974.901
C193

QUARTERLY REPORT

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

FOR THE QUARTER ENDED JUNE 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEE
AUG 17 19
CASINO
CONTROL

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 JUNE 30, 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	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

JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	ASSETS		
	Current Assets:	$	$
1	Cash	59,358	25,684
2	Marketable securities	–	–
3	Receivables and patrons' checks (net of allowances for doubtful accounts – 19_93_, $ 2,686 ; 19_92_ $ 3,023) NOTE 3..	8,057	4,584
4	Inventories	1,526	1,905
5	Prepaid expenses and other current assets NOTE 4	7,059	3,667
6	Total current assets	76,000	35,840
7	Investments, Advances, And Receivables NOTE 2 & 11	12,063	15,866
8	Property And Equipment – Gross	325,835	290,862
9	(Accumulated Depreciation/Amortization)	(95,653)	(84,550)
10	Other Assets	7,226	9,049
11	Total Assets	$ 325,471	$ 267,067
	LIABILITIES AND EQUITY		
	Current Liabilities:	$	$
12	Accounts payable	10,586	6,687
13	Notes payable	–	–
	Current portion of long–term debt:		
14	Due to affiliates	–	–
15	Other	2,849	2,138
16	Income taxes payable and accrued	0	394
17	Other accrued expenses NOTE 5	13,715	13,033
18	Other current liabilities NOTE 6	4,357	12,494
19	Total current liabilities	31,507	34,746
	Long–Term Debt:		
20	Due to affiliates NOTE 2	215,000	149,444
21	Other	2,515	5,363
22	Deferred Credits	10,837	8,957
23	Other Liabilities	–	10,430
24	Commitments And Contingencies NOTE 11		
25	Total Liabilities	259,859	208,940
26	Stockholders', Partners', Or Proprietor's Equity	65,612	58,127
27	Total Liabilities And Equity	$ 325,471	$ 267,067

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	Revenue:		
1	Casino	$ 127,466	$ 126,777
2	Rooms	5,817	5,475
3	Food and beverage	15,570	14,502
4	Other	2,630	2,183
5	Total revenue	151,483	148,937
6	Less: Promotional allowances	12,528	11,319
7	Net revenues	138,955	137,618
	Costs And Expenses:		
8	Costs of goods and services	83,147	79,893
9	Selling, general, and administrative	28,915	29,390
10	Provision for doubtful accounts	705	331
11	Total costs and expenses	112,767	109,614
12	Gross Operating Profit	26,188	28,004
13	Depreciation and amortization	8,466	9,413
	Charges from affiliates other than interest:		
14	Management fees	1,371	–
15	Other	–	–
16	Income (Loss) From Operations	16,351	18,591
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(10,261)	(8,500)
18	Interest (expense) – external	9	(727)
19	Investment alternative tax and related income (expense) – net	(524)	(523)
20	Nonoperating income (expense) – net	334	634
21	Total other income (expenses)	(10,442)	(9,116)
22	Income (Loss) Before Income Taxes And Extraordinary Items	5,909	9,475
23	Provision (credit) for income taxes NOTE 9	2,354	3,342
24	Income (Loss) Before Extraordinary Items	3,555	6,133
25	Extraordinary items (net of income taxes – 19 93, $ 4,488 ; 19 92, $ ___) NOTE 13	(6,123)	–
26	Net Income (Loss)	$ (2,568)	$ 6,133

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 JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
	Revenue:		
1	Casino	$ 66,809	$ 64,942
2	Rooms	3,373	2,930
3	Food and beverage	8,280	7,571
4	Other	1,370	1,096
5	Total revenue	79,832	76,539
6	Less: Promotional allowances	6,635	5,843
7	Net revenues	73,197	70,696
	Costs And Expenses:		
8	Costs of goods and services	43,058	40,644
9	Selling, general, and administrative	13,979	15,735
10	Provision for doubtful accounts	292	161
11	Total costs and expenses	57,329	56,540
12	Gross Operating Profit	15,868	14,156
13	Depreciation and amortization	4,466	3,976
	Charges from affiliates other than interest:		
14	Management fees	1,371	0
15	Other	0	0
16	Income (Loss) From Operations	10,031	10,180
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(6,011)	(4,250)
18	Interest (expense) – external	120	(350)
19	Investment alternative tax and related income (expense) – net	(275)	(265)
20	Nonoperating income (expense) – net	513	290
21	Total other income (expenses)	(5,653)	(4,575)
22	Income (Loss) Before Income Taxes And Extraordinary Items	4,378	5,605
23	Provision (credit) for income taxes	1,735	2,030
24	Income (Loss) Before Extraordinary Items	2,643	3,575
25	Extraordinary items (net of income taxes – 19 93, $ 4,488 ; 19 92, $ _____) NOTE 13	(6,679)	0
26	Net Income (Loss)	$ (4,036)	$ 3,575

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 SIX MONTHS ENDED JUNE 30, 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)		(2,568)		6,133
28	Dividends				
29					
30					
31	Ending balance		(11,297)		(18,782)
32	Ending Stockholder's Equity		$ 65,612		$ 58,127

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 19 93	(d) 19 92
1	Net Cash Provided(Used) By Operating Activities	$ 5,854	$ 8,965
	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	(29,123)	(10,149)
5	Proceeds from disposition of property and equipment	27	78
6	Purchase of casino reinvestment obligations	(1,461)	(1,446)
7	Purchase of other investments and loans/advances made	(10)	
8	Proceeds from disposal of investments and collection of advances and long-term receivables	0	2,445
9	Cash outflows to acquire business entities		
10			
11			
12	Net Cash Provided (Used) By Investing Activities	(30,567)	(9,072)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	2,029	
14	Payments to settle short-term debt	(2,029)	
15	Cash proceeds from issuance of long-term debt	215,000	
16	Cost of issuing debt	(5,106)	
17	Payments to settle long-term debt	(150,541)	(2,035)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals		
21	Premium on early retirement of debt	(8,500)	
22			
23	Net Cash Provided (Used) By Financing Activities	50,853	(2,035)
24	Net Increase (Decrease) In Cash And Cash Equivalents	26,140	(2,142)
25	Cash And Cash Equivalents At Beginning Of Years	33,218	27,826
26	Cash And Cash Equivalents At End Of Years	$ 59,358	$ 25,684

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 12,378	$ 8,759
28	Income taxes	$ 2,800	$ 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 SIX MONTHS ENDED JUNE 30, 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)	$ (2,568)	$ 6,133
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	8,466	9,413
31	Amortization of other assets	261	235
32	Amortization of debt discount or premium		
33	Deferred income taxes – current	(614)	
34	Deferred income taxes – noncurrent	180	2,049
35	(Gain) loss on disposition of property and equipment	482	(33)
36	(Gain) loss on casino reinvestment obligations	523	523
37	(Gain) loss from other investment activities	32	10
38	Net (increase) decrease in receivables and patrons' checks	(3,356)	242
39	Net (increase) decrease in inventories	247	(180)
40	Net (increase) decrease in other current assets	(1,549)	(1,628)
41	Net (increase) decrease in other assets	3,728	1,213
42	Net increase (decrease) in accounts payables	748	143
43	Net increase (decrease) in other current liabilities excluding debt	(3,784)	258
44	Net increase (decrease) in other noncurrent liabilities excluding debt		
45	Showboat, Inc management fees, net of tax	(8,108)	(9,413)
46	Extraordinary loss extinguishment of debt	11,166	
47	Net Cash Provided (Used) By Operating Activities	$ 5,854	$ 8,965
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 29,123	$ 10,149
49	Less: Capital lease obligations incurred		
50	Cash Outflows For Property And Equipment	$ 29,123	$ 10,149
	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

JUNE 30, 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	3,673		
2	Returned patrons' checks	3,139		
3	Total patrons' checks	6,812	$ 2,610	$ 4,202
4	Hotel Receivables	729	76	653
	Other Receivables:			
5	Receivables due from officers and employees	0		
6	Receivables due from affiliates	129		
7	Other accounts and notes receivables	3,073		
8	Total other receivables	3,202	0	3,202
9	Totals (Form 205)	$ 10,743	$ 2,686	$ 8,057

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	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)	58,182
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)	(39,257)
13	Checks collected through deposits	(15,698)
14	Checks transferred to return checks	(2,719)
15	Other adjustments	0
16	Ending Balance	$ 3,673
17	"Hold" Checks Included in Balance On Line 16	$ 0
18	Provision For Uncollectible Patrons' Checks	$ 599
19	Provision As A Percent Of Counter Checks Issued	1.0%

TRADING NAME OF LICENSEE ATLANTIC CITY SHOWBOAT

PROMOTIONAL EXPENSES AND ALLOWANCES

For The Three Months Ended June 30, 1993

(in Thousands)

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	23	$ 1,814		$
Food	333	3,074		
Beverage	1,527	1,157		
Travel			4	721
Coin			377	4,656
Coupon				
Entertainment	57	574		
Retail & Gifts				
Other	2	16		
Total	1,942	$ 6,635	381	$ 5,377

****

For The Six Months Ended June 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	42	$ 3,058		$
Food	659	6,084		
Beverage	2,913	2,212		
Travel			8	1,361
Coin			807	11,982
Coupon				
Entertainment	114	1,143		
Retail & Gifts				
Other	4	31		
Total	3,732	$ 12,528	815	$ 13,343

ATLANTIC CITY SHOWBOAT, INC.

Notes to Financial Statements

June 30, 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 June 30, 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.

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. 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 six months ended June 30, 1993 and 1992, the Company, with the approval of the Commission, paid to SBO management fees, net of intercompany tax obligations, of $8,108,000 and $4,893,000, respectively. During the quarter ended June 30, 1993 the Company paid the accrued fees in full and recommenced accruing management fees. At June 30, 1993, the Company owed $905,000 in accrued fees, net of income taxes, to SBO for SBO's services rendered to the Company in accordance with the Parent Services Agreement.

(Continued)

(2) Related Party Transactions (continued)

On May 18, 1993 SBO issued $275,000,000 of 9 1/4% First Mortgage Bonds due 2008 (9 1/4% Bonds). The proceeds from the sale of the 9 1/4% Bonds were $268,469,000 net of underwriting discounts and commissions and expenses. Approximately $215,000,000 of the proceeds of the offering were loaned by SBO to the Company which loan is 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 were used to defease all of the outstanding Bonds at 105.7% of the principle amount plus accrued interest (Note 13). The remaining proceeds will be used for the Company's operation and expansion into new facilities.

The 9 1/4% Bonds are unconditionally guaranteed by the SBO, 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.

At June 30, 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 June 30, 1993, all funds drawn on the lines of credit have been repaid.

(3) Receivables and Patrons' Checks

As of June 30, 1993 and 1992, receivables consisted of the following (dollars in thousands):

	1993	1992
Casino	$ 6,812	6,524
Hotel	729	614
Other	3,202	469
	10,743	7,607
Less allowance for doubtful accounts	2,686	3,023
Receivables, net	$ 8,057	4,584

(4) Prepaid and other current assets

As of June 30, 1993 and 1992, prepaid and other current assets consisted of the following (dollars in thousands):

	1993	1992
Prepaid Insurance	$ 1,022	1,025
Prepaid - Other	2,733	2,642
Current deferred taxes	3,304	-
Total prepaid and other current assets	$ 7,059	3,667

(5) Other Accrued Expenses

As of June 30, 1993 and 1992, other accrued expenses consisted of the following (dollars in thousands) :

	1993	1992
Salaries and wages	$ 4,600	3,825
Taxes, other than taxes on income	2,121	1,988
Medical and liability claims	1,484	1,197
Progressive slot liability	58	946
Accrued advertising and promotion	544	123
Enforcement/annual license	489	579
Settlement Claims	965	820
Other	3,454	3,555
	$ 13,715	13,033

(6) Other Current Liabilities

As of June 30, 1993 and 1992, other current liabilities consisted of the following (dollars in thousands) :

	1993	1992
Due to affiliates - interest	$ 2,375	4,958
Due to affiliates - mgmnt. fees	1,371	7,000
Outstanding chip liability	340	377
Other	271	159
	$ 4,357	12,494

(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 $4,298,000 and $4,250,000 for the six months ended June 30, 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 $107,000 and $68,000 was recognized for the six months ended June 30, 1993 and 1992, respectively. Unearned compensation at June 30, 1993 and 1992 is $87,000 and $185,000, 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 (Note 13). Prior period financial statements have not been restated to apply the provisions of FAS 109.

For the six months ended June 30, 1993 and 1992, Income tax expense consisted of the following (dollars in thousands) :

	1993	1992
Federal:		
Current	$ $2,354	3,342
Deferred	0	0
	2,354	3,342
State taxes	-	-
	$ 2,354	3,342

(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 $626,000 and $514,000 to this plan for the six months ended June 30, 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 $2,112,000 and $1,867,000 during the six months ended June 30, 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 licensee 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 June 30, 1993 and 1992, Investments, Advances and Receivables include $10,479,000 and $8,342,000, respectively, representing the Company's deposits with the CRDA of $15,692,000 at June 30, 1993 and $12,488,000 at June 30, 1992 net of a valuation allowance of $5,213,000 and $4,146,000, 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) EXTRAORDINARY GAIN/(LOSS)

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 as an extraordinary gain in the statement of income for the six months ended June 30, 1993.

On June 18, 1993, the Company repaid the 11 3/8% Note with OSFC in full at 105.7% of the principle amount plus accrued and unpaid interest up to and including the repayment date. The Company recognized an extraordinary loss before any income tax benefit of $11,166,000 as a result of the write-off of unamortized debt issuance costs of $2,666,000 and repayment of a 5.7% redemption premium of $8,500,000. The loss after tax was $6,679,000.

(14) STATEMENT OF CASH FLOW SUPPLEMENTAL INFORMATION

1. Disposal of fixed assets:

Property Gross	(5,077)
Accumulated Depreciation	4,568
Proceeds	27
Loss on disposals	482

2. Increase in fixed asset acquisition included in accounts payable (3,062)

3. Increase in CRDA obligation included in accounts payable (110)

STATEMENT OF CONFORMITY AND ACCURACY

STATE OF New Jersey :
: ss
COUNTY OF Atlantic :

Kathy Caracciolo 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.

KM Caracciolo
Signature

Financial Controller
Title

3472-11
License Number

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

Janet MacNeil
Signature

New Jersey
Basis of Authority to Take Oaths

My Commission Expires 1-16-95

Atlantic City Showboat, Inc.
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 JUNE 30, 1993

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
AUG 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

New Jersey State Library

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

LIST OF FORMS – QUARTERLY REPORT

FOR THE QUARTER ENDED JUNE 30, 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 OF PARTNERS OR PROPRIETOR'S EQUITY	CCC-225
STATEMENTS OF CASH FLOWS	CCC-235
SCHEDULE OF RECEIVABLES AND PATRON'S CHECKS	CCC-240
STATEMENT OF CONFORMITY AND ACCURACY	CCC-250
NOTES TO FINANCIAL STATEMENTS	

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

BALANCE SHEETS

JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		1993 (c)	1992 (d)
	ASSETS			
	Current Assets:			
1	Cash		$ 11,243	$ 9,013
2	Marketable securities		---	---
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993 $1,650; 1992 $6,380)		4,272	5,919
4	Inventories		1,705	2,374
5	Prepaid expenses and other current assets	NOTE 2. .	9,560	9,790
6	Total current assets		26,780	27,096
7	Investments, Advances, and Receivables	NOTE 9 . .	35,287	83,880
8	Property and Equipment - Gross	NOTE 3. .	743,631	743,702
9	(Accumulated Depreciation/Amortization)	NOTE 3. .	(273,929)	(252,911)
10	Other Assets		10,058	15,127
11	Total Assets		$ 541,827	$ 616,894
	LIABILITIES AND EQUITY			
	Current Liabilities:			
12	Accounts payable		$ 4,802	$ 9,657
13	Notes payable		---	---
	Current portion of long-term debt:			
14	Due to affiliates	NOTE 1. .	10,000	8,000
15	Other		43	41
16	Income taxes payable and accrued	NOTE 1. .	7,465	908
17	Other accrued expenses	NOTE 10 .	35,975	37,049
18	Other current liabilities		2,567	6,134
19	Total current liabilities		60,852	61,789
	Long Term Debt:			
20	Due to affiliates	NOTE 4. .	350,000	350,000
21	Other	NOTE 4. .	2,751	34,801
22	Deferred Credits	NOTE 5. .	29,284	15,224
23	Other Liabilities	NOTE 6. .	8,566	20,410
24	Commitments And Contingencies			
25	Total Liabilities		451,453	482,224
26	Stockholders', Partners', or Proprietors' Equity		90,374	134,670
27	Total Liabilities and Equity		$ 541,827	$ 616,894

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LI (a)	DESCRIPTION (b)		1993 (c)	1992 (d)
	REVENUE:			
1	Casino		$ 141,218	$ 131,675
2	Rooms		16,454	17,261
3	Food and Beverage		18,981	19,012
4	Other		3,407	4,220
5	Total Revenue		180,060	172,168
6	Less: Promotional allowances		(15,223)	(17,326)
7	Net Revenue		164,837	154,842
	COSTS AND EXPENSES:			
8	Costs of Goods and Services		86,338	84,823
9	Selling, General, and Administrative		23,756	29,885
10	Provision for Doubtful Accounts		58	363
11	Total cost and expenses		110,152	115,071
12	Gross Operating Profit		54,685	39,771
13	Depreciation and amortization		14,061	14,956
	Charges from affiliates other than interest:			
14	Management fees		---	---
15	Other	NOTE 1.	1,869	1,802
16	Income (Loss) from Operations		38,755	23,013
	Other Income (Expenses):			
17	Interest (expense) - affiliates	NOTE 7.	(20,762)	(20,743)
18	Interest (expense) - external	NOTE 7.	(1,160)	(2,683)
19	Investment alternative tax and related income (expense) - net	NOTE 11	(900)	(462)
20	Nonoperating income (expense) - net	NOTE 12	642	2,466
21	Total other income (expenses)		(22,180)	(21,422)
22	Income (Loss) Before Income Taxes and Extraordinary Items		16,575	1,591
23	Provision (credit) for income taxes	NOTE 8.	6,592	749
24	Income (Loss) Before Extraordinary Items		9,983	842
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)		$ (1,394)	$ 842

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 JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LI (a)	DESCRIPTION (b)		1993 (c)	1992 (d)
	REVENUE:			
1	Casino		$ 75,839	$ 69,283
2	Rooms		9,174	10,127
3	Food and Beverage		10,063	10,377
4	Other		1,559	1,616
5	Total Revenue		96,635	91,403
6	Less: Promotional allowances		(7,568)	(8,804)
7	Net Revenue		89,067	82,599
	COSTS AND EXPENSES:			
8	Costs of Goods and Services		44,387	43,236
9	Selling, General, and Administrative		13,014	16,392
10	Provision for Doubtful Accounts		(4)	232
11	Total cost and expenses		57,397	59,860
12	Gross Operating Profit		31,670	22,739
13	Depreciation and amortization		7,031	7,353
	Charges from affiliates other than interest:			
14	Management fees		---	---
15	Other	NOTE 1. .	714	1,042
16	Income (Loss) from Operations		23,925	14,344
	Other Income (Expenses):			
17	Interest (expense) - affiliates	NOTE 7. .	(10,378)	(10,372)
18	Interest (expense) - external	NOTE 7. .	(464)	(1,319)
19	Investment alternative tax and related income (expense) - net	NOTE 11 .	(486)	(125)
0	Nonoperating income (expense) - net	NOTE 12 .	355	1,247
21	Total other income (expenses)		(10,973)	(10,569)
22	Income (Loss) Before Income Taxes and Extraordinary Items		12,952	3,775
23	Provision (credit) for income taxes	NOTE 8. .	5,154	1,692
24	Income (Loss) Before Extraordinary Items		7,798	2,083
25	Extraordinary items (net of income taxes - 19___, : 19___)			
	Cumulative effect on prior years of change in accounting for income taxes	.NOTE 1 . .	---	---
26	Net Income (Loss)		$ 7,798	$ 2,083

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 SIX MONTHS ENDED JUNE 30, 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)		(1,394)		842
28	Dividends				
29					
30	_____				
31	Ending balance		(1,394)		6,031
32	*Ending Stockholders' Equity*		$ 90,374		$ 134,670

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 SIX MONTHS ENDED JUNE 30, 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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	Description (b)	1993 (c)	1992 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ (1,394)	$ 842
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	13,205	13,211
31	Amortization of other assets	856	955
32	Amortization of debt discount or premium	---	---
33	Deferred income taxes – current	(1,727)	(777)
34	Deferred income taxes – noncurrent	3,539	2,445
35	(Gain) loss on disposition of property and equipment	---	---
36	(Gain) loss on casino reinvestment obligations	900	462
37	(Gain) loss from other investment activities	(11)	121
38	Net (increase) decrease in receivables and patrons' checks	(370)	(1,330)
39	Net (increase) decrease in inventories	267	(251)
40	Net (increase) decrease in other current assets	(1,067)	(1,973)
41	Net (increase) decrease in other assets	3,663	(887)
42	Net increase (decrease) in accounts payables	(2,581)	(657)
43	Net increase (decrease) in other current liabilities excluding debt	2,428	(3,157)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(14,934)	(519)
45	Cumulative effect of change in accounting for income taxes	11,377	---
46	Amortization of CRDA credits	---	790
47	Net Cash Provided (Used) By Operating Activities	$ 14,151	$ 9,275

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 3,741	$ 7,916
49	Less: Capital lease obligations incurred		---
50	Cash Outflows For Property And Equipment	$ 3,741	$ 7,916
	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

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	Description (b)	1993 (c)	1992 (d)
1	Net Cash Provided (Used) By Operating Activities	$ 14,151	$ 9,275
	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	(3,741)	(7,916)
5	Proceeds from disposition of property and equipment	---	---
6	Purchase of casino reinvestment obligations	(1,756)	(2,385)
7	Purchase of other investments and loans/advances made	---	(2,240)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	24	23
9	Cash outflows to acquire business entities	---	---
10	Payment to affiliate for CRDA credits	---	---
11	Net book value of disposals	325	70
12	Net Cash Provided (Used) By Investing Activities	(5,148)	(12,448)
	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	66,000	59,000
16	Costs of issuing debt	---	---
17	Payments to settle long-term debt	(70,023)	(53,020)
18	Cash proceeds from issuing stock or capital contributions	---	---
19	Purchases of treasury stock	---	---
20	Payments of dividends or capital withdrawals	---	---
21	Advance (to) from Bally and affiliates	(6,000)	(6,300)
22	_____		---
23	Net Cash Provided (Used) By Financing Activities	(10,023)	(320)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(1,020)	(3,493)
25	Cash And Cash Equivalents At Beginning Of Period	12,263	12,506
26	Cash And Cash Equivalents At End Of Period	$ 11,243	$ 9,013

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 21,902	$ 22,991
28	Income taxes	$ 465	$ 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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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	$ 1,136		
2	Returned patrons' checks	1,429		
3	Total patrons' checks	2,565	$ 1,350	$ 1,215
4	Hotel Receivables	1,383	300	1,083
	Other Receivables:			
5	Receivables due from officers and employees	12		
6	Receivables due to affiliates	558		
7	Other accounts and notes receivables	1,404		
8	Total other receivables	1,974	---	1,974
9	Totals (Form 205)	$ 5,922	$ 1,650	$ 4,272

	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)	34,337
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)	(28,102)
13	Checks collected through deposits	(5,496)
14	Checks transferred to returned checks	(1,304)
15	Other adjustments	---
16	Ending Balance	$ 1,136
17	"Hold" Checks Included In Balance On Line 16	$ 0
18	Provision For Uncollectible Patrons' Checks	$ 49
19	Provision As A Percent Of Counter Checks Issued	0.1%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the six months ended June 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	63,977	$ 5,838		$
Food	551,099	5,996		
Beverage	1,617,335	3,235		
Travel			30,517	610
Coin				
Coupon			695,053	8,264
Entertainment	5,645	96		
Retail & Gifts				
Other	1,940	58	392	20
Total	2,239,996	$ 15,223	725,962	$ 8,894

* * * *

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 August, 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 Six Months Ended June 30, 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

The Company was a direct wholly owned subsidiary of Bally Manufacturing Corporation ("BMC") until June 16, 1993, when BMC contributed all of the capital stock of the Company to Bally Casino Holdings, Inc. ("Holdings"). Holdings was formed as a wholly owned subsidiary of BMC in April 1993 to serve as a holding company for the Company and for acquiring and developing gaming operations, including dockside and riverboat gaming, and expanding into newly emerging gaming jurisdictions.

