3 - Long-term Debt

Long-term debt as of March 31, 1993 and 1992 is as follows:

	1993	1992
11.75% first mortgage notes, due 1994, net of discounts of $481,000 and $ 842,000 respectively (a)	$165,182,000	$169,631,000
16.5% promissory note due 1998 (b)	2,600,000	11,200,000
Term loan due 1993 (c)	-	8,000,000
Note payable to bank (d)	-	1,725,000
Other	477,000	484,000
	168,259,000	191,040,000
Less: Current maturities	<8,014,000>	<13,717,000>
	$160,245,000	$177,323,000

(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 March 31, 1993 has been included in current maturities of long-term debt as GBH&C repaid this obligation during April 1993.

Note 3 - Long Term Debt - (continued)

(c) The loan was repaid in February 1993 in connection with the issuance of the Series Notes. The note accrued interest at the London Interbank Offered Rate ("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 March 31, 1993 amounted to:

1993 (9 months)	$ 6,601,000
1994	161,678,000
1995	9,000
1996	10,000
1997	12,000
Thereafter	430,000
Total	$168,740,000

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 provisions, including default on indebtedness by its affiliates.

Note 4 - 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. Both federal and state income tax provisions or benefits are based upon estimates of the results of operations for the current annual period and reflect the nondeductibility for income tax purposes of certain items, including certain depreciation and amortization expenses. Quarterly income tax provisions or benefits are determined by applying the resulting effective income tax rates to the results of operations for the quarter.

Note 4 - Income Tax - (continued)

The components of the provision for income taxes for the three months ended March 31, 1993 and 1992 are as follows:

	1993	1992
Benefit (provision) in lieu of federal income taxes:		
Current	$ 250,000	$ <62,000>
Deferred	228,000	243,000
State income tax benefit (provision)		
Current	65,000	<19,000>
Deferred	69,000	74,000
	$ 612,000	$ 236,000

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.

Differences between the calculated tax benefit based on the statutory rates in effect and the effective tax rates are due primarily to amortization of certain costs not deductible for tax purposes, the disallowance of certain travel and entertainment expenses and the deductability of state income taxes.

In the first quarter of 1993, GBH&C adopted the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"), which utilizes the liability method and results in the determination of deferred taxes based on the estimated future tax effects of differences between the financial statement and tax bases of assets and liabilitiies using enacted tax rates in effect for the year in which the differences are expected to reverse. Prior to 1993, GBH&C accounted for income taxes under the provisions of Accounting Principles Board Opinion No. 11. Under this method, the provision for taxes was based on income and expenses included in the accompanying statements of opertions. Differences between taxes so computed and taxes payable under applicable statutes and regulations were classified as deferred taxes arising from timing differences.

The cumulative effect of adopting SFAS 109 as of January 1, 1993 was to increase GBH&C's net deferred tax assets and net income by approximately $2,000,000. This change results primarily from reductions in the enacted tax rates from those in effect when the differences between the financial statement and tax bases of assets and liabilities arose. Prior period financial statements have not been restated to reflect the new accounting method. There was no effect of this new standard on income tax expense for the three month period ended march 31, 1993.

Note 4 - Income Taxes - (continued)

The components of the deferred tax liability as of March 31, 1993 were as follows:

Deferred tax assets:	
Allowance for doubtful accounts	$ 4,945,000
Other liabilities and reserves	1,501,000
Other	402,000
Total deferred tax assets	6,848,000
Deferred tax liabilities:	
Depreciation	(7,939,000)
Other	(939,000)
Total deferred tax liabilities	(8,878,000)
Net deferred tax liability	$(2,030,000)

Federal Income tax receivables and payables included in the accompanying balance sheets in connection with the aforementioned tax allocation agreements were as follows:

	March 31, 1993	March 31, 1992
Prepaid expenses and other current assets	$ 5,510,000	$ -
Other assets	3,362,000	6,985,000
Federal income taxes payable and accrued	(5,621,000)	(4,809,000)

No income taxes were paid during the three month period ended march 31, 1993. GBH&C paid income taxes of $97,000 during the three month period ended March 31, 1992. Federal tax payments in connection with the aforementioned tax allocation agreements are subject to the approval of the New Jersey Casino Control Commission.

Note 5 - Related Party Transactions

GBH&C has a management agreement with Pratt Casino Management, Inc., ("PCMI"), a subsidiary of PHC. Pursuant to the management agreement, PCMI is responsible for the supervision, direction and control of the day-to-day operation of the hotel/casino. In accordance with the provisions of this management agreement, PCMI is entitled to receive annually a basic consulting fee of 1.5% of "adjusted gross revenues", as

Note 5 - Related Party Transactions - (continued)

defined, and, if annual "gross operating profits" as defined, exceed $5,000,000, incentive compensation of between 5% and 7.5% of gross operating profits in excess of certain stated amounts. Total charges to operations for the three months ended March 31, 1993 and 1992 were $1,253,000 and $1,383,000 respectively and are included in management fees charged from affiliates in the accompanying financial statements. Consultant and incentive fees of $17,000 and $4,087,000 were due to PCMI at March 31, 1993 and 1992 respectively, and are included in other current liabilities in the accompanying financial statements.

GBH&C has a License Agreement with PPI, (an affiliate) which entered into a parallel agreement with an unrelated third party. The license agreement provides for a license fee equal to the greater of (i) 3% of room charges, as defined, or (ii) $100,000 for each property using the name. Such charges amounted to $69,000 and $70,000 for the three months ended March 31, 1993 and 1992, respectively. Such amounts are included in selling, general, and administrative expenses in the accompanying financial statements.

For the three months ended March 31, 1993 and 1992 GBH&C recognized the following amounts in interest charges to affiliates:

	1993	1992
11.75% First Mortgage Notes	$ 4,971,000	$ 5,111,000
16.5% Promissory Note	107,000	462,000
Cash Advances from Affiliates	470,000	202,000
Totals	$ 5,548,000	$ 5,775,000

At March 31, 1993 GBH&C had cash advances receivable from affiliates including interest totalling $11,878,000. In addition, GBH&C had cash advances payable to affiliates including interest totalling $2,573,000. These amounts are included in investments, advances, and receivables, other current liabilities and other non-current liabilities, respectively, in the accompanying financial statements. Advances to affiliates and from affiliates bear interest at 16.5% per annum. Additionally, at March 31, 1993 GBH&C had lines of credit outstanding to affiliates of $1,400,000 and short term borrowings outstanding to affiliates of $21,000,000 (see Note 2). These amounts are included in Notes Payable in the accompanying financial statements.

Note 6 - Non-Operating Income (Expenses)

For the three months ended March 31, 1993 and 1992, interest income of $520,000 and $638,000 was earned on temporary investments, on deposits made with the Casino Reinvestment Development Authority, and other sources.

SANDS HOTEL AND CASINO
(A Wholly Owned Subsidiary of Pratt Casino Properties, Inc.)
Notes to Financial Statements
(unaudited)

Note 7 - Property and Equipment

Property and equipment as of March 31, 1993 and 1992 consisted of the following:

	1993	1992
Land	$ 37,554,000	$ 37,554,000
Buildings	169,340,000	169,583,000
Furniture, fixtures and equipment	96,371,000	93,495,000
Construction in progress	786,000	579,000
	304,051,000	301,211,000
Less: accumulated depreciation and amortization	<142,458,000>	<128,868,000>
Total property and equipment	$161,593,000	$172,343,000

Note 8 - Investments, Advances and Receivables

As of March 31, 1993 and 1992, the line item Investments, Advances and Receivables is comprised of the following:

	1993	1992
Investments with the Casino Reinvestment Development Authority (net of allowance of $5,691,000 and $4,829,000 at March 31, 1993 and 1992, respectively)	$ 7,188,000	$ 6,253,000
Cash advances to affiliate - Noncurrent	11,685,000	12,751,000
Other items	24,000	32,000
Total Investments, Advances and Receivables	$18,897,000	$19,036,000

Note 9 - Other Accrued Expenses

As of March 31, 1993 and 1992, the line item Other Accrued Expenses is comprised of the following:

	1993	1992
Accrued jackpot liability	$ 1,751,000	$ 4,459,000
Accrued interest	1,849,000	2,491,000
Accrued insurance	2,397,000	2,454,000
Accrued salaries and wages	4,018,000	3,879,000
Other accrued expenses	6,788,000	5,870,000
	$16,803,000	$19,153,000

Note 10 - Other Current Liabilities

As of March 31, 1993 and 1992, the line item Other Current Liabilities is comprised of the following:

	1993	1992
Due to affiliates	$ 1,642,000	$ 4,100,000
Other	1,753,000	2,154,000
	$ 3,395,000	$ 6,254,000

Note 11 - Prepaid Expenses and Other Current Assets

As of March 31, 1993 and 1992, the line item Prepaid Assets and Other Current Assets is comprised of the following:

	1993	1992
Deferred Taxes - Current	$ 4,957,000	$ -
Prepaid expenses	1,380,000	1,947,000
Deposits	604,000	228,000
Current portion of deferred credits on deposit with the Casino Reinvestment Development Authority	66,000	76,000
	$ 7,007,000	$ 2,251,000

Note 12 - Reclassifications

Certain reclassifications have been made to the 1992 financial statements to conform to the 1993 financial statement presentation.

TRADING NAME OF LICENSEE Sands Hotel & Casino

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993

(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	4,324		
2	Returned patrons' checks	20,007		
3	Total patrons' checks	24,331	$ <14,338>	$ 9,993
4	Hotel Receivables	739	<72>	667
	Other Receivables:	-		
5	Receivables due from officers and employees			
6	Receivables due from affiliates	-		
7	Other accounts and notes receivables	1,136		
8	Total other receivables	1,136		1,136
9	Totals (Form 205)	$ 26,206	$ <14,410>	$ 11,796

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 6,169
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits	45,293
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)	(34,950)
13	Checks collected through deposits	(8,853)
14	Checks transferred to returned checks	(3,335)
15	Other adjustments	0
16	Ending Balance	$ 4,324
17	"Hold" Checks Included in Balance On Line 16	$ 0
18	Provision For Uncollectible Patrons' Checks	$ 674
19	Provision As A Percent Of Counter Checks Issued	1.49 %

TRADING NAME OF LICENSEE Sands Hotel & Casino

PROMOTIONAL EXPENSES AND ALLOWANCES
($ in Thousands)

FOR THE THREE MONTHS ENDED MARCH 31, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	43,209	$ 1,332,000	-	$ -
Food	149,427	2,202,000	-	-
Beverage	236,427	2,395,000	-	-
Travel	-	-	4,187	1,086,000
Coin	-	-	141,671	2,228,000
Coupon	-	-	31,497	221,000
Entertainment	4,665	212,000	-	-
Retail & Gifts	-	-	6,382	638,000
Other	11,465	92,000	57,184	3,092,000
Total	445,193	$ 6,233,000	240,921	$ 7,265,000

****

For The Three Months Ended

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms				
Food				
Beverage				
Travel				
Coin				
Coupon				
Entertainment				
Retail & Gifts				
Other				
Total				

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 14th day
of May , 1993

Janice M. Clarke
Signature

JANICE M. CLARKE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 7, 1998

Basis of Authority
to Take Oaths

On Behalf Of:

Greate Bay Hotel & Casino, Inc.
Casino Licensee

974.901
C193

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

LIST OF FORMS - QUARTERLY REPORT

For the Quarter Ended: March 31, 1993

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

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

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

BALANCE SHEETS

MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 8,334	$ 5,388
2	Marketable Securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993 $ 3,575 ; . . . . 1992 $ 4,300	7,754	8,257
4	Inventories	2,339	2,213
5	Prepaid expenses and other current assets (Note 5)	2,384	2,815
6	**Total Current Assets**	20,811	18,673
7	Investments, Advances and Receivables (Note 6)	30,005	29,720
8	Property and Equipment – Gross (Note 2)	367,039	349,700
9	(Accumulated Depreciation/Amortization)	(108,508)	(96,259)
10	Other Assets	9,650	2,058
11	**Total Assets**	318,997	303,892
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts Payable	$ 2,441	$ 3,137
13	Notes Payable	0	0
	Current portion of long–term debt:		
14	Due to affiliates	0	0
15	Other .....(Note 4)	103	76
16	Income taxes payable and accrued	1,366	1,129
17	Other accrued expenses . . .(Note 9)	14,342	12,933
18	Other current liabilities	294	210
19	**Total current liabilities**	18,546	17,485
	Long–Term Debt:		
20	Due to affiliates . . .(Note 3 & 4)	147,000	0
21	Other .....(Notes 3 & 4)	160,259	165
22	Deferred Credits	4,502	4,492
23	Other Liabilities .....(Note 10)	33,870	29,165
24	Commitments and Contingencies . . .(Note 7)	0	0
25	**Total Liabilities**	364,177	51,307
26	**Stockholders', Partners', or Proprietor's Equity**	(45,180)	252,585
27	**Total Liabilities and Equity**	$ 318,997	$ 303,892

