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QUARTERLY REPORT

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

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
NOV 16 1993
CASINO CONTROL
COMMISSION

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

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

LIST OF FORMS – QUARTERLY REPORT

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

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

BALANCE SHEETS

SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		1993 (c)	1992 (d)
	ASSETS			
	Current Assets:			
1	Cash		$ 9,556	$ 8,244
2	Marketable securities		---	---
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993 $1,150; 1992 $4,810)		3,684	3,754
4	Inventories		1,672	2,095
5	Prepaid expenses and other current assets	NOTE 2.	8,734	8,305
6	Total current assets		23,646	22,398
7	Investments, Advances, and Receivables	NOTE 9	35,722	34,189
8	Property and Equipment – Gross	NOTE 3.	745,366	744,109
9	(Accumulated Depreciation/Amortization)	NOTE 3.	(277,863)	(258,877)
10	Other Assets		9,624	14,700
11	Total Assets		$ 536,495	$ 556,519
	LIABILITIES AND EQUITY			
	Current Liabilities:			
12	Accounts payable		$ 6,416	$ 7,386
13	Notes payable		---	---
	Current portion of long–term debt:			
14	Due to affiliates	NOTE 1.	7,000	28,000
15	Other		44	41
16	Income taxes payable and accrued	NOTE 1.	6,657	3,108
17	Other accrued expenses	NOTE 10	28,055	29,339
18	Other current liabilities		2,845	6,226
19	Total current liabilities		51,017	74,100
	Long Term Debt:			
20	Due to affiliates	NOTE 4.	350,000	350,000
21	Other	NOTE 4.	2,738	5,788
22	Deferred Credits	NOTE 5.	33,853	15,404
23	Other Liabilities	NOTE 6.	8,113	20,122
24	Commitments And Contingencies			
25	Total Liabilities		445,721	465,414
26	Stockholders', Partners', or Proprietors' Equity		90,774	91,105
27	Total Liabilities and Equity		$ 536,495	$ 556,519

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

DESCRIPTION (b)		1993 (c)	1992 (d)
REVENUE:			
Casino		$ 225,951	$ 212,596
Rooms		28,228	30,618
Food and Beverage		30,071	30,097
Other		5,585	6,069
Total Revenue		289,835	279,380
Less: Promotional allowances		(23,929)	(28,209)
Net Revenue		265,906	251,171
COSTS AND EXPENSES:			
Costs of Goods and Services		134,784	131,410
Selling, General, and Administrative		36,477	46,248
Provision for Doubtful Accounts		(90)	563
Total cost and expenses		171,171	178,221
Gross Operating Profit		94,735	72,950
Depreciation and amortization		21,188	21,959
Charges from affiliates other than interest:			
Management fees		---	---
Other	NOTE 1.	3,024	2,852
Income (Loss) from Operations		70,523	48,139
Other Income (Expenses):			
Interest (expense) – affiliates	NOTE 7.	(31,141)	(31,119)
Interest (expense) – external	NOTE 7.	(1,466)	(3,780)
Investment alternative tax and related income (expense) – net	NOTE 11.	(1,483)	(1,018)
Nonoperating income (expense) – net	NOTE 12	1,050	1,990
Total other income (expenses)		(33,040)	(33,927)
Income (Loss) Before Income Taxes and Extraordinary Items		37,483	14,212
Provision (credit) for income taxes	NOTE 8.	16,100	6,935
Income (Loss) Before Extraordinary Items		21,383	7,277
Extraordinary items (net of income taxes – 19___, : 19___)			
Cumulative effect on prior years of change in accounting for income taxes	NOTE 1	(11,377)	---
Net Income (Loss)		$ 10,006	$ 7,277

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 SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 84,733	$ 80,921
2	Rooms	11,774	13,357
3	Food and Beverage	11,090	11,085
4	Other	2,178	1,849
5	Total Revenue	109,775	107,212
6	Less: Promotional allowances	(8,706)	(10,883)
7	Net Revenue	101,069	96,329
	COSTS AND EXPENSES:		
8	Costs of Goods and Services	48,446	46,587
9	Selling, General, and Administrative	12,721	16,363
10	Provision for Doubtful Accounts	(148)	200
11	Total cost and expenses	61,019	63,150
12	Gross Operating Profit	40,050	33,179
13	Depreciation and amortization	7,127	7,003
	Charges from affiliates other than interest:		
14	Management fees	---	---
15	Other NOTE 1.	1,155	1,050
16	Income (Loss) from Operations	31,768	25,126
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 7.	(10,379)	(10,376)
18	Interest (expense) – external NOTE 7.	(306)	(1,097)
19	Investment alternative tax and related income (expense) – net NOTE 11	(583)	(556)
20	Nonoperating income (expense) – net NOTE 12	408	(476)
21	Total other income (expenses)	(10,860)	(12,505)
22	Income (Loss) Before Income Taxes and Extraordinary Items	20,908	12,621
23	Provision (credit) for income taxes NOTE 8.	9,508	6,186
24	Income (Loss) Before Extraordinary Items	11,400	6,435
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)	$ 11,400	$ 6,435