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 BMC of $714,000 and $1,042,000 for the three months ended June 30, 1993 and 1992, respectively, and $1,869,000 and $1,802,000 for the six months ended June 30, 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 of these costs by the Company. In June 1993, the Company made full payment to BMC of the estimated costs to be allocated totalling $3,408,000.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Six Months Ended June 30, 1993 and 1992
(Unaudited)

Certain executive officers of the Company function in similar capacity for GNAC, CORP. (a wholly owned subsidiary of BMC which owns and operates the casino resort in Atlantic City known as "The Grand"), and exercise decision making and operational authority over both entities. No allocation of cost is made from the Company to The Grand for these executive officers. In addition, certain administrative and support operations of the Company and The Grand were consolidated including purchasing, limousine services, and certain aspects of human resources. Costs of these operations are allocated to or from the Company either directly or using various formulas based on utilization estimates of such services and totalled $192,000 and $613,000 for the three months ended June 30, 1993 and 1992, respectively, and $888,000 and $1,215,000 for the six months ended June 30, 1993 and 1992, respectively.

In addition, the Company leases surface area parking lots to The Grand. Rental income was $174,000 for each of the three months ended June 30, 1993 and 1992 and $348,000 for each of the six months ended June 30, 1993 and 1992.

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 recognized on this advance was $808,000 and $1,616,000 for the three and six months ended June 30, 1992, respectively.

In December 1990, the Company advanced The 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 $29,000 and $73,000 for the three and six months ended June 30, 1992, respectively.

The Company and The Grand have a cash management arrangement whereby The Grand advances excess funds to the Company which the Company uses to reduce the outstanding balance under its revolving credit agreement. As of June 30, 1993, the Company owed The Grand $10,000,000. These advances are payable on demand. The Company pays interest monthly at the prime rate of its agent bank (6% at June 30, 1993). Intercompany interest accrued and paid to The Grand on this advance for the three months ended June 30, 1993 and 1992 was $157,000 and $330,000, respectively, and $356,000 and $651,000 for the six months ended June 30, 1993 and 1992, respectively.

Income taxes

Taxable income or loss of the Company is included in the consolidated federal income tax return of BMC. Under agreements between the Company, BMC and Holdings, income taxes are allocated to the Company based on amounts the Company would pay or receive if it filed a separate consolidated 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, regardless of whether these losses or credits could be utilized by the Company on a separate consolidated federal income tax return.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Six Months Ended June 30, 1993 and 1992
(Unaudited)

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 deemed to be 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 six months ended June 30, 1993 was not material.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting and 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 six months ended June 30, 1993 and 1992, the effective income tax rate of the income tax provision differed from the federal statutory rate of 34% (39.8% and 47.1%, 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
June 30,
(Unaudited)

	1993	1992
Deferred Income Taxes	$ 7,350,000	$ 6,635,000
Prepaid Insurance	515,000	1,690,000
Other *	1,695,000	1,465,000
	$ 9,560,000	$ 9,790,000

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

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 3 - Property, Plant and Equipment
June 30,
(Unaudited)

	1993	1992
Land	$ 64,169,000	$ 64,169,000
Buildings, Leasehold Improvements	539,997,000	537,750,000
Furniture, Fixtures and Equipment	138,237,000	137,471,000
Construction in Progress	1,228,000	4,312,000
	743,631,000	743,702,000
Less Accumulated Depreciation and Amortization	(273,929,000)	(252,911,000)
Property and Equipment, Net	$469,702,000	$490,791,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 4 - Long-Term Debt, Affiliates and Other
June 30,
(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	$ ---	$ 31,000,000
Other secured and unsecured debt	2,751,000	3,801,000
	$ 2,751,000	$ 34,801,000

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, payment of dividends, 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. At June 30, 1993, approximately $11,000,000 was available under the Notes indenture and revolving credit agreement to pay dividends. In June 1993, Holdings completed a private placement of $220,000,000 principal amount of Senior Discount Notes and that indenture also places certain restrictions on the Company's ability to incur debt.

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 (prime rate of 6% at June 30, 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 entire credit line was available at June 30, 1993.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 5 - Deferred Credits
June 30,
(Unaudited)

	1993	1992
Deferred Federal Income Taxes	$29,284,000	$15,224,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 6 - Other Liabilities
June 30,
(Unaudited)

	1993	1992
Accrued S.E.R.P.	$ 7,250,000	$ 5,586,000
Deferred Long-Term Compensation (net of unamortized discount of $3,271,000 in 1992)	---	13,329,000
1983 Reinvestment Obligation (net of unamortized discount of $259,000 in 1993 and $380,000 in 1992)	1,316,000	1,495,000
	$ 8,566,000	$20,410,000

In connection with the employment of certain officers, the Company has an unfunded Supplemental Executive Retirement Plan (the "S.E.R.P."). 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 S.E.R.P. (present value at December 31, 1992 was $16,042,000), which resulted in a gain of approximately $1,500,000 for the six months ended June 30, 1993.

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 payments totalling $2,250,000 between 1992 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 June 30,
(Unaudited)

	1993	1992
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$10,390,000	$10,390,000
Capitalized interest	(12,000)	(18,000)
	$10,378,000	$10,372,000
External Sources		
Interest on various loans	$ 467,000	$ 1,324,000
Capitalized interest	(3,000)	(5,000)
	$ 464,000	$ 1,319,000

For the Six Months Ended June 30,

	1993	1992
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$20,781,000	$20,781,000
Capitalized interest	(19,000)	(38,000)
	$20,762,000	$20,743,000
External Sources		
Interest on various loans	$ 1,165,000	$ 2,693,000
Capitalized interest	(5,000)	(10,000)
	$ 1,160,000	$ 2,683,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 8 - Provision for Income Taxes
For the Three Months Ended June 30,
(Unaudited)

	1993	1992
Current:		
Federal	$ 2,739,000	$ 1,254,000
State	750,000	377,000
	3,489,000	1,631,000
Deferred:		
Federal	1,277,000	47,000
State	388,000	14,000
	1,665,000	61,000
Total Income Taxes	$ 5,154,000	$ 1,692,000

For the Six Months Ended June 30,

	1993	1992
Current:		
Federal	$ 2,818,000	$ (756,000)
State	687,000	(163,000)
	3,505,000	(919,000)
Deferred:		
Federal	2,367,000	1,279,000
State	720,000	389,000
	3,087,000	1,668,000
Total Income Taxes	$ 6,592,000	$ 749,000

Reconciliation of Deferred Income Taxes
For the Six Months Ended June 30,
(Unaudited)

	1993	1992
Short-term	$ (253,000)	$ (777,000)
Long-term	3,340,000	2,445,000
	$ 3,087,000	$ 1,668,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 9 - Investments, Advances and Receivables
June 30,
(Unaudited)

	1993	1992
Other long-term investments and receivables:		
Investment in subsidiaries - equity:		
Bally Warwick, Inc. - 100% owned	$ 4,292,000	$ 4,321,000
B.W. Realty, Inc. - 100% owned	4,756,000	4,896,000
Total investments in subsidiaries - equity	9,048,000	9,217,000
Casino Reinvestment Development Authority funds (less discount of $8,176,000 in 1993 and $6,405,000 in 1992)	8,081,000	6,404,000
Jacobs Family Terrace Mortgage Receivable (less reserve of $225,000 in 1993 and in $175,000 in 1992)	2,575,000	2,671,000
Bally's Park Place Realty Company	15,630,000	15,630,000
Bally Manufacturing Corporation	---	50,000,000
Less current portion	(47,000)	(42,000)
Total Investments, Advances and Receivables	$35,287,000	$83,880,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 10 - Other Accrued Expenses
June 30,
(Unaudited)

	1993	1992
Payroll	$ 7,423,000	$ 7,757,000
Progressive Jackpots	2,128,000	2,467,000
Interest	15,693,000	15,602,000
*Miscellaneous	10,731,000	11,223,000
Total	$35,975,000	$37,049,000

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

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 11 - Reinvestment Obligation
June 30, 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 June 30, 1993 and 1992, the Company had $15,117,000 and $11,783,000 respectively, in remaining bond purchase commitments on deposit with the CRDA. The Company has purchased $1,139,000 and $1,026,000 in bonds from the CRDA as of June 30, 1993 and 1992, respectively.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 12 - Non-Operating Income
For the Three Months Ended June 30,
(Unaudited)

	1993	1992
Interest income	$ 242,000	$ 1,094,000
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	19,000	(56,000)
Bally Warwick, Inc.	31,000	(18,000)
Other	63,000	227,000
Total	$ 355,000	$ 1,247,000

For the Six Months Ended June 30,

	1993	1992
Interest income	$ 494,000	$ 2,200,000
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	(1,000)	(86,000)
Bally Warwick, Inc.	12,000	(35,000)
Other	137,000	387,000
Total	$ 642,000	$ 2,466,000

974.901
c193

QUARTERLY REPORT

LICENSEE BOARDWALK REGENCY CORPORATION
d/b/a CAESARS ATLANTIC CITY
ADDRESS 2100 PACIFIC AVENUE
ATLANTIC CITY, NEW JERSEY 08401

FOR THE QUARTER ENDED JUNE 30, 1993
TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
AUG 16 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT . . . . . MICHAEL J. WALSH
OFFICIAL TITLE . . . . . VICE PRESIDENT OF FINANCE

ADDRESS . . . . . 2100 PACIFIC AVENUE
ATLANTIC CITY, NEW JERSEY 08401

New Jersey State Library

TRADING NAME OF LICENSEE CAESARS ATLANTIC CITY

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED JUNE 30, 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

JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 10,017	$ 8,422
2	Marketable securities	–	–
3	Receivables and patrons' checks(net of allowance for doubtful accounts – 1993, $9,686 ; 1992, $11,231)	9,783	13,019
4	Inventories . . . NOTE 1	3,162	3,832
5	Prepaid expenses and other current assets . . . NOTES 2 & 6	16,741	14,823
6	Total current assets	39,703	40,096
7	Investments, Advances, and Receivables . . . NOTES 3 & 14	4,790	2,374
8	Property And Equipment – Gross . . . NOTES 1, 4 & 10	418,162	403,850
9	(Accumulated Depreciation/Amortization)	(143,617)	(126,299)
10	Other Assets . . . NOTES 1 & 12	14,358	14,945
11	**Total Assets**	$ 333,396	$ 334,966
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 7,012	$ 5,819
13	Notes payable . . . NOTE 5	722	2,551
	Current portion of long–term debt :		
14	Due to affiliates	–	–
15	Other . . . NOTE 10	299	279
16	Income taxes payable and accrued . . . NOTES 1 & 6	688	3,864
17	Other accrued expenses . . . NOTE 7	16,536	14,812
18	Other current liabilities . . . NOTE 8	2,622	16,049
19	Total current liabilities	27,879	43,374
	Long–Term Debt:		
20	Due to affiliates . . . NOTE 9	68,300	68,300
21	Other . . . NOTE 10	10,930	11,176
22	Deferred Credits . . . NOTE 6	7,317	6,286
23	Other Liabilities . . . NOTE 11	6,872	6,810
24	Commitments And Contingencies . . . NOTE 14	–	–
25	**Total Liabilities**	121,298	135,946
26	**Stockholders', Partners', Or Proprietor's Equity**	212,098	199,020
27	**Total Liabilities And Equity**	$ 333,396	$ 334,966

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

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

STATEMENTS OF INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino . . . NOTE 1 . . .	$ 151,453	$ 167,405
2	Rooms	8,267	8,229
3	Food and beverage	15,492	18,169
4	Other	5,102	4,858
5	Total revenue	180,314	198,661
6	Less: Promotional allowances . . . NOTE 1 . . .	17,714	20,917
7	Net revenue	162,600	177,744
	Costs And Expenses :		
8	Cost of goods and services	87,682	88,925
9	Selling, general and administrative	32,782	38,364
10	Provision for doubtful accounts	801	2,294
11	Total costs and expenses	121,265	129,583
12	Gross Operating Profit	41,335	48,161
13	Depreciation and amortization . . . NOTE 1 . . .	9,192	10,377
	Charges from affiliates other than interest:		
14	Management fees . . . NOTE 13 . . .	4,852	5,250
15	Other . . . NOTE 13 . . .	7,268	6,920
16	Income (Loss) From Operations	20,023	25,614
	Other Income (Expenses) :		
17	Interest (expense) – affiliates . . . NOTES 5 & 9. . .	(4,154)	(4,188)
18	Interest (expense) – external	(582)	(592)
19	Investment alternative tax and related income (expense) – net . . . NOTE 14 . . .	(355)	(528)
20	Nonoperating income (expense) – net	130	93
21	Total other income (expenses)	(4,961)	(5,215)
22	Income (Loss) Before Income Taxes And Extraordinary Items	15,062	20,399
23	Provision (credit) for income taxes . . . NOTE 6 . . .	6,025	8,182
24	Income (Loss) Before Extraordinary Items	9,037	12,217
25	Extraordinary Items (net of income taxes – 1992, $; 1991 , $)	–	–
26	**Net Income (Loss)**	$ 9,037	$ 12,217

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 JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1993	(d) 1992
	Revenue:			
1	Casino	NOTE 1	$ 80,186	$ 85,624
2	Rooms		4,584	4,330
3	Food and beverage		8,311	9,221
4	Other		2,805	2,511
5	Total revenue		95,886	101,686
6	Less: Promotional allowances	NOTE 1	9,484	10,440
7	Net revenue		86,402	91,246
	Costs And Expenses :			
8	Cost of goods and services		44,699	44,783
9	Selling, general and administrative		16,556	20,134
10	Provision for doubtful accounts		382	1,847
11	Total costs and expenses		61,637	66,764
12	Gross Operating Profit		24,765	24,482
13	Depreciation and amortization	NOTE 1	4,601	5,185
	Charges from affiliates other than interest:			
14	Management fees	NOTE 13	2,568	2,686
15	Other	NOTE 13	3,621	3,348
16	Income (Loss) From Operations		13,975	13,263
	Other Income (Expenses) :			
17	Interest (expense) – affiliates	NOTES 5 & 9	(2,067)	(2,084)
18	Interest (expense) – external		(291)	(295)
19	Investment alternative tax and related income (expense) – net	NOTE 14	(241)	(261)
20	Nonoperating income (expense) – net		60	47
21	Total other income (expenses)		(2,539)	(2,593)
22	Income (Loss) Before Income Taxes And Extraordinary Items		11,436	10,670
23	Provision (credit) for income taxes	NOTE 6	4,576	4,279
24	Income (Loss) Before Extraordinary Items		6,860	6,391
25	Extraordinary Items (net of income taxes – 1992, $; 1991 , $)		–	–
26	**Net Income (Loss)**		$ 6,860	$ 6,391

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 SIX MONTHS ENDED JUNE 30, 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)		9,037		12,217
28	Dividends (Note 8)		(6,000)		(12,000)
29	_____		–		–
30	_____		–		–
31	Ending balance		164,663		151,585
32	Ending Stockholders' Equity		$ 212,098		$ 199,020

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 SIX MONTHS ENDED JUNE 30, 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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	$ 20,497	$ 16,548
	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	(6,841)	(7,789)
5	Proceeds from disposition of property and equipment	–	–
6	Purchase of casino reinvestment obligations	(1,627)	(1,695)
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	(8,468)	(9,484)
	Cash Flows From Financing Activities :		
13	Cash proceeds from issuance of short-term debt	31,481	43,146
14	Payments to settle short-term debt	(36,900)	(41,789)
15	Cash proceeds from issuance of long-term debt	–	–
16	Costs of issuing debt	–	–
17	Payments to settle long-term debt	(116)	(8,552)
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	(11,535)	(7,195)
24	Net Increase (Decrease) In Cash And Cash Equivalents	494	(131)
25	Cash And Cash Equivalents At Beginning Of Period	9,523	8,553
26	Cash And Cash Equivalents At End Of Period	$ 10,017	$ 8,422

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 4,757	$ 4,829
28	Income taxes	$ 7,716	$ 10,945

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: CAESARS ATLANTIC CITY

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ 9,037	$ 12,217
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	8,629	9,843
31	Amortization of other assets	563	534
32	Amortization of debt discount or premium	–	–
33	Deferred income taxes – current	(156)	(536)
34	Deferred income taxes – noncurrent	671	15
35	(Gain) loss on disposition of property and equipment	(16)	–
36	(Gain) loss on casino reinvestment obligations	355	528
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	1,279	(339)
39	Net (increase) decrease in inventories	546	146
40	Net (increase) decrease in other current assets	(2,476)	152
41	Net (increase) decrease in other assets	(165)	(1,028)
42	Net increase (decrease) in accounts payable	1,068	(1,015)
43	Net increase (decrease) in other current liabilities excluding debt	1,172	(2,867)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(10)	(1,102)
45	_____	–	–
46	_____	–	–
47	Net Cash Provided (Used) By Operating Activities	$ 20,497	$ 16,548

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 6,841	$ 7,789
49	Less: Capital lease obligations incurred	–	–
50	Cash Outflows For Property And Equipment	$ 6,841	$ 7,789
	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	$ –	$ –

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 six months ended June 30, 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 adopt the new accounting for income taxes in the first quarter of Fiscal 1994 by recognizing a cumulative adjustment at the time of adoption. The Company's preliminary review indicates that the adoption of SFAS 109 is not expected to have a material effect on the Company's financial position.

Post Employment Benefits

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

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

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)..	$12,360	$12,529
Prepaid income taxes - current..	2,025	-
Other.....	2,356	2,294
	$16,741	$14,823

NOTE 3. INVESTMENTS, ADVANCES AND RECEIVABLES:

	1993	1992
	(In Thousands)	
CRDA deposits.....	$6,815	$3,254
CRDA bonds receivable.....	521	521
	7,336	3,775
Less: valuation allowance on CRDA investments.....	2,546	1,401
	$4,790	$2,374

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	258,696	253,232
Furniture, fixtures and equipment	92,973	84,340
Construction in progress	2,650	2,435
Properties under capital leases.	12,340	12,340
	418,162	403,850
Less: accumulated depreciation and amortization	143,617	126,299
	$274,545	$277,551

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 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

NOTE 5. NOTES PAYABLE (cont'd):

outstanding at any month-end was $12,944,000 and $9,960,000, respectively, the average of the month-end amounts outstanding was $8,126,000 and $7,150,000, respectively, and the weighted average interest rate was 6.0 percent and 6.5 percent, respectively.

At June 30, 1993 and 1992, the outstanding balance on the revolving line of credit was $722,000 and $2,551,000, respectively.

NOTE 6. INCOME TAXES:

The provision for income taxes for the six months ended June 30, 1993 and 1992 is comprised of the following:

	1993	1992
	(In Thousands)	
Current:		
Federal	$ 4,066	$6,676
State	1,444	2,027
Deferred:		
Federal	453	(516)
State	62	(5)
	$ 6,025	$8,182

Deferred credits of $7,317,000 and $6,286,000 at June 30, 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 six months ended June 30, 1993 and 1992 differs from the amount computed at the statutory rate as follows:

NOTE 6. INCOME TAXES (cont'd):

	(In Thousands) 1993	1992
Federal income tax at statutory rate.	$5,121	$6,935
State income taxes, net of federal benefit.....	895	1,212
Other, net.....	9	35
	$6,025	$8,182

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....	$ 3,351	$ 3,681
General liability, etc.....	5,270	3,591
Taxes, other than income taxes.....	2,215	1,612
Management incentive.....	1,614	1,720
Other.....	4,086	4,208
	$16,536	$14,812

NOTE 8. OTHER CURRENT LIABILITIES:

	1993	1992
	(In Thousands)	
Due to CWI.....	$ 650	$ 2,019
Due to DPI.....	643	649
Dividend Payable to CNJ.....		12,000
Other.....	1,329	1,381
	$2,622	$16,049

On January 4, 1993, BRC declared a $6,000,000 dividend to CNJ which was paid in full on March 2, 1993.

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	$68,300

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 June 30, 1993, the carrying value of this note approximated its fair value.

NOTE 10. LONG-TERM DEBT, OTHER:

	1993	1992
	(In Thousands)	
Mortgage payable.....	$ 1,655	$ 1,951
Capitalized lease obligation, net of amounts representing interest....	9,275	9,225
	$10,930	$11,176

Mortgage payable is comprised of the following:

	1993	1992
	(In Thousands)	
Mortgage payable, interest at 8.0% maturing January 1999, secured by property.....	$1,954	$2,230
Less current maturities.....	299	279
	$1,655	$1,951

The carrying value at June 30, 1993 approximated its fair value.

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

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 six months ended June 30, 1993 and 1992 was $1,172,000 and $1,324,000, respectively.

NOTE 11. OTHER LIABILITIES:

	1993	1992
	(In Thousands)	
General liability, etc.....	$4,481	$4,555
Other.....	2,391	2,255
	$6,872	$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 June 30, 1993 the amount in this revocable trust was $1,678,000 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 $222,000 and $186,000 for the six months ended June 30, 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.

NOTE 12. PENSION PLANS (cont'd):

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 $383,000 and $373,000 for the six months ended June 30, 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 six months ended June 30, 1993 and 1992 from CWI and affiliates as follows:

Affiliate	Transaction	1993	1992
		(In Thousands)	
Caesars World, Inc.	Management Fee	$4,852	$5,250
Caesars World Marketing Corp.	Reservation Offices	$3,273	$2,892
Caesars Palace Corp	Tradename Fee	2,449	2,400
Caesars World, Inc.	Allocated Payroll	1,546	1,628
		$7,268	$6,920

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 June 30, 1993, all BRC investment obligations had been satisfied or prepaid.

NOTE 14. COMMITMENTS AND CONTINGENCIES (cont'd):

Litigation

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

NOTE 15. SUBSEQUENT EVENT:

On July 19, 1993, BRC declared a dividend to CNJ of $6,000,000 to be paid on or before November 16, 1993.

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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	$ 5,695	–	
2	Returned patrons' checks	12,140	–	
3	Total patrons' checks	17,835	$ 9,566	$ 8,269
4	Hotel Receivables	1,019	120	899
	Other Receivables:			
5	Receivables due from officers and employees	3	–	
6	Receivables due from affiliates	28	–	
7	Other accounts and notes receivables	584	–	
8	Total other receivables	615	–	615
9	Totals (Form 205)	$ 19,469	$ 9,686	$ 9,783

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)	113,763
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)	(81,589)
13	Checks collected through deposits	(32,115)
14	Checks transferred to returned checks	(770)
15	Other adjustments	–
16	Ending Balance	$ 5,695
17	"Hold" Checks Included Balance on Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$ 781
19	Provision As A Percent Of Counter Checks Issued	0.7%

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

(UNAUDITED)

FOR THE THREE MONTHS ENDED JUNE 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	68,147	$ 2,851		$
Food	217,303	3,805		
Beverage	452,317	2,239		
Travel			6,562	2,408
Coin			403,070	3,115
Coupon			70,733	1,719
Cash Rebates			218	492
Entertainment	18,974	476	3,249	720
Retail & gifts			259	37
Other	3,183	113	58,198	714
Total	759,924	$ 9,484	542,289	$ 9,205

FOR THE SIX MONTHS ENDED JUNE 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	115,733	$ 5,345		$
Food	415,223	7,135		
Beverage	846,092	4,192		
Travel			15,266	4,655
Coin			706,201	5,654
Coupon			135,783	3,398
Cash Rebates			336	1,113
Entertainment	32,250	825	7,454	1,334
Retail & gifts			907	225
Other	7,623	217	103,682	1,509
Total	1,416,921	$ 17,714	969,629	$ 17,888

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.