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

AMENDED

For the Three Months Ended March 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 65,957	$ 65,841
2	Rooms	4,117	4,205
3	Food and Beverage	8,248	8,608
4	Other	1,735	2,026
5	Total revenue	80,057	80,680
6	Less: Promotional Allowance	8,794	8,647
7	Net revenue	71,263	72,033
	Costs and Expenses:		
8	Cost of goods and services	42,893	41,892
9	Selling, general, and administrative	13,820	13,291
10	Provision for doubtful accounts	609	576
11	Total costs and expenses	57,322	55,759
12	Gross Operating Profit	13,941	16,274
13	Depreciation and amortization	3,304	3,062
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	288	0
16	Income (Loss) from Operations	10,349	13,212
	Other Income (Expenses):		
17	Interest (expense) – affiliates – Embassy Note	(322)	0
18	Interest (expense) – external .... (Note 4)	(6,482)	(7)
19	Investment alternative tax and related income (expense) – net	(55)	(145)
20	Nonoperating Income (expense) – net	63	119
21	Total other income (expenses)	(6,796)	(33)
22	Income (Loss) Before Income Taxes and Extraord. Items	3,553	13,179
23	Provision (credit) for income taxes (Note 11)	441	1,238
24	Income (Loss) Before Extraordinary Items	3,112	11,941
25	Extraordinary items (net of income taxes – 1993, $157; 1992, $0) ..(Note 3)	(1,517)	0
26	Net Income (Loss)	$ 1,595	$ 11,941

Post-it™ brand fax transmittal memo 7671 | # of pages ▸ 1

To Brenda Daniels	From Hugh Turner
Co. CCC	Co. Harrah's
Dept. 3576	Phone # 441-5617
Fax # 441-3738	Fax #

Valid ... he notes.

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

For the Three Months Ended March 31, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	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)	647,084	596,211
6	Prior period adjustments (Note 11)	0	(1,787)
7	Net income (loss)	1,595	11,941
8	_____	0	0
9	Ending balance	648,679	606,365
	Capital Withdrawals:		
10	Beginning balance (January 1)	(827,557)	(481,557)
11	Additional capital withdrawals	(7,896)	(13,817)
12	_____	0	0
13	Ending balance	(835,453)	(495,374)
	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**	(45,180)	252,585

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 Three Months Ended March 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
1	**Net Cash Provided (Used) by Operating Activities**	$ 9,147	$ 17,015
	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	(2,547)	(5,548)
5	Proceeds from disposition of property and equipment	65	65
6	Purchase of casino reinvestment obligations	(805)	(672)
7	Purchase of other investments and loan advances made	0	0
8	Proceeds from disposal of investments and collection of advances and long-term receivables	770	670
9	Cash outflows to acquire business entities	0	0
10	_____	0	0
11	_____	0	0
12	**Net Cash Provided (Used) by Investing Activities**	(2,517)	(5,485)
	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	(27)	(23)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals	(10,831)	(14,266)
21			
22	_____		
23	**Net Cash Provided (Used) by Financing Activities**	(10,858)	(14,289)
24	**Net Increase (Decrease) in Cash and Cash Equivalents**	(4,228)	(2,759)
25	**Cash and Cash Equivalents at Beginning of Period**	12,562	8,147
26	**Cash and Cash Equivalents at End of Period**	$ 8,334	$ 5,388
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period for:		
27	Interest (net of amount capitalized)	$ 6,914	$ 8
28	Income Taxes	$ 14	$ 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 HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF CASH FLOWS

For the Twelve Months Ended March 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net Income (loss)	$ 1,595	$ 11,941
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property & equipment	3,291	3,052
31	Amortization of other assets	471	10
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	0	19
36	(Gain) loss on casino reinvestment obligation	55	145
37	(Gain) loss from other investment activities	0	0
38	Net (increase) decrease in receivables and patrons checks	1,809	890
39	Net (increase) decrease in inventories	230	(46)
40	Net (increase) decrease in other current assets	530	(740)
41	Net (increase) decrease in other assets	1,798	59
42	Net increase (decrease) in accounts payables	258	376
43	Net increase (decrease) in other current liabilities excluding debt . . .	(890)	938
44	Net increase (decrease) in other noncurrent liabilities excluding debt . . .	0	378
45	Interest Income earned on Marina District		(7)
46	Roadway Account		
47	**Net Cash Provided (Used) by Operating Activities . . . .**	$ 9,147	$ 17,015
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCIAL ACTIVITES		
	Aquisition of Property and Equipment:		
48	Additions to property and equipment	$ 2,547	$ 5,548
49	Less: capital lease obligations incurred	0	0
50	**Cash Outflows for Property and Equipment . . . . . .**	$ 2,547	$ 5,548
	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:

	MARCH 31 (000's) 1993	1992
Land and Land Improvements	$ 30,754	$ 28,326
Buildings, Leaseholds and Improvements	251,761	225,534
Furniture, Fixtures and Equipment	69,538	64,910
Construction in Progress	11,643	6,072
Equipment held under Capital Leases	345	345
C-I-P NE Inlet Redevelopment Project	2,999	24,513
	$367,039	$349,700
Less Accumulated Depreciation	(108,508)	(96,259)
Property and Equipment, Net	$258,531	$253,441

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.

On March 23, 1993, Embassy issued $200,000,000 of notes bearing interest at 8.75% payable semiannually at March 15 and September 15, with the principal due March 15, 2000. A portion of the proceeds of this note issuance was used to pay down certain debt owed by Embassy, and the remaining $147,000,000 was advanced to the Partnership in exchange for a promissory note executed by the Partnership under terms similar to the Embassy Notes. In connection with these transactions, approximately $3,000,000 of deferred financing charges related to issuance costs incurred by Embassy were recorded by the Partnership and are being amortized over the life of the Note.

NOTE 3: Supplemental Cash Flow Information (CONT.)

The proceeds from the Note were used to retire a portion of the Partnership's Loan Facility consisting of $110,400,000 of payments due in 1994 and $36,600,000 of the $100,000,000 installment due in 1996. In conjunction with the reduction of the Loan Facility the Partnership wrote-off a proportionate share of the previously established deferred financing charges in March 1993, this resulted in an extraordinary loss of approximately $1,675,000 before adjustment for related income tax benefits.

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

NOTE 4: Long-Term Debt

The maturities of long term debt are:

Date	Amount Due
1993	- -
1994	- -
1995	- -
1996	63,400,000
1997	96,820,000
1998	- -
1999	- -
2000	147,000,000
	$307,220,000

Total Long-Term Debt consists of:

	MARCH 31 1993 (000's)	1992
Long-term debt - Term Loan	$160,220	$307,220
Long-term debt - ESI Note	147,000	0
Long-term debt - Capital Leases	142	241
Capital Lease Obligation Due within 1 Year	(103)	(76)
Total Long-Term Debt	$307,259	$307,276

Term Loan

The Company is an obligee on a $160,220,000 Term Loan Borrowing which resulted from the transaction described in Note 3.

Interest accrues at the rate of LIBOR plus 2.5%. At March 31, 1993, rates were 6.4375% per annum.

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.

NOTE 4: Long-Term Debt (Cont.)

Due to Affiliates

As described in Note 3 the Company is an obligee on a $147,000,000 promissory note payable to Embassay Suites Inc., a wholly owned subsidiary of The Promus Companies Inc. The terms of the note is included in Note 3.

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
	$189,493
Less amounts representing interest	(20,168)
Present value of net minimum lease payments	$169,325

NOTE 5: Prepaid Expenses and Other Current Assets

	MARCH 31 (000's) 1993	1992
Prepaid Slot Tax	$ 249	$ 235
Prepaid Insurance	235	225
Prepaid Air Charters	515	667
Prepaid Marketing	826	1,162
Prepaid Other	451	383
Future Credit against CRDA Obligations	108	143
	$ 2,384	$ 2,815

NOTE 6: Investments, Advances and Receivables

	MARCH 31 (000's) 1993	1992
Notes Receivable	$ 2,334	$ 2,363
Investment in CRDA Bonds - Net of Valuation Adj.	2,261	2,113
Reinvestment Obligation Deposits - Net of Val. Adj.	1,401	1,274
Due from Affiliates	21,987	22,074
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	1,053
Interest Receivable	196	100
	$ 30,005	$ 29,720

Due from Affiliates consists of the following unsecured, non-interest bearing inter-company amounts at March 31, 1993 and 1992.

	MARCH 31 1993 (000's)	1992
Harrah's New Jersey, Inc.	$ 18,962	$ 18,962
Harrah's Lake Tahoe	118	156
Embassy Suites, Inc.	2,254	2,325
Harrah's Del Rio	147	128
Harrah's Reno	395	392
Bill's Casino	111	111
Total Due from Affiliates	$ 21,987	22,074

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 three months ended March 31, 1993 and 1992, were approximately $779,607 and $720,034, respectively.

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

Year	Amount
1994	$2,539,243
1995	1,475,947
1996	826,240
1997	517,681
1998	204,000
Thereafter	1,428,000
	$6,991,111

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

1994	$ 2,002,544
1995	1,747,044
1996	1,747,044
1997	1,747,044
1998	1,747,044
Thereafter	1,747,044
	$10,737,764

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

NOTE 8: Investment Obligations (Cont.)

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 March 31, 1993, the Company has established a valuation allowance of $376,697 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:

	MARCH 31 1993 (000's)	1992
Accrued Salaries, Wages and Benefits	$ 7,170	$ 6,588
Taxes Payable	553	539
Other Accrued Expenses	4,201	3,796
Accrued Progressive Slot Liability	501	1,418
Accrued CCC/DGE/Casino License Fees	262	559
Accrued Megabucks Handle Fees	141	22
Accrued Interest L-T-D	1,514	11
	$ 14,342	$ 12,933

NOTE 10: Other Liabilities

Other Liabilities consists of the following:

	MARCH 31 1993 (000's)	1992
Long Term Due to Affiliates	$ 30,893	$ 26,813
Other Liabilities	828	854
Deferred Income - ACIA Grant	713	860
Deferred Income - CRDA Grant	128	155
Deferred Income - NJHMFA Grant	465	483
Deferred Income - DCA Grant	843	0
	$ 33,870	$ 29,165

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

	MARCH 31 1993 (000's)	1992
Harrah's Holdings, Inc.	$ 603	$ 623
Harrah's Atlantic City, Inc.	29,958	25,845
Harrah's Holiday Inns of N.J., Inc.	293	293
Holiday Casino, Inc.	39	52
	$ 30,893	$ 26,813

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%).

In February 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes." SFAS No. 109 requires a change from the deferred method of APB Opinion No. 11 to the asset and liability method of accounting for income taxes. Under the asset and liability method of SFAS No. 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in existing tax rates is recognized as an increase or decrease to the tax provision in the period that includes the enactment date. The Partnership adopted SFAS No. 109 in 1992 and applied the provisions of the Statement retroactively to January 1, 1992. The $1,787,000 cumulative effect of this change in

Note 11 Provision for State Income Taxes (Cont.)

accounting for income taxes is reported as a prior period adjustment in the statements of changes in partners' equity.

	1993	1992
Deferred Tax Assets: (Reported as other assets)		
Bad Debt Reserve	$ 339,000	$ 442,000
Self-Insurance Reserves	264,000	245,000
Vacation Reserve	250,000	243,000
Other	159,000	109,000
	1,012,000	1,039,000
Deferred Tax Liability: (Reported as deferred credits)		
Property	(4,027,000)	(4,062,000)
Investments	(411,000)	(411,000)
Other	(64,000)	(19,000)
	(4,502,000)	(4,492,000)
Net Deferred Tax Liability	($3,490,000)	($3,453,000)

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 three months ended March 31, 1993, was $706,951.