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (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	---	---	---	---
	Other:				
17	Beginning balance (January 1)	---	---	---	0
18	Receivable from Bally	---	---	---	(50,000)
19	_____	---	---	---	---
20	Ending balance	---	---	---	(50,000)
	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)		10,006		7,277
28	Dividends		(11,000)		
29	_____				
30	_____				
31	Ending balance		(994)		12,466
32	*Ending Stockholders' Equity*		$ 90,774		$ 91,105

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 NINE MONTHS ENDED SEPTEMBER 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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	Description (b)	1993 (c)	1992 (d)
1	Net Cash Provided (Used) By Operating Activities	$ 32,015	$ 19,510
	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	(8,269)	(9,132)
5	Proceeds from disposition of property and equipment	---	---
6	Purchase of casino reinvestment obligations	(2,832)	(3,398)
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	61	61
9	Cash outflows to acquire business entities	---	---
10	Payment to affiliate for CRDA credits	---	---
11	Net book value of disposals	353	270
12	Net Cash Provided (Used) By Investing Activities	(10,687)	(14,439)
	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	71,000	81,000
16	Costs of issuing debt	---	---
17	Payments to settle long-term debt	(75,035)	(104,033)
18	Cash proceeds from issuing stock or capital contributions	---	---
19	Purchases of treasury stock	---	---
20	Payments of dividends or capital withdrawals	(11,000)	---
21	Advance (to) from Bally and affiliates	(9,000)	13,700
22	_____		---
23	Net Cash Provided (Used) By Financing Activities	(24,035)	(9,333)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(2,707)	(4,262)
25	Cash And Cash Equivalents At Beginning Of Period	12,263	12,506
26	Cash And Cash Equivalents At End Of Period	$ 9,556	$ 8,244

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 43,061	44,392
28	Income taxes	$ 5,882	3,620

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

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

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

STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 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)	$ 10,006	7,277
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	19,904	19,786
31	Amortization of other assets	1,284	1,383
32	Amortization of debt discount or premium	---	---
33	Deferred income taxes – current	(1,395)	(1)
34	Deferred income taxes – noncurrent	8,108	2,625
35	(Gain) loss on disposition of property and equipment	---	---
36	(Gain) loss on casino reinvestment obligations	1,483	993
37	(Gain) loss from other investment activities	11	256
38	Net (increase) decrease in receivables and patrons' checks	218	835
39	Net (increase) decrease in inventories	300	28
40	Net (increase) decrease in other current assets	(573)	(1,264)
41	Net (increase) decrease in other assets	3,669	(888)
42	Net increase (decrease) in accounts payables	(968)	(2,928)
43	Net increase (decrease) in other current liabilities excluding debt	(6,022)	(8,575)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(15,387)	(807)
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	$ 32,015	$ 19,510

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 8,269	9,132
49	Less: Capital lease obligations incurred		---
50	Cash Outflows For Property And Equipment	$ 8,269	$ 9,132
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$ ---	$ ---
52	Goodwill acquired	---	---
53	Net assets acquired other than cash, goodwill, and property and equipment	---	---
54	Long–term debt assumed	---	---
55	Issuance of stock or capital invested	---	---
56	Cash Outflows To Acquire Business Entities	$ ---	$ ---
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	$ ---	$ ---
58	Less: Issuances to settle long–term debt	---	---
59	Consideration in acquisition of business entities	---	---
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$ ---	$ ---

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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:			
	Undeposited patrons' checks	$ 1,177		
	Returned patrons' checks	1,160		
	Total patrons' checks	2,337	$ (950)	$ 1,387
	Hotel Receivables	932	(200)	732
	Other Receivables:			
	Receivables due from officers and employees	16		
	Receivables due to affiliates	522		
	Other accounts and notes receivables	1,027		
	Total other receivables	1,565	---	1,565
	Totals (Form 205)	$ 4,834	$ (1,150)	$ 3,684