Signature

VICE PRESIDENT FINANCE
Title

1482-11
License Number

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

On Behalf Of:

Signature

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

Basis of Authority
to Take Oaths

BOARDWALK REGENCY CORPORATION
Casino License

CCC-250

1/86

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 JUNE 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

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 JUNE 30, 1993

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

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

BALANCE SHEETS
JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	ASSETS		
	CURRENT ASSETS:		
1	CASH	$ 5,490	$ 5,155
2	MARKETABLE SECURITIES	-0-	-0-
3	RECEIVABLES & PATRONS CHECKS (NET OF ALLOW. FOR DOUBTFUL ACCOUNTS - 1993, $1,575; 1992, $1,245	18,077	17,092
4	INVENTORIES	2,377	2,231
5	PREPAID EXPENSES & OTHER CURRENT ASSETS	1,661	1,788
6	TOTAL CURRENT ASSETS	27,605	26,266
7	INVESTMENTS, ADVANCES & RECEIVABLES...(NOTE 3)	120,455	126,345
8	PROPERTY & EQUIPMENT - GROSS	14,076	13,888
9	(ACCUMULATED DEPRECIATION/AMORTIZATION)	(9,713)	(10,069)
10	OTHER ASSETS.....(NOTE 4)	413	536
11	TOTAL ASSETS	$152,836	$156,966
	LIABILITIES & EQUITY		
	CURRENT LIABILITIES:		
12	ACCOUNTS PAYABLE	$ 3,528	$ 2,267
13	NOTES PAYABLE	-0-	-0-
14	CURRENT PORTION OF LONG-TERM DEBT: DUE TO AFFILIATES	-0-	-0-
15	OTHER.....(NOTE 7)	3,000	1,436
16	INCOME TAXES PAYABLE & ACCRUED	1,409	1,337
17	OTHER ACCRUED EXPENSES.....(NOTE 5)	8,591	10,588
18	OTHER CURRENT LIABILITIES.....(NOTE 6)	21,238	21,144
19	TOTAL CURRENT LIABILITIES	37,766	36,772
	LONG TERM DEBT:		
20	DUE TO AFFILIATES	-0-	-0-
21	OTHER.....(NOTE 7)	35,096	45,534
22	DEFERRED CREDITS	5,285	3,789
23	OTHER LIABILITIES.....(NOTE 8)	58,199	61,106
24	COMMITMENTS & CONTINGENCIES (NOTE 1)		
25	TOTAL LIABILITIES	136,346	147,201
26	STOCKHOLDERS', PARTNERS, OR PROPRIETOR'S EQUITY	16,490	9,765
27	TOTAL LIABILITIES & EQUITY	$152,836	$156,966

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	REVENUE:		
1	CASINO	$ 77,579	$ 72,030
2	ROOMS	5,120	5,014
3	FOOD & BEVERAGE	9,153	9,759
4	OTHER	1,066	1,581
5	TOTAL REVENUE	92,918	88,384
6	LESS: PROMOTIONAL ALLOWANCES	7,598	8,254
7	NET REVENUE	85,320	80,130
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	44,722	44,712
9	SELLING, GENERAL & ADMINISTRATIVE	25,587	20,532
10	PROVISION FOR DOUBTFUL ACCOUNTS	304	269
11	TOTAL COSTS & EXPENSES	70,613	65,513
12	GROSS OPERATING PROFIT	14,707	14,617
13	DEPRECIATION & AMORTIZATION	694	626
	CHARGES FROM AFFILIATES OTHER THAN INTEREST:		
14	MANAGEMENT FEES	-0-	-0-
15	OTHER	57	54
16	INCOME (LOSS) FROM OPERATIONS	13,956	13,937
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES.....(NOTE 13)	(216)	(216)
18	INTEREST (EXPENSES) - EXTERNAL	(1,869)	(2,096)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(333)	(658)
20	NONOPERATING INCOME (EXPENSE) - NET....(NOTE 9)	(7,972)	(7,481)
21	TOTAL OTHER INCOME (EXPENSE)	(10,390)	(10,451)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	3,566	3,486
23	PROVISION (CREDIT) FOR INCOME TAXES..(NOTE 11)	1,282	1,268
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	2,284	2,218
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES - 1993, $ -0-; 1992, $-0-)	-0-	-0-
26	NET INCOME (LOSS)	$ 2,284	$ 2,218

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 JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	REVENUE:		
1	CASINO	$ 42,726	$ 37,890
2	ROOMS	2,818	2,832
3	FOOD & BEVERAGE	4,908	5,077
4	OTHER	577	745
5	TOTAL REVENUE	51,029	46,544
6	LESS: PROMOTIONAL ALLOWANCES	3,986	4,122
7	NET REVENUE	47,043	42,422
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	23,313	22,899
9	SELLING, GENERAL & ADMINISTRATIVE	14,446	10,605
10	PROVISION FOR DOUBTFUL ACCOUNTS	168	129
11	TOTAL COSTS & EXPENSES	37,927	33,633
12	GROSS OPERATING PROFIT	9,116	8,789
13	DEPRECIATION & AMORTIZATION	360	315
	CHARGES FROM AFFILIATES OTHER THAN INTEREST:		
14	MANAGEMENT FEES	-0-	-0-
15	OTHER	28	27
16	INCOME (LOSS) FROM OPERATIONS	8,728	8,447
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES.....(NOTE 13)	(108)	(108)
18	INTEREST (EXPENSES) - EXTERNAL	(1,053)	(1,019)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(183)	(288)
20	NONOPERATING INCOME (EXPENSE) - NET....(NOTE 9)	(4,245)	(3,938)
21	TOTAL OTHER INCOME (EXPENSE)	(5,589)	(5,353)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	3,139	3,094
23	PROVISION (CREDIT) FOR INCOME TAXES..(NOTE 11)	1,196	1,185
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	1,943	1,909
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES - 1993, $ -0-; 1992, $-0-)	-0-	-0-
26	NET INCOME (LOSS)	$ 1,943	$ 1,909

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 SIX MONTHS ENDED JUNE 30, 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)		2,284		2,218
28	DIVIDENDS				
29	_____				
30	_____				
31	ENDING BALANCE		11,490		4,765
32	ENDING STOCKHOLDERS' EQUITY		$16,490		$ 9,765

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 SIX MONTHS ENDED JUNE 30, 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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	$ 3,389	$ 3,410
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	PURCHASE OF SHORT-TERM INVESTMENT SECURITIES.....		
3	PROCEEDS FROM THE SALE OF SHORT-TERM INV. SECURITIES...		
4	CASH OUTFLOWS FOR PROPERTY & EQUIPMENT.....	(1,005)	(488)
5	PROCEEDS FROM DISPOSITION OF PROPERTY & EQUIPMENT.....	42	24
6	PURCHASE OF CASINO REINVESTMENT OBLIGATION.....	(933)	(355)
7	PURCHASE OF OTHER INVESTMENTS & LOANS/ADVANCES MADE....	(1,144)	(1,482)
8	PROCEEDS FROM DISPOSAL OF INVESTMENTS & COLLECTION OF ADVANCES & LONG TERM RECEIVABLES.....	4,788	4,506
9	CASH OUTFLOWS TO ACQUIRE BUSINESS ENTITIES.....		
10	_____.....		
11	_____.....		
12	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES.....	1,748	2,205
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	CASH PROCEEDS FROM ISSUANCE OF SHORT-TERM DEBT.....	-0-	-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.....	(3,405)	(5,097)
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.....	(4,405)	(5,097)
24	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	732	518
25	CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	4,758	4,637
26	CASH & CASH EQUIVALENTS AT END OF PERIOD.....	$ 5,490	$ 5,155

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	CASH PAID DURING YEAR FOR:		
27	INTEREST (NET OF AMOUNT CAPITALIZED).....	$ 1,869	$ 2,096
28	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 SIX MONTHS ENDED JUNE 30, 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).....	$ 2,284	-$ 2,218
	NON-CASH ITEMS INCLUDED INCOME & CASH ITEMS EXCLUDED FROM INCOME:		
30	DEPRECIATION & AMORTIZATION OF PROPERTY & EQUIPMENT...	602	531
31	AMORTIZATION OF OTHER ASSETS.....	92	95
32	AMORTIZATION OF DEBT DISCOUNT OR PREMIUM.....		
33	DEFERRED INCOME TAXES - CURRENT.....		
34	DEFERRED INCOME TAXES - NONCURRENT.....	336	179
35	(GAIN) LOSS ON DISPOSITION OF PROPERTY & EQUIPMENT....	(41)	(13)
36	(GAIN) LOSS ON CASINO REINVESTMENT OBLIGATIONS.....	333	658
37	(GAIN) LOSS FROM OTHER INVESTMENT ACTIVITIES.....		
38	NET (INCREASE) DECREASE IN RECEIVABLES AND PATRONS' CHECKS EXCLUDING RECLASS FROM LONG TERM OF $485 and $283.....	(444)	(41)
39	NET (INCREASE) DECREASE IN INVENTORIES.....	(92)	(190)
40	NET (INCREASE) DECREASE IN OTHER CURRENT ASSETS * ...	(595)	(359)
41	NET (INCREASE) DECREASE IN OTHER ASSETS.....	(44)	(246)
42	NET INCREASE (DECREASE) IN ACCOUNTS PAYABLE.....	1,659	614
43	NET INCREASE (DECREASE) IN OTHER CURRENT LIABILITIES EXCLUDING DEBT.....	1,109	1,688
44	NET INCREASE (DECREASE) IN OTHER NONCURRENT LIABILITIES EXCLUDING DEBT.....	(1,326)	(1,303)
45	DISCOUNT ON WRAPAROUND MORTGAGE RECEIVABLE.....	(484)	(421)
46	.....		
47	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	$ 3,389	$ 3,410

* EXCLUDING DECREASE IN CURRENT PORTION OF CRDA CREDIT OF $-0- AND $515

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	ACQUISITION OF PROPERTY & EQUIPMENT:		
48	ADDITIONS TO PROPERTY & EQUIPMENT.....	$ 1,005	$ 488
49	LESS: CAPITAL LEASE OBLIGATIONS ACQUIRED.....		
50	CASH OUTFLOWS FOR PROPERTY & EQUIPMENT.....	$ 1,005	$ 488
	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
JUNE 30, 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. Effective April 1, 1993, the third amendment to the Loan Agreement was executed, thus satisfying the license conditions. The modifications resulting from this amendment are outlined in note 7, Long Term Debt. 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 June 30, 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 $12,814,000 discount and $13,751,000 discount at June 30, 1993 and 1992, respectively)	$ 90,686	96,249
Deferred interest receivable, due September 30, 2000	20,000	20,000
FF&E promissory note, 14%	6,837	6,043
FF&E promissory note - expansion, 14%	10,510	11,755
Reinvestment Obligations	2,341	1,102
Reinvestment Obligation Credit	47	103
	130,421	135,252
Less Current Installments	9,966	8,907
	$120,455	126,345

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 six months ended June 30, 1993, $3,500,000 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 six months ended June 30, 1993, $603,000 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 June 30, 1993, $812,000 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 June 30, 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 six months ended June 30, 1993, the valuation allowance recorded totalled $304,000. 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 June 30, 1993 and 1992 is $516,000 and $272,000 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 six months ended June 30, 1993, New Claridge has recorded expense of $29,000, representing the amount of the credits applied to the year to date of 1993 obligations. 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 June 30, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Intangible assets (net of accumulated amortization of $477 and $235 at June 30, 1993 and 1992, respectively)	$250	373
Refundable deposits, non-current	118	118
Other	45	45
	$413	536

(5) Other Accrued Expenses

Other accrued expenses at June 30, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Progressive jackpot liability	$ 139	2,912
Accrued payroll and related benefits	5,243	4,340
Accrued interest due to the Partnership	1,746	1,314
Other	1,463	2,022
	$8,591	10,588

In September 1992, certain progressive slot machines were removed from the casino, resulting in the reversal of $2.4 million of progressive jackpot liability. Year to date through June 30, 1993, an additional $329,000 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 June 30, 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	1,245	1,458
Other	1,315	1,008
	$21,238	21,144

As of June 30, 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 New Claridge. Interest, which accrues at 12% per annum, is payable in full upon maturity. As of June 30, 1993, such interest, which is included in Accrued Expenses, amounted to $1,746,000.

As of June 30, 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. The deferred rent 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 New Claridge.

(7) Long-term Debt

Long-term debt at June 30, 1993 and 1992 consists of the following:

	1993	1992
	(in thousands)	
First Mortgage Note (a)	$38,096	46,970
Revolving line of credit (b)	-0-	-0-
	38,096	46,970
Less current installments	3,000	1,436
	$35,096	45,534

(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, on April 23, 1991, and again, effective April 1, 1993. The terms of the Loan Agreement, prior to the April 1, 1993 amendment, 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.

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 was 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. Effective April 1, 1993, the third amendment to the Loan Agreement was executed. The modifications resulting from this amendment were 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 previous prime rate plus one and one-half percent). Interest on the term loan is payable monthly in arrears;

(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. Prior to this amendment, 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 paid an extension fee of $200,000 upon the execution of this amendment to the Loan Agreement.

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. Year to date through June 30, 1993, New Claridge made principal payments totalling $2,348,000, representing its excess cash flow, as calculated per the terms of the Loan Agreement, for the first and second quarters of 1993.

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 six months ended June 30, 1993, New Claridge made principal payments totalling $7,000 under this agreement.

The terms of the Loan Agreement also limit the amount New Claridge can expend for capital expenditures to $5 million per annum, as amended effective April 1, 1993. New Claridge is permitted to carry over to the first quarter of the succeeding year up to $350,000 not expended during any year. In addition, the terms of the Loan Agreement restrict the amount of any "delayed payments" (payments made in a succeeding year for items delivered in any subject year) to a maximum amount of $1 million.

b) Pursuant to the terms of the Loan Agreement as amended on the closing of the Restructuring, the 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, on April 23, 1991, and again effective April 1, 1993. 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 four percent, as amended effective April 1, 1993. New Claridge is also required to pay quarterly a commitment fee equal to .5% per annum of the unused portion of the revolving working capital line.

At June 30, 1993 and 1992 there were no outstanding borrowings on the revolving working capital facility.

(8) Other Liabilities

Other liabilities at June 30, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Deferred rent	$38,199	41,106
Other non-current liabilities	20,000	20,000
Total	$58,199	61,106

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 June 30, 1993, accrued interest would have amounted to approximately $19.3 million.

(9) Other Nonoperating Income (Expense) - Net

Other nonoperating income (expense) - net for the six months ended June 30, 1993 and 1992 consists of the following:

	1993	1992
	(in thousands)	
Interest income - Wraparound Mortgage	$ 9,088	9,482
Interest income - other	78	77
Other nonoperating income/(expense)	(69)	252
Facilities/maintenance fee	265	265
Gain on disposal of assets	41	13
Partnership rent expense	(17,375)	(17,570)
Total	$(7,972)	(7,481)

(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 June 30, 1993 are as follows (in thousands):

07/01/93 - 06/30/94	$ 30,630
07/01/94 - 06/30/95	30,606
07/01/95 - 06/30/96	30,880
07/01/96 - 06/30/97	36,682
07/01/97 - 06/30/98	40,497
07/01/98 - 09/30/98	9,805
Total Minimum	$ 179,100

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 six months ended June 30, 1993 and 1992 rental expense for all operating leases amounted to $20,008,000 and $18,764,000 respectively, of which $(1,326,000) and $(1,303,000) 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 six months ended June 30, 1993 was $2,223,000. 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 June 30, 1993 and 1992 is comprised of the following:

	1993	1992
	(in thousands)	
Current	$ 946	1,089
Deferred	336	179
	$1,282	1,268

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	$1,090	1,078
State income tax less federal benefit	192	190
	$1,282	1,268

New Claridge is included in the consolidated income tax return of its parent, the Corporation. At June 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 six month period ended June 30, 1993 as a result of the adoption of Statement 109.

(12) Other Events

On December 30, 1992, the Corporation and Fitzgeralds Las Vegas, L.P. executed a Letter of Intent to combine the business and assets of the two organizations. A definitive agreement was not reached and the Letter of Intent expired by its own terms on June 28, 1993.

(13) 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 six months ended June 30, 1993 and 1992 interest expense due to affiliates was $216,000 and $216,000 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 six months ended June 30, 1993 and 1992 amounted to $57,000 and $54,000 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 six months ended June 30, 1993 and 1992 New Claridge has earned interest income of $9,088,000 and $9,482,000 respectively, and incurred lease expense of $17,375,000 and $17,570,000, 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 June 30, 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
JUNE 30, 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	$ 892		
2	RETURNED PATRONS' CHECKS	1,229		
3	TOTAL PATRONS' CHECKS	2,121	$ 1,515	$ 606
4	HOTEL RECEIVABLES	435	47	388
	OTHER RECEIVABLES:			
5	RECEIVABLES DUE FROM OFFICERS & EMPLOYEES	4		
6	RECEIVABLES DUE FROM AFFILIATES	16,971		
7	OTHER ACCOUNTS & NOTES RECEIVABLES	121		
8	TOTAL OTHER RECEIVABLES	17,096	13	17,083
9	TOTALS (FORM 205)	$ 19,652	$ 1,575	$ 18,077

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, SUBSTITUTIONS, & PATRONS CASH DEPOSITS)	23,010
12	CHECKS REDEEMED PRIOR TO DEPOSIT (EXCLUDING THE UNREDEEMED PORTION OF COUNTER CHECKS REDEEMED THROUGH PARTIAL REDEMPTIONS, & EXCLUDING CHECKS REDEEMED THROUGH TRANSACTIONS RELATING TO CONSOLIDATION, SUBSTITUTIONS, & PATRONS CASH DEPOSITS)	(17,940)
13	CHECKS COLLECTED THROUGH DEPOSITS	(4,610)
14	CHECKS TRANSFERRED TO RETURNED CHECKS	(467)
15	OTHER ADJUSTMENTS	
16	ENDING BALANCE	$ 892
17	"HOLD" CHECKS INCLUDED IN BALANCE ON LINE 16	
18	PROVISION FOR UNCOLLECTIBLE PATRONS' CHECKS	$ 230
19	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 JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	21,503	$ 1,083,133	-0-	$ -0-
FOOD	171,363	1,429,626	-0-	-0-
BEVERAGE	265,717	1,359,901	-0-	-0-
TRAVEL	-0-	-0-	767	68,491
COIN	-0-	-0-	719,097	6,211,322
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	5,042	112,963	-0-	-0-
RETAIL & GIFTS	-0-	-0-	67,413	352,774
PARKING	-0-	-0-	48,276	303,116
OTHER	-0-	-0-	2,252	62,353
TOTAL	463,625	$ 3,985,623	837,805	$ 6,998,056

FOR THE SIX MONTHS ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	40,060	$ 2,073,814	-0-	$ -0-
FOOD	326,750	2,731,430	-0-	-0-
BEVERAGE	514,364	2,628,125	-0-	-0-
TRAVEL	-0-	-0-	1,568	146,889
COIN	-0-	-0-	1,090,929	10,165,749
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	7,499	164,715	-0-	-0-
RETAIL & GIFTS	-0-	-0-	124,884	629,010
PARKING	-0-	-0-	86,555	551,671
OTHER	-0-	-0-	4,503	118,690
TOTAL	888,673	$ 7,598,084	1,308,439	$11,612,009

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 13 day of August, 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 GNOC, CORP. (The Grand, a Bally's Casino Resort)
ADDRESS P.O. Box 1737, Boston and Pacific Avenues
Atlantic City, New Jersey 08401

FOR THE QUARTER ENDED JUNE 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
AUG 18 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. (THE GRAND)

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED JUNE 30, 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
Schedule of Promotional Expenses and Allowances	CCC-245
Statement of Compliance	CCC-248
Statement of Conformity and Accuracy	CCC-250

TRADING NAME OF LICENSEE: GNOC, CORP. (THE GRAND)

BALANCE SHEETS

JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 3,393	$ 3,147
2	Marketable securities	4,065	10,725
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $ 7,526 ; 1992, $ 12,000)	5,405	2,930
4	Inventories	1,830	1,346
5	Prepaid expenses and other current assets ..... NOTE 2	26,211	20,869
6	Total current assets	40,904	39,017
7	Investments, Advances, and Receivables ..... NOTE 3	2,737	1,704
8	Property And Equipment - Gross ..... NOTE 4	332,939	309,048
9	(Accumulated Depreciation/Amortization) ..... NOTE 4	(83,512)	(67,298)
10	Other Assets ..... NOTE 5	119,902	110,845
11	Total Assets	$ 412,970	$ 393,316
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 1,254	$ 988
13	Notes payable ..... NOTE 6	-	-
14	Current portion of long-term debt		
15	Due to affiliates	-	4,850
16	Other	-	-
17	Income taxes payable and accrued	-	3,249
18	Other accrued expenses ..... NOTE 7	21,502	18,066
19	Other current liabilities ..... NOTE 8	1,937	2,936
	Total current liabilities	24,693	30,089
	Long-Term Debt:		
20	Due to affiliates ..... NOTE 9	273,025	260,249
21	Other	-	-
22	Deferred Credits ..... NOTE 10	56,747	9,417
23	Other Liabilities ..... NOTE 11	30,309	30,725
24	Commitments And Contingencies	-	-
25	Total Liabilities	384,774	330,480
26	Stockholders', Partners', Or Proprietor's Equity .... NOTE 12	28,196	62,836
27	Total Liabilities And Equity	$ 412,970	$ 393,316

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. (THE GRAND)

STATEMENTS OF INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	102,160	98,044
2	Rooms	6,719	8,866
3	Food and beverage	15,337	12,936
4	Other	4,900	3,359
5	Total revenue	129,116	123,205
6	Less: Promotional allowances	15,447	15,294
7	Net revenue	113,669	107,911
	Costs And Expenses:		
8	Cost of goods and services	52,429	46,632
9	Selling, general, and administrative	37,767	34,705
10	Provision for doubtful accounts	297	542
11	Total Costs and Expenses	90,493	81,879
12	Gross Operating Profit	23,176	26,032
13	Depreciation and Amortization	8,910	9,101
	Charges from affiliates other than interest:		
14	Management fees	-	-
15	Other NOTE 14.	2,998	3,130
16	Income (Loss) From Operations	11,268	13,801
	Other Income (Expenses):		
17	Interest (expense)-affiliates	(15,583)	(16,346)
18	Interest (expense)-external NOTE 15.	2,000	-
19	Investment alternative tax and related income (expense) - net	(618)	(119)
20	Nonoperating income (expense) - net NOTE 16.	593	918
21	Total other income (expenses)	(13,608)	(15,547)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(2,340)	(1,746)
23	Provision (credit) for income taxes NOTE 17.	(671)	235
24	Income (Loss) Before Extraordinary Items	(1,669)	(1,981)
25	Extraordinary items (net of income taxes - 1993, $ (1,405) ; 1992, $ -) NOTES 1 and 9	(31,961)	-
26	Net Income (Loss)	$ (33,630)	$ (1,981)

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. (THE GRAND)

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED JUNE 30, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	52,023	51,847
2	Rooms	3,747	5,043
3	Food and beverage	8,111	6,873
4	Other	2,120	1,880
5	Total revenue	66,001	65,643
6	Less: Promotional allowances	8,052	8,204
7	Net revenue	57,949	57,439
	Costs And Expenses:		
8	Cost of goods and services	27,053	24,196
9	Selling, general, and administrative	19,326	17,993
10	Provision for doubtful accounts	161	253
11	Total Costs and Expenses	46,540	42,442
12	Gross Operating Profit	11,409	14,997
13	Depreciation and Amortization	4,490	4,582
	Charges from affiliates other than interest:		
14	Management fees	-	-
15	Other NOTE 14.	1,247	1,575
16	Income (Loss) From Operations	5,672	8,840
	Other Income (Expenses):		
17	Interest (expense)-affiliates	(7,763)	(8,166)
18	Interest (expense)-external NOTE 15.	2,000	-
19	Investment alternative tax and related income (expense) - net	(319)	(61)
20	Nonoperating income (expense) - net NOTE 16.	248	485
21	Total other income (expenses)	(5,834)	(7,742)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(162)	1,098
23	Provision (credit) for income taxes NOTE 17.	(35)	790
24	Income (Loss) Before Extraordinary Items	(127)	308
25	Extraordinary items (net of income taxes - 1993, $ - ; 1992, $ -)	-	-
26	Net Income (Loss)	$ (127)	$ 308

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. (THE GRAND)

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 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).		(33,630)		(1,981)
28	Dividends.		( )		( )
29	_____ . . .				
30	_____ . . .				
31	Ending balance.		(37,546)		(2,906)
32	Ending Stockholders' Equity.		$ 28,196		$ 62,836

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. (THE GRAND)

STATEMENT OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 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		
	Ending Partners' Or		
18	Proprietor's Equity	$	$

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

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

TRADING NAME OF LICENSEE: GNOC, CORP. (THE GRAND)

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1992	(d) 1991
1	Net Cash Provided (Used) By Operating Activities.	$ 2,937	$ 1,914
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities.	(1,065)	(5,875)
3	Proceeds from the sale of short-term investment securities. . . .	-	-
4	Cash outflows for property and equipment	(5,115)	(5,966)
5	Proceeds from disposition of property and equipment	-	-
6	Purchase of casino reinvestment obligations	(1,236)	(238)
7	Purchase of other investments and loans/advances made	-	-
8	Proceeds from disposal of investment and collection of advances and long-term receivables.	-	868
9	Cash outflows to acquire business entities.	-	-
10	Short-term advance Bally's Park Place, Inc.(net)	6,000	9,000
11	_____	-	-
12	Net Cash Provided (Used) By Investing Activities.	(1,416)	(2,211)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	-	-
14	Payments to settle short-term debt.	-	(2,700)
15	Cash proceeds from issuance of long-term debt.	272,957	-
16	Costs of issuing debt.	(13,218)	-
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	(7,010)	(2,700)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(5,489)	(2,997)
25	Cash And Cash Equivalents At Beginning Of Year.	8,882	6,144
26	Cash And Cash Equivalents At End Of Year.	$ 3,393	$ 3,147

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Year For:		
27	Interest (net of amount capitalized)	$ 11,046	$ 17,232
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. (THE GRAND)

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1992	(d) 1991
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ (33,630)	$ (1,981)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	7,284	6,542
31	Amortization of other assets	1,626	2,559
32	Amortization of debt discount or premium	70	(886)
33	Deferred income taxes - current	218	62
34	Deferred income taxes - noncurrent	(2,966)	(615)
35	(Gain) loss on disposition of property and equipment	-	-
36	(Gain) loss on casino reinvestment obligations	618	119
37	(Gain) loss from other investment activities	-	-
38	Net (increase) decrease in receivables and patrons' checks	(975)	1,158
39	Net (increase) decrease in inventories	(123)	(6)
40	Net (increase) decrease in other current assets	(1,830)	(1,431)
41	Net (increase) decrease in other assets	-	-
42	Net increase (decrease) in accounts payables	(2,905)	(1,112)
43	Net increase (decrease) in other current liabilities excluding debt	6,241	(2,912)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(561)	417
45	Cumulative effect on prior years of change	-	-
46	in accounting for income taxes	29,870	-
47	Net Cash Provided (Used) By Operating Activities	$ 2,937	$ 1,914

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 5,115	$ 5,966
49	Less: Capital lease obligations incurred		-
50	Cash Outflows For Property And Equipment	$ 5,115	$ 5,966
	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 Company owns and operates The Grand, a casino resort in Atlantic City, New Jersey. 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.