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

March 31, 1993
(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	$ 2,889		
2	Returned patrons's checks	5,639		
3	Total patrons' checks	8,528	$ 3,534	$ 4,994
4	Hotel Receivables	776	41	735
	Other Receivables:			
5	Receivables due from officers and employees	23		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivable	2,002		
8	Total other receivables	2,025	0	2,025
9	**Totals (Form 205)**	$ 11,329	$ 3,575	$ 7,754

UNDEPOSITED PATRON'S CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 3,419
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	30,441
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)	(19,846)
13	Checks collected through deposits	(10,033)
14	Checks transferred to returned checks	$ (1,092)
15	Other adjustments	$ 0
16	Ending Balance	$ 2,889
17		
18	"Hold" Checks Included in Balance on Line 16	$ 0
19	Provision for Uncollectible Patrons' Checks	$ 582
	Provision as a Percent of Counter Checks Issued	1.9%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the Three Months Ended March 31,1993

	Promotional Allowances			Promotional Expenses		
	Number of Recipients		Dollar Amount	Number of Recipients		Dollar Amount
Rooms	29	$	2,513		$	
Food	411	$	4,107		$	
Beverage	621	$	1,553		$	
Travel		$	0	16	$	1,581
Coin		$	0	304	$	3,805
Coupon		$	0		$	
Entertainment	30	$	600		$	
Retail & Gifts		$	0	68	$	339
Other	N/A	$	21	N/A	$	4
Total	1,091	$	8,794	388	$	5,729

For the Three Months Ended March 31,1993

	Promotional Allowances			Promotional Expenses		
	Number of Recipients		Dollar Amount	Number of Recipients		Dollar Amount
Rooms	29	$	2,513		$	
Food	411	$	4,107		$	
Beverage	621	$	1,553		$	
Travel		$	0	16	$	1,581
Coin		$	0	304	$	3,805
Coupon		$	0		$	
Entertainment	30	$	600		$	
Retail & Gifts		$	0	68	$	339
Other	N/A	$	21	N/A	$	4
Total	1,091	$	8,794	388	$	5,729

STATEMENTS OF CONFORMITY AND ACCURACY

State of NEW JERSEY :
: ss
County of ATLANTIC :

Ron Lenczycki, 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.

R Lenczycki
Signature

President of COO
Title

01833-11
License Number

Subscribed and sworn to before me this 13th day of May 1993

Cindy C
Signature

CYDNEY KINTER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 23, 1995
Basis of Authority to Take Oaths

On Behalf of:

Marina Associates
Casino Licensee

974.901
c193

QUARTERLY REPORT

LICENSEE **RESORTS INTERNATIONAL HOTEL, INC.**
ADDRESS **1133 BOARDWALK**
ATLANTIC CITY, NEW JERSEY 08401

FOR THE QUARTER ENDED MARCH 31, 1993
TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

RECEIVED
FEU
MAY 17 1993
CASINO CONTROL
COMMISSION

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 – QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

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 Compliance	CCC–248
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.)
STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 55,636	$ 55,827
2	Rooms	2,680	3,343
3	Food and beverage	6,903	7,320
4	Other	1,510	1,368
5	Total revenue	66,729	67,858
6	Less: promotional allowances	5,663	5,725
7	Net revenue	61,066	62,133
	COSTS AND EXPENSES:		
8	Cost of goods and services	42,016	40,371
9	Selling, general, and administrative	10,763	13,664
10	Provision for doubtful accounts	137	515
11	Total costs and expenses	52,916	54,550
12	Gross Operating Profit	8,150	7,583
13	Depreciation and amortization	3,049	2,786
14	Charges from affiliates other than interest NOTE 9		
15	Management fees	1,980	2,019
16	Other	113	122
17	Income From Operations	3,008	2,656
	Other Income (Expenses):		
18	Interest expense – affiliates		
19	Interest expense – external	(88)	(115
20	Investment alternative tax and related expense NOTE 12	(354)	(443
21	Nonoperating income – net NOTE 10	1,476	1,721
22	Total other income	1,034	1,163
23	Income Before Income Taxes And Extraordinary Items	4,042	3,819
24	Provision for income taxes NOTE 1,11		1,529
25	Income Before Extraordinary Items	4,042	2,290
	Extraordinary items (net of income taxes – 1993, $0 ; 1992, $0)		
26	Net Income	$ 4,042	$ 2,290

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 MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 55,636	$ 55,827
2	Rooms	2,680	3,343
3	Food and beverage	6,903	7,320
4	Other	1,510	1,368
5	Total revenue	66,729	67,858
6	Less: promotional allowances	5,663	5,725
7	Net revenue	61,066	62,133
	COSTS AND EXPENSES:		
8	Cost of goods and services	42,016	40,371
9	Selling, general, and administrative	10,763	13,664
10	Provision for doubtful accounts	137	515
11	Total costs and expenses	52,916	54,550
12	**Gross Operating Profit**	8,150	7,583
13	Depreciation and amortization	3,049	2,786
	Charges from affiliates other than interest NOTE 9		
14	Management fees	1,980	2,019
15	Other	113	122
16	**Income From Operations**	3,008	2,656
	Other Income (Expenses):		
17	Interest expense – affiliates		
18	Interest expense – external	(88)	(115
19	Investment alternative tax and related expense NOTE 12	(354)	(443
20	Nonoperating income – net NOTE 10	1,476	1,721
21	Total other income	1,034	1,163
22	**Income Before Income Taxes And Extraordinary Items**	4,042	3,819
23	Provision for income taxes NOTE 1,11		1,529
24	**Income Before Extraordinary Items**	4,042	2,290
25	Extraordinary items (net of income taxes – 1993, $0 ; 1992, $0)		
26	**Net Income**	$ 4,042	$ 2,290

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.)
BALANCE SHEETS
MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$ 9,879	$ 9,103
2	Marketable securities (Short-term Money Market At Cost)	8,068	3,740
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $4,345; 1992, $5,046;.....NOTE 2.	55,144	56,005
4	Inventories	1,444	1,462
5	Prepaid expenses and other current assets	2,524	1,526
6	Total current assets	77,059	71,836
7	Investments, Advances, and Receivables	7,787	6,216
8	Property and Equipment - Gross.....NOTE 3.	184,074	168,645
9	(Accumulated Depreciation/Amortization).....NOTE 3.	(25,357)	(13,812
10	Other Assets	1,488	1,048
11	**Total Assets**	$ 245,051	$ 233,933
	LIABILITIES AND STOCKHOLDERS' DEFICIT		
	Current Liabilities:		
12	Accounts payable	$ 2,149	$ 2,017
13	Notes payable		
	Current portion of long-term debt:		
14	Due to affiliates		
15	Other.....NOTE 6.	822	696
16	Income taxes payable and accrued		
17	Other accrued liabilities.....NOTE 4.	16,763	17,397
18	Other current liabilities.....NOTE 5.	40,129	65,363
19	Total current liabilities	59,863	85,473
	Long-Term Debt:		
20	Due to affiliates.....NOTE 6.	325,000	325,000
21	Other.....NOTE 6.	1,112	1,393
22	Deferred Credits.....NOTE 7,11.	19,392	549
23	Other Liabilities		
24	Commitments and Contingencies.....NOTE 12.		
25	**Total Liabilities**	405,367	412,415
26	**Stockholders' Deficit**	(160,316)	(178,482
27	**Total Liabilities and Stockholders' Deficit**	$ 245,051	$ 233,933

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c) SHARES	1993 (d) DOLLARS	1992 (e) SHARES	1992 (f) DOLLARS
1	**Common Stock: ($1 par value, 2,500 shares authorized)**				
2	Beginning balance (January 1)	100	$	100	$
3	Sale of Stock				
4	_____				
5	Ending balance	100		100	
6	**Preferred Stock:**				
7	Beginning balance (January 1)				
8	Sale of Stock				
9	_____				
10	Ending balance				
11	**Excess of Liabilities over Assets at Reorganization**				
12	Beginning balance (January 1).....NOTE 13..		(198,829)		(198,829
13	_____				
14	_____				
15	Ending balance		(198,829)		(198,829
16	**Treasury Stock:**				
17	Beginning balance (January 1)				
18	Purchase of additional stock				
19	Sale or retirement of stock				
20	Ending balance				
21	**Subscription Receivable for Capital Stock:**				
22	Beginning balance (January 1)				
23	_____				
24	_____				
25	Ending balance				
26	**Net unrealized Loss on Noncurrent Marketable Equity Securities:**				
27	Beginning balance (January 1)				
28	_____				
29	_____				
30	Ending balance				
31	**Retained Earnings:**				
32	Beginning balance (January 1)		34,471		18,057
33	Prior period adjustments				
34	Net income		4,042		2,290
35	Dividends				
36	_____				
37	_____				
38	Ending balance		38,513		20,347
39	**Ending Stockholders' Deficit**		$ (160,316)		$ (178,482

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

NOT APPLICABLE

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	**Invested Capital:**		
2	Beginning Balance (January 1)	$	$
3	Additional capital invested		
4	_____		
5	Ending Balance		
6	**Accumulated Income (Loss):**		
7	Beginning Balance (January 1)		
8	Prior period adjustments		
9	Net income (loss)		
10	_____		
11	Ending Balance		
12	**Capital Withdrawals:**		
13	Beginning Balance (January 1)	( )	( )
14	Additional capital invested	( )	( )
15	_____		
16	Ending Balance	( )	( )
17	**Net Unrealized Loss On Noncurrent Marketable Equity Securities:**		
18	Beginning Balance (January 1)		
19	_____		
20	_____		
21	Ending Balance		
22	**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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	**Net Cash Provided by Operating Activities**	$ 6,108	$ 4,492
	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	(5,739)	(6,075
5	Proceeds from disposition of property and equipment	74	
6	Purchase of casino reinvestment obligations	(663)	(607
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			
12	**Net Cash Used By Investing Activities**	(6,328)	(6,682
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt		
14	Payments to settle short-term debt	(199)	(408
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	(4,277)	(1,445
23	**Net Cash Provided (Used) By Financing Activities**	(4,476)	(1,853
24	**Net Increase in Cash And Cash Equivalents**	(4,696)	(4,043
25	**Cash And Cash Equivalents At Beginning Of Year**	22,643	16,886
26	**Cash And Cash Equivalents At End Of Year**	$ 17,947	$ 12,843

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	**Cash Paid During Year For:**		
28	Interest (net of amount capitalized)	$	$ 1
	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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Net Cash Provided by Operating Activities		
29	Net income	$ 4,042	$ 2,290
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization for property and equipment	3,049	2,786
31	Amortization of other assets		
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	174	7
36	Loss on casino reinvestment obligations	354	443
37	(Gain) loss from other investment activities		
38	Net decrease in receivables and patrons' checks	262	469
39	Net decrease in inventories	98	7
40	Net (increase) decrease in other current assets	(662)	2
41	Net (increase) decrease in other assets	55	(814)
42	Net increase (decrease) in accounts payable	621	(322)
43	Net decrease in other current liabilities excluding debt	(20,862)	(351)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	18,977	(25)
45	Other		
46	_____		
47	**Net Cash Provided By Operating Activities**	$ 6,108	$ 4,492

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ (6,326)	$ (6,075)
49	Less: Capital lease obligations incurred	587	0
50	**Cash Outflow For Property And Equipment**	$ (5,739)	$ (6,075)
	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**	$	$

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
MARCH 31, 1993
(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	$ 3,238		
2	Returned patrons' checks	5,118		
3	Total Patrons' Checks	8,356	$ 4,301	$ 4,055
4	**Hotel Receivables**	670	44	626
	Other Receivables:			
5	Receivables due from officers and employees	(4)		
6	Receivables due from affiliates	50,000		
7	Other accounts and notes receivables	467		
8	Total Patrons' Checks	50,463		50,463
9	**Total (Form 305)**	$ 59,489	$ 4,345	$ 55,144

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	**Beginning Balance (January 1)**	$ 3,126
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	31,057
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)	(25,952)
13	Checks collected through deposits	(4,036)
14	Checks transferred to returned checks	(957)
15	Other adjustments	
16	**Ending Balance**	$ 3,238
17	"Hold" Checks Included In Balance On Line 16	$
18	Provision For Uncollectible Patrons' Checks	$ 137
19	Provision As A Percent Of Counter Checks Issued	0.4%

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
PROMOTIONAL EXPENSES AND ALLOWANCES
($ IN THOUSANDS)

FOR THREE MONTHS ENDED MARCH 31, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	35	$ 1,417		$
FOOD	273	2,732		
BEVERAGE	125	499		
TRAVEL			5	548
COIN			395	3,945
COUPON	46	359		
ENTERTAINMENT	44	526		
RETAIL & GIFTS	2	86		
OTHER	9	44	39	985
TOTAL	534	$ 5,663	439	$ 5,478

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 14 day
of May, 1993.

Karen Harris
Signature

On Behalf Of:

MERV GRIFFIN'S RESORTS CASINO HOTEL

Basis of Authority to Take Oaths

KAREN HARRIS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 12, 1995

CCC-250

MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 1993

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.

Effective January 1, 1993 RIH adopted the liability method of accounting prescribed by Statement of Financial Accounting Standards No. 109 ("SFAS 109"). Although RIH is a member of a consolidated group for federal income tax purposes, RIH will be applying SFAS 109 on a separate return basis for financial reporting purposes.

For periods prior to January 1, 1993, RIH had agreed with RII to provide for federal and state income taxes using a combined rate of 40%. Material transactions which would have been subject to combined tax rates significantly different from the 40% rate were to be separately tax effected. The resulting liability was settled on a current basis.