	UNDEPOSITED PATRONS' CHECKS ACTIVITY	
LINE (f)	DESCRIPTION (g)	AMOUNT (h)
	Beginning Balance (January 1)	$ 1,701
	Counter checks issued (excluding counter checks issued through transactions relating to consolidations, partial redemptions, substitutions, and patrons' cash deposits)	55,076
	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)	(44,810)
	Checks collected through deposits	(8,878)
	Checks transferred to returned checks	(1,912)
	Other adjustments	---
	Ending Balance	$ 1,177
	"Hold" Checks Included In Balance On Line 16	$ 0
	Provision For Uncollectible Patrons' Checks	$ 101
	Provision As A Percent Of Counter Checks Issued	0.2%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the nine months ended September 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	93,542	$ 9,279		$
Food	856,225	9,368		
Beverage	2,510,677	5,021		
Travel			48,968	979
Coin				
Coupon			1,079,834	12,666
Entertainment	8,758	149		
Retail & Gifts				
Other	3,736	112	7,102	355
Total	3,472,938	$ 23,929	1,135,904	$ 14,000

****

For the three months ended September 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	29,565	$ 3,441		$
Food	305,126	3,372		
Beverage	893,342	1,786		
Travel			18,451	369
Coin				
Coupon			384,781	4,402
Entertainment	3,113	53		
Retail & Gifts				
Other	1,796	54	6,710	335
Total	1,232,942	$ 8,706	409,942	$ 5,106

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 November, 1993

On Behalf Of:

Signature
Dale Allen-Eastburn
Notary Public of New Jersey
My Commission Expires 1/25/98

Bally's Park Place, Inc. NJ
Casino Licensee

Basis of Authority
to Take Oaths

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Nine Months Ended September 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 September 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 $1,155,000 and $1,050,000 for the three months ended September 30, 1993 and 1992, respectively, and $3,024,000 and $2,852,000 for the nine months ended September 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 paid BMC $3,408,000 relating to such costs and expenses.

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 1 - Notes to Financial Statements
For the Nine Months Ended September 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, on a net basis, totalled $108,000 and $673,000 for the three months ended September 30, 1993 and 1992, respectively, and $996,000 and $1,888,000 for the nine months ended September 30, 1993 and 1992, respectively.

The Company leases surface area parking lots to The Grand. Rental income was $174,000 for each of the three months ended September 30, 1993 and 1992 and $522,000 for each of the nine months ended September 30, 1993 and 1992. In addition, the Company paid $869,000 to The Grand during the nine months ended September 30, 1992 for Casino Reinvestment Development Authority ("CRDA") credits which were used by the Company in satisfaction of a portion of its CRDA obligations.

In April 1990, the Company advanced BMC $50,000,000 (secured by a promissory note), with interest earned at the prime rate of its agent bank. 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. In the quarter ended September 30, 1992, the Company reversed $808,000 of interest income accrued on the receivable during the quarter ended June 30, 1992. The Company recognized interest on this advance of $(808,000) and $808,000 for the three and nine months ended September 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 on this advance (at the prime rate of its agent bank) which totalled $73,000 for the nine months ended September 30, 1992.

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 September 30, 1993 and December 31, 1992, the Company owed The Grand $7,000,000 and $16,000,000 respectively. These advances are payable on demand. The Company pays interest monthly on these advances (at the prime rate of its agent bank) which totalled $75,000 and $296,000 for the three months ended September 30, 1993 and 1992, respectively, and $431,000 and $947,000 for the nine months ended September 30, 1993 and 1992, respectively.

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

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 basis.

Effective January 1, 1993, the Company changed its method of accounting for income taxes as required by Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes." SFAS No. 109 retains the requirement to record deferred income taxes for temporary differences that are reported in different years for financial reporting and for tax purposes; however, the methodology for calculating and recording deferred income taxes has changed. Under the liability method adopted by SFAS No. 109, deferred tax liabilities or assets are computed using the tax rates that will be in effect when the temporary differences reverse. Also, requirements for recognition of deferred tax assets and operating loss and tax credit carryforwards have been liberalized by requiring their recognition when and to the extent that their realization is 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 nine months ended September 30, 1993 was not material.

Deferred income taxes reflect the net tax effect 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

BALLY'S PARK PLACE CASINO HOTEL & TOWER

Note 1 - Notes to Financial Statements
For the Nine Months Ended September 30, 1993 and 1992
(Unaudited)

During the three months ended September 30, 1993, the Company revised its estimated annual effective tax rate to reflect a change in the U.S. statutory tax rate from 34% to 35%. The effect of this change in the estimated annual effective tax rate was to increase the income tax provision for the three and nine months ended September 30, 1993 by $356,000, of which $139,000 related to the six months ended June 30, 1993. The income tax provision for the three and nine months ended September 30, 1993 was also increased by $427,000 as a result of applying the newly enacted tax rate to deferred tax balances as of January 1, 1993. In addition, the effective rate of the income tax provision for the three and nine months ended September 30, 1993 and 1992 differed from the U.S. statutory tax rate due principally to state income taxes, net of the related federal income tax benefit. The effective income tax rate was 43.0% for the nine months ended September 30, 1993 compared to 48.8% for the same period in 1992.