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 deemed to be 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 and six months ended June 30, 1993 was not material.

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 June 30, 1993 and 1992, its statements of income for the three and six months ended June 30, 1993 and 1992 and the statement of cash flows for the six months ended June 30, 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 period financial statements to conform with the 1993 presentation.

NOTE 2 - PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets as of June 30 consisted of the following:

	1993	1992
Advances to Bally's Park Place, Inc.	$10,000	$ 8,000
Income taxes receivable	6,944	-
Deferred federal and state income tax	5,900	10,320
Other	3,367	2,549
	$26,211	$20,869

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 June 30, 1993) and interest is payable quarterly. Intercompany interest income earned on funds advanced to Bally's Park Place was $157,000 and $330,000 for the three months ended June 30, 1993 and 1992, respectively, and $356,000 and $651,000 for the six months ended June 30, 1993 and 1992, respectively.

NOTE 3 - INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of June 30, 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 June 30 consisted of the following:

	1993	1992
Land and improvements	$ 51,875	$ 51,867
Buildings and leasehold improvements	204,784	187,622
Furniture, fixtures and equipment	74,478	64,989
Construction in progress	1,802	4,570
	332,939	309,048
Less accumulated depreciation and amortization	(83,512)	(67,298)
	$249,427	$241,750

New Jersey State Library

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

NOTE 5 - OTHER ASSETS

Other assets as of June 30 consisted of the following:

	1993	1992
Cost in excess of acquired assets, less accumulated amortization of $18,541 and $15,365	$106,932	$110,108
Deferred finance costs, less accumulated amortization of $491	12,727	-
CRDA credits receivable	243	737
	$119,902	$110,845

For the three months ended June 30, 1993 and 1992, the Company expensed $18,000 and $505,000, respectively, and for the six months ended June 30, 1993 and 1992, the Company expensed $38,000 and $971,000 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 six months ended June 30, 1992 was $73,000.

NOTE 7 - OTHER ACCRUED EXPENSES

Other accrued expenses as of June 30 consisted of the following:

	1993	1992
Accrued interest	$ 7,305	$ 4,860
Accrued payroll	7,097	7,598
Accrued progressive jackpot liability	1,453	1,403
Accrued self insurance claims	1,242	1,034
Other	4,405	3,171
	$21,502	$18,066

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

NOTE 8 - OTHER CURRENT LIABILITIES

Other current liabilities as of June 30 consisted of the following:

	1993	1992
Unredeemed gaming chips and tokens	$ 934	$1,172
Due to Bally's Park Place	520	641
Due to BMC	-	1
Due to Bally Gaming, Inc.	-	699
Due to Bally's Las Vegas	-	85
Other	483	338
	$1,937	$2,936

NOTE 9 - LONG TERM DEBT - DUE TO AFFILIATES

Long term debt due to affiliates as of June 30 consisted of the following:

	1993	1992
10-5/8% First Mortgage Notes due 2003 (less unamortized discount of $1,975)	$273,025	$ -
13-1/4% Mortgage-Backed Notes due 1995 (including unamortized premium of $6,099)	-	265,099
Less current maturities	-	(4,850)
	$273,025	$260,249

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%. During May 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 of the Company. GNF used the net proceeds from the placement of the 10-5/8% Notes, together with the collection of certain funds on deposit with Bally's Park Place, to redeem its 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 an income tax benefit of $1,405,000.

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

During April 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. As of June 30, 1993, the entire amount of the Credit Facility was available.

The 10-5/8% Notes and the Credit Facility contain covenants, including, but not limited to, the following: (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 June 30, 1993, approximately $7,500,000 was available under the 10-5/8% Notes Indenture and Credit Facility to pay dividends.

NOTE 10 - DEFERRED CREDITS

Deferred credits as of June 30, 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 and income tax purposes.

NOTE 11 - OTHER LIABILITIES

Other liabilities consisted of $30,309,000 and $30,725,000 due to GNAC as of June 30, 1993 and 1992, respectively.

NOTE 12 - STOCKHOLDER'S EQUITY

At June 30, 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 June 30, 1993 and 1992, and for the six months ended June 30, 1993.

Jackpot payouts in merchandise which were charged to operations for the six months ended June 30, 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 June 30 consisted of the following:

Affiliate	Nature of Charge	1993	1992
GNAC	Rent	$ 256	$ 321
BMC	Allocated costs and expenses (a)	625	467
Bally's Park Place	Rent (surface area parking lots)	174	174
	Allocated costs and expenses (b)	192	613
		$1,247	$1,575

The charges from affiliates for the six months ended June 30 consisted of the following:

Affiliate	Nature of Charge	1993	1992
GNAC	Rent	$ 511	$ 642
BMC	Allocated costs and expenses (a)	1,251	925
Bally's Park Place	Rent (surface area parking lots)	348	348
	Allocated costs and expenses (b)	888	1,215
		$2,998	$3,130

NOTE 14 - CHARGES FROM AFFILIATES - OTHER (cont.)

(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.

NOTE 15 - INTEREST EXPENSE - EXTERNAL

Interest expense - external for the three and six months ended June 30, 1993 includes the reversal of a $2,000,000 interest reserve which was no longer necessary.

NOTE 16 - NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income for the three months ended June 30 consisted of the following:

	1993	1992
Interest and dividend income	$248	$483
Other nonoperating income	-	2
	$248	$485

Nonoperating income for the six months ended June 30 consisted of the following:

	1993	1992
Interest and dividend income	$593	$916
Other nonoperating income	-	2
	$593	$918

NOTE 17 - INCOME TAXES

For the three and six months ended June 30, 1993, 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. The 1992 periods were impacted by other permanent differences resulting from purchase accounting, in addition to the aforementioned amortization.

TRADING NAME OF LICENSEE: GNOC, CORP. (THE GRAND)

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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.	$ 3,680		
2	Returned patrons' checks.	8,127		
3	Total patrons' checks.	11,807	$ 7,438	$ 4,369
4	Hotel Receivables.	701	88	613
	Other Receivables:			
5	Receivables due from officers and employees.	4		
6	Receivables due from affiliates.	-		
7	Other accounts and notes receivables.	419		
8	Total other receivables.	423	-	423
9	Totals (Form 205).	$ 12,931	$ 7,526	$ 5,405

	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).	52,698
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).	(35,382)
13	Checks collected through deposits.	(15,093)
14	Checks transferred to returned checks.	(1,734)
15	Other adjustments.	-
16	Ending Balance.	$ 3,680
17	"Hold" Checks Included In Balance On Line 16.	$ -
18	Provision For Uncollectible Patrons' Checks.	$ 264
19	Provision As A Percent Of Counter Checks Issued.	0.50%

TRADING NAME OF LICENSEE: GNOC, CORP. (THE GRAND)

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For The Six Months Ended June 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	81,134	$ 3,776	-	$ -
Food	630,199	7,523	-	-
Beverage	1,356,016	2,644	-	-
Travel	-	-	18,007	1,286
Coin	-	-	826,025	10,576
Coupon	-	-	-	-
Entertainment	23,730	402	988	121
Retail & Gifts	20,140	1,007	105,576	1,205
Other	5,045	95	62,900	402
Total	2,116,264	$ 15,447	1,013,496	$ 13,590

****

For The Three Months Ended June 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	43,230	$ 2,047	-	$ -
Food	377,782	3,775	-	-
Beverage	707,461	1,380	-	-
Travel	-	-	9,723	701
Coin	-	-	451,618	5,468
Coupon	-	-	-	-
Entertainment	14,875	223	627	77
Retail & Gifts	11,479	574	59,888	593
Other	2,843	53	32,472	224
Total	1,157,670	$ 8,052	554,328	$ 7,063

STATEMENT OF CONFORMITY AND ACCURACY

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

Donna Graham
Name
, 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

Corporate Controller/Treasurer
Title

03723-11
License Number

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

On Behalf Of:

Mary K Chamberlin
Signature

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

GNOC, CORP.
Casino Licensee

Basis of Authority
to Take Oaths

4/86

974.901
C193

QUARTERLY REPORT

LICENSEE GREATE BAY HOTEL AND CASINO, INC.

ADDRESS INDIANA AVENUE AND BRIGHTON PARK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE QUARTER ENDED JUNE 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT Richard F. Johnson

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 JUNE 30, 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

JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d)1992
	ASSETS		
	Current Assets:	$	$
1	Cash	13,605	9,611
2	Marketable securities		
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $15,297; 1992, $18,448)	15,366	34,464
4	Inventories	3,700	3,218
5	Prepaid expenses and other current assets Note 4, 7	8,312	3,227
6	Total current assets	40,983	50,520
7	Investments, Advances, and Receivables Note 5, 8	19,530	14,827
8	Property and Equipment – Gross Note 9	305,324	301,799
9	(Accumulated Depreciation/Amortization)	(145,791)	(132,673)
10	Other Assets Note 4	8,786	12,197
11	Total Assets	$ 228,832	$ 246,670
	LIABILITIES AND EQUITY		
	Current Liabilities:	$	$
12	Accounts payable	6,994	7,287
13	Notes payable Note 2, 5	22,000	9,496
	Current portion of Long–term debt:		
14	Due to affiliates Note 3	5,567	4,952
15	Other Note 3	8	8,908
16	Income taxes payable and accrued Note 4	6,513	7,326
17	Other accrued expenses Note 10	17,650	16,336
18	Other current liabilities Note 5, 11	4,246	5,833
19	Total current liabilities	62,978	60,138
	Long–Term Debt:		
20	Due to affiliates Note 3	158,413	174,819
21	Other Note 3	467	1,075
22	Deferred Credits		
23	Other Liabilities		3,725
24	Commitments and Contingencies		
25	Total Liabilities	221,858	239,757
26	Stockholders', Partners', Or Proprietor's Equity	6,974	6,913
27	Total Liabilities and Equity	$ 228,832	$ 246,670

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d)1992
	Revenue:	$	$
1	Casino	116,584	119,368
2	Rooms	4,815	4,879
3	Food and beverage	14,996	15,538
4	Other	1,882	1,873
5	Total revenue	138,277	141,658
6	Less: Promotional allowances	13,634	13,599
7	Net revenue	124,643	128,059
	Costs And Expenses:		
8	Cost of goods and services	57,713	58,471
9	Selling, general, and administrative Note 5	45,283	45,632
10	Provision for doubtful accounts	1,614	1,502
11	Total costs and expenses	104,610	105,605
12	Gross Operating Profit	20,033	22,454
13	Depreciation and amortization	8,730	8,614
	Charges from affiliates other than interest:		
14	Management fees Note 5	2,803	3,064
15	Other		
16	Income (Loss) From Operations	8,500	10,776
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(11,330)	(11,604)
18	Interest (expense) – external	179	(373)
19	Investment alternative tax and related income (expense) – net	(702)	(769)
20	Nonoperating income (expense) – net Note 6	1,008	2,315
21	Total other income (expenses)	(10,845)	(10,431)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(2,345)	345
23	Provision (credit) for income taxes Note 4	(364)	781
24	Income (Loss) Before Extraordinary Items	(1,981)	(436)
25	Extraordinary items (net of income taxes – 1993, $_____; 1992, $_____;	2,000	
26	Net Income (Loss)	$19	($436)

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 JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	63,416	62,387
2	Rooms	2,525	2,559
3	Food and beverage	8,054	8,067
4	Other	888	923
5	Total revenue	74,883	73,936
6	Less: Promotional allowances	7,401	6,881
7	Net revenue	67,482	67,055
	Costs And Expenses:		
8	Cost of goods and services	29,851	29,597
9	Selling, general, and administrative	25,263	24,052
10	Provision for doubtful accounts	959	929
11	Total costs and expenses	56,073	54,578
12	Gross Operating Profit	11,409	12,477
13	Depreciation and amortization	4,393	4,345
	Charges from affiliates other than interest:		
14	Management fees	1,550	1,681
15	Other		
16	Income (Loss) From Operations	5,466	6,451
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(5,782)	(5,829)
18	Interest (expense) – external	138	(189)
19	Investment alternative tax and related income (expense) – net	(373)	(372)
20	Nonoperating income (expense) – net	488	1,677
21	Total other income (expenses)	(5,529)	(4,713)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(63)	1,738
23	Provision (credit) for income taxes	248	1,017
24	Income (Loss) Before Extraordinary Items	(311)	721
25	Extraordinary items (net of income taxes – 1993, $_____; 1992, $_____;		
26	Net Income (Loss)	($311)	$721

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 six months ended June 30, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993 (c) SHARES	(c) 1993 (d) DOLLARS	(d) 1992 (e) SHARES	(d) 1992 (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	100	3,500	100	3,500
	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)		3,455		3,911
26	Prior period adjustments				
27	Net income (loss)		19		(436)
28	Dividends				(62)
29	_____				
30	_____				
31	Ending balance		3,474		3,413
32	Ending Stockholders' Equity		$6,974		$6,913

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 SIX MONTHS ENDED JUNE 30, 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	( )	( )
	Ending Partners' Or	\$	\$
18	Proprietor's Equity		

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

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash provided (Used) By Operating Activities	$6,302	$7,692
	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	(2,176)	(1,244)
5	Proceeds from disposition of property and equipment		91
6	Purchase of casino reinvestment obligations	(1,304)	(689)
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	(3,480)	(1,842)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt		9,996
14	Payments to settle short-term debt		(8,500)
15	Cash proceeds from issuance of long-term debt		
16	Costs of issuing debt	(1,629)	(233)
17	Payments to settle long-term debt	(14,202)	(2,795)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals		(6,600)
21	Net borrowings from (advances to) Affiliates	15,174	(1,120)
22			
23	Net Cash Provided (Used) By Financing Activities	(657)	(9,252)
24	Net Increase (Decrease) In Cash And Cash Equivalents	2,165	(3,402)
25	Cash And Cash Equivalents At Beginning Of Period	11,440	13,013
26	Cash And Cash Equivalents At End Of Period	$13,605	$9,611
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$10,414	$12,145
28	Income taxes	$1,122	$123

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d)1992
	Net Cash Flows From Operating Activities:	$	$
29	Net income (loss)	19	(436)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	7,395	7,683
31	Amortization of other assets	1,335	931
32	Amortization of debt discount or premium	180	180
33	Deferred income taxes – current		
34	Deferred income taxes – noncurrent	(1,055)	(419)
35	(Gain) Loss on disposition of property and equipment		
36	(Gain) Loss on casino reinvestment obligations	702	769
37	(Gain) Loss from other investment activities		
38	Net (increase) decrease in receivables and patrons' checks	(1,793)	2,515
39	Net (increase) decrease in inventories	10	(148)
40	Net (increase) decrease in other current assets	(753)	(997)
41	Net (increase) decrease in other assets	(538)	(1,108)
42	Net increase (decrease) in accounts payables	786	966
43	Net increase (decrease) in other current liabilities excluding debt	2,251	331
44	Net increase (decrease) in other noncurrent liabilities excluding debt		
45	Net increase (decrease) in jackpot accrual	(237)	(2,575)
46	Cumulative effect of accounting change	(2,000)	
47	Net Cash Provided (Used) By Operating Activities	$6,302	$7,692
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
	Acquisition Of Property and Equipment:	$	$
48	Additions to property and equipment	2,176	1,244
49	Less: Capital lease obligations incurred		
50	Cash Outflows For Property And Equipment	$2,176	$1,244
	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: 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: SANDS HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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	7,031		
2	Returned patrons' checks	20,150		
3	Total patrons' checks	27,181	$ 15,224	$ 11,957
4	Hotel Receivables	675	73	602
	Other Receivables:			
5	Receivables due from officers and employees			
6	Receivables due from affiliates			
7	Other accounts and notes receivables	2,807		
8	Total other receivables	2,807		2,807
9	Totals (Form 205)	$ 30,663	$ 15,297	$ 15,366

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	104,247
12	Checks redeemed prior to deposit (excluding the unredeemed portion of counter checks redeemed through partial redemptions, and excluding checks redeemed through transactions relating to consolidations, substitutions, and patrons' cash deposits)	(79,970)
13	Checks collected through deposits	(17,488)
14	Checks transferred to returned checks	(5,927)
15	Other adjustments	
16	Ending Balance	$7,031
17	"Hold" Checks Included in Balance On Line 16	$
18	Provision For Uncollectible Patrons' Checks	$1,622
19	Provision As A Percent Of Counter Checks Issued	1.56%

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE SIX MONTHS ENDED JUNE 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	101,979	$3,094		$
Food	333,273	4,912		
Beverage	500,891	5,074		
Travel			9,903	2,569
Coin			331,212	5,574
Coupon			70,301	492
Entertainment	7,580	358		
Retail & Gifts			17,667	1,767
Other	24,429	196	127,448	6,846
Total	968,152	$13,634	556,531	$17,248

****

FOR THE THREE MONTHS ENDED JUNE 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	58,770	$1,762		$
Food	183,846	2,710		
Beverage	264,464	2,679		
Travel			5,716	1,483
Coin			189,541	3,346
Coupon			38,804	272
Entertainment	2,915	146		
Retail & Gifts			11,285	1,128
Other	12,964	104	70,264	3,754
Total	522,959	$7,401	315,610	$9,983

STATEMENT OF CONFORMITY AND ACCURACY

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

Richard F. Johnson, 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

Richard F. Johnson
Vice President, Finance
Title

005666-11
License Number

On Behalf Of:

GREATE BAY HOTEL AND CASINO, INC.
Casino Licensee

Subscribed and sworn to
before me this 13th day
of Aug., 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
4/86

CCC-250

SANDS HOTEL & CASINO

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

Note 1 - Organization, business and basis of presentation

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

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

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

During the six month period ended June 30, 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 (see Note 3), 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 were not registered under the Securities Act and since Pratt Casino Properties does not anticipate such registration to become effective prior to August 18, 1993, the interest rate will increase to 14% per annum at that time. The indenture also provides for

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

additional increases of .25% to become effective after each succeeding 90-day period. 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.

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 one percentage point above the bank prime interest rate. As of June 30, 1993, the outstanding balance on such borrowings was $1,000,000 and it is anticipated that GBH&C may, from time to time, obtain additional loans from GBCC under similar terms. GBCC's source of funds for the loans to GBH&C was borrowings from Hollywood Casino Corporation, parent of PHC.

Note 3 - Long-term debt and pledge of assets

Long-term debt as of June 30, 1993 and 1992 is as follows:

	1993	1992
11.75% first mortgage notes, due 1994, net of discounts of $391,000 and $ 752,000 respectively (a)	$163,980,000	$168,571,000
16.5% promissory note, due 1998 (b)	-	11,200,000
Term loan, due 1993 (c)	-	8,000,000
Note payable to bank (d)	-	1,500,000
Other	475,000	483,000
	164,455,000	189,754,000
Less: Current maturities	<5,575,000>	<13,860,000>
	$158,880,000	$175,894,000

(a) On August 6, 1987, GBH&C obtained $170,504,000 from Funding which 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.

New Jersey State Library

Note 3 - Long-term debt and pledge of assets - (continued)

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) GBH&C repaid this obligation during April 1993. The note was payable to an affiliate, accrued interest at 16.5% per annum and was payable semi-annually in March and September.

(c) The loan was repaid in February 1993 in connection with the issuance of the Series Notes (see Note 2). The notes 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 (see Note 2). 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 June 30, 1993 are:

1993 (6 months)	$ 2,707,000
1994	161,678,000
1995	9,000
1996	10,000
1997	12,000
Thereafter	430,000
Total	$ 164,846,000

GBH&C and its affiliates currently anticipate that they will be able to refinance the First Mortgage Notes and the Series Notes totaling approximately $180,000,000 which mature 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.

The components of the provision for income taxes for the six months ended June 30, 1993 and 1992 are as follows:

	1993	1992
(Provision) benefit in lieu of federal income taxes:		
Current	$ <518,000>	$ <907,000>
Deferred	809,000	321,000
State income tax (provision) benefit		
Current	<173,000>	<293,000>
Deferred	246,000	98,000
	$ 364,000	$ <781,00>

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 (provision) 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 deductibility of state income taxes.

Note 4 - Income taxes - (continued)

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

	June 30, 1993	June 30, 1992
Prepaid expenses and other current assets	$ 5,245,000	$ -
Other assets	4,208,000	7,063,000
Federal income taxes payable and accrued	<6,389,000>	<5,652,000>

The amounts included in Federal income taxes payable and accrued in the above table represent the current federal tax liability under the tax allocation agreements. Such payments are subject to the approval of the New Jersey Casino Control Commission.

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 liabilities 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 operations. 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 and six month periods ended June 30, 1993.

Note 4 - Income taxes - (continued)

The components of the deferred tax liability as of June 30, 1993 were as follows:

Deferred tax assets:	
Allowance for doubtful accounts	$ 4,879,000
Other liabilities and accruals	1,339,000
Other	376,000
Total deferred tax assets	6,594,000
Deferred tax liabilities:	
Depreciation	<7,186,000>
Other	<858,000>
Total deferred tax liabilities	<8,044,000>
Net deferred tax liability	$<1,450,000>

Note 5 - Related party transactions

GBH&C has a management agreement with PCMI. 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 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 six months ended June 30, 1993 and 1992 were $2,803,000 and $3,064,000 respectively and are included in Management Fees Charged from Affiliates in the accompanying financial statements. Consultant and incentive fees of $1,000 and $2,837,000 were due to PCMI at June 30, 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 $144,000 and $146,000 for the six months ended June 30, 1993 and 1992, respectively. Such amounts are included in Selling, General, and Administrative expenses in the accompanying financial statements.

Note 5 - Related party transactions - (continued)

For the six months ended June 30, 1993 and 1992 GBH&C recognized the following amounts in interest charges to affiliates:

	1993	1992
11.75% First Mortgage Notes	$ 9,921,000	$10,201,000
16.5% Promissory Note	107,000	924,000
Cash Advances from Affiliates	1,302,000	479,000
Totals	$11,330,000	$11,604,000

At June 30, 1993 GBH&C had cash advances receivable from affiliates including interest totaling $12,248,000. In addition, GBH&C had cash advances payable to affiliates including interest totaling $2,472,000. These amounts are included in Investments, Advances, and Receivables, and Other Current Liabilities, respectively, in the accompanying financial statements. Advances to affiliates and from affiliates bear interest at 16.5% per annum. Additionally, at June 30, 1993 GBH&C had lines of credit outstanding to affiliates of $1,000,000 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 six months ended June 30, 1993 and 1992, interest income of $1,008,000 and $2,315,000 was earned on temporary investments, on deposits made with the Casino Reinvestment Development authority, and other sources.