NOTE 2 - RECEIVABLES AND PATRONS' CHECKS

Components of receivables at March 31, were as follows:

(In Thousands of Dollars)	1993	1992
Gaming	$ 8,356	$ 9,936
Less allowance for doubtful accounts	(4,301)	(5,020)
	4,055	4,916
Non-gaming		
Hotel and related	670	642
Other	463	473
	1,133	1,115
Less allowance for doubtful accounts	(44)	(26)
	1,089	1,089
Receivable due from affiliate	50,000	50,000
	$55,144	$56,005

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 March 31, are summarized as follows:

(In Thousands of Dollars)	1993	1992
Land and land rights	$ 53,250	$ 53,250
Land improvements	131	96
Hotel and other buildings	95,164	84,582
Furniture, machinery and equipment	33,847	28,189
Construction in progress	1,682	2,528
	184,074	168,645
Less accumulated depreciation	(25,357)	(13,812)
	$158,717	$154,833

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 March 31, were as follows:

(In Thousands of Dollars)	1993	1992
Accrued payroll and related taxes and benefits	$10,574	$10,142
Progressive slot liability	335	3,039
Restructuring reserve	2,497	2,563
Accrued gaming taxes, fees and related assessments	639	618
Professional fees	161	156
Utilities	539	222
Various taxes	221	303
Other	1,797	354
	$16,763	$17,397

NOTE 5 - OTHER CURRENT LIABILITIES

Components of other current liabilities at March 31, were as follows:

(In Thousands of Dollars)	1993	1992
Inter-Company R.I.I.	$32,978	$58,221
CRDA Bond Disc.	5,000	5,000
CRDA Bond Obligation	694	691
Customer Deposit Liability	183	194
Deferred Revenue	80	49
Tenant Deposits	42	33
Unclaimed Wage Liability	5	18
Other	1,147	1,157
	$40,129	$65,363

NOTE 6 - LONG-TERM DEBT

Components of long-term debt at March 31, were as follows:

(In Thousands of Dollars)	1993	1992
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	$1,934	$2,089
Less - current portion	822	696
	$1,112	$1,393

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 March 31, 1993 the accretion in principal amount of these notes in excess of $325,000,000 amounted to $82,087,000.

The Second Amended RIH-GRI Notes and the note receivable from RIB described in Note 3 relate to intercompany loans which were not anticipated to be repaid in the ordinary course of business. Also, RII is contemplating a restructuring of the Series Notes, which may also affect these and other intercompany relationships among RII's subsidiaries; however, the terms and effects of any possible restructuring are uncertain at this time. Thus, it is not practicable to estimate the fair value of RIH's intercompany notes without incurring excessive costs. 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 March 31, are summarized as follows:

(In Thousands of Dollars)	
Computer equipment	$ 1,724
Slot machines	63
Printing equipment	142
Lighting equipment	5
Accum. Depreciation	(1,303)
Capital Leases, Net	$ 631

Interest rates on capital leases vary from 13.7% to 33.3%. Minimum principal payments of Long-Term Debt: Other outstanding at March 31, are as follows:

(In Thousands of Dollars)	
1993	$ 641
1994	850
1995	243
1996	200
Total	$1,934

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 $312,000 and $500,000 for the three months ended March 31, 1993 and 1992, 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 $172,000 and $167,000 for the years ended March 31, 1993 and 1992, 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 $200,000 and $197,000 for the years ended March 31, 1993 and 1992, respectively.

NOTE 9 - CHARGES FROM AFFILIATES

RIH recorded the following expenses for the three months ended March 31, from RII and other affiliates:

(In Thousands of Dollars)		1993	1992
AFFILIATED COMPANY	TRANSACTION		
Resorts International, Inc.	Management fee	$1,980	$2,019
Resorts International, Inc.	Insurance	$	$ 14
	Property Rental	81	81
		81	95
PIVI	Flights	32	
RII	Transportation		27
		$ 113	$ 122

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 other appropriate measures.

NOTE 10 - NONOPERATING INCOME, NET

Components of nonoperating income, net for the three months ended March 31, were as follows:

(In Thousands of Dollars)	1993	1992
Interest income from affiliates	$1,688	$1,687
Interest income	195	163
Corporate office expense	(35)	(47)
Restructuring/refinancing costs	(198)	(75)
Gain (loss) on fixed assets	(174)	(7)
	$1,476	$1,721

NOTE 11 - INCOME TAXES

In connection with the adoption of SFAS 109, RIH's deferred income tax liability was transferred to RIH from RII. This liability results primarily from basis differences on property and equipment, which were restated to their estimated fair values in 1990 for financial reporting purposes, while such revaluation was not permitted for income tax return purposes.

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	1984-1993	TOTAL
Investment obligations	$(21,637)	$(26,812)	$(48,449)
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	26,118	33,651
Remaining investment obligation at March 31, 1993, which was deposited in April 1993	$ -0-	$ (694)	$ (694)

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 March 31, 1993, RIH had made CRDA deposits/bond purchases totaling $33,651,000. 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 March 31, 1993, RIH had a remaining balance of $4,873,000 face value of bonds issued by the CRDA and had $10,583,000 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 1993 and 1992 for discounts on obligations arising in those years were $354,000 and $443,000, respectively.

RII RESTRUCTURING

In April 1993 RII reached an agreement in principle with two of the largest holders of its Series Notes as to terms of a restructuring of those notes. The agreement contemplates, among other things, the exchange of the Series Notes for the following:

(a) excess cash, as defined, of RII consolidated with its subsidiaries as of June 30, 1993,

(b) $125,000,000 principal amount of nine-year, 11.0%, First Mortgage Notes to be issued by a subsidiary of RII and to be secured by a first mortgage on Resorts Casino Hotel,

(c) $35,000,000 principal amount of ten-year, 11.375%, Second Mortgage Bonds to be issued by a subsidiary of RII and to be secured by a second mortgage on Resorts Casino Hotel,

(d) all of the equity of RII's Bahamian subsidiaries, Paradise Island Airlines, Inc. and certain domestic subsidiaries which support the Bahamian operations, and

(e) 40% of the outstanding common stock of RII.

Before any restructuring can be completed, specific terms and conditions must be finalized and set forth in definitive agreements, indentures and other documents. Also, any restructuring must be approved by various governmental agencies, and the proposed restructuring will require certain approvals of RII's shareholders and creditors. RII cannot provide any assurances as to whether or when the proposed restructuring will be effected, or that the restructuring will be on terms similar to those contemplated in the agreement in principle.

974.901
C193

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 March 31, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAY 17 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT . . . Deborah Marchese

OFFICIAL TITLE. . . . . Controller

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 QUARTER ENDED MARCH 31, 1993

TITLE	FORM NO.
Balance Sheets	CCC-205
Statements of Income (Year-to-Date)	CCC-210
Statements of Changes in Stockholder's 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

MARCH 31, 1993 and 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	*Restated 5/15/93 1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$8,132	$8,349
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $7,958; 1992, $9,762)	15,609	13,820
4	Inventories	2,531	2,312
5	Prepaid expenses and other current assets (Note 4, 8, 10)	11,200	12,244
6	Total current assets	37,472	36,725
7	Investments, Advances, And Receivables (Note 5, 7, 8, 11)	77,038	73,790
8	Property And Equipment – Gross (Note 2)	328,322	321,685
9	(Accumulated Depreciation/Amortization) (Note 2)	(99,925)	(88,452)
10	Other Assets (Note 4, 8)	16,935	17,698
11	Total Assets	$359,842	$361,446
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$2,446	$2,204
13	Notes payable	0	0
	Current portion of long-term debt:		
14	Due to affiliates	0	0
15	Other (Note 3)	2,862	2,719
16	Income taxes payable and accrued	0	(688)
17	Other accrued expenses (Note 12)	19,846	26,323
18	Other current liabilities	2,475	2,236
19	Total current liabilities	27,629	32,794
	Long-Term Debt:		
20	Due to affiliates (Note 3, 7)	140,000	140,000
21	Other (Note 3)	6,256	5,774
22	Deferred Credits	0	0
23	Other Liabilities (Note 7, 13)	30,804	30,105
24	Commitments And Contingencies (Note 5)		
25	Total Liabilities	204,689	208,673
26	Stockholder's, Partners', Or Proprietor's Equity	155,153	152,773
27	Total Liabilities And Equity	$359,842	$361,446

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 ENDED MARCH 31, 1993 and 1992

(UNAUDITED)

($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Revenue:		
1	Casino	$72,303	$71,502
2	Rooms	5,740	4,511
3	Food and beverage	7,784	7,723
4	Other	2,604	2,390
5	Total revenue	88,431	86,126
6	Less: Promotional allowances	11,394	8,766
7	Net revenue	77,037	77,360
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 7)	40,776	39,740
9	Selling, general, and administrative (Note 7)	20,610	19,876
10	Provision for doubtful accounts	85	578
11	Total costs and expenses	61,471	60,194
12	Gross Operating Profit	15,566	17,166
13	Depreciation and amortization	3,874	3,957
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	11,692	13,209
	Other Income (Expenses):		
17	Interest (expense) - affiliates (Note 3)	(4,725)	(4,725)
18	Interest (expense) - external (Note 3)	(698)	(633)
19	Investment alternative tax & related income (exp)-net (Note 5)	(242)	(270)
20	Nonoperating income (expense) - net (Note 14)	(10,361)	(9,743)
21	Total other income (expenses)	(16,026)	(15,371)
22	Income(Loss) Before Income Tax & Extraordinary Items	(4,334)	(2,162)
23	Provision (credit) for income taxes (Note 8)	(1,862)	(932)
24	Income (Loss) Before Extraordinary Items	(2,472)	(1,230)
25	Extraordinary items (net of income taxes - 1993, $-0- ; 1992, $23,400) (Note 9)	0	(23,400)
26	Net Income (Loss)	($2,472)	$22,170

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 TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c) SHARES	1993 (d) DOLLARS	1992 (e) SHARES	1992 (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).....	0	0	70,609	78,902
6	Sale of stock.....				
	_____.....				
7					
8	Ending balance.....	0	0	70,609	78,902
	Additional Paid-in Capital:				
9	Beginning balance (January 1).....		132,785		53,883
10	_____.....				
	_____.....				
11					
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).....		24,839		(2,183)
26	Prior period adjustments.....				
27	Net income (loss).....		(2,472)		(1,230)
28	Dividends.....				
29	Extraordinary item.....				
30	Change in acct method.....(Note 9).....		0		23,400
31	Ending balance.....		22,367		19,987
32	Ending Stockholder's Equity.....		$155,153		$152,773

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

FOR THE three MONTHS ENDED March 31, 19 93 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	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	$	$

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 TROPWORLD CASINO AND ENTERTAINMENT RESORT

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)

($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	Net Cash Provided (Used) By Operating Activities	$1,502	($2,596)
	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	(3,476)	(769)
5	Proceeds from disposition of property and equipment	242	0
6	Purchase of casino reinvestment obligations	(900)	(890)
7	Purchase of other investments and loans/advances made	(239)	(345)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	(2,323)	290
9	Cash outflows to acquire business entities		
10	_____		
11	_____		
12	Net Cash Provided (Used) By Investing Activities	(6,696)	(1,714)
	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	(761)	(626)
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	(761)	(626)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(5,955)	(4,936)
25	Cash And Cash Equivalents At Beginning Of Period	14,087	13,285
26	Cash And Cash Equivalents At End Of Period	$8,132	$8,349

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$10,149	$10,142
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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	($2,472)	$22,170
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	3,872	3,955
31	Amortization of other assets	2	2
32	Amortization of debt discount or premium		
33	Deferred income taxes – current	820	(6,320)
34	Deferred income taxes – noncurrent	(2,769)	(17,145)
35	(Gain) loss on disposition of property and equipment	(22)	3
36	(Gain) loss on casino reinvestment obligations	242	270
37	(Gain) loss from other investment activities	99	0
38	Net (increase) decrease in receivables and patrons' checks	1,084	1,263
39	Net (increase) decrease in inventories	126	187
40	Net (increase) decrease in other current assets	769	(1,971)
41	Net (increase) decrease in other assets	(177)	(40)
42	Net increase (decrease) in accounts payables	(912)	(1,934)
43	Net increase (decrease) in other current liabilities excluding debt	102	2,039
44	Net increase (decrease) in other noncurrent liabilities excluding debt	1,200	(4,529)
45	Net (increase) decrease in accrued interest income	(461)	(546)
46	_____		
47	Net Cash Provided (Used) By Operating Activities	$1,503	($2,596)

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	($3,723)	($1,086)
49	* Less: Capital lease obligations incurred	($247)	($317)
50	Cash Outflows For Property And Equipment	($3,476)	($769)
	Acquisition Of Business Entities:		
51	Property and equipment acquired		
52	Goodwill acquired		
53	Net assets acquired other than cash, goodwill, and property & 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		
59	Consideration in acquisition of business entities		
60	Cash Proceeds From Issuing Stock Or Capital Contributions		

* Capital lease obligations of $247 and $325 were incurred for 1993 and 1992,respectively, when Adamar entered into new property and equipment leases. Capital lease obligation retirements of $0 and $8 were incurred for 1993 and 1992, respectively.