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BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 2 - Prepaid Expenses and
Other Current Assets
September 30,
(Unaudited)

	1993	1992
Deferred Income Taxes	$ 7,018,000	$ 5,858,000
Prepaid Insurance	527,000	1,073,000
Other *	1,189,000	1,374,000
	$ 8,734,000	$ 8,305,000

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

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

	1993	1992
Land	$ 64,169,000	$ 64,169,000
Buildings, Leasehold Improvements	540,766,000	539,739,000
Furniture, Fixtures and Equipment	139,115,000	139,210,000
Construction in Progress	1,316,000	991,000
	745,366,000	744,109,000
Less Accumulated Depreciation and Amortization	(277,863,000)	(258,877,000)
Property and Equipment, Net	$467,503,000	$485,232,000

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 4 - Long-Term Debt, Affiliates and Other
September 30,
(Unaudited)

Long-Term Debt

	1993	1992
	(In thousands)	
Due to affiliates:		
11 7/8% First Mortgage Notes due 1999	$ 350,000	$ 350,000
Other:		
Revolving credit agreement	$ -----	$ 2,000
Other secured and unsecured debt	2,738	3,788
	$ 2,738	$ 5,788

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. 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 additional debt.

Payments of dividends by the Company are generally limited to 50% of its aggregate consolidated net income (as defined) earned since December 31, 1988. On September 20, 1993, a dividend of $11,000,000 was paid to Holdings. At September 30, 1993, approximately $5,800,000 was available to pay dividends.

The revolving credit agreement expires on September 30, 1994 t 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 September 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 September 30, 1993.

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

	1993	1992
Deferred Federal Income Taxes	$33,853,000	$15,404,000

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

	1993	1992
Accrued S.E.R.P.	$ 6,770,000	$ 5,899,000
Deferred Long-Term Compensation (net of unamortized discount of $2,905,000 in 1992)	-----	12,695,000
1983 Reinvestment Obligation (net of unamortized discount of $232,000 in 1993 and $347,000 in 1992)	1,343,000	1,528,000
	$ 8,113,000	$20,122,000

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 nine months ended September 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 September 30,
(Unaudited)

	1993	1992
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$10,390,000	$10,391,000
Capitalized interest	(11,000)	(15,000)
	$10,379,000	$10,376,000
External Sources		
Interest on various loans	$ 309,000	$ 1,101,000
Capitalized interest	(3,000)	(4,000)
	$ 306,000	$ 1,097,000

For the Nine Months Ended September 30,

	1993	1992
Charges From Affiliates		
Bally's Park Place Funding, Inc.	$31,171,000	$31,172,000
Capitalized interest	(30,000)	(53,000)
	$31,141,000	$31,119,000
External Sources		
Interest on various loans	$ 1,474,000	$ 3,794,000
Capitalized interest	(8,000)	(14,000)
	$ 1,466,000	$ 3,780,000

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

	1993	1992
Current:		
Federal	$ 3,205,000	$ 4,248,000
State	1,402,000	971,000
	4,607,000	5,219,000
Deferred:		
Federal	4,181,000	741,000
State	720,000	226,000
	4,901,000	967,000
Total Income Taxes	$ 9,508,000	$ 6,186,000

For the Nine Months Ended September 30,

	1993	1992
Current:		
Federal	$ 6,023,000	$ 3,492,000
State	2,089,000	808,000
	8,112,000	4,300,000
Deferred:		
Federal	6,548,000	2,020,000
State	1,440,000	615,000
	7,988,000	2,635,000
Total Income Taxes	$16,100,000	$ 6,935,000

Reconciliation of Deferred Income Taxes
For the Nine Months Ended September 30,
(Unaudited)

	1993	1992
Short-term	$ 80,000	$ 84,000
Long-term	7,908,000	2,551,000
	$ 7,988,000	$ 2,635,000