Note 7 - Prepaid expenses and other current assets

As of June 30, 1993 and 1992, the line item, Prepaid Assets and Other Current Assets is comprised of the following:

	1993	1992
Deferred Taxes - Current	$ 5,245,000	$ -
Prepaid expenses	2,115,000	2,700,000
Deposits	908,000	453,000
Current portion of deferred credits on deposit with the Casino Reinvestment Development Authority	44,000	74,000
	$ 8,312,000	$ 3,227,000

Note 8 - Investments, advances and receivables

As of June 30, 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 $5,997,00 and $4,857,000 at June 30, 1993 and 1992, respectively)	$ 7,548,000	$ 6,282,000
Cash advances to affiliate - Noncurrent	11,957,000	8,518,000
Other items	25,000	27,000
Total Investments, Advances and Receivables	$ 19,530,000	$ 14,827,000

Note 9 - Property and equipment

Property and equipment as of June 30, 1993 and 1992 consisted of the following:

	1993	1992
Land	$ 37,554,000	$ 37,554,000
Buildings	169,340,000	169,461,000
Furniture, fixtures and equipment	96,250,000	94,340,000
Construction in progress	2,180,000	444,000
	305,324,000	301,799,000
Less: accumulated depreciation and amortization	<145,791,000>	<132,673,000>
Total property and equipment	$159,533,000	$169,126,000

Note 10 - Other accrued expenses

As of June 30, 1993 and 1992, the line item Other Accrued Expenses is comprised of the following:

	1993	1992
Accrued jackpot liability	$ 1,391,000	$ 1,564,000
Accrued interest	2,394,000	1,962,000
Accrued insurance	2,688,000	2,414,000
Accrued salaries and wages	4,000,000	4,147,000
Other accrued expenses	7,177,000	6,249,000
	$17,650,000	$ 16,336,000

Note 11 - Other current liabilities

As of June 30, 1993 and 1992, the line item Other Current Liabilities is comprised of the following:

	1993	1992
Due to affiliates	$ 2,473,000	$ 3,650,000
Other	1,773,000	2,183,000
	$ 4,246,000	$ 5,833,000

Note 12 - Reclassifications

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

974.901
c193

QUARTERLY REPORT

LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

ADDRESS 1725 BRIGANTINE BOULEVARD

ATLANTIC CITY, NJ 08401

FOR THE QUARTER ENDED JUNE 30, **19**93

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY



NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT . . . JOSEPH A. DOMENICO

OFFICIAL TITLE. . . . . VICE PRESIDENT OF FINANCE

ADDRESS . . . . . 1725 BRIGANTINE BOULEVARD

ATLANTIC CITY, NJ 08401

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

LIST OF FORMS - QUARTERLY REPORT

For the Quarter Ended: June 30, 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 HARRAH'S CASINO HOTEL, ATLANTIC CITY

BALANCE SHEETS

JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 9,164	$ 8,107
2	Marketable Securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 19/m93 $ 3,654 ; .... 1992 $ 4,132	7,720	8,276
4	Inventories	2,375	2,189
5	Prepaid expenses and other current assets (Note 5)	3,123	3,234
6	**Total Current Assets**	22,382	21,806
7	Investments, Advances and Receivables (Note 6)	30,071	29,802
8	Property and Equipment - Gross (Note 2)	368,543	357,095
9	(Accumulated Depreciation/Amortization)	(109,216)	(99,206)
10	Other Assets	8,207	1,939
11	**Total Assets**	319,987	311,436
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts Payable	$ 1,540	$ 2,927
13	Notes Payable	0	0
	Current portion of long-term debt:		
14	Due to affiliates	0	0
15	Other .....(Note 4)	85	108
16	Income taxes payable and accrued	532	931
17	Other accrued expenses ...(Note 9)	18,237	13,474
18	Other current liabilities	449	282
19	**Total current liabilities**	20,843	17,722
	Long-Term Debt:		
20	Due to affiliates ...(Note 3 & 4)	147,000	0
21	Other .....(Notes 3 & 4)	160,242	108
22	Deferred Credits	4,502	0
23	Other Liabilities .....(Note 10)	41,689	32,752
24	Commitments and Contingencies ...(Note 7)	0	0
25	**Total Liabilities**	374,276	50,582
26	**Stockholders', Partners', or Proprietor's Equity**	(54,289)	260,854
27	**Total Liabilities and Equity**	$ 319,987	$ 311,436

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

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

STATEMENTS OF INCOME

For Six Months Ended June 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 139,695	$ 139,205
2	Rooms	9,438	9,752
3	Food and Beverage	17,466	18,037
4	Other	4,122	4,337
5	Total revenue	170,721	171,331
6	Less: Promotional Allowance	18,257	19,512
7	Net revenue	152,464	151,819
	Costs and Expenses:		
8	Cost of goods and services	87,152	85,985
9	Selling, general, and administrative	28,241	29,017
10	Provision for doubtful accounts	1,059	1,029
11	Total costs and expenses	116,452	116,031
12	Gross Operating Profit	36,012	35,788
13	Depreciation and amortization	6,657	6,141
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	630	0
16	Income (Loss) from Operations	28,725	29,647
	Other Income (Expenses):		
17	Interest (expense) - affiliates - Embassy Note	(3,528)	0
18	Interest (expense) - external .... (Note 4)	(10,775)	(12)
19	Investment alternative tax and related income .... (expense) - net	(80)	(222)
20	Nonoperating income (expense) - net	143	278
21	Total other income (expenses)	(14,240)	44
22	Income (Loss) Before Income Taxes and Extraord. Items	14,485	29,691
23	Provision (credit) for income taxes (Note 11)	1,472	2,774
24	Income (Loss) Before Extraordinary Items	13,013	26,917
25	Extraordinary Items (net of income taxes - 1993, $157; 1992, $0) ..(Note 3)	(1,517)	0
26	Net Income (Loss)	$ 11,496	$ 26,917

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

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

STATEMENTS OF INCOME

For Three Months Ended June 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 73,738	$ 73,364
2	Rooms	5,321	5,547
3	Food and Beverage	9,218	9,429
4	Other	2,387	2,311
5	Total revenue	90,664	90,651
6	Less: Promotional Allowance	9,463	10,865
7	Net revenue	81,201	79,786
	Costs and Expenses:		
8	Cost of goods and services	44,259	44,093
9	Selling, general, and administrative	14,421	15,726
10	Provision for doubtful accounts	450	453
11	Total costs and expenses	59,130	60,272
12	Gross Operating Profit	22,071	19,514
13	Depreciation and amortization	3,353	3,079
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	342	0
16	Income (Loss) from Operations	18,376	16,435
	Other Income (Expenses):		
17	Interest (expense) - affiliates - Embassy Note	(3,206)	0
18	Interest (expense) - external .... (Note 4)	(4,293)	(5)
19	Investment alternative tax and related income .... (expense) - net	(25)	(77)
20	Nonoperating income (expense) - net	80	159
21	Total other income (expenses)	(7,444)	77
22	Income (Loss) Before Income Taxes and Extraord. Items	10,932	16,512
23	Provision (credit) for income taxes (Note 11)	1,031	1,536
24	Income (Loss) Before Extraordinary Items	9,901	14,976
25	Extraordinary Items (net of income taxes - 1993, $0; 1992, $0) . .(Note 3)	0	0
26	Net Income (Loss)	$ 9,901	$ 14,976

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

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

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

For the Six Months Ended : June 30,1993 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	0
7	Net income (loss)	11,496	26,917
8	_____	0	0
9	Ending balance	658,580	623,128
	Capital Withdrawals:		
10	Beginning balance (January 1)	(827,557)	(481,557)
11	Additional capital withdrawals	(26,906)	(22,311)
12	_____	0	0
13	Ending balance	(854,463)	(503,868)
	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**	(54,289)	260,854

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 Six Months Ended June 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
1	**Net Cash Provided (Used) by Operating Activities**	$ 32,489	$ 35,831
	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	(5,853)	(12,864)
5	Proceeds from disposition of property and equipment	66	368
6	Purchase of casino reinvestment obligations	(1,592)	(1,365)
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	1,395	1,346
9	Cash outflows to acquire business entities	0	0
10	_____	0	0
11	_____	0	0
12	**Net Cash Provided (Used) by Investing Activities**	(5,984)	(12,515)
	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	(62)	(48)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals	(29,841)	(23,308)
21	_____		
22	_____		
23	**Net Cash Provided (Used) by Financing Activities**	(29,903)	(23,356)
24	**Net Increase (Decrease) in Cash and Cash Equivalents**	(3,398)	(40)
25	**Cash and Cash Equivalents at Beginning of Period**	12,562	8,147
26	**Cash and Cash Equivalents at End of Period**	$ 9,164	$ 8,107
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period for:		
27	Interest (net of amount capitalized)	$ 14,303	$ 18
28	Income Taxes	$ 1,880	$ 3,400

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 Six Months Ended June 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net Income (loss)	$ 11,496	$ 26,917
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property & equipment	6,625	6,122
31	Amortization of other assets	827	19
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	5	8
36	(Gain) loss on casino reinvestment obligation	79	222
37	(Gain) loss from other investment activities	87	0
38	Net (increase) decrease in receivables and patrons checks	1,843	822
39	Net (increase) decrease in inventories	194	(22)
40	Net (increase) decrease in other current assets	(215)	(1,244)
41	Net (increase) decrease in other assets	2,036	(870)
42	Net increase (decrease) in accounts payables	(633)	132
43	Net increase (decrease) in other current liabilities excluding debt . . .	2,326	(313)
44	Net increase (decrease) in other noncurrent liabilities excluding debt . .	7,819	4,045
45	Interest Income earned on Marina District		(7)
46	Roadway Account		
47	**Net Cash Provided (Used) by Operating Activities . . . .**	$ 32,489	$ 35,831
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCIAL ACTIVITES		
	Aquisition of Property and Equipment:		
48	Additions to property and equipment	$ 5,853	$ 12,864
49	Less: capital lease obligations incurred	0	0
50	**Cash Outflows for Property and Equipment . . . . . .**	$ 5,853	$ 12,864
	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:

	JUNE 30 1993 (000's)	1992
Land and Land Improvements	$ 30,792	$ 28,292
Buildings, Leaseholds and Improvements	254,315	226,226
Furniture, Fixtures and Equipment	69,562	66,761
Construction in Progress	10,370	7,256
Equipment held under Capital Leases	345	345
C-I-P NE Inlet Redevelopment Project	3,159	28,215
	$368,543	$357,095
Less Accumulated Depreciation	(109,216)	(99,206)
Property and Equipment, Net	$259,327	$257,889

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. Eighty- five of the townhomes are sold and the balance are 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:

	JUNE 30 (OOO's) 1993	1992
Long-term debt - Term Loan	$160,220	$ 216
Long-term debt - ESI Note	147,000	0
Long-term debt - Capital Leases	107	0
Capital Lease Obligation Due within 1 Year	(85)	(108)
Total Long-Term Debt	$307,242	$ 108

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 June 30, 1993, rates ranged from 4.56% to 5.75% 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
1993	$ 59,023
1994	58,716
	$117,739
Less amounts representing interest	(10,743)
Present value of net minimum lease payments	$106,996

NOTE 5: Prepaid Expenses and Other Current Assets

	JUNE 30 (000's) 1993	1992
Prepaid Slot Tax	$ 953	$ 942
Prepaid Insurance	98	62
Prepaid Air Charters	669	714
Prepaid Marketing	230	421
Prepaid Other	1,065	990
Future Credit against CRDA Obligations	108	105
	$ 3,123	$ 3,234

NOTE 6: Investments, Advances and Receivables

	JUNE 30 (000's) 1993	1992
Notes Receivable	$ 2,327	$ 2,356
Investment in CRDA Bonds - Net of Valuation Adj.	2,300	2,152
Reinvestment Obligation Deposits - Net of Val. Adj.	1,460	1,306
Due from Affiliates	21,941	22,036
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	1,061
Interest Receivable	217	148
	$ 30,071	$ 29,802

Due from Affiliates consists of the following unsecured, non-interest bearing inter-company amounts at June 30, 1993 and 1992.

	JUNE 30 (000's) 1993	1992
Harrah's New Jersey, Inc.	$ 18,962	$ 18,962
Harrah's Lake Tahoe	116	156
Embassy Suites, Inc.	2,202	2,286
Harrah's Del Rio	147	128
Harrah's Reno	403	393
Bill's Casino	111	111
Total Due from Affiliates	$ 21,941	22,036

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 six months ended June 30, 1993 and 1992, were approximately $1,547,426 and $1,459,464, 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 June 30, 1993, the Company has established a valua-tion allowance of $411,674 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:

	JUNE 30 (000's) 1993	1992
Accrued Salaries, Wages and Benefits	$ 7,521	$ 7,241
Taxes Payable	667	569
Other Accrued Expenses	4,558	3,506
Accrued Progressive Slot Liability	458	1,271
Accrued CCC/DGE/Casino License Fees	484	637
Accrued Megabucks Handle Fees	(32)	239
Accrued Interest L-T-D	4,581	11
	$ 18,237	$ 13,474

NOTE 10: Other Liabilities

Other Liabilities consists of the following:

	JUNE 30 (000's) 1993	1992
Long Term Due to Affiliates	$ 38,798	$ 30,375
Other Liabilities	662	972
Deferred Income - ACIA Grant	706	785
Deferred Income - CRDA Grant	127	141
Deferred Income - NJHMFA Grant	460	479
Deferred Income - DCA Grant	936	0
	$ 41,689	$ 32,752

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

	JUNE 30 (000's) 1993	1992
Harrah's Holdings, Inc.	$ 603	$ 623
Harrah's Atlantic City, Inc.	37,866	29,406
Harrah's Holiday Inns of N.J., Inc.	293	293
Holiday Casino, Inc.	36	53
	$ 38,798	$ 30,375

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 six months ended June 30, 1993, was $1,422,572.

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
June 30, 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 . . .	$ 2,917		
2	Returned patrons's checks	5,516		
3	Total patrons' checks	8,433	$ 3,572	$ 4,861
4	Hotel Receivables	1,324	82	1,242
	Other Receivables:			
5	Receivables due from officers and employees	11		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivable	1,606		
8	Total other receivables	1,617	0	1,617
9	Totals (Form 205)	$ 11,374	$ 3,654	$ 7,720

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)	64,440
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)	(43,125)
13	Checks collected through deposits	(19,768)
14	Checks transferred to returned checks	$ (2,049)
15	Other adjustments	$ 0
16	Ending Balance	$ 2,917
17	"Hold" Checks Included in Balance on Line 16	$ 0
18	Provision for Uncollectible Patrons' Checks	$ 1,024
19	Provision as a Percent of Counter Checks Issued	1.6%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the Six Months Ended June 30,1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	60	$ 5,223		$
Food	840	$ 8,401		$
Beverage	1,280	$ 3,201		$
Travel		$ 0	34	$ 3,342
Coin		$ 0	620	$ 7,748
Coupon		$ 0		$
Entertainment	69	$ 1,386		$
Retail & Gifts		$ 0	149	$ 746
Other	N/A	$ 46	N/A	$ 4
Total	2,249	$ 18,257	803	$ 11,840

For the Three Months Ended June 30,1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	31	$ 2,710		$
Food	429	$ 4,294		$
Beverage	659	$ 1,648		$
Travel		$ 0	18	$ 1,761
Coin		$ 0	316	$ 3,943
Coupon		$ 0		$
Entertainment	39	$ 786		$
Retail & Gifts		$ 0	81	$ 407
Other	N/A	$ 25	N/A	$ 0
Total	1,158	$ 9,463	415	$ 6,111

STATEMENTS OF CONFORMITY AND ACCURACY

State of NEW JERSEY :
: ss
County of ATLANTIC :

Joe Domenico, being duly sworn according to law upon my oath disposes and says:

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

Signature

V.P. of Finance
Title

01833-11
License Number

Subscribed and sworn to
before me this 18th day
of August 1993

Signature

MARY-JO L. CHATTEN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 24, 1995

Basis of Authority
to Take Oaths

On Behalf of:

Marina Associates
Casino Licensee

New Jersey State Library

974.901
C193

QUARTERLY REPORT

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

FOR THE QUARTER ENDED JUNE 30, 1993
TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
AUG 18 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING

THIS ANNUAL REPORT..... **JOHN R. SPINA**
OFFICIAL TITLE..... **EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER**
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 JUNE 30, 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 Stockholder's 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.)

BALANCE SHEETS

JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$ 11,080	$ 9,752
2	Marketable securities (Short-term Money Market At Cost)	2,228	8,884
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $4,511; 1992, $5,425;.....NOTE 2.	56,248	59,634
4	Inventories	1,642	1,553
5	Prepaid expenses and other current assets	6,797	2,521
6	Total current assets	77,995	82,344
7	Investments, advances, and receivables	8,174	6,681
8	Property and equipment - gross.....NOTE 3.	198,620	174,292
9	(Accumulated depreciation/amortization)	(29,053)	(16,802
10	Other assets	2,273	1,127
11	**Total Assets**	$ 258,009	$ 247,642
	LIABILITIES AND STOCKHOLDER'S DEFICIT		
	Current Liabilities:		
12	Accounts payable	$ 2,012	$ 2,601
13	Notes payable		
	Current portion of long-term debt:		
14	Due to affiliate		
15	Other.....NOTE 6.	32	582
16	Income taxes payable		
17	Other accrued liabilities.....NOTE 4.	14,730	15,228
18	Other current liabilities.....NOTE 5.	53,111	76,894
19	Total current liabilities	69,885	95,305
	Long-Term Debt:		
20	Due to affiliate.....NOTE 6.	325,000	325,000
21	Other.....NOTE 6.	53	1,253
22	Deferred Credits.....NOTE 7,11.	19,376	54
23	Other Liabilities		
24	Commitments and Contingencies.....NOTE 12.		
25	**Total Liabilities**	414,314	422,09
26	**Stockholder's Deficit**	(156,305)	(174,45
27	**Total Liabilities and Stockholder's Deficit**	$ 258,009	$ 247,64

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 117,070	$ 114,678
2	Rooms	6,535	7,447
3	Food and beverage	14,679	15,486
4	Other	3,344	3,096
5	Total revenue	141,628	140,707
6	Less: promotional allowances	11,933	12,066
7	Net revenue	129,695	128,641
	COSTS AND EXPENSES:		
8	Cost of goods and services	86,582	81,083
9	Selling, general, and administrative	25,260	28,187
10	Provision for doubtful accounts	463	889
11	Total costs and expenses	112,305	110,159
12	**Gross Operating Profit**	17,390	18,482
13	Depreciation and amortization	6,857	5,776
	Charges from affiliates other than interest NOTE 9		
14	Management fees	4,199	4,187
15	Other	257	248
16	**Income (Loss) From Operations**	6,077	8,271
	Other Income (Expenses):		
17	Interest (expense) – affiliates		
18	Interest (expense) – external	(171)	(219)
19	Investment alternative tax and related expense NOTE 12	(731)	(707)
20	Nonoperating income – net NOTE 10	2,878	3,180
21	Total other income	1,976	2,254
22	**Income Before Income Taxes And Extraordinary Items**	8,053	10,525
23	Provision for income taxes NOTE 1,11		4,210
24	**Income Before Extraordinary Items**	8,053	6,315
25	Extraordinary items (net of income taxes – 1993, $0 ; 1992, $0)		
26	**Net Income**	$ 8,053	$ 6,315

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 JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 61,434	$ 58,851
2	Rooms	3,855	4,104
3	Food and beverage	7,776	8,166
4	Other	1,834	1,728
5	Total revenue	74,899	72,849
6	Less: promotional allowances	6,270	6,341
7	Net revenue	68,629	66,508
	COSTS AND EXPENSES:		
8	Cost of goods and services	44,566	40,712
9	Selling, general, and administrative	14,497	14,523
10	Provision for doubtful accounts	326	374
11	Total costs and expenses	59,389	55,609
12	**Gross Operating Profit**	9,240	10,899
13	Depreciation and amortization	3,808	2,990
	Charges from affiliates other than interest NOTE 9		
14	Management fees	2,219	2,168
15	Other	144	126
16	**Income From Operations**	3,069	5,615
	Other Income (Expenses):		
17	Interest (expense) – affiliates		
18	Interest (expense) – external	(83)	(104)
19	Investment alternative tax and related expense.....NOTE 12..	(377)	(264)
20	Nonoperating income – net.....NOTE 10..	1,402	1,459
21	Total other income	942	1,091
22	**Income Before Income Taxes And Extraordinary Items**	4,011	6,706
23	Provision for income taxes.....NOTE 1,11..		2,681
24	**Income Before Extraordinary Items**	4,011	4,025
25	Extraordinary items (net of income taxes – 1993, $0 ; 1992, $0)		
26	**Net Income**	$ 4,011	$ 4,025

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 STOCKHOLDER'S DEFICIT
FOR THE SIX MONTHS ENDED JUNE 30, 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 par value, 2,500 shares authorized)				
1	Beginning balance (January 1)	100	$	100	$
2	Sale of Stock				
3	_____				
4	Ending balance	100		100	
	Preferred Stock:				
5	Beginning balance (January 1)				
6	Sale of Stock				
7	_____				
8	Ending balance				
	Excess of Liabilities over Assets at Reorganization				
9	Beginning balance (January 1)....NOTE 13..		(198,829)		(198,829)
10	_____				
11	_____				
12	Ending balance		(198,829)		(198,829)
	Treasury Stock:				
13	Beginning balance (January 1)				
14	Purchase of additional stock				
15	Sale or retirement of stock				
16	Ending balance				
	Subscription Receivable for Capital Stock:				
17	Beginning balance (January 1)				
18	_____				
19	_____				
20	Ending balance				
	Net unrealized Loss on Noncurrent Marketable Equity Securities:				
21	Beginning balance (January 1)				
22	_____				
23	_____				
24	Ending balance				
	Retained Earnings:				
25	Beginning balance (January 1)		34,471		18,057
26	Prior period adjustments				
27	Net income		8,053		6,315
28	Dividends				
29	_____				
30	_____				
31	Ending balance		42,524		24,372
32	**Ending Stockholder's Deficit**		$ (156,305)		$ (174,457)

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 SIX MONTHS ENDED JUNE 30, 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 invested	( )	( )
12	_____		
13	Ending Balance	( )	( )
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning Balance (January 1)		
15	_____		
16	_____		
17	Ending Balance		
18	**Ending Partners' Or Proprietor's Equity**	$	$

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

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	**Net Cash Provided by Operating Activities**	$ 26,581	$ 9,717
	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	(20,431)	(11,722
5	Proceeds from disposition of property and equipment	79	
6	Purchase of casino reinvestment obligations	(1,357)	(1,298
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**	(21,709)	(13,020
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt		
14	Payments to settle short-term debt	(2,048)	(662
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	(12,159)	5,715
23	**Net Cash Provided (Used) By Financing Activities**	(14,207)	5,053
24	**Net Increase (Decrease) in Cash And Cash Equivalents**	(9,335)	1,750
25	**Cash And Cash Equivalents At Beginning Of Period**	22,643	16,886
26	**Cash And Cash Equivalents At End Of Period**	$ 13,308	$ 18,636

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Year For:		
27	Interest (net of amount capitalized)	$ 176	$ 225
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: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Net Cash Provided by Operating Activities		
29	Net income	$ 8,053	$ 6,315
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization for property and equipment	6,857	5,776
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	204	7
36	Loss on casino reinvestment obligations	731	707
37	(Gain) loss from other investment activities		
38	Net decrease in receivables and patrons' checks	(842)	1,340
39	Net increase in inventories	(100)	(84)
40	Net increase in other current assets	(4,935)	(994)
41	Net increase in other assets	(730)	(893)
42	Net increase in accounts payable	485	262
43	Net decrease in other current liabilities excluding debt	(2,103)	(2,686)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	18,961	(33)
45	Other		
46	_____		
47	**Net Cash Provided By Operating Activities**	$ 26,581	$ 9,717

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ (21,018)	$ (11,722)
49	Less: Capital lease obligations incurred	587	
50	**Cash Outflow For Property And Equipment**	$ (20,431)	$ (11,722)
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$	$
52	Goodwill acquired		
53	Net assets acquired other than cash, goodwill, and property and equipment		
54	Long–term debt assumed		
55	Issuance of stock or capital invested		
56	**Cash Outflow To Acquire Business Entities**	$	$
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$	$
58	Less: Issuance to settle long–term debt		
59	Consideration in acquisition of business entities		
60	**Cash Proceeds From Issuing Stock Or Capital Contributions**	$	$

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 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 June 30, were as follows:

(In Thousands of Dollars)	1993	1992
Gaming	$ 8,290	$ 9,569
Less allowance for doubtful accounts	(4,467)	(5,405)
	3,823	4,164
Non-gaming		
Hotel and related	783	516
Other	561	474
	1,344	990
Less allowance for doubtful accounts	(44)	(20)
	1,300	970
Interest receivable from affiliate	1,125	4,500
Receivable due from affiliate	50,000	50,000
	$56,248	$59,634

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 June 30, are summarized as follows:

(In Thousands of Dollars)	1993	1992
Land and land rights	$ 53,250	$ 53,250
Land improvements	145	130
Hotel and other buildings	99,464	86,440
Furniture, machinery and equipment	38,935	29,715
Construction in progress	6,826	4,757
	198,620	174,292
Less accumulated depreciation	(29,053)	(16,802)
	$169,567	$157,490

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 June 30, were as follows:

(In Thousands of Dollars)	1993	1992
Accrued payroll and related taxes and benefits	$10,143	$ 9,959
Progressive slot liability	352	709
Restructuring reserve	2,036	2,500
Accrued gaming taxes, fees and related assessments	812	833
Professional fees	155	260
Utilities	548	173
Various taxes	201	305
Other	483	489
	$14,730	$15,228

NOTE 5 - OTHER CURRENT LIABILITIES

Components of other current liabilities at June 30, were as follows:

(In Thousands of Dollars)	1993	1992
Intercompany RII	$45,715	$69,882
CRDA Bond Discount	5,000	5,000
CRDA Bond Obligation	764	728
Customer Deposit Liability	276	146
Deferred Revenue	83	49
Tenant Deposits	42	32
Unclaimed Wage Liability	7	19
Other	1,224	1,038
	$53,111	$76,894

NOTE 6 - LONG-TERM DEBT

Components of long-term debt at June 30, were as follows:

(In Thousands of Dollars)	1993	1992
Due to affiliate:		
Notes payable to affiliate	$325,000	$325,000
Other:		
Capitalized lease obligations	$85	$1,835
Less - current portion	32	582
	$53	$1,253

Long-Term Debt: Notes Payable 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 June 30, 1993 the accretion in principal amount of these notes in excess of $325,000,000 amounted to $91,213,000.