ADAMAR OF NEW JERSEY, INC.
DBA TROPWORLD CASINO AND ENTERTAINMENT RESORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 1993 AND 1992

NOTE 1. DISCLOSURES NOT PRESENTED

Certain footnotes have not been presented in these Notes to Consolidated Financial Statements. These footnotes would be a duplicate of items contained in the Casino Control Commission Annual Report for the year ended December 1992.

The specific footnotes not presented are the summary of significant accounting policies and lease obligations. The footnotes contained in the December 31, 1992 Annual Report should be read in conjunction with these financial statements.

NOTE 2. PROPERTY AND EQUIPMENT

At March 31, 1993 and 1992, the components of Property and Equipment consisted of:

	1993	1992
Land	$ 39,218,000	$ 39,192,000
Building, furniture and fixtures	286,786,000	281,501,000
Construction in progress	2,318,000	992,000
Total property and equipment - gross	328,322,000	321,685,000
Accumulated depreciation	(99,925,000)	(88,452,000)
Total property and equipment	$ 228,397,000	$ 233,233,000

NOTE 3. LONG-TERM DEBT

At March 31, 1993 and 1992, Long-Term Debt consisted of:

	1993	1992
Note payable to Aztar Mortgage Funding, Inc.; 13.5%; due 1996	$ 140,000,000	$ 140,000,000
Obligations under capital leases	9,118,000	8,493,000
	149,118,000	148,493,000
Less: current portion	(2,862,000)	(2,719,000)
Long-term debt, net of current	$ 146,256,000	$ 145,774,000

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	$ 2,163,000
1994	2,642,000
1995	1,849,000
1996	141,539,000
1997	921,000
Thereafter	4,000
Total	$ 149,118,000

NOTE 4. DEFERRED CREDITS

Deferred Credits consist of income taxes due to timing differences between financial and taxable income.

NOTE 5. 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 these 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 1993 and 1992, respectively, was $900,000 and $890,000 for the

purchase of CRDA bonds and, accordingly, the Company recorded a loss provision of $242,000 and $270,000 to recognize the effect of the below market interest rate the bonds would have borne had they been issued on March 31, 1993 and 1992.

In March 1993, the Company commenced discussions with Ambassador General Partnership ("AGP"), the lessor of a portion of TropWorld, regarding the consumer price index utilized to calculate rent increases. The Company has been paying AGP based on a national consumer price index since 1987, when rent increases commenced. AGP has stated that the use of a regional index is appropriate, which would result in additional rent expense of approximately $11,600,000 through April 1, 1993. As a result of the additional funds that would have been available, AGP has stated that less borrowings from the Company would have been required and accordingly the amount of interest income recognized by the Company under the Second Mortgage would have been reduced. The Company believes that it has meritorious defenses to AGP's claim; therefore, these amounts have not been reflected in the accompanying financial statements.

NOTE 6. JACKPOT PAYOUTS

Jackpot payouts for the quarter ended March 31, 1993 are:

	Payouts Included In Promotional Allowances		Other Payouts	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	-0-	$ -0-	6*	$ 90,000
Total	-0-	$ -0-	6	$ 90,000

*Note: Cash was taken by six patrons instead of motor vehicles.

NOTE 7. RELATED PARTIES

Due to affiliates is reflected in Other Liabilities. The identity of the affiliates and corresponding balances at March 31, 1993 and 1992 are:

	1993	1992
Due to Aztar Corporation	$ 11,798,000	$ 10,017,000
Due to Atlantic-Deauville, Inc.	442,000	202,000
Due to Ramada New Jersey, Inc.	2,476,000	1,702,000
Due to Adamar Garage Corporation	13,177,000	11,454,000
Due to Aztar Mortgage Funding, Inc.	683,000	683,000
	$ 28,576,000	$ 24,058,000

Advances to affiliates are reflected in Investments, Advances and Receivables. The identity of the affiliates and corresponding balances at March 31, 1993 and 1992 are:

	1993	1992
Advances to Tropicana West	$ 20,834,000	$ 21,382,000
Note receivable - Adamar Garage Corporation	17,052,000	17,052,000
	$ 37,886,000	$ 38,434,000

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 3).

For the three months ended March 31, 1993 and 1992 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:

	1993	1992
Cost of Goods and Services		
Executive Deferred Compensation Plan	$ 2,000	$ 2,000
Property insurance	116,000	114,000
Workman's compensation	195,000	180,000
Other	-0-	1,000
	$ 313,000	$ 297,000
Selling, General and Administrative		
Insurance (1)	$ 374,000	$ 247,000
Executive deferred compensation plan	9,000	9,000
Workman's compensation	41,000	37,000
Long-term incentive	197,000	208,000
Restricted Stock	-0-	40,000
Other	5,000	2,000
	626,000	543,000
Total	$ 939,000	$ 840,000

(1) Insurance amounts include various premiums and claim settlements.

NOTE 8. INCOME TAXES

Under the regular federal income tax rules the Company's net operating loss carryforward fully offsets taxable income for tax purposes. However, the benefit for income taxes included $294,000 and $741,000 in the quarters ended 1993 and 1992, respectively, as a current receivable which is expected to be offset by liabilities in subsequent quarters under the alternative minimum tax rules. The difference between the federal statutory rate and the effective tax rate was primarily attributable to state income taxes and the non-deductible nature of certain business meal expenses.

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.

NOTE 9. 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 superseded Statement of Financial Accounting Standards No. 96 with the same title ("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 was a net deferred income tax benefit of $23,400,000 and it was reflected in the 1992 Statement of Income as the Cumulative effect of accounting change.

NOTE 10. PREPAID EXPENSES AND OTHER CURRENT ASSETS

At March 31, 1993 and 1992, Prepaid Expenses and Other Current Assets consisted of the following:

	1993	1992
Current deferred taxes	$ 6,428,000	$ 6,320,000
Other	4,772,000	5,924,000
	$ 11,200,000	$ 12,244,000

NOTE 11. INVESTMENTS, ADVANCES, AND RECEIVABLES

At March 31, 1993 and 1992, Investments, Advances, and Receivables consisted of the following:

	1993	1992
Due from affiliates	$ 20,834,000	$ 21,382,000
CRDA investment	19,908,000	17,101,000
Mortgage receivable	18,946,000	17,858,000
Note receivable - Adamar Garage Corporation	17,052,000	17,052,000
Long-term note receivable	298,000	397,000
Total	$ 77,038,000	$ 73,790,000

NOTE 12. OTHER ACCRUED EXPENSES

At March 31, 1993 and 1992, Other Accrued Expenses consisted of the following:

	1993	1992
Accrued payroll taxes and benefits	$ 6,151,000	$ 6,608,000
Accrued progressive slot win	1,552,000	7,408,000
Accrued miscellaneous	2,651,000	2,304,000
Deferred rent	3,819,000	3,819,000
Accrued employee taxes	1,857,000	1,742,000
Other	3,816,000	4,442,000
Total	$ 19,846,000	$ 26,323,000

NOTE 13. OTHER LIABILITIES

At March 31, 1993 and 1992, Other Liabilities consisted of the following:

	1993	1992
Due to affiliates	$ 28,576,000	$ 24,058,000
Deferred rent	2,228,000	6,047,000
Total	$ 30,804,000	$ 30,105,000

NOTE 14. NON-OPERATING INCOME/(EXPENSE)

For the period ended March 31, 1993 and 1992, Non-operating income/(expense) consisted of the following:

	1993	1992
Interest income	$ 1,752,000	$ 1,672,000
Administrative fee	25,000	25,000
Leased land rental	1,386,000	1,386,000
Maintenance reimbursement	2,925,000	2,759,000
Gain/(Loss) on disposition	22,000	(3,000)
Rent expense	(16,471,000)	(15,582,000)
Total	$ (10,361,000)	$ (9,743,000)

TRADING NAME OF LICENSEE: TROPWORLD CASINO AND ENTERTAINMENT RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993
(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	$2,418		
2	Returned patrons' checks	12,326		
3	Total patrons' checks	14,744	($7,711)	$7,033
4	Hotel Receivables	817	(247)	570
	Other Receivables:			
5	Receivables due from officers and employees	7		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivables	7,999		
8	Total other receivables	8,006		8,006
9	Totals (Form 205)	$23,567	($7,958)	$15,609

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$3,084
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	24,558
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)	(16,493)
13	Checks collected through deposits	(7,923)
14	Checks transferred to returned checks	(808)
15	Other adjustments	0
16	Ending Balance	$2,418
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectable Patrons' Checks	$77
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 Three Months Ended March 31, 1993

	Promotional Allowances		Promotional Expense	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	64,388	$ 4,709,000	-0-	$ -0-
Food	368,302	3,609,000	27,410	269,000
Beverage	1,110,304	1,353,000	-0-	-0-
Travel	-0-	-0-	684	239,000
Coin	-0-	-0-	587,671	8,312,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	11,715	373,000	2,683	54,000
Retail & Gifts	105,729	1,057,000	-0-	-0-
Other	29,312	293,000	12,547	125,000
Total	1,689,750	$ 11,394,000	630,995	$ 8,999,000

STATEMENT OF CONFORMITY AND ACCURACY

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

Deborah Marchese, 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.

Deborah Marchese
Signature

Controller
Title

367611
License Number

Subscribed and sworn to
before me this 14th day
of May, 1993

Dolores Durfor
Signature

DOLORES DURFOR
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 22, 1993

Basis of Authority
to Take Oaths

On Behalf Of:

TropWorld Casino &
Enterainment Resort
Casino Licensee

QUARTERLY REPORT

LICENSEE Trump's Castle Associates

ADDRESS Huron Avenue & Brigantine Boulevard
Atlantic City, N.J. 08401

FOR THE QUARTER ENDED March 31, 1983

PROPERTY OF
NEW JERSEY STATE LIBRARY

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY



Donald P. Kelly
Sr. Vice President of Finance
Huron Avenue & Brigantine Boulevard
Atlantic City, N.J. 08401

974.901
C193

QUARTERLY REPORT

LICENSEE Trump's Castle Associates

ADDRESS Huron Avenue & Brigantine Boulevard
Atlantic City, N.J. 08401

FOR THE QUARTER ENDED March 31, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

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, N.J. 08401

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

LIST OF FORMS – QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 1993

TITLE	FORM NO.
Balance Sheets	CCC–205
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

MARCH 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$18,574	$14,231
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $2,440; 1992, $2,333)	6,150	7,376
4	Inventories	2,033	1,847
5	Prepaid expenses and other current assets	1,751	4,105
6	Total current assets	28,508	27,559
7	Investments, Advances, And Receivables	2,618	1,240
8	Property And Equipment – Gross (NOTE 2)	486,740	476,666
9	(Accumulated Depreciation/Amortization)	(147,334)	(128,451)
10	Other Assets (NOTE 6)	499	10,500
11	Total Assets	$371,031	$387,514
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable (NOTE 7)	$3,477	$5,110
13	Notes payable (NOTE 4)	0	13,000
14	Current portion of long–term debt:		
15	Due to affiliates (NOTE 3,5)	0	319,618
16	Other (NOTE 4)	0	50,000
17	Income taxes payable and accrued	0	0
18	Other accrued expenses (NOTE 8)	13,619	63,187
19	Other current liabilities (NOTE 9)	14,472	13,172
	Total current liabilities	31,568	464,087
	Long–Term Debt:		
20	Due to affiliates (NOTE 3)	242,584	0
21	Other (NOTE 4)	45,000	0
22	Deferred Credits	0	0
23	Other Liabilities	7	8
24	Commitments And Contingencies (NOTE 11)		
25	Total Liabilities	319,159	464,095
26	Stockholders', Partners', Or Proprietor's Equity	51,872	(76,581)
27	Total Liabilities and Equity	$371,031	$387,514

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 MARCH 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$56,325	$55,830
2	Rooms	3,812	3,632
3	Food and beverage	7,554	8,153
4	Other	1,507	1,531
5	Total revenue	69,198	69,146
6	Less: Promotional allowances	7,676	8,176
7	Net revenue	61,522	60,970
	Costs And Expenses:		
8	Cost of goods and services	35,079	35,313
9	Selling, general, and administrative	18,399	17,521
10	Provision for doubtful accounts	306	717
11	Total costs and expenses	53,784	53,551
12	Gross Operating Profit	7,738	7,419
13	Depreciation and amortization	4,660	5,406
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	433	0
15	Other	0	0
16	Income (Loss) From Operations	2,645	2,013
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(10,222)	(10,476)
18	Interest (expense) – external (NOTE 4)	(1,008)	(1,161)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(296)	(447)
20	Nonoperating income (expense) – net (NOTE 10)	135	(1,752)
21	Total other income (expenses)	(11,391)	(13,836)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(8,746)	(11,823)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	(8,746)	(11,823)
25	Extraordinary items (net of income taxes – 1993, $0; 1992, $0) (NOTE 14)	0	(1,350)
26	Net Income (Loss)	($8,746)	($13,173)