The Second Amended RIH-GRI Notes and the note receivable from RIB described in Note 2 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 through 1994. Interest rates on capital leases vary 15.1% to 20.9%. 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.

NOTE 7 - DEFERRED REVENUE

$376,000 and $541,000 of deferred credits at June 30, 1993 and 1992, respectively, represent the unrecognized portion of a lump-sum payment made by a tenant at the inception, July 1983, of a fifteen year lease. This payment is being recognized and recorded in earnings in equal monthly installments over the original term of the lease. The recognized portions were $293,000 and $492,000 for the six months ended June 30, 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 $338,000 and $329,000 for the six months ended June 30, 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 $403,000 and $424,000 for the six months ended June 30, 1993 and 1992, respectively.

NOTE 9 - CHARGES FROM AFFILIATES

RIH recorded the following expenses for the six months ended June 30, from RII and other affiliates:

(In Thousands of Dollars)		1993	1992
AFFILIATED COMPANY	TRANSACTION		
Resorts International, Inc.	Management fee	$4,199	$4,187
Resorts International, Inc.	Property rental	$ 162	$ 163
Paradise Island Vacations, Inc.	Flights	88	75
Other		7	10
		$ 257	$ 248

RII charges RIH a fee of three (3) percent of gross revenues for administrative and other services. Also, recapitalization costs reflected in Nonoperating income - net (see Note 10) represent 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 six months ended June 30, were as follows:

(In Thousands of Dollars)	1993	1992
Interest income from affiliates	$3,375	$3,375
Interest income	362	339
Corporate office expense	(140)	(90)
Recapitalization costs	(515)	(410)
Gain (loss) on fixed assets	(204)	(7)
Other		(27)
	$2,878	$3,180

NOTE 11 - INCOME TAXES

In connection with the adoption of SFAS 109, RIH's deferred income tax liability of $19,000,000 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)	$(27,575)	$(49,212)
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	26,811	34,344
Remaining investment obligation at June 30, 1993, which was deposited in July 1993	$ -0-	$ (764)	$ (764)

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 contacted by the Treasury in late 1992 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 June 30, 1993, RIH had made CRDA deposits/bond purchases totaling $34,344,000. 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 June 30, 1993, RIH had a remaining balance of $4,873,000 face value of bonds issued by the CRDA and had $11,278,000 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 for the six months ended June 30, 1993 and 1992 for discounts on obligations arising in those years were $731,000 and $707,000, respectively.

RII RESTRUCTURING

In April 1993 RII reached an agreement in principle with two representatives of major 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,

New Jersey State Library

(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.

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
JUNE 30, 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	$ 3,041		
2	Returned patrons' checks	5,249		
3	Total Patrons' Checks	8,290	$ 4,467	$ 3,823
4	**Hotel Receivables**	783	44	739
	Other Receivables:			
5	Receivables due from officers and employees			
6	Receivables due from affiliates	50,000		
7	Other accounts and notes receivables	561		
8	Total Other Receivables	50,561		50,561
9	**Total (Form 305)**	$ 59,634	$ 4,511	$ 55,123

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)	66,212
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)	(55,449)
13	Checks collected through deposits	(8,398)
14	Checks transferred to returned checks	(2,450)
15	Other adjustments	
16	**Ending Balance**	$ 3,041
17	"Hold" Checks Included In Balance On Line 16	$
18	Provision For Uncollectible Patrons' Checks	$ 463
19	Provision As A Percent Of Counter Checks Issued	0.7%

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

FOR THREE MONTHS ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	28	$ 1,964		$
FOOD	261	2,607		
BEVERAGE	131	523		
TRAVEL			6	596
COIN			329	3,406
COUPON	55	451		
CASH COMP			91	3,469
ENTERTAINMENT	50	594		
RETAIL & GIFTS	2	76		
OTHER	11	55	60	1,498
TOTAL	538	$ 6,270	486	$ 8,969

FOR SIX MONTH ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	63	$ 3,381		$
FOOD	534	5,339		
BEVERAGE	256	1,022		
TRAVEL			11	1,144
COIN			724	7,351
COUPON	101	810		
CASH COMP			91	3,469
ENTERTAINMENT	94	1,120		
RETAIL & GIFTS	4	162		
OTHER	20	99	99	2,483
TOTAL	1,072	$ 11,933	925	$ 14,447

STATEMENT OF CONFORMITY AND ACCURACY

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

JOHN R. SPINA, 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.



Signature

EXECUTIVE VICE PRESIDENT AND C.O.O.
Title

003703-11
License Number

Subscribed and sworn to
before me this \ day
of , 1993.

On Behalf Of:

Signature

MERV GRIFFIN'S RESORTS CASINO HOTEL

MARGARET M. BRADLEY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 1994

Basis of Authority to Take Oaths

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 June 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY



NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT . . . Lester Brzozowski

OFFICIAL TITLE. . . . . Senior Vice President/Finance and Administration

ADDRESS . . . . . Brighton Avenue 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 JUNE 30, 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

JUNE 30, 1993 and 1992

(UNAUDITED)
($ in Thousands)

*Restated 08/02/93

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$11,969	$12,232
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $6,728; 1992, $9,288)	18,759	15,116
4	Inventories	2,584	2,651
5	Prepaid expenses and other current assets (Note 4, 8, 10)	13,401	11,219
6	Total current assets	46,713	41,218
7	Investments, Advances, And Receivables (Note 5, 7, 8, 11)	76,272	65,485
8	Property And Equipment – Gross (Note 2)	330,337	321,181
9	(Accumulated Depreciation/Amortization) (Note 2)	(103,675)	(89,645)
10	Other Assets (Note 4, 8)	14,621	18,382
11	Total Assets	$364,268	$356,621
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$3,426	$2,607
13	Notes payable	0	0
	Current portion of long–term debt:		
14	Due to affiliates	0	0
15	Other (Note 3)	2,784	2,754
16	Income taxes payable and accrued	0	0
17	Other accrued expenses (Note 12)	19,822	25,011
18	Other current liabilities (Note 5)	3,241	2,579
19	Total current liabilities	29,273	32,951
	Long–Term Debt:		
20	Due to affiliates (Note 3, 7)	140,000	140,000
21	Other (Note 3)	5,685	5,171
22	Deferred Credits	0	0
23	Other Liabilities (Note 7, 13)	34,077	25,088
24	Commitments And Contingencies (Note 5)		
25	Total Liabilities	209,035	203,210
26	Stockholder's, Partners', Or Proprietor's Equity	155,233	153,411
27	Total Liabilities And Equity	$364,268	$356,621

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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

(UNAUDITED)
($ in Thousands)

*Revised 08/02/92

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Revenue:		
1	Casino	$153,362	$151,009
2	Rooms	11,732	9,815
3	Food and beverage	16,357	16,669
4	Other	5,910	5,276
5	Total revenue	187,361	182,769
6	Less: Promotional allowances	23,668	20,148
7	Net revenue	163,693	162,621
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 7)	83,986	82,777
9	Selling, general, and administrative (Note 7)	45,447	42,021
10	Provision for doubtful accounts	(220)	625
11	Total costs and expenses	129,213	125,423
12	Gross Operating Profit	34,480	37,198
13	Depreciation and amortization	7,776	8,070
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	26,704	29,128
	Other Income (Expenses):		
17	Interest (expense) – affiliates (Note 3)	(9,450)	(9,450)
18	Interest (expense) – external (Note 3)	(1,350)	(1,249)
19	Investment alternative tax & related income (exp)–net (Note 5)	(517)	(573)
20	Nonoperating income (expense) – net (Note 14)	(19,066)	(18,801)
21	Total other income (expenses)	(30,383)	(30,073)
22	Income(Loss) Before Income Tax & Extraordinary Items	(3,679)	(945)
23	Provision (credit) for income taxes (Note 8)	(1,287)	(353)
24	Income (Loss) Before Extraordinary Items	(2,392)	(592)
25	Extraordinary items (net of income taxes – 1993, $–0– ; 1992, $23,400) (Note 9)	0	(23,400)
26	Net Income (Loss)	($2,392)	$22,808

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 QUARTER ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ in Thousands)

*Revised 08/02/92

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Revenue:		
1	Casino	$81,059	$79,507
2	Rooms	5,992	5,304
3	Food and beverage	8,573	8,946
4	Other	3,306	2,886
5	Total revenue	98,930	96,643
6	Less: Promotional allowances	12,274	11,382
7	Net revenue	86,656	85,261
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 7)	43,210	43,037
9	Selling, general, and administrative (Note 7)	24,837	22,145
10	Provision for doubtful accounts	(305)	47
11	Total costs and expenses	67,742	65,229
12	Gross Operating Profit	18,914	20,032
13	Depreciation and amortization	3,902	4,113
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	15,012	15,919
	Other Income (Expenses):		
17	Interest (expense) – affiliates (Note 3)	(4,725)	(4,725)
18	Interest (expense) – external (Note 3)	(652)	(616)
19	Investment alternative tax & related income (exp)–net (Note 5)	(275)	(303)
20	Nonoperating income (expense) – net (Note 14)	(8,705)	(9,058)
21	Total other income (expenses)	(14,357)	(14,702)
22	Income(Loss) Before Income Tax & Extraordinary Items	655	1,217
23	Provision (credit) for income taxes (Note 8)	575	579
24	Income (Loss) Before Extraordinary Items	80	638
25	Extraordinary items (net of income taxes – 1993, $ 0; 1992, $ 0) (Note 9)	0	0
26	Net Income (Loss)	$80	$638

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 SIX MONTHS ENDED JUNE 30, 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)		(2,392)		(592)
28	Dividends				
29	Extraordinary item				
30	Change in acct method.....(Note 9)		0		23,400
31	Ending balance		22,447		20,625
32	Ending Stockholder's Equity		$155,233		$153,411

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 six MONTHS ENDED June 30, 19 93 AND 19 92

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	Net Cash Provided (Used) By Operating Activities	$8,884	($3,087)
	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	(5,507)	(3,075)
5	Proceeds from disposition of property and equipment	258	0
6	Purchase of casino reinvestment obligations	(1,917)	(1,864)
7	Purchase of other investments and loans/advances made	(418)	(543)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	(1,876)	8,802
9	Cash outflows to acquire business entities		
10	_____		
11	_____		
12	Net Cash Provided (Used) By Investing Activities	(9,460)	3,320
	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	(1,542)	(1,286)
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	(1,542)	(1,286)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(2,118)	(1,053)
25	Cash And Cash Equivalents At Beginning Of Period	14,087	13,285
26	Cash And Cash Equivalents At End Of Period	$11,969	$12,232

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$10,800	$10,758
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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	($2,392)	$22,808
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	7,772	8,066
31	Amortization of other assets	4	4
32	Amortization of debt discount or premium		
33	Deferred income taxes – current	(1,264)	(6,109)
34	Deferred income taxes – noncurrent	(404)	(17,644)
35	(Gain) loss on disposition of property and equipment	(24)	(238)
36	(Gain) loss on casino reinvestment obligations	517	573
37	(Gain) loss from other investment activities	119	0
38	Net (increase) decrease in receivables and patrons' checks	(831)	1,156
39	Net (increase) decrease in inventories	73	(152)
40	Net (increase) decrease in other current assets	652	(1,157)
41	Net (increase) decrease in other assets	(265)	(2)
42	Net increase (decrease) in accounts payables	68	(1,531)
43	Net increase (decrease) in other current liabilities excluding debt	844	1,758
44	Net increase (decrease) in other noncurrent liabilities excluding debt	4,473	(9,546)
45	Net (increase) decrease in accrued interest income	(458)	(1,073)
46	_____		
47	Net Cash Provided (Used) By Operating Activities	$8,884	($3,087)

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	($5,886)	($3,484)
49	* Less: Capital lease obligations incurred	($379)	($409)
50	Cash Outflows For Property And Equipment	($5,507)	($3,075)
	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 $385 and $530 were incurred for 1993 and 1992,respectively, when Adamar entered into new property and equipment leases. Capital lease obligation retirements of $6 and $121 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 SIX MONTHS ENDED JUNE 30, 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 June 30, 1993 and 1992, the components of Property and Equipment consisted of:

	1993	1992
Land	$ 39,217,000	$ 39,217,000
Building, furniture and fixtures	287,156,000	280,212,000
Construction in progress	3,964,000	1,752,000
Total property and equipment - gross	330,337,000	321,181,000
Accumulated depreciation	(103,675,000)	(89,645,000)
Total property and equipment	$ 226,662,000	$ 231,536,000

NOTE 3. LONG-TERM DEBT

At June 30, 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	8,469,000	7,925,000
	148,469,000	147,925,000
Less: current portion	(2,784,000)	(2,754,000)
Long-term debt, net of current	$ 145,685,000	$ 145,171,000

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	$ 1,385,000
1994	2,659,000
1995	1,872,000
1996	141,569,000
1997	963,000
Thereafter	21,000
Total	$ 148,469,000

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 $1,917,000 and $1,864,000 for the

purchase of CRDA bonds and, accordingly, the Company recorded a loss provision of $517,000 and $573,000 to recognize the effect of the below market interest rate the bonds would have borne had they been issued on June 30, 1993 and 1992.

On July 9, 1993, Aztar acquired more than 66.7% in interest of the limited partnership interests in Ambassador Real Estate Investors, L.P. ("AREI") and on July 16, 1993, Aztar exercised its right to call the remaining interests under the terms of the limited partnership agreement. The aggregate consideration was approximately $58 million. In connection with the purchase of the limited partnership interests, Aztar is acquiring the general partnership interests in AREI and Ambassador General Partnership ("AGP"). AREI owns a 99.9 percent general partnership interest in AGP, which acquired a substantial interest in TropWorld in a sale-leaseback transaction in 1984.

NOTE 6. JACKPOT PAYOUTS

Jackpot payouts for the six months ended June 30, 1993 are:

	Payouts Included In Promotional Allowances		Other Payouts	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	-0-	$ -0-	8*	$ 120,000
Total	-0-	$ -0-	8	$ 120,000

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

Jackpot payouts for the quarter ended June 30, 1993 are:

	Payouts Included In Promotional Allowances		Other Payouts	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	-0-	$ -0-	5*	$ 75,000
Total	-0-	$ -0-	5	$ 75,000

*Note: Cash was taken by five 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 June 30, 1993 and 1992 are:

	1993	1992
Due to Aztar Corporation	$ 10,076,000	$ -0-
Due to Atlantic-Deauville, Inc.	502,000	262,000
Due to Ramada New Jersey, Inc.	2,667,000	1,898,000
Due to Adamar Garage Corporation	14,152,000	12,429,000
Due to Aztar Mortgage Funding, Inc.	5,407,000	5,407,000
	$ 32,804,000	$ 19,996,000

Advances to affiliates are reflected in Investments, Advances and Receivables. The identity of the affiliates and corresponding balances at June 30, 1993 and 1992 are:

	1993	1992
Advances to Aztar Corporation	-0-	$ 7,295,000
Advances to Tropicana West	$ 21,235,000	5,870,000
	21,235,000	13,165,000
Note receivable - Adamar Garage Corporation	17,052,000	17,052,000
	$ 38,287,000	$ 30,217,000

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 six months ended June 30, 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	$ 4,000	$ 4,000
Property insurance	234,000	226,000
Workman's compensation	391,000	361,000
Other	-0-	1,000
	$ 629,000	$ 592,000

Selling, General and Administrative

Insurance (1)	$ 668,000	$ 453,000
Executive deferred compensation plan	17,000	18,000
Workman's compensation	82,000	73,000
Long-term incentive	394,000	417,000
Restricted Stock	-0-	79,000
Other	6,000	8,000
	1,167,000	1,048,000
Total	$1,796,000	$1,640,000

(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. The benefit for income taxes recorded in the quarters ended 1993 and 1992 is entirely a deferred benefit. 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 1991. 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 June 30, 1993 and 1992, Prepaid Expenses and Other Current Assets consisted of the following:

	1993	1992
Current deferred taxes	$ 8,512,000	$ 6,109,000
Other	4,889,000	5,110,000
	$ 13,401,000	$ 11,219,000

NOTE 11. INVESTMENTS, ADVANCES, AND RECEIVABLES

At June 30, 1993 and 1992, Investments, Advances, and Receivables consisted of the following:

	1993	1992
Due from affiliates	$ 21,235,000	$ 13,165,000
CRDA investment	20,650,000	17,772,000
Mortgage receivable	17,057,000	17,099,000
Note receivable - Adamar Garage Corporation	17,052,000	17,052,000
Long-term note receivable	278,000	397,000
Total	$ 76,272,000	$ 65,485,000

NOTE 12. OTHER ACCRUED EXPENSES

At June 30, 1993 and 1992, Other Accrued Expenses consisted of the following:

	1993	1992
Accrued payroll taxes and benefits	$ 6,428,000	$ 7,017,000
Accrued progressive slot win	1,750,000	5,902,000
Accrued miscellaneous	2,491,000	2,381,000
Deferred rent	3,819,000	3,819,000
Accrued employee taxes	1,550,000	1,494,000
Other	3,784,000	4,398,000
Total	$ 19,822,000	$ 25,011,000

NOTE 13. OTHER LIABILITIES

At June 30, 1993 and 1992, Other Liabilities consisted of the following:

	1993	1992
Due to affiliates	$ 32,804,000	$ 19,996,000
Deferred rent	1,273,000	5,092,000
Total	$ 34,077,000	$ 25,088,000

NOTE 14. NON-OPERATING INCOME/(EXPENSE)

For the period ended June 30, 1993 and 1992, Non-operating income/(expense) consisted of the following:

	1993	1992
Interest income	$ 3,470,000	$ 3,271,000
Administrative fee	50,000	50,000
Leased land rental	2,771,000	2,771,000
Maintenance reimbursement	7,557,000	6,030,000
Gain/(Loss) on disposition	24,000	238,000
Rent expense	(32,938,000)	(31,161,000)
Total	$ (19,066,000)	$ (18,801,000)

TRADING NAME OF LICENSEE: TROPWORLD CASINO AND ENTERTAINMENT RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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	$2,768		
2	Returned patrons' checks	11,289		
3	Total patrons' checks	14,057	($6,503)	$7,554
4	Hotel Receivables	821	(225)	596
	Other Receivables:			
5	Receivables due from officers and employees	18		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivables	10,591		
8	Total other receivables	10,609		10,609
9	Totals (Form 205)	$25,487	($6,728)	$18,759

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$3,085
11	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	51,032
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)	(33,884)
13	Checks collected through deposits	(15,906)
14	Checks transferred to returned checks	(1,559)
15	Other adjustments	0
16	Ending Balance	$2,768
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectable Patrons' Checks	($208)
19	Provision As A Percent Of Counter Checks Issued	-0.4%

TRADING NAME OF LICENSEE: TROPWORLD CASINO AND ENTERTAINMENT RESORT

PROMOTIONAL EXPENSES AND ALLOWANCES

For The Six Months Ended June 30, 1993

	Promotional Allowances		Promotional Expense	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	134,436	$ 9,266,000	-0-	$ -0-
Food	780,952	7,653,000	58,501	573,000
Beverage	2,361,718	2,857,000	-0-	-0-
Travel	-0-	-0-	1,298	454,000
Coin	-0-	-0-	1,267,487	19,093,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	32,243	899,000	5,908	118,000
Retail & Gifts	237,138	2,371,000	-0-	-0-
Other	62,195	622,000	32,213	322,000
Total	3,608,682	$ 23,668,000	1,365,407	$ 20,560,000

For The Three Months Ended June 30, 1993

	Promotional Allowances		Promotional Expense	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	70,048	$ 4,557,000	-0-	$ -0-
Food	412,650	4,044,000	31,091	304,000
Beverage	1,251,414	1,504,000	-0-	-0-
Travel	-0-	-0-	614	215,000
Coin	-0-	-0-	679,816	10,781,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	20,528	526,000	3,225	64,000
Retail & Gifts	131,409	1,314,000	-0-	-0-
Other	32,883	329,000	19,666	197,000
Total	1,918,932	$ 12,274,000	734,412	$ 11,561,000

STATEMENT OF CONFORMITY AND ACCURACY

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

Lester Brzozowski, being duly sworn according to law upon my oath
Name

deposes and says:

1. I have examined this Annual Report.

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

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

Signature

Senior Vice President
Finance and Administration

Title

03032-11

License Number

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

Signature

DELORES BURTON
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

974.901
C193

QUARTERLY REPORT

LICENSEE Trump's Castle Associates
ADDRESS Huron Avenue & Brigantine Boulevard
Atlantic City, N.J. 08401

FOR THE QUARTER ENDED JUNE 30, 1993

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEE
AUG 1? 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT..... Thomas P. Venier

OFFICIAL TITLE..... Senior 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 JUNE 30, 1993

TITLE	FORM NO.
Balance Sheets	CCC–205
Statements of Income (Three Months)	CCC–210
Statements of Income (Six 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

JUNE 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$22,516	$15,075
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $2,525; 1992, $2,524)	6,810	6,678
4	Inventories	1,996	1,957
5	Prepaid expenses and other current assets	3,983	6,868
6	Total current assets	35,305	30,578
7	Investments, Advances, And Receivables	3,144	1,283
8	Property And Equipment – Gross (NOTE 2)	489,811	478,989
9	(Accumulated Depreciation/Amortization)	(152,090)	(133,533)
10	Other Assets (NOTE 6)	776	762
11	Total Assets	$376,946	$378,079
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable (NOTE 7)	$2,297	$4,872
13	Notes payable (NOTE 4)	0	0
14	Current portion of long–term debt:		
15	Due to affiliates (NOTE 3,5)	0	0
16	Other (NOTE 4)	0	0
17	Income taxes payable and accrued	0	0
18	Other accrued expenses (NOTE 8)	22,403	11,444
19	Other current liabilities (NOTE 9)	16,276	18,068
	Total current liabilities	40,976	34,384
	Long–Term Debt:		
20	Due to affiliates (NOTE 3)	245,124	226,814
21	Other (NOTE 4)	45,000	45,000
22	Deferred Credits	0	0
23	Other Liabilities	12	7
24	Commitments And Contingencies (NOTE 11)		
25	Total Liabilities	331,112	306,205
26	Stockholders', Partners', Or Proprietor's Equity	45,834	71,874
27	Total Liabilities and Equity	$376,946	$378,079

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 JUNE 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$60,387	$57,517
2	Rooms	4,762	4,444
3	Food and beverage	8,887	8,455
4	Other	2,436	2,142
5	Total revenue	76,472	72,558
6	Less: Promotional allowances	8,606	8,031
7	Net revenue	67,866	64,527
	Costs And Expenses:		
8	Cost of goods and services	38,743	37,178
9	Selling, general, and administrative	18,237	18,266
10	Provision for doubtful accounts	289	567
11	Total costs and expenses	57,269	56,011
12	Gross Operating Profit	10,597	8,516
13	Depreciation and amortization	4,756	5,255
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	412	170
15	Other	0	0
16	Income (Loss) From Operations	5,429	3,091
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(10,283)	(10,460)
18	Interest (expense) – external (NOTE 4)	(1,021)	(1,114)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(224)	(372)
20	Nonoperating income (expense) – net (NOTE 10)	199	(4,094)
21	Total other income (expenses)	(11,329)	(16,040)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(5,900)	(12,949)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	(5,900)	(12,949)
25	Extraordinary items (net of income taxes – 1993, $0; 1992, $128,187) (NOTE 14)	0	128,187
26	Net Income (Loss)	($5,900)	$115,238

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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$116,712	$113,347
2	Rooms	8,574	8,076
3	Food and beverage	16,441	16,608
4	Other	3,943	3,673
5	Total revenue	145,670	141,704
6	Less: Promotional allowances	16,282	16,207
7	Net revenue	129,388	125,497
	Costs And Expenses:		
8	Cost of goods and services	73,822	72,491
9	Selling, general, and administrative	36,636	35,787
10	Provision for doubtful accounts	595	1,284
11	Total costs and expenses	111,053	109,562
12	Gross Operating Profit	18,335	15,935
13	Depreciation and amortization	9,416	10,661
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	845	170
15	Other	0	0
16	Income (Loss) From Operations	8,074	5,104
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(20,505)	(20,936)
18	Interest (expense) – external (NOTE 4)	(2,029)	(2,275)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(520)	(819)
20	Nonoperating income (expense) – net (NOTE 10)	334	(5,846)
21	Total other income (expenses)	(22,720)	(29,876)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(14,646)	(24,772)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	(14,646)	(24,772)
25	Extraordinary items (net of income taxes – 1993, $0; 1992, $126,837) (NOTE 14)	0	126,837
26	Net Income (Loss)	($14,646)	$102,065

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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

NOT APPLICABLE

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c) SHARES	1993 (d) DOLLARS	1992 (e) SHARES	1992 (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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Invested Capital:		
1	Beginning balance (January 1)	$71,196	$71,196
2	Additional capital invested	32,535	33,217
3	_____	0	0
4	Ending balance	103,731	104,413
	Accumulated Income (Loss):		
5	Beginning balance (January 1)	(4,801)	(96,154)
6	Prior period adjustments	0	0
7	Net income (loss)	(14,646)	102,065
8	_____	0	0
9	Ending balance	(19,447)	5,911
	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	$45,834	$71,874

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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	$705	($27,939)
	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	(6,734)	(4,505)
5	Proceeds from disposition of property and equipment	0	0
6	Purchase of casino reinvestment obligations	(654)	(668)
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	(7,388)	(5,173)
	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	(317)	0
21	_____	0	33,217
22	_____	0	0
23	Net Cash Provided (Used) By Financing Activities	5,389	33,217
24	Net Increase (Decrease) In Cash And Cash Equivalents	(1,294)	105
25	Cash And Cash Equivalents At Beginning Of Period	23,810	14,970
26	Cash And Cash Equivalents At End Of Period	$22,516	$15,075

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$11,810	$2,711
28	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 SIX MONTHS ENDED JUNE 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	($14,646)	$102,065
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	9,416	10,226
31	Amortization of other assets	0	435
32	Amortization of debt discount or premium	4,973	2,055
33	Deferred income taxes – current	0	0
34	Deferred income taxes – noncurrent	0	0
35	(Gain) loss on disposition of property and equipment	(20)	0
36	(Gain) loss on casino reinvestment obligations	520	819
37	(Gain) loss from other investment activities	0	0
38	Net (increase) decrease in receivables and patrons' checks	132	1,118
39	Net (increase) decrease in inventories	164	(106)
40	Net (increase) decrease in other current assets	(728)	(3,119)
41	Net (increase) decrease in other assets	(790)	(1,055)
42	Net increase (decrease) in accounts payables	(2,924)	(1,456)
43	Net increase (decrease) in other current liabilities excluding debt	4,603	(10,734)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	5	0
45	_____	0	(128,187)
46	_____	0	0
47	Net Cash Provided (Used) By Operating Activities	$705	($27,939)

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$6,754	$4,505
49	Less: Capital lease obligations incurred	0	0
50	Cash Outflows For Property And Equipment	$6,754	$4,505
	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 $2,525,000 through June 30, 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 June 30:

	1993	1992
	(In thousands)	
Land and Land Improvements	$ 36,315	$ 32,423
Buildings	235,170	235,170
Furniture, Fixtures and Equipment	100,988	96,826
Construction in Progress	4,188	1,447
Building/Leasehold Improvements	113,150	112,123
TOTAL	$489,811	$478,989
Less Accumulated Depreciation	(152,090)	(133,533)
Net Property and Equipment	$337,721	$345,456

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 June 30, 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	$ 0
Deferred Bond Costs (Net)	0	0
Other Non-Current Assets	776	762
Deferred Marina Improvement	0	0
TOTAL OTHER ASSETS	$ 776	$ 762

NOTE 7 - ACCOUNTS PAYABLE:

	1993	1992
	(In thousands)	
Accounts Payable Trade	$ 1,415	$4,046
Patron Deposits	824	769
Other	58	57
TOTAL ACCOUNTS PAYABLE	$ 2,297	$ 4,872

NOTE 8 - OTHER ACCRUED EXPENSES:

	1993	1992
	(In thousands)	
Accrued Payroll & Taxes	$ 5,135	$ 3,600
Accrued Interest	11,758	2,727
Accrued Advertising/Promotions	219	63
Accrued Progressive Jackpots	285	304
Accrued Sick/Vacation	4,604	4,205
Other	402	545
TOTAL OTHER ACCRUED EXPENSES	$22,403	$11,444

NOTE 9 - OTHER CURRENT LIABILITIES:

	1993	1992
	(In thousands)	
Outstanding Chip Liability	$ 3,504	$ 4,348
Outstanding Token Liability	435	580
Patron Deposits	344	43
Accrued Utilities	228	105
Accrued Group Health insurance	3,316	2,035
Accrued Insurance	4,217	1,688
A/P Other	2,355	7,295
Accrued Legal	425	442
Accrued CCC/DGE	486	558
Construction Retainage	53	2
Accrued Inventories	195	389
Accrued CRDA	718	583
TOTAL OTHER CURRENT LIABILITIES	$16,276	$18,068

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

Non-operating income for the period ended June 30, 1993:

Three Months

	1993	1992
	(In thousands)	
Interest Income	$ 199	$ 70
Debt Restructuring	0	(4,164)
	$ 199	$(4,094)

Six Months

	1993	1992
	(In thousands)	
Interest Income	$ 334	$ 152
Debt Restructuring	0	(5,998)
	$ 334	$(5,846)

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, 1994. 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 $520,000 for the three months ending June 30, 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 June 30, 1993, the Partnership had made contributions totaling approximately $8,419,000.

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 $409,000 for matching contributions for the three months ended June 30, 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 6/30/93

	Number of Recipients	Amount
Motor Vehicles	0	$ 0
TOTALS	0	$ 0

For The Six Months Ended 6/30/93

	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 period ended June 30, 1993 and 1992 from Trump's Castle Management Corp. ("TCM") as follows:

		Three Months	
Affiliate	Transaction	1993	1992
		(In Thousands)	
Trump's Castle Management Corp.	Management Fee	$ 412	$ 170

		Six Months	
Affiliate	Transaction	1993	1992
		(In Thousands)	
Trump's Castle Management Corp.	Management Fee	$ 845	$ 170

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 1993

(UNAUDITED)
($ IN THOUSANDS)

		ACCOUNTS RECEIVABLE BALANCES		
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE– (e) NET OF ALLOWANCE
1	Patrons' Checks: Undeposited patrons' checks	$4,145		
2	Returned patrons' checks	2,801		
3	Total patrons' checks	6,946	$2,406	$4,540
4	Hotel Receivables	672	119	553
5	Other Receivables: Receivables due from officers and employees	10		
6	Receivables due from affiliates	730		
7	Other accounts and notes receivables	977		
8	Total other receivables	1,717	0	1,717
9	Totals (Form 305)	$9,335	$2,525	$6,810

	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)	67,058
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)	(52,089)
13	Checks collected through deposits	(12,931)
14	Checks transferred to returned checks	(1,662)
15	Other adjustments	0
16	Ending Balance	$4,145
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectible Patrons' Checks	557
19	Provision As A Percent Of Counter Checks Issued	0.8%

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE SIX MONTHS ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	134,289	$5,342,000	0	$0
FOOD	505,133	7,577,000	0	0
BEVERAGE	596,235	2,534,000	0	0
TRAVEL	0	0	18,650	3,264,000
COIN	0	0	0	0
COUPON	0	0	1,172,721	11,425,000
ENTERTAINMENT	28,800	720,000	271	8,560
RETAIL & GIFTS	19,600	98,000	0	0
OTHER	2,200	11,000	18,660	933,000
TOTAL	1,286,257	$16,282,000	1,210,302	$15,630,560

****

FOR THE THREE MONTHS ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	71,394	$2,840,000	0	$0
FOOD	258,933	3,884,000	0	0
BEVERAGE	323,059	1,373,000	0	0
TRAVEL	0	0	9,576	1,676,000
COIN	0	0	0	0
COUPON	0	0	536,086	5,631,000
ENTERTAINMENT	18,160	454,000	128	4,090
RETAIL & GIFTS	9,400	47,000	0	0
OTHER	1,600	8,000	10,260	513,000
TOTAL	682,546	$8,606,000	556,050	$7,824,090

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

Subscribed and sworn to
before me this 11th day
of August, 1993

On behalf Of:

Signature

Trump's Castle Hotel & Casino
Casino Licensee

SHARON J. MILLER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 18, 1998

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 JUNE 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

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 QUARTER ENDED JUNE 30, 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

JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 8,564	$ 9,723
2	Marketable securities	–	–
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $12,524; 1992, $20,688)	7,645	12,225
4	Inventories	2,798	2,916
5	Prepaid expenses and other current assets.....NOTE 2	3,847	3,993
6	Total current assets	22,854	28,857
7	Investments, Advances, and Receivables.....NOTE 3	9,027	5,418
8	Property and Equipment – Gross.....NOTE 4	411,488	404,292
9	(Accumulated Depreciation/Amortization).....NOTE 4	(114,852)	(102,313)
10	Other Assets.....NOTE 5	45,728	32,904
11	Total Assets	$ 374,245	$ 369,158
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts Payable	$ 5,842	$ 7,418
13	Notes Payable	1,347	934
	Current portion of long–term debt:		
14	Due to affiliates	–	–
15	Other.....NOTE 9	1,655	8,970
16	Income taxes payable and accrued	–	–
17	Other accrued expenses.....NOTE 6	17,636	24,883
18	Other current liabilities.....NOTE 7	6,356	7,835
19	Total current liabilities	32,836	50,040
	Long–Term Debt:		
20	Due to affiliates.....NOTE 8	325,687	225,000
21	Other.....NOTE 9	6,829	24,621
22	Deferred Credits.....NOTE 10	918	349
23	Other Liabilities.....NOTE 13	4,004	57,814
24	Commitments and Contingencies.....NOTE 14	–	–
25	Total Liabilities	370,274	357,824
26	Stockholders', Partners', or Proprietor's Equity	3,971	11,334
27	Total Liabilities and Equity	$ 374,245	$ 369,158

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE	DESCRIPTION	(c) 1993	(d) 1992
(a)	(b)		
	Revenue:		
1	Casino	$ 131,706	$ 133,419
2	Rooms	8,297	12,966
3	Food and beverage	19,951	22,219
4	Other	3,529	4,092
5	Total revenue	163,483	172,696
6	Less: Promotional allowances	17,476	19,491
7	Net revenue	146,007	153,205
	Costs and Expenses:		
8	Costs of goods and services	76,804	81,886
9	Selling, general, and administrative	35,985	41,081
10	Provision for doubtful accounts	311	2,075
11	Total costs and expenses	113,100	125,042
12	Gross Operating Profit	32,907	28,163
13	Depreciation and amortization	9,370	8,141
	Charges from affiliates other than interest:		
14	Management fees	536	208
15	Other	1,665	1,057
16	Income (Loss) from Operations	21,336	18,757
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(14,760)	(14,220)
18	Interest (expense) – external	(1,592)	(2,369)
19	Investment alternative tax and related income (expense) – net	(546)	(1,410)
20	Nonoperating income (expense) – net NOTE 12	(113)	(4,649)
21	Total other income (expense)	(17,011)	(22,648)
22	Income (Loss) before Income Taxes and Extraordinary Items	4,325	(3,891)
23	Provision (credit) for income taxes NOTE 15	423	(380)
24	Income (Loss) before Extraordinary Items	3,902	(3,511)
25	Extraordinary items (net of income taxes – 1993, $ – ; 1992, $ –) NOTE 14	4,120	(38,205)
26	Net Income (Loss)	$ 8,022	$ (41,716)

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 JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 70,398	$ 67,021
2	Rooms	4,662	7,352
3	Food and beverage	10,483	11,426
4	Other	1,760	2,046
5	Total revenue	87,303	87,845
6	Less: Promotional allowances	9,105	10,058
7	Net revenue	78,198	77,787
	Costs and Expenses:		
8	Costs of goods and services	39,222	42,377
9	Selling, general, and administrative	18,483	21,296
10	Provision for doubtful accounts	134	(82)
11	Total costs and expenses	57,839	63,591
12	Gross Operating Profit	20,359	14,196
13	Depreciation and amortization	5,007	3,981
	Charges from affiliates other than interest:		
14	Management fees	262	208
15	Other	475	523
16	Income (Loss) from Operations	14,615	9,484
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(8,010)	(6,978)
18	Interest (expense) – external	(789)	(1,121)
19	Investment alternative tax and related income (expense) – net	(291)	(728)
20	Nonoperating income (expense) – net NOTE 12	(296)	(2,460)
21	Total other income (expense)	(9,386)	(11,287)
22	Income (Loss) before Income Taxes and Extraordinary Items	5,229	(1,803)
23	Provision (credit) for income taxes NOTE 15	496	(198)
24	Income (Loss) before Extraordinary Items	4,733	(1,605)
25	Extraordinary items (net of income taxes – 1993,$ – , 1992, $ –) NOTE 14	4,120	(38,205)
26	Net Income (Loss)	$ 8,853	$ (39,810)

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 SIX MONTHS ENDED JUNE 30, 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	Conversion of Preferred into a General Partnership Interest	18,407	–
4	Ending balance	69,114	50,707
	Accumulated Income (Loss):		
5	Beginning balance (January 1)	14,724	50,511
6	Prior period adjustments	–	–
7	Net income (loss)	8,022	(41,716)
8	_____	–	–
9	Ending balance	22,746	8,795
	Capital Withdrawals:		
10	Beginning balance (January 1)	(54,069)	(47,175)
11	Additional capital withdrawals	(27,500)	–
12	Preferred Partnership Interest Distribution	(6,320)	(993)
13	Ending balance	(87,889)	(48,168)
	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	$ 3,971	$ 11,334

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992	
1	Net Cash Provided (Used) by Operating Activities	$ 10,922	$ 9,967	*
	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	(5,177)	(2,843)	
5	Proceeds from disposition of property and equipment	–	34	
6	Purchase of casino reinvestment obligations	(1,002)	(397)	
7	Purchase of other investments and loans/advances made	(6,611)	(2,231)	
8	Proceeds from disposal of investments and collection of advances and long-term receivables	–	–	
9	Cash outflows to acquire business entities	–	–	
10	Casino Reivestment Obligation Donation	–	312	
11	.....	–	–	*
12	Net Cash Provided (Used) by Investing Activities	(12,790)	(5,125)	*
	Cash Flows from Financing Activities:			
13	Cash proceeds from issuance of short-term debt	1,478	1,523	
14	Payments to settle short-term debt	(511)	(985)	
15	Cash proceeds from issuance of long-term debt	325,687	52	*
16	Costs of issuing debt (net of affiliate)	(14,031)	–	
17	Payments to settle long-term debt	(247,292)	(6,207)	*
18	.....	–	–	
19	Preferred Partnership Interest Payment	(40,000)	–	
20	Capital Withdrawals	(27,500)	–	
21	Preferred Partnership Interest Distribution	(6,201)	23	*
22	.....	–	–	*
23	Net Cash Provided (Used) by Financing Activities	(8,370)	(5,594)	*
24	Net Increase (Decrease) in Cash and Cash Equivalents	(10,238)	(752)	
25	Cash and Cash Equivalents at Beginning of Period	18,802	10,475	
26	Cash and Cash Equivalents at End of Period	$ 8,564	$ 9,723	

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 23,717	$ 15,614
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.

12/87

*Restated to conform to current year presentation.

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992	
	Net Cash Flows from Operating Activities:			
29	Net income (loss)	$ 8,022	$ (41,716)	
	Noncash items included in income and cash items excluded from income:			
30	Depreciation and amortization of property & equipment	9,181	7,698	
31	Amortization of other assets	189	443	
32	Amortization of debt discount or premium	–	–	
33	Deferred income taxes – current	–	–	
34	Deferred income taxes – noncurrent	423	(380)	
35	(Gain) loss on disposition of property and equipment	5	(34)	
36	(Gain) loss on casino reinvestment obligation	546	1,410	
37	(Gain) loss from other investment activities	–	–	
38	Net (increase) decrease in receivables and patrons' checks	225	419	
39	Net (increase) decrease in inventories	270	(15)	
40	Net (increase) decrease in other current assets	(1,348)	(713)	
41	Net (increase) decrease in other assets	5,032	208	
42	Net increase (decrease) in accounts payable	(48)	155	
43	Net increase (decrease) in other current liabilities excluding debt	(7,455)	4,287	
44		–	–	
45	Extraordinary (Gain) Loss	(4,120)	38,205	
46		–	–	*
47	Net Cash Provided (Used) by Operating Activities	$ 10,922	$ 9,967	*

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:			
48	Additions to property and equipment	$ (5,556)	$ (2,843)	
49	Less: Capital lease obligations incurred	379	–	
50	Cash Outflows for Property and Equipment	$ (5,177)	$ (2,843)	
	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	$ –	$ –	

* Restated to conform to current year presentation

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Trump Plaza Associates, (the "Company"), doing business as Trump Plaza Hotel and Casino ("Trump Plaza") was organized in June 1982 as a general partnership under the laws of the State of New Jersey for the purpose of acquiring, completing the construction of and operating Trump Plaza. As part of a Prepackaged Plan of Reorganization under Chapter 11 of the U.S. Bankruptcy Code consummated on May 29, 1992 the Company issued a Promissory Note to reflect the terms of the 12% Mortgage Notes. On June 25, 1993 the Company issued a new Promissory Note (the"Partnership Note") to reflect the terms of the 10 7/8% Mortgage Notes and redeemed all of the Company's outstanding 12% Mortgage Notes.

B. Offering Of Mortgage Notes And Units

On June 25, 1993 Trump Plaza Funding, Inc., ("TPF") and the Company issued $330,000,000 of Mortgage Notes (for net proceeds of $325,687,000). The proceeds, together with cash on hand were used as follows: (i) $225 million of such proceeds were used to repay its promissory note to TPF which proceeds were then used by TPF to redeem the 12% Mortgage Bonds, due 2002; (ii) $12 million was used to repay the Regency Note; (iii) $40 million was use to repay a portion of the Preferred Partnership Interest; (iv) approximately $14.1 million was used to pay the expenses incurred in connection with the Offerings; (v) $27.5 million of the Mortgage Notes was used to make a Special Distribution to Donald J. Trump which was used by Donald J. Trump to repay certain personal indebtedness and (vi) to pay accrued interest on the Bonds and accrued dividends on the Preferred Stock. No portion of the net proceeds of the Offering was retained by the Company for working capital purposes.

C. 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 June 30, consisted of the following:

	1993	1992
Prepaid taxes	$ 918,000	$ 866,000
Prepaid insurance	1,340,000	1,421,000
Prepaid rent	128,000	219,000
Prepaid advertising costs	473,000	312,000
Prepaid service contracts	120,000	130,000
Prepaid sewerage costs	273,000	305,000
Other	595,000	740,000
	$3,847,000	$3,993,000

NOTE 3: INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of June 30, consisted of the following:

	1993	1992
Advances due from -		
Trump Seashore Associates	$1,005,000	$1,291,000
Trump Plaza Holding Associates	3,061,000	-
Taj Mahal Associates	-	900,000
Trump Crystal Tower Associates	-	363,000
Other Affiliated Companies	-	44,000
Casino reinvestment bonds and escrow deposit, net of valuation adjustment (1993) $2,480,000; (1992) $1,410,000	4,961,000	2,820,000
	$9,027,000	$5,418,000

NOTE 4: PROPERTY AND EQUIPMENT - NET

Property and equipment as of June 30, consisted of the following:

	1993	1992
Land and land improvements	$ 35,613,000	$ 34,827,000
Buildings	294,671,000	293,485,000
Furniture, fixtures and equipment	74,952,000	71,813,000
Leasehold improvements	2,404,000	2,377,000
Construction in progress	3,848,000	1,790,000
	411,488,000	404,292,000
Less - Accumulated depreciation & amortization	(114,852,000)	(102,313,000)
Net property and equipment	$296,636,000	$301,979,000

NOTE 5: OTHER ASSETS

Other assets as of June 30, consisted of the following:

	1993	1992
Land rights, net	$30,243,000	$30,612,000
Deposits	1,364,000	637,000
Deferred loan cost (net of affiliate)	14,063,000	39,000
Deferred slot tax charge	58,000	183,000
Other deferred charge	-	1,433,000
	$45,728,000	$32,904,000

NOTE 6: OTHER ACCRUED EXPENSES

Other accrued expenses as of June 30, consisted of the following:

	1993	1992
Accrued payroll	$ 7,872,000	$ 6,987,000
Accrued progressive jackpot liabilities	719,000	2,283,000
Accrued interest	663,000	2,470,000
Accrued gaming taxes payable	373,000	282,000
Accrued Casino Control Commission & Division of Gaming Enforcement fees	592,000	643,000
Accrued utilities	455,000	176,000
Accrued union benefits	337,000	406,000
Accrued health insurance benefits	1,789,000	1,156,000
Accrued sales, use & luxury tax	216,000	568,000
Accrued professional costs	723,000	2,432,000
Accrued special event costs	767,000	573,000
Accrued repairs & maintenance cost	120,000	142,000
Accrued refinancing expense	1,005,000	-
Accrued restructuring expense	-	1,139,000
Accrued property tax	186,000	2,398,000
Accrued preferred stock dividends	-	623,000
Distribution payable on preferred stock to Trump Plaza Funding, Inc.	-	329,000
Other	1,819,000	2,276,000
	$17,636,000	$24,883,000

NOTE 7: OTHER CURRENT LIABILITIES

Other current liabilities as of June 30, consisted of the following:

	1993	1992
Undeemed chip/token liability	$1,107,000	$3,139,000
Patron deposits	269,000	234,000
Casino reinvestment liability	873,000	704,000
Reserve for insurance claims	2,527,000	2,402,000
Advance room/theater deposits	151,000	131,000
Advances due to Trump Castle Associates	207,000	207,000
Advances due to Trump Penthouse Parcel	73,000	41,000
Advances due to Seashore Four Associates	589,000	603,000
Advances due to Taj Mahal Associates	114,000	-
Other	446,000	374,000
	$6,356,000	$7,835,000

NOTE 8: LONG-TERM DEBT DUE TO AFFILIATES

Long-term debt due to affiliates as of June 30, consisted of the following:

	1993	1992
10 7/8% Partnership Note, net of unamortized discount of $4,313,000, interest payable semi-annually, maturing in 2001.	$325,687,000	$ -
12% Partnership note, interest payable semi-annually, maturing in 2002.	-	225,000,000
	$325,687,000	$225,000,000

On June 25, 1993 TPF issued $330,000,000 principal amount of 10 7/8% Mortgage Notes, due 2001, net of discount of $4,313,000. Net proceeds of the Offering were used to redeem all of TPF's outstanding $225,000,000 principal amount 12% Mortgage Bonds, due 2002 and together with other funds, (see Note 1(B) Offering Of Mortgage Notes) $40,000,000 of the Preferred Partnership Interest, to repay $12,000,000 principal amount 9.14% Regency Note due 2003 to make a portion of the Special Distribution and to pay transaction expenses. See Note 1(B)- Offering Of Mortgage Notes. In exchange for the Mortgage Notes, the Company issued a Partnership Note to TPF.