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

NOT APPLICABLE

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1992 (c) SHARES	1992 (d) DOLLARS	1991 (e) SHARES	1991 (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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

(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	32,673	0
3	_____	0	0
4	Ending balance	103,869	71,196
	Accumulated Income (Loss):		
5	Beginning balance (January 1)	(4,801)	(96,154)
6	Prior period adjustments	0	0
7	Net income (loss)	(8,746)	(13,173)
8	_____	0	0
9	Ending balance	(13,547)	(109,327)
	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	$51,872	($76,581)

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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	($6,485)	$1,584
	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	(3,670)	(2,188)
5	Proceeds from disposition of property and equipment	0	0
6	Purchase of casino reinvestment obligations	(609)	(135)
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	(4,279)	(2,323)
	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	5,706	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	(178)	0
21	_____	0	0
22	_____	0	0
23	Net Cash Provided (Used) By Financing Activities	5,528	0
24	Net Increase (Decrease) In Cash And Cash Equivalents	(5,236)	(739)
25	Cash And Cash Equivalents At Beginning Of Period	23,810	14,970
26	Cash And Cash Equivalents At End Of Period	$18,574	$14,231

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	Cash Paid During Period For:		
28	Interest (net of amount capitalized)	$10,785	$1,597
	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 THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	($8,746)	($13,173)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	4,660	5,149
31	Amortization of other assets	0	260
32	Amortization of debt discount or premium	2,433	800
33	Deferred income taxes – current	0	0
34	Deferred income taxes – noncurrent	0	0
35	(Gain) loss on disposition of property and equipment	(13)	0
36	(Gain) loss on casino reinvestment obligations	296	447
37	(Gain) loss from other investment activities	0	0
38	Net (increase) decrease in receivables and patrons' checks	792	420
39	Net (increase) decrease in inventories	127	4
40	Net (increase) decrease in other current assets	1,503	(995)
41	Net (increase) decrease in other assets	192	85
42	Net increase (decrease) in accounts payables	(1,744)	(1,218)
43	Net increase (decrease) in other current liabilities excluding debt	(5,985)	9,804
44	Net increase (decrease) in other noncurrent liabilities excluding debt	0	1
45	_____	0	0
46	_____	0	0
47	Net Cash Provided (Used) By Operating Activities	($6,485)	$1,584

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$3,683	$2,188
49	Less: Capital lease obligations incurred	0	0
50	Cash Outflows For Property And Equipment	$3,683	$2,188
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$0	$0
52	Goodwill acquired	0	0
53	Net assets acquired other than cash, goodwill, and property and equipment	0	0
54	Long–term debt assumed	0	0
55	Issuance of stock or capital invested	0	0
56	Cash Outflows To Acquire Business Entities	$0	$0
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$0	$0
58	Less: Issuances to settle long–term debt	0	0
59	Consideration in acquisition of business entities	0	0
60	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 $2,440,000 through March 31, 1993.

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 March 31:

	1993	1992
	(In thousands)	
Land and Land Improvements	$ 36,242	$ 32,380
Buildings	235,170	235,169
Furniture, Fixtures and Equipment	98,856	95,900
Construction in Progress	4,259	1,983
Building/Leasehold Improvements	112,213	111,234
TOTAL	$486,740	$476,666
Less Accumulated Depreciation	(147,334)	(128,451)
Net Property and Equipment	$339,406	$348,215

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 $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).

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:

INTEREST PAYMENT DATE	Mandatory Cash Rate (Per Annum)
August 15, 1992	5.00%
February 15, 1993	6.00
August 15, 1993	7.00
February 15, 1994	8.00
August 15, 1994 and all subsequent dates	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 March 31, 1993. Any subsequent redemption of the remaining gaming chips will be done in accordance with the Indenture.

NOTE 6 - OTHER ASSETS - (NET):

	1993	1992
	(In thousands)	
Deferred Loan Cost	$ 0	$ 348
Deferred Bond Costs (Net)	0	9,340
Other Non-Current Assets	499	812
Deferred Marina Improvement	0	0
TOTAL OTHER ASSETS	$ 499	$10,500

NOTE 7 - ACCOUNTS PAYABLE:

	1993	1992
	(In thousands)	
Accounts Payable Trade	$ 2,340	$4,020
Patron Deposits	1,108	1,056
Other	29	34
TOTAL ACCOUNTS PAYABLE	$ 3,477	$ 5,110

NOTE 8 - OTHER ACCRUED EXPENSES:

	1993	1992
	(In thousands)	
Accrued Payroll & Taxes	$ 4,237	$ 3,648
Accrued Interest	4,014	52,489
Accrued Advertising/Promotions	171	117
Accrued Progressive Jackpots	209	2,056
Accrued Sick/Vacation	4,545	4,183
Other	443	694
TOTAL OTHER ACCRUED EXPENSES	$13,619	$63,187

NOTE 9 - OTHER CURRENT LIABILITIES:

	1993	1992
	(In thousands)	
Outstanding Chip Liability	$ 3,327	$ 4,249
Outstanding Token Liability	499	1,279
Patron Deposits	125	94
Accrued Utilities	349	125
Accrued Group Health insurance	1,823	945
Accrued Insurance	4,012	1,316
A/P Other	2,888	3,946
Accrued Legal	375	252
Accrued CCC/DGE	297	140
Construction Retainage	47	2
Accrued Inventories	137	341
Accrued CRDA	593	483
TOTAL OTHER CURRENT LIABILITIES	$14,472	$13,172

NOTE 10 - NON-OPERATING INCOME (EXPENSES) - NET:

Non-operating income for quarter ended March 31:

	Three Months	
	1993	1992
	(In thousands)	
Interest Income	$ 135	$ 82
Debt Restructuring	0	(1,834)
	$ 135	$(1,752)

NOTE 11 - COMMITMENTS AND CONTINGENCIES:

The Partnership holds a casino license issued by the New Jersey Casino Control Commission ("CCC"). On the basis of an agreement to manage the operation of Trump's Castle between the Partnership and Trump's Castle Management Corp. ("TCM"), a corporation wholly owned by Donald J. Trump, TCM also holds a casino license issued by the CCC. The Registrant, the Company, TCHC and Donald J. Trump are required to be qualified by the CCC with respect to these casino licenses.

On April 19, 1993, subject to certain continuing reporting and compliance conditions, the CCC approved Donald J. Trump as a natural person qualifier and the Registrant, Company and TCHC as entity qualifiers with respect to these casino licenses, renewed the casino license of the Partnership through May 31, 1995 and renewed the casino license of TCM through May 31, 11994. The casino license held by the Partnership is renewable for periods up to two years. The casino license held

by TCM is renewable for a period of up to one year for the next renewal period and thereafter for periods of up to two years.

Casino licenses are non-transferable, revocable and dependent upon the financial stability of the licensee. Due to the uncertainty of any renewal application, there can be no assurance that the casino licenses of the Partnership and TCM will be renewed. Upon suspension for more than 120 days, revocation or the failure or refusal to renew same for any reason, the Casino Control Act provides that the CCC may appoint a conservator to, under its direct supervision, operate and, subject to all valid liens and encumbrances, dispose of the casino hotel facilities.

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 $296,000 for the three months ending March 31, 1993 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 March 31, 1993, the Partnership had made contributions totaling approximately $7,626,000.

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 $205,000 for matching contributions for the three months ended March 31, 1993.

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 3/31/93	
	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 March 31, 1993 and 1992 from Trump's Castle Management Corp. ("TCM") as follows:

Affiliate	Transaction	Three Months 1993	1992
		(In Thousands)	
Trump's Castle Management Corp.	Management Fee	$ 433	$ 0

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993

(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	$3,483		
2	Returned patrons' checks	3,108		
3	Total patrons' checks	6,591	$2,319	$4,272
4	Hotel Receivables	404	121	283
	Other Receivables:			
5	Receivables due from officers and employees	4		
6	Receivables due from affiliates	936		
7	Other accounts and notes receivables	655		
8	Total other receivables	1,595	0	1,595
9	Totals (Form 305)	$8,590	$2,440	$6,150

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$3,769
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	30,679
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)	(26,025)
13	Checks collected through deposits	(4,007)
14	Checks transferred to returned checks	(933)
15	Other adjustments	0
16	Ending Balance	$3,483
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectible Patrons' Checks	266
19	Provision As A Percent Of Counter Checks Issued	0.9%

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	62,895	$2,502,000	0	$0
FOOD	246,200	3,693,000	0	0
BEVERAGE	273,176	1,161,000	0	0
TRAVEL	0	0	9,074	1,588,000
COIN	0	0	0	0
COUPON	0	0	636,635	5,794,000
ENTERTAINMENT	10,640	266,000	143	4,470
RETAIL & GIFTS	10,200	51,000	0	0
OTHER	600	3,000	8,400	420,000
TOTAL	603,711	$7,676,000	654,252	$7,806,470

****

FOR THE THREE MONTHS ENDED MARCH 31, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS				
FOOD				
BEVERAGE				
TRAVEL				
COIN				
COUPON				
ENTERTAINMENT				
RETAIL & GIFTS				
OTHER				
TOTAL	0	$0	0	$0

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.

Signature

Sr. Vice President Finance
Title

00711-11
License Number

On behalf Of:

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

Signature

Trump's Castle Hotel & Casino
Casino Licensee

SHARON J. MILLER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 18, 1996

Basis of Authority
to Take Oaths

QUARTERLY REPORT

974.901
C193

LICENSEE: TRUMP PLAZA HOTEL & CASINO

ADDRESS: MISSISSIPPI AVENUE & BOARDWALK
ATLANTIC CITY, NJ 08401

FOR THE QUARTER ENDED MARCH 31, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

RECEIVED
FEU
MAY 17 1993
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 – QUARTERLY REPORT

FOR THE THREE MONTHS ENDED MARCH 31, 1993

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

March 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 12,273	$ 17,077
2	Marketable securities	–	–
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $13,894; 1992, $21,497)	6,881	15,042
4	Inventories	2,826	2,929
5	Prepaid expenses and other current assets.....NOTE 2	1,362	2,090
6	Total current assets	23,342	37,138
7	Investments, Advances, and Receivables.....NOTE 3	5,456	4,540
8	Property and Equipment – Gross.....NOTE 4	411,266	403,248
9	(Accumulated Depreciation/Amortization).....NOTE 4	(112,910)	(98,980)
10	Other Assets.....NOTE 5	34,851	38,785
11	Total Assets	$ 362,005	$ 384,731
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts Payable	$ 7,298	$ 6,575
13	Notes Payable	–	53
	Current portion of long–term debt:		
14	Due to affiliates.....NOTE 8	–	225,000
15	Other.....NOTE 9	9,997	31,138
16	Income taxes payable and accrued	–	–
17	Other accrued expenses.....NOTE 6	22,958	28,630
18	Other current liabilities.....NOTE 7	5,823	7,475
19	Total current liabilities	46,076	298,871
	Long–Term Debt:		
20	Due to affiliates.....NOTE 8	225,000	–
21	Other.....NOTE 9	24,491	33,178
22	Deferred Credits.....NOTE 10	422	545
23	Other Liabilities.....NOTE 13	58,416	–
24	Commitments and Contingencies.....NOTE 14	–	–
25	Total Liabilities	354,405	332,594
26	Stockholders', Partners', or Proprietor's Equity	7,600	52,137
27	Total Liabilities and Equity	$ 362,005	$ 384,731

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 MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 61,308	$ 66,398
2	Rooms	3,635	5,614
3	Food and beverage	9,468	10,793
4	Other	1,769	2,046
5	Total revenue	76,180	84,851
6	Less: Promotional allowances	8,371	9,433
7	Net revenue	67,809	75,418
	Costs and Expenses:		
8	Costs of goods and services	37,582	39,509
9	Selling, general, and administrative	17,502	19,785
10	Provision for doubtful accounts	177	2,157
11	Total costs and expenses	55,261	61,451
12	Gross Operating Profit	12,548	13,967
13	Depreciation and amortization	4,363	4,160
	Charges from affiliates other than interest:		
14	Management fees	274	–
15	Other	1,190	534
16	Income (Loss) from Operations	6,721	9,273
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(6,750)	(7,242)
18	Interest (expense) – external	(803)	(1,248)
19	Investment alternative tax and related income (expense) – net	(255)	(682)
20	Nonoperating income (expense) – net NOTE 12	183	(2,189)
21	Total other income (expense)	(7,625)	(11,361)
22	Income (Loss) before Income Taxes and Extraordinary Items	(904)	(2,088)
23	Provision (credit) for income taxes NOTE 15	(73)	(182)
24	Income (Loss) before Extraordinary Items	(831)	(1,906)
25	Extraordinary items (net of income taxes – 1993,$ – , 1992, $ –)	–	–
26	Net Income (Loss)	$ (831)	$ (1,906)

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 CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	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)	14,724	50,511
6	Prior period adjustments	–	–
7	Net income (loss)	(831)	(1,906)
8	_____	–	–
9	Ending balance	13,893	48,605
	Capital Withdrawals:		
10	Beginning balance (January 1)	(54,069)	(47,175)
11	Additional capital withdrawals	–	–
12	Preferred Partnership Interest Distribution	(2,931)	–
13	Ending balance	(57,000)	(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	$ 7,600	$ 52,137

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) by Operating Activities	$ 553	$ 9,424
	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	(2,262)	(1,347)
5	Proceeds from disposition of property and equipment	–	8
6	Purchase of casino reinvestment obligations	(237)	(216)
7	Purchase of other investments and loans/advances made	(454)	(494)
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	(2,953)	(2,049)
	Cash Flows from Financing Activities:		
13	Cash proceeds from issuance of short-term debt	–	–
14	Payments to settle short-term debt	(194)	(343)
15	Cash proceeds from issuance of long-term debt	–	–
16	Costs of issuing debt	–	–
17	Payments to settle long-term debt	(312)	(430)
18	Cash proceeds from issuing stock or capital contribution	–	–
19	Purchases of treasury stock	–	–
20	Payments of dividends or capital withdrawals	(3,623)	–
21		–	–
22		–	–
23	Net Cash Provided (Used) by Financing Activities	(4,129)	(773)
24	Net Increase (Decrease) in Cash and Cash Equivalents	(6,529)	6,602
25	Cash and Cash Equivalents at Beginning of Period	18,802	10,475
26	Cash and Cash Equivalents at End of Period	$ 12,273	$ 17,077

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 13,901	$ 1,248
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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
29	Net Cash Flows from Operating Activities: Net income (loss)	$ (831)	$ (1,906)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property & equipment	4,269	3,913
31	Amortization of other assets	94	247
32	Amortization of debt discount or premium	–	–
33	Deferred income taxes – current	–	–
34	Deferred income taxes – noncurrent	(73)	(184)
35	(Gain) loss on disposition of property and equipment	–	(8)
36	(Gain) loss on casino reinvestment obligation	255	682
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	989	(2,398)
39	Net (increase) decrease in inventories	242	(28)
40	Net (increase) decrease in other current assets	1,140	1,190
41	Net (increase) decrease in other assets	(1,063)	(22)
42	Net increase (decrease) in accounts payable	1,408	(688)
43	Net increase (decrease) in other current liabilities excluding debt	(5,877)	8,626
44		–	–
45		–	–
46		–	–
47	Net Cash Provided (Used) by Operating Activities	$ 553	$ 9,424

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:		
48	Additions to property and equipment	$ (2,359)	$ (1,347)
49	Less: Capital lease obligations incurred	97	–
50	Cash Outflows for Property and Equipment	$ (2,262)	$ (1,347)
	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	$ –	$ –

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").

B. Disclosures Not Presented

Certain footnotes have not been presented in these Notes to Financial Statements since they would duplicate the disclosures contained in the Casino Control Commission Annual Report for the year ended December 31, 1992. The footnotes excluded are Summary of Significant Accounting Policies (except for Organization), and Employee Benefit Plans.

NOTE 2: PREPAID EXPENSES AND OTHER CURRENT ASSETS

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

	1993	1992
Prepaid taxes	$ 241,000	$ 214,000
Prepaid insurance	275,000	326,000
Prepaid rent	124,000	149,000
Prepaid advertising costs	406,000	391,000
Prepaid CRDA expense	-	525,000
Prepaid service contracts	49,000	88,000
Other	267,000	397,000
	$1,362,000	$2,090,000

NOTE 3: INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of March 31 consisted of the following:

	1993	1992
Advances due from -		
Trump Seashore Associates	$1,077,000	$1,287,000
The Trump Organization	-	14,000
Trump Crystal Tower Associates	-	319,000
Other Affiliated Companies	-	9,000
Casino reinvestment bonds and escrow deposit, net of valuation adjustment- (1993) $2,189,000; (1992) $1,452,000	4,379,000	2,911,000
	$5,456,000	$4,540,000

NOTE 4: PROPERTY AND EQUIPMENT - NET

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

	1993	1992
Land and land improvements	$ 34,906,000	$ 34,772,000
Buildings	293,678,000	292,641,000
Furniture, fixtures and equipment	74,705,000	71,051,000
Leasehold improvements	2,378,000	2,378,000
Construction in progress	5,599,000	2,406,000
	411,266,000	403,248,000
Less - Accumulated depreciation & amortization	(112,910,000)	(98,980,000)
Net property and equipment	$298,356,000	$304,268,000

NOTE 5: OTHER ASSETS

Other assets as of March 31 consisted of the following:

	1993	1992
Land rights, net	$ 30,336,000	$ 30,705,000
Debt issuance costs, net	-	5,422,000
Deposits	1,130,000	630,000
Other deferred charges	3,385,000	2,028,000
	$ 34,851,000	$ 38,785,000

NOTE 6: OTHER ACCRUED EXPENSES

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

	1993	1992
Accrued payroll	$7,381,000	$ 7,085,000
Accrued progressive jackpot liabilities	1,156,000	5,319,000
Accrued interest	1,680,000	8,737,000
Accrued gaming taxes payable	340,000	281,000
Accrued Casino Control Commission & Division of Gaming Enforcement fees	601,000	395,000
Accrued utilities	422,000	178,000
Accrued union benefits	364,000	380,000
Accrued health insurance benefits	1,769,000	1,127,000
Accrued sales, use & luxury tax	193,000	374,000
Accrued professional costs	2,004,000	1,920,000
Accrued special event costs	686,000	715,000
Accrued repairs & maintenance cost	140,000	125,000
Accrued restructuring expense	1,600,000	-
Accrued preferred stock dividends	275,000	-
Distribution payable on preferred stock to Trump Plaza Funding, Inc.	2,937,000	-
Other	1,410,000	1,994,000
	$22,958,000	$28,630,000

NOTE 7: OTHER CURRENT LIABILITIES

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

	1993	1992
Unredeemed chip/token liability	$1,079,000	$3,011,000
Patron deposits	217,000	202,000
Casino reinvestment liability	766,000	182,000
Reserve for insurance claims	2,367,000	1,892,000
Advance room/theatre deposits	113,000	237,000
Advances due to Trump Castle Associates	108,000	543,000
Advances due to Trump Penthouse Parcel	63,000	42,000
Advances due to Seashore Four Associates	592,000	821,000
Advances due to Taj Mahal Associates	93,000	199,000
Unclaimed wages	365,000	321,000
Other	60,000	25,000
	$5,823,000	$7,475,000

NOTE 8: LONG-TERM DEBT-DUE TO AFFILIATES

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

	1993	1992
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. This resulted in an exchange of $250,000,000 of Old Bonds and Notes for $225,000,000 of New Bonds, the 9.34% participating cumulative redeemable Preferred Stock, with a liquidation value of $25.00 per share (the "Preferred Stock") and twelve shares of Common Stock, par value $.00001 per share (the "Common Stock"). Such shares are transferable only as a unit (see Note 13-Other Liabilities). 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.

NOTE 9: LONG-TERM DEBT - OTHER

Long-term debt - other as of March 31 consisted of the following:

	1993	1992
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.	7,175,000	9,789,000
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	1,342,000	168,000
	34,488,000	64,316,000
Less-current maturities	9,997,000	31,138,000
	$24,491,000	$ 33,178,000

(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) 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 Partnership 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 Partnership to be applied to further payments of principal with respect to the Regency Note in each of 1996, 1997, 1998 and 1999 in 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.

NOTE 9: LONG-TERM DEBT - OTHER CONT.

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 March 31, 1993 there were no outstanding borrowings under this working capital facility.

NOTE 10: DEFERRED CREDITS

Deferred credits as of March 31, 1993 and 1992 consisted of deferred state income taxes.

NOTE 11: INTEREST (EXPENSE) - AFFILIATES

Interest (Expense) - Affiliates for the three months ended March 31, 1993 and 1992 consisted of the interest on the 12% New Partnership Note for the three months ended March 31, 1993 and interest on the 12-7/8% Old Partnership Note for the three months ended March 31, 1992.

NOTE 12: NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income (expense) - net for the three months ended March 31 consisted of the following:

	Three months ended 1993	1992
Interest income	$ 126,000	$ 102,000
Gain on disposal of property and equipment	-	8,000
Litigation expense	(59,000)	(394,000)
Restructuring cost	-	(1,960,000)
Other nonoperating income	116,000	55,000
	$ 183,000	$(2,189,000)

NOTE 13: OTHER LIABILITIES

Other liabilities as of March 31 consisted of the following:

	1993	1992
Preferred Partnership Interest (A)	$58,247,000	-
Deferred Income Taxes relating to accretion of Preferred Partnership Interest	169,000	-
	$58,416,000	-

Note 13: OTHER LIABILITIES - Cont.

(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 $25.00 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 $25.00 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 in the amended Partnership Agreement) 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. 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 Partnership is required to maintain certain licenses.

In April, 1993, the New Jersey Casino Control Commission ("CCC") renewed the Partnership's license to operate Trump Plaza.

This license must be renewed in June, 1995, is not transferable and will include a review of the financial stability of the Partnership. 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.

B. Proposed Offering of Mortgage Notes and Units

The Company filed a registration statement of 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 indebtedness and to make a $52,500,000 special distribution to Donald J. Trump.

NOTE 15: PROVISION (CREDIT) FOR INCOME TAXES

The provision (credit) for state income taxes for the three months ended March 31, consisted of the following:

	Three months ended 1993	1992
Current	$ -	$ 2,000
Deferred	(73,000)	(184,000)
Total	$(73,000)	$ (182,000)

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

March 31, 1993

(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	$ 2,955		
2	Returned patrons' checks	16,578		
3	Total patrons' checks	19,533	$ 13,593	$ 5,940
4	Hotel Receivables	1,091	301	790
5	Other Receivables: Receivables due from officers and employees	13		
6	Receivables due from affiliates	–		
7	Other accounts and notes receivables	138		
8	Total other receivables	151	–	151
9	Totals (Form 205)	$ 20,775	$ 13,894	$ 6,881

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 3,232
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	27,141
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)	(21,533)
13	Checks collected through deposits	(3,927)
14	Checks transferred to returned checks	(1,958)
15	Other adjustments	0
16	Ending Balance	$ 2,955
17	"Hold Checks" included in Balance on Line 16	$ –
18	Provision for Uncollectible Patrons' Checks	$ 210
19	Provision as a percent of Counter Checks Issued	0.8%

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL AND CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

For the Three Months Ended March 31, 1992

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	21,124	$2,218,000	1,045	$78,000
Food	218,099	2,835,000	–	–
Beverage	665,412	1,996,000	–	–
Travel	–	–	4,844	727,000
Coin	–	–	639,781	4,054,000
Coupon	153,849	861,000	–	–
Entertainment	12,597	244,000	1,350	54,000
Retail & Gifts	–	–	214	320,000
Other	21,659	217,000	7,654	192,000
Total	1,092,740	$8,371,000	654,888	$5,425,000

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF :
:ss.
COUNTY OE :

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

Subscribed and sworn to
before me this 13 day
of May, 1993

Signature

Sherry A. Field
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JULY 28, 1994

On Behalf Of:

TRUMP PLAZA ASSOCIATES
Casino Licensee

Basis of Authority
to Take Oaths

4/86

974.901
C193

QUARTERLY REPORT

LICENSEE TRUMP TAJ MAHAL CASINO RESORT

ADDRESS 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 27 1993
185 W. STATE ST.
TRENTON, N.J.

FOR THE QUARTER ENDED MARCH 31, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
MAY 14 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 QUARTER ENDED MARCH 31, 1993.