The Mortgage Notes mature on June 15, 2001 and are redeemable at any time on or after June 15, 1998, at the option of the Company or TPF, in whole or in part, at the principal amount plus a premium which declines ratably each year to zero in the year of maturity. The Mortgage Notes bear interest at the rate of 10 7/8% per annum from the date of issuance, payable semi-annually on each June 15 and December 15, commencing December 15, 1993 and are secured by substantially all of the Company's assets.

The Mortgage Note Indenture contains certain covenants limiting the ability of the Company to incur indebtedness, including indebtedness secured by liens on Trump Plaza.

NOTE 9: LONG-TERM DEBT - OTHER

Long-term debt - other as of June 30, consisted of the following:

	1993	1992
10% note payable to Harrah's Atlantic City, Inc., interest payable monthly, maturing in 1993 (A)	$ -	$ 8,471,000
Regency Note (B)	-	17,500,000
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.	7,084,000	7,456,000
Other notes with interest rates ranging from 8.0% to 11.5%, principal and interest payable monthly, secured by automobile and computer equipment	1,400,000	164,000
	8,484,000	33,591,000
Less current maturities	1,655,000	8,970,000
	$6,829,000	$24,621,000

(A) The entire $8,471,000 principal amount of the 10% note payable was repaid on May 16, 1993.

(B) The entire $17,500,000 principal amount of 9.14% Regency Note due 2003 was settled on June 25, 1993 with $12.0 million of proceeds from the Mortgage Notes Offering with the excess of the carrying value being classified as an extraordinary gain. See note 14(c) Extraordinary Gain (Loss).

NOTE 10: DEFERRED CREDITS

Deferred credits as of June 30, 1993 and 1992 consisted of deferred state income taxes,

NOTE 11: INTEREST (EXPENSE) - AFFILIATES

Interest (Expense) - Affiliates consisted of the interest on the 12% Partnership Note and the 10 7/8% Partnership Note upon consummation of the Mortgage Note Offering on June 25, 1993 for the three and six months ended June 30, 1993 and interest on the 12 7/8% Partnership Note for the three and six months ended June 30, 1992.

NOTE 12: NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income (expense) - net for the three and six months ended June 30 consisted of the following:

	Three Months Ended		Six Months Ended	
	1993	1992	1993	1992
Interest income	$ 103,000	$ 139,000	$228,000	$ 241,000
Gain on disposal of property and equipment	5,000	26,000	5,000	34,000
Litigation expense	84,000	(684,000)	25,000	(1,078,000)
Restructuring expense	-	(1,967,000)	-	(3,927,000)
Other nonoperating income (expense)	(488,000)	26,000	(371,000)	81,000
	$(296,000)	$(2,460,000)	$(113,000)	$(4,649,000)

NOTE 13: OTHER LIABILITIES

Other liabilities as of June 30 consisted of the following:

	1993	1992
Preferred Partnership Interest	$ -	$57,798,000
Deferred Income Taxes relating to Preferred Partnership Interest	4,004,000	16,000
	$4,004,000	$57,814,000

On June 25, 1993, the date of the consummation of the Offerings, TPF's Preferred Stock units were redeemed with $40.0 million of the proceeds of the Company's 10 7/8% Mortgage Note as well as Holding's $35.0 million of PIK Notes(see note 14(B) Commitments and Contingencies). The balance of the Company's preferred partnership interest was converted into and classified as a general partnership interest in accordance with the amended Partnership Agreement.

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 Company is required to maintain certain licenses.

NOTE 14: COMMITMENTS AND CONTINGENCIES CONT.

In April, 1993 the New Jersey Casino Control Commission ("CCC") renewed the Company'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 Company. Upon revocation, suspension for more than 120 days, or failure to renew the casino license, the Act provides for the mandatory appointment of a conservator to take possession of the hotel and casino's business and property, subject to all valid liens, claims and encumbrances.

B. Pay-In-Kind Notes

On June 25, 1993 Trump Plaza Holding Associates ("Holding"), a newly formed Partnership beneficially owned 100% by Donald J. Trump, issued $60,000,000 principal amount of 12 1/2% Pay-In-Kind Notes (the "PIK Notes"), due 2003, together with Warrants to acquire an additional $12,000,000 of PIK Notes at no additional cost. The Warrants will be exercisable following the earlier of certain triggering events or June 15, 1996.

The PIK Notes mature on June 15, 2003. The PIK Notes bear interest at the rate of 12 1/2% per annum from the date of issuance, payable semi-annually on each June 15 and December 15, commencing December 15, 1993. At the option of Holding, interest is payable in whole or in part, in cash or, in lieu of cash, through the issuance of additional PIK Notes valued at 100% of their principal amount. Holding has no other assets or business other than its 99% equity interest in the Company. As such, the ability of Holding to pay interest in cash on the PIK Notes is entirely dependent on the ability of the Company to distribute available cash, as defined, to Holding for such purpose.

The PIK Notes are subordinate to TPF's Mortgage Notes and any other indebtedness of the Company. The PIK Notes are secured by a pledge of Holding's 99% equity interest in the Company. The indenture to which the PIK Notes were issued (the "PIK Note Indenture") contains covenants prohibiting Holding from incurring additional indebtedness and engaging in other activities, and other covenants restricting the activities of the Company's substantially similar to those set forth in the Mortgage Note Indenture. The PIK Note and the Warrants are non-recourse to the Partners of Holding, including Trump, and to all other persons and entities (other than Holding). Upon an event of default, holders of PIK Notes or Warrants will have recourse only to the assets of Holding which consist solely of its equity interest in the Company.

C. Extraordinary Gain (Loss)

The extraordinary gain reflects the excess of the carrying value of the Regency Hotel obligation over the amount of the settlement payment net of related prepaid expenses.

The extraordinary loss consists of the effect of stating the Bonds and Preferred Stock issued at fair value and the write-off of certain deferred financing charges and costs.

NOTE 15: PROVISION (CREDIT) FOR INCOME TAXES

The provision (credit) for state income taxes for the three and six months ended June 30, consisted entirely of deferred state income taxes.

	Three Months Ended		Six Months Ended	
	1993	1992	1993	1992
Current	$ -	$ -	$ -	$ -
Deferred	496,000	(198,000)	423,000	(380,000)
Total	$496,000	$(198,000)	$423,000	$(380,000)

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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	$ 3,985		
2	Returned patrons' checks	14,551		
3	Total patrons' checks	18,536	$ 12,231	$ 6,305
4	Hotel Receivables	1,281	293	988
5	Other Receivables: Receivables due from officers and employees	19		
6	Receivables due from affiliates	–		
7	Other accounts and notes receivables	333		
8	Total other receivables	352		352
9	Totals (Form 205)	$ 20,169	$ 12,524	$ 7,645

	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)	61,835
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)	(44,951)
13	Checks collected through deposits	(12,790)
14	Checks transferred to returned checks	(3,341)
15	Other adjustments	–
16	Ending Balance	$ 3,985
17	"Hold Checks" included in Balance on Line 16	$ –
18	Provision for Uncollectible Patrons' Checks	$ 331
19	Provision as a percent of Counter Checks Issued	0.5%

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL AND CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

For the Three Months Ended June 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	23,688	$2,705,000	456	$34,000
Food	212,664	2,765,000	–	–
Beverage	667,768	2,004,000	–	–
Travel	–	–	4,900	735,000
Coin	–	–	793,455	5,042,000
Coupon	236,404	1,243,000	–	–
Entertainment	11,114	192,000	115	5,000
Retail & Gifts	–	–	106	308,000
Other	19,643	196,000	5,217	130,000
Total	1,171,281	$9,105,000	804,249	$6,254,000

For the Six Months Ended June 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	44,812	$4,923,000	1,501	$112,000
Food	430,763	5,600,000	–	–
Beverage	1,333,180	4,000,000	–	–
Travel	–	–	9,744	1,462,000
Coin	–	–	1,433,236	9,096,000
Coupon	390,253	2,104,000	–	–
Entertainment	23,711	436,000	1,465	59,000
Retail & Gifts	–	–	320	628,000
Other	41,302	413,000	12,871	322,000
Total	2,264,021	$17,476,000	1,459,137	$11,679,000

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS

STATEMENT OF CONFORMITY AND ACCURACY

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

FRANCIS X. McCARTHY, JR. , being duly sworn according to law
Name

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. VP OF FINANCE & ADMIN.
Title

001015-11
License Number

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

On Behalf Of:

Signature

TRUMP PLAZA ASSOCIATES
Casino Licensee

Sherry A. Field
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JULY 26, 1994

Basis of Authority
to Take Oaths

974.901
C193

QUARTERLY REPORT

LICENSEE TRUMP TAJ MAHAL CASINO RESORT

ADDRESS 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE QUARTER ENDED JUNE 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
AUG 16 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 – QUARTERLY REPORT

FOR THE QUARTER ENDED JUNE 30, 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

JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	JUNE (c) 1993	JUNE (d) 1992
	ASSETS		
	Current Assets:		
1	Cash and cash investments	$ 43,099	$ 30,538
2	Marketable securities	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $5,254; 1992, $5,550)	12,348	14,693
4	Inventories	2,912	2,878
5	Prepaid expenses and other current assets	6,426	6,246
6	Total current assets	64,785	54,355
7	Investment, Advances, and Receivables - CRDA	5,672	3,007
8	Property and Equipment - Gross NOTE 3	855,235	839,117
9	(Accumulated Depreciation/Amortization) NOTE 3	(122,550)	(86,635)
10	Other Assets	1,737	890
11	Total Assets	$ 804,879	$ 810,734
	LIABILITIES AND EQUITY		
	Current Liabilites:		
12	Accounts Payable	$ 5,876	$ 8,127
13	Notes Payable	-	-
	Current portion of long-term debt:		
14	Due to affiliates	-	-
15	Other NOTES 2 & 4	697	552
16	Income taxes payable and accrued	-	-
17	Other accrued expenses NOTE 5	34,966	37,791
18	Other current liabilities NOTE 6	7,027	5,385
19	Total current liabilities	48,566	51,855
	Long-Term Debt:		
20	Due to affiliates NOTES 2 & 4	572,244	543,302
21	Other NOTES 2 & 4	45,491	48,562
22	Deferred Credits	-	-
23	Other Liabilities NOTE 7	24,733	24,412
24	Commitments and Contingencies NOTE 10		
25	Total Liabilities	691,034	668,131
26	Stockholders', Partners', or Proprietor's Equity	113,845	142,603
27	Total Liabilities and Equity	$ 804,879	$ 810,734

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

SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	REVENUE:		
1	Casino	$ 211,145	$ 197,535
2	Rooms	18,943	19,445
3	Food and Beverage	26,199	29,293
4	Other	8,747	7,906
5	Total Revenue	265,034	254,179
6	Less: Promotional allowances	26,382	29,976
7	Net Revenue	238,652	224,203
	COSTS AND EXPENSES:		
8	Cost of Goods and Services	112,019	111,125
9	Selling, General and Administrative	65,921	61,425
10	Provision for Doubtful Accounts	2,515	3,794
11	Total Costs and Expenses	180,455	176,344
12	Gross Operating Profit	58,197	47,859
13	Depreciation and Amortization	18,343	18,132
	Charges from Affiliates other than Interest:	-	-
14	Management Fees	-	-
15	Other NOTE 8	2,355	2,162
16	Income (Loss) From Operations	37,499	27,565
	Other Income (Expenses):		
17	Interest (Expenses) - Affiliates NOTE 4	(50,476)	(48,547)
18	Interest (Expenses) - External NOTE 4	(2,392)	(2,628)
19	Investment Alternative Tax and Related Income(Expense) - Net	(1,304)	(1,201)
20	Nonoperating Income (Expense) - Net NOTE 9	478	511
21	Total Other Income (Expenses)	(53,694)	(51,865)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(16,195)	(24,300)
23	Provision (Credit) for Income Taxes	-	-
24	Income (Loss) Before Extraordinary Items	(16,195)	(24,300)
25	Extraordinary Items	-	-
26	Net Income (Loss)	$ (16,195)	$ (24,300)

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

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF INCOME

THREE MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	REVENUE:		
1	Casino	$ 111,915	$ 104,524
2	Rooms	10,507	10,918
3	Food and Beverage	13,534	15,775
4	Other	4,918	4,022
5	Total Revenue	140,874	135,239
6	Less: Promotional allowances	13,458	16,103
7	Net Revenue	127,416	119,136
	COSTS AND EXPENSES:		
8	Cost of Goods and Services	57,464	57,345
9	Selling, General and Administrative	33,995	30,763
10	Provision for Doubtful Accounts	1,694	1,989
11	Total Costs and Expenses	93,153	90,097
12	Gross Operating Profit	34,263	29,039
13	Depreciation and Amortization	9,151	9,024
	Charges from Affiliates other than Interest:	-	-
14	Management Fees	-	-
15	Other NOTE 8	1,242	1,156
16	Income (Loss) From Operations	23,870	18,859
	Other Income (Expenses):		
17	Interest (Expenses) - Affiliates NOTE 4	(25,433)	(24,414)
18	Interest (Expenses) - External NOTE 4	(1,206)	(1,325)
19	Investment Alternative Tax and Related Income(Expense) - Net	(690)	(629)
20	Nonoperating Income (Expense) - Net NOTE 9	267	258
21	Total Other Income (Expenses)	(27,062)	(26,110)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(3,192)	(7,251)
23	Provision (Credit) for Income Taxes	-	-
24	Income (Loss) Before Extraordinary Items	(3,192)	(7,251)
25	Extraordinary Items	-	-
26	Net Income (Loss)	$ (3,192)	$ (7,251)

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

NOT APPLICABLE

LINE	DESCRIPTION	1993 (C) SHARES	1993 (D) DOLLARS	1992 (E) SHARES	1992 (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 SIX MONTHS ENDED JUNE 30, 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)	(16,195)	(24,300)
8	_____	0	0
9	Ending Balance	(7,222)	19,772
	Capital Withdrawals:		
10	Beginning Balance	(1,825)	-
11	Additional Capital Withdrawals	-	-
12	Partnership Distribution NOTE 10	(853)	(914)
13	Ending Balance	(2,678)	(914)
	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	$ 113,845	$ 142,603

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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) by Operating Activities	$ 6,557	$ 3,156
	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	(8,367)	(4,481)
5	Proceeds from Disposition of Property and Equipment	-	-
6	Purchase of Casino Reinvestment Obligations	(2,463)	(1,237)
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	(10,830)	(5,718)
	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	(399)	(5,345)
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	14,582	8,844
22	Partnership Distribution	(853)	(914)
23	Net Cash Provided (Used) by Financing Activites	13,330	10,585
24	Net Increase (Decrease) in Cash and Cash Equivalents	9,057	8,023
25	Cash and Cash Equivalents at Beginning of Period	34,042	22,515
26	Cash and Cash Equivalents at End of Period	$ 43,099	$ 30,538

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period for:		
27	Interest (Net of Amount Capitalized)	$ 37,031	$ 36,775
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 SIX MONTHS ENDED JUNE 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Net Cash Flows from Operating Activities:		
29	Net Income (Loss)	$ (16,195)	$ (24,300)
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment	18,343	18,134
31	Amortization of Other Assets	-	-
32	Amortization of Debt Discount or Premium	7,522	6,334
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	1159	36
37	(Gain Loss from Other Investment Activities	-	-
38	Net (Increase) Decrease in Receivables and Patrons' Checks	1,877	2,380
39	Net (Increase) Decrease in Inventories	161	189
40	Net (Increase) Decrease in Other Current Assets	(2,755)	(3,613)
41	Net (Increase) Decrease in Other Assets	(709)	(88)
42	Net Increase (Decrease) in Accounts Payables	717	3,608
43	Net Increase (Decrease) in Other Current Liabilities Excluding Debt	3,088	2,023
44	Net Increase (Decrease) in Other Noncurrent Liabilities Excluding Debt	(7,500)	(2,278)
45	Net Increase in Notes Payable	-	-
46	Costs related to lease guarantee	849	731
47	Net Cash Provided (Used) by Operating Activites	$ 6,557	$ 3,156

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:		
48	Additions to Property and Equipment	$ 8,899	$ (4,481)
49	Less: Captial Lease Obligations Incurred	(532)	-
50	Cash Outflows for Property and Equipment	$ 8,367	$ (4,481)
	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	$ -	$ -

TRUMP TAJ MAHAL CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 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 and six months ended June 30, 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 June 30, 1993 the unaccreted balance of this discount approximated $180,640,000. The current interest rates of other borrowings approximated their stated interest rates as of the Effective Date.

NOTE 3 - PROPERTY AND EQUIPMENT

	June 30,	
	1993	1992
	(in thousands)	
Land	$ 37,291	$ 37,291
Buildings	647,976	636,585
Furniture, fixtures and equipment	145,692	140,965
Leasehold improvements	24,276	24,276
Total	855,235	839,117
Less Accumulated Depreciation	122,550	(86,635)
Net Property and Equipment	$732,685	$752,482

NOTE 4 - LONG TERM DEBT

Long term debt consisted of the following at June 30,:

	1993	1992
	(in thousands)	
Long-term Portion		
Due to affiliates:		
Trump Taj Mahal Funding, Inc.	$752,884	$738,302
Unamortized discount	(180,640)	(195,000)
Net	$572,244	$543,302
Other:		
Bank term loan	$ 45,211	$ 45,379
Working Capital line of credit	-	3,000
Other	280	183
Total other	$ 45,491	$ 48,562
Current Portion		
Other:		
Bank term loan	$ 168	$ 153
Other	529	399
Total other	$ 697	$ 552

	Six months ended June 30,	
	1993	1992
	(in thousands)	
Interest Expense - Affiliates		
Trump Taj Mahal Funding, Inc.	$ 42,106	$ 41,482
Accretion - bond discount	7,521	6,334
Accretion - lease guarantee	849	731
Total	$ 50,476	$ 48,547
Interest Expense - External		
Bank term loan	$ 2,141	$ 2,160
Other	188	62
Working Capital line of credit	63	406
Total	$ 2,392	$ 2,628

NOTE 4 - LONG TERM DEBT (continued)

	Three months ended June 30, 1993	1992
	(in thousands)	
Interest Expense-Affiliates		
Trump Taj Mahal Funding, Inc.	$ 21,157	$ 20,784
Accretion - bond discount	3,844	3,258
Accretion - lease guarantee	432	372
Total	$ 25,433	$ 24,414
Interest Expense-External		
Bank term loan	$ 1,076	$ 1,079
Other	82	19
Working Capital line of credit	48	227
Total	$ 1,206	$ 1,325

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 $14,582,000 and $8,844,000, respectively, in additional New Bonds and 14,582 and 8,844 of Holding's Class B shares.

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 June 30, 1993 no amounts were outstanding under the line.

NOTE 5 - OTHER ACCRUED EXPENSES

	June 30, 1993		June 30, 1992
	(in thousands)		
Accrued CRDA obligation	$ 1,377		$ 2,921
Accrued interest	8,838		8,715
Accrued payroll & related	13,093		10,510
Progressive jackpot	2,096		2,403
Accrued advertising	2,796		1,444
Accrued real estate taxes	2,996		2,271
Other	** 3,770	**	9,527
Total	$ 34,966		$ 37,791

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

NOTE 6 - OTHER CURRENT LIABILITIES

	June 30, 1993	June 30, 1992
	(in thousands)	
Affiliates:		
Donald J. Trump	$ 160	$ 145
Trump's Castle Associates	234	247
Trump Plaza Associates	(114)	(323)
Helicopter Air Service	(43)	(43)
	237	26
Advance deposits	824	679
Unredeemed chip liability	1,662	1,496
Insurance reserves	3,833	2,516
Other	471	668
	6,790	5,359
Total	$ 7,027	$ 5,385

NOTE 7 - OTHER LIABILITIES

Other liabilities at June 30, consisted of the following (in thousands):

	1993	1992
Deferred taxes	$ 7,155	$ 7,155
Insurance reserves	1,637	1,837
Accrued interest - Long Term	1,859	1,822
Accounts payable - Long Term	1,000	1,881
Lease guarantee	11,816	10,180
Other	1,266	1,537
	$24,733	$24,412

NOTE 8 - CHARGES FROM AFFILIATES

	Six months ended June 30,	
	1993	1992
	(in thousands)	
Other:		
Rent	$ 1,362	$ 1,363
Allocated salaries	303	184
Trump Services Agreement	690	615
	$ 2,355	$ 2,162

	Three months ended June 30,	
	1993	1992
	(in thousands)	
Other:		
Rent	$ 681	$ 682
Allocated salaries	154	98
Trump Services Agreement	407	376
	$ 1,242	$ 1,156

NOTE 9 - NON-OPERATING INCOME (EXPENSE)

	Six months ended June 30,	
	1993	1992
	(in thousands)	
Interest Income	$ 478	$ 511
	$ 478	$ 511

NOTE 9 - NON-OPERATING INCOME (EXPENSE) (continued)

	Three months ended June 30,	
	1993	1992
	(in thousands)	
Interest Income	$ 267	$ 256
	$ 267	$ 256

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 six months ended June 30, 1993 and 1992 approximated $853,000 and $914,000, 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.

	Six months ended June 30,	
	1993	1992
Merchandise - jackpot payouts	$52,105	$87,830

	Three months ended June 30,	
	1993	1992
Merchandise - jackpot payouts	$29,209	$87,830

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

JUNE 30, 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	$ 7,080		
2	Returned Patrons' Checks	8,462		
3	Total Patrons' Checks	15,542	$ (4,855)	$ 10,687
4	Hotel Receivables	1,799	(399)	1,400
	Other Receivables:			
5	Receivables Due From Officers and Employees	0		
6	Receivables Due From Affiliates	0		
7	Other Accounts and Notes Receivables	261		
8	Total Other Receivables	261	0	261
9	Totals (Form 205)	$ 17,602	$ (5,254)	$ 12,348

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)	128,128
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)	(94,294)
13	Checks Collected Through Deposits	(26,645)
14	Checks Transferred to Returned Checks	(9,432)
15	Other Adjustments	1,128
16	Ending Balance	$ 7,080
17	"Hold" Checks Included in Balance on Line 16	$ 0
18	Provision for Uncollectible Patrons' Checks	$ 2,467
19	Provision as a Percent of Counter Checks Issued	1.9%

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE SIX MONTHS ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	75,882	$10,597		$
Food	679,665	8,377		
Beverage	2,204,444	4,255		
Travel			18,258	2,671
Coin			1,624,727	19,254
Coupon	276,476	1,801		
Entertainment	32,810	979		
Retail & Gifts			3,735	154
Other	27,851	373	125,434	4,424
Total	3,297,128	$26,382	1,772,154	$26,503

FOR THE THREE MONTHS ENDED JUNE 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	39,533	$5,708		$
Food	360,863	4,457		
Beverage	1,144,689	2,188		
Travel			9,118	1,320
Coin			834,533	10,317
Coupon	85,385	548		
Entertainment	13,830	372		
Retail & Gifts			1,679	37
Other	13,214	185	58,629	2,406
Total	1,657,514	$13,458	903,959	$14,080

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 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 Bruce M'Kee
SIGNATURE

Vice President - Finance
TITLE

0548-11
LICENSE NUMBER

Subscribed and Sworn to before me
this 13th day of August, 1993

Donna Leek
Signature

DONNA LEEK
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 1, 1996

On Behalf Of:

Trump Taj Mahal Associates
Casino Licensee

Basis of Authority
to Take Oaths

1/86

CCC-250

120500C3593
11-06-97 31725 XL