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

MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		MARCH (c) 1993	MARCH (d) 1992
	ASSETS			
	Current Assets:			
1	Cash and cash investments		$ 53,996	$ 52,680
2	Marketable securities		-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $4,762; 1992, $5,878)		13,156	12,602
4	Inventories		2,707	2,941
5	Prepaid expenses and other current assets		2,145	1,884
6	Total current assets		72,004	70,107
7	Investment, Advances, and Receivables - CRDA		4,984	2,378
8	Property and Equipment - Gross	NOTE 3	850,397	836,412
9	(Accumulated Depreciation/Amortization)	NOTE 3	(113,698)	(77,635)
10	Other Assets		1,211	793
11	Total Assets		$ 814,898	$ 832,055
	LIABILITIES AND EQUITY			
	Current Liabilites:			
12	Accounts Payable		$ 4,799	$ 7,518
13	Notes Payable		-	-
	Current portion of long-term debt:			
14	Due to affiliates		-	-
15	Other	NOTES 2 & 4	460	667
16	Income taxes payable and accrued		-	-
17	Other accrued expenses	NOTE 5	51,153	54,858
18	Other current liabilities	NOTE 6	6,574	4,165
19	Total current liabilities		62,986	67,208
	Long-Term Debt:			
20	Due to affiliates	NOTES 2 & 4	553,817	531,200
21	Other	NOTES 2 & 4	45,435	53,619
22	Deferred Credits		-	-
23	Other Liabilities	NOTE 7	35,201	29,661
24	Commitments and Contingencies	NOTE 10		
25	Total Liabilities		697,439	681,688
26	Stockholders', Partners', or Proprietor's Equity		117,459	150,367
27	Total Liabilities and Equity		$ 814,898	$ 832,055

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

THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	REVENUE:		
1	Casino	$ 99,230	$ 93,011
2	Rooms	8,436	8,527
3	Food and Beverage	12,665	13,518
4	Other	3,829	3,884
5	Total Revenue	124,160	118,940
6	Less: Promotional allowances	12,924	13,873
7	Net Revenue	111,236	105,067
	COSTS AND EXPENSES:		
8	Cost of Goods and Services	54,555	53,780
9	Selling, General and Administrative	31,926	30,662
10	Provision for Doubtful Accounts	821	1,805
11	Total Costs and Expenses	87,302	86,247
12	Gross Operating Profit	23,934	18,820
13	Depreciation and Amortization	9,192	9,108
	Charges from Affiliates other than Interest:	-	-
14	Management Fees	-	-
15	Other NOTE 8	1,113	1,006
16	Income (Loss) From Operations	13,629	8,706
	Other Income (Expenses):		
17	Interest (Expenses) - Affiliates NOTE 4	(25,043)	(24,133)
18	Interest (Expenses) - External NOTE 4	(1,186)	(1,303)
19	Investment Alternative Tax and Related Income(Expense) - Net	(614)	(572)
20	Nonoperating Income (Expense) - Net NOTE 9	211	253
21	Total Other Income (Expenses)	(26,632)	(25,755)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(13,003)	(17,049)
23	Provision (Credit) for Income Taxes	-	-
24	Income (Loss) Before Extraordinary Items	(13,003)	(17,049)
25	Extraordinary Items	-	-
26	Net Income (Loss)	$ (13,003)	$ (17,049)

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

NOT APPLICABLE

LINE	DESCRIPTION	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 (January 1)				
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: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Invested Capital:		
1	Beginning Balance	$ 123,745	$ 123,745
2	Capital Contributions	0	0
3	_____	0	0
4	Ending Balance	123,745	123,745
	Accumulated Income (Loss):		
5	Beginning Balance	8,973	44,072
6	Prior Period Adjustments	0	0
7	Net Income (Loss)	(13,003)	(17,049)
8	_____	0	0
9	Ending Balance	(4,030)	27,023
	Capital Withdrawals:		
10	Beginning Balance	(1,825)	-
11	Additional Capital Withdrawals	-	-
12	Partnership Distribution NOTE 10	(431)	(401)
13	Ending Balance	(2,256)	(401)
	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	$ 117,459	$ 150,367

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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) by Operating Activities	$ 25,540	$ 25,633
	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	(3,696)	(1,750)
5	Proceeds from Disposition of Property and Equipment	-	-
6	Purchase of Casino Reinvestment Obligations	(1,233)	(1,144)
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	(4,929)	(2,894)
	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
16	Costs of Issuing Debt	-	-
17	Payments to Settle Long-Term Debt	(226)	(173)
18	Cash Proceeds from Issuing Stock or Capital Contributions	-	-
19	Reduction in Debt Due To Restructuring	-	-
20	Subcontractor's Note Settlement	-	-
21	Issuance of Additional Bonds	-	-
22	Partnership Distribution	(431)	(401)
23	Net Cash Provided (Used) by Financing Activites	(657)	7,426
24	Net Increase (Decrease) in Cash and Cash Equivalents	19,954	30,165
25	Cash and Cash Equivalents at Beginning of Period	34,042	22,515
26	Cash and Cash Equivalents at End of Period	$ 53,996	$ 52,680

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period for:		
27	Interest (Net of Amount Capitalized)	$ 1,215	$ 1,234
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 THREE MONTHS ENDED MARCH 31, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows from Operating Activities:		
29	Net Income (Loss)	$ (13,003)	$ (17,049)
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment	9,192	9,108
31	Amortization of Other Assets	-	-
32	Amortization of Debt Discount or Premium	3,677	3,076
33	Deferred Income Taxes - Current	-	-
34	Deferred Income Taxes - Noncurrent	-	-
35	(Gain) Loss on Disposition of Property and Equipment	-	-
36	(Gain) Loss on Casino Reinvestment Obligations	617	572
37	(Gain Loss from Other Investment Activities	-	-
38	Net (Increase) Decrease in Receivables and Patrons' Checks	1,069	4,471
39	Net (Increase) Decrease in Inventories	366	126
40	Net (Increase) Decrease in Other Current Assets	1,526	749
41	Net (Increase) Decrease in Other Assets	(183)	9
42	Net Increase (Decrease) in Accounts Payables	(360)	2,999
43	Net Increase (Decrease) in Other Current Liabilities Excluding Debt	18,822	17,870
44	Net Increase (Decrease) in Other Noncurrent Liabilities Excluding Debt	3,401	3,343
45	Net Increase in Notes Payable	-	-
46	Costs related to lease guarantee	416	359
47	Net Cash Provided (Used) by Operating Activites	$ 25,540	$ 25,633

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:		
48	Additions to Property and Equipment	$ 3,763	$ (1,750)
49	Less: Captial Lease Obligations Incurred	(67)	-
50	Cash Outflows for Property and Equipment	$ 3,696	$ (1,750)
	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	$ -	$ -

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

MARCH 31, 1993

($ 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	$ 9,036		
2	Returned Patrons' Checks	6,822		
3	Total Patrons' Checks	15,858	$ (4,339)	$ 11,519
4	Hotel Receivables	1,838	(423)	1,415
	Other Receivables:			
5	Receivables Due From Officers and Employees	0		
6	Receivables Due From Affiliates	0		
7	Other Accounts and Notes Receivables	222		
8	Total Other Receivables	222	0	222
9	Totals (Form 205)	$ 17,918	$ (4,762)	$ 13,156

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 8,195
11	Counter Checks Issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	63,251
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)	(47,183)
13	Checks Collected Through Deposits	(12,322)
14	Checks Transferred to Returned Checks	(4,033)
15	Other Adjustments	1,128
16	Ending Balance	$ 9,036
17	"Hold" Checks Included in Balance on Line 16	$ 0
18	Provision for Uncollectible Patrons' Checks	$ 797
19	Provision as a Percent of Counter Checks Issued	1.3%

TRUMP TAJ MAHAL CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1993
(Unaudited)

NOTE 1 - 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 part 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, a wholly owned subsidiary of Taj Mahal Holding Corp. ("Holding") 49.995%.

Trump Taj Mahal Funding, Inc., (the"Company") is a wholly owned subsidiary of the Partnership and 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 "Old Bonds"), the proceeds of which were loaned to the Partnership for construction of the Taj Mahal. The Old 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 3. 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.

The accompanying financial statements have been prepared by the Partnership without audit. In the opinion of the Partnership, all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the financial position, results of operations and changes in cash flows for the periods presented, have been made.

The casino industry in Atlantic City is seasonal in nature, therefore, results of operations for the three months ended March 31, 1993 are not necessarily indicative of the operating results for a full year.

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 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, 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 to the holders of the Old Bonds.

In accordance with AICPA Statement of Position 90-7, "Financial Reporting By Entities in Reorganization Under the Bankruptcy Code", the New Bonds when issued were stated at the present value of amounts to be paid. 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. The 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. At March 31, 1993 the unaccreted balance of this discount approximated $184,485,000. The current interest rates of other borrowings approximated their stated interest rates as of the Effective Date.

NOTE 3 - PROPERTY AND EQUIPMENT

	March 31,	
	1993	1992
	(in thousands)	
Land	$ 37,291	$ 37,291
Buildings	640,824	635,737
Furniture, fixtures and equipment	145,005	139,108
Leasehold improvements	27,277	24,276
Total	850,397	836,412
Less Accumulated Depreciation	(113,698)	(77,635)
Net Property and Equipment	$736,699	$758,777

Borrowings:

The New Bonds bear interest at 11.35% per annum payable semi-annually on May 15 and November 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, on each May 15, 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 paid on that date and the immediately preceding November 15. To the extent that there is Excess Available Cash Flow ("EACF") of the Partnership, as defined, 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 New Bonds provided that an equivalent amount of cash is used to purchase or redeem New Bonds. For the period from the Effective Date through December 31, 1992, there was no EACF. Accordingly, the Company has satisfied the Additional Amount on May 15, 1993 and 1992 through the issuance of approximately $14,580,000 and $8,844,000, respectively, in additional New Bonds and accordingly, $12,759,000, the amount accrued as of March 31, 1993 is classified as long-term liability in the accompanying financial statements.

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 borrowings under the line is at prime plus 4% with a minimum of 9% per annum. The Agreement provides for a 1% annual fee and a 3/4% unused line fee and contains various covenants during the term of the facility. At March 31, 1993 no amounts were outstanding under the line.

NOTE 5 - OTHER ACCRUED EXPENSES

	March 31,	
	1993	1992
	(in thousands)	
Accrued interest	$ 25,972	$ 25,770
Accrued payroll & related	12,714	10,388
Progressive jackpot	2,264	4,170
Restructuring	-	2,803
Other	** 10,203	** 11,727
Total	$ 51,153	$ 54,858

** None of the individual components of Other exceed 5% of the total.

NOTE 6 - OTHER CURRENT LIABILITIES

	March 31, 1993	1992
	(in thousands)	
Affiliates:		
Donald J. Trump	$ 258	$ 142
Trump's Castle Associates	366	175
Trump Plaza Associates	(93)	(261)
Helicopter Air Service	(43)	(43)
	488	13
Advance deposits	536	671
Unredeemed chip liability	1,735	1,191
Insurance reserves	3,216	1,836
Other	599	454
	6,086	4,152
Total	$ 6,574	$ 4,165

NOTE 7 - OTHER LIABILITIES

Other liabilities at March 31, consisted of the following (in thousands):

	1993	1992
Deferred taxes	$ 7,155	$ 7,155
Insurance reserves	1,637	2,237
Accrued interest - Long Term	12,759	7,043
Accounts payable - Long Term	1,000	1,881
Lease guarantee	11,384	9,808
Other	1,266	1,537
	$35,201	$29,661

NOTE 8 - CHARGES FROM AFFILIATES

	Three months ended March 31, 1993	1992
	(in thousands)	
Other:		
Rent	$ 681	$ 681
Allocated salaries	149	86
Trump Services Agreement	283	239
	$ 1,113	$ 1,006

NOTE 9 - NON-OPERATING INCOME (EXPENSE)

	Three months ended March 31,	
	1993	1992
	(in thousands)	
Interest Income	$ 211	$ 253
	$ 211	$ 253

NOTE 10 - COMMITMENTS AND CONTINGENCIES

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 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 renewed 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 the Partnership the expected disposition of these proceedings would not have a material effect on the Partnership's or the Company's financial condition or results of operations.

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 three months ended March 31, 1993 and 1992 approximated $431,000 and $401,000, respectively.

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.

	Three months ended March 31,	
	1993	1992
Merchandise - jackpot payouts	$22,896	$ -

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	36,349	$ 4,889		$
Food	318,802	3,920		
Beverage	1,059,755	2,067		
Travel			9,140	1,351
Coin			790,194	8,937
Coupon	191,091	1,253		
Entertainment	18,980	607		
Retail & Gifts			2,056	117
Other	14,637	188	66,805	2,018
Total	1,639,614	$12,924	868,195	$12,423

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF NEW JERSEY :

:SS.

COUNTY OF ATLANTIC :

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

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

On Behalf Of:

Trump Taj Mahal Associates, L.P.
Casino Licensee

Subscribed and Sworn to before me
this 14th day of May, 1993

Lois Decker
Signature
LOIS DECKER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 17, 1996

Basis of Authority
to Take Oaths