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

	1993	1992
Other long-term investments and receivables:		
Investment in subsidiaries - equity:		
Bally Warwick, Inc. - 100% owned	$ 4,277,000	$ 4,304,000
B.W. Realty, Inc. - 100% owned	4,749,000	4,778,000
Total investments in subsidiaries - equity	9,026,000	9,082,000
Casino Reinvestment Development Authority funds (less discount of $8,696,000 in 1993 and $6,909,000 in 1992)	8,575,000	6,886,000
Jacobs Family Terrace Mortgage Receivable (less reserve of $250,000 in 1993 and in $200,000 in 1992)	2,538,000	2,634,000
Bally's Park Place Realty Company	15,630,000	15,630,000
Less current portion	(47,000)	(43,000)
Total Investments, Advances and Receivables	$35,722,000	$34,189,000

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

	1993	1992
Payroll	$ 8,614,000	$ 9,050,000
Progressive Jackpots	1,337,000	2,577,000
Interest	5,242,000	5,222,000
*Miscellaneous	12,862,000	12,490,000
Total	$28,055,000	$29,339,000

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

BALLY'S PARK PLACE CASINO HOTEL & TOWER
Note 11 - Reinvestment Obligation
September 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 September 30, 1993 and 1992, the Company had $15,237,000 and $12,669,000 respectively, in remaining bond purchase commitments on deposit with the CRDA. The Company has purchased $2,034,000 and $1,126,000 in bonds from the CRDA as of September 30, 1993 and 1992, respectively.

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

	1993	1992
Interest income	$ 252,000	$ (561,000)
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	(6,000)	(118,000)
Bally Warwick, Inc.	(16,000)	(17,000)
Other	178,000	220,000
Total	$ 408,000	$ (476,000)

For the Nine Months Ended September 30,

	1993	1992
Interest income	$ 746,000	$ 1,639,000
Equity in income or (loss) of unconsolidated subsidiaries:		
B. W. Realty, Inc.	(7,000)	(204,000)
Bally Warwick, Inc.	(4,000)	(52,000)
Other	315,000	607,000
Total	$ 1,050,000	$ 1,990,000

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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 SEPTEMBER 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

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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

TRADING NAME OF LICENSEE CAESARS ATLANTIC CITY

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED SEPTEMBER 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

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

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 11,751	$ 9,934
2	Marketable securities	–	–
3	Receivables and patrons' checks(net of allowance for doubtful accounts – 1993, $7,463 ; 1992, $10,340)	10,399	10,536
4	Inventories . . . **NOTE 1**	3,050	3,806
5	Prepaid expenses and other current assets . . . **NOTES 2 & 6**	14,262	14,642
6	Total current assets	39,462	38,918
7	Investments, Advances, and Receivables . . . **NOTES 3 & 14**	5,383	2,939
8	Property And Equipment – Gross . . . **NOTES 1, 4 & 10**	422,464	407,521
9	(Accumulated Depreciation/Amortization)	(146,211)	(130,727)
10	Other Assets . . . **NOTES 1 & 12**	14,090	14,679
11	**Total Assets**	$ 335,188	$ 333,330
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 4,821	$ 4,453
13	Notes payable . . . **NOTE 5**	–	5,591
	Current portion of long–term debt :		
14	Due to affiliates	–	–
15	Other . . . **NOTE 10**	1,882	282
16	Income taxes payable and accrued . . . **NOTES 1 & 6**	7,036	4,344
17	Other accrued expenses . . . **NOTE 7**	15,353	13,484
18	Other current liabilities . . . **NOTE 8**	2,952	6,295
19	Total current liabilities	32,044	34,449
	Long–Term Debt:		
20	Due to affiliates . . . **NOTE 9**	63,400	68,300
21	Other . . . **NOTE 10**	9,288	11,119
22	Deferred Credits . . . **NOTE 6**	7,031	6,311
23	Other Liabilities . . . **NOTE 11**	9,058	6,886
24	Commitments And Contingencies . . . **NOTE 14**	–	–
25	**Total Liabilities**	120,821	127,065
26	**Stockholders', Partners', Or Proprietor's Equity**	214,367	206,265
27	**Total Liabilities And Equity**	$ 335,188	$ 333,330

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1993	(d) 1992
	Revenue:			
1	Casino	NOTE 1	$ 244,737	$ 258,762
2	Rooms		13,043	12,915
3	Food and beverage		24,735	28,694
4	Other		9,721	8,984
5	Total revenue		292,236	309,355
6	Less: Promotional allowances	NOTE 1	29,220	33,368
7	Net revenue		263,016	275,987
	Costs And Expenses :			
8	Cost of goods and services		137,393	138,320
9	Selling, general and administrative		49,922	58,998
10	Provision for doubtful accounts		1,568	3,016
11	Total costs and expenses		188,883	200,334
12	Gross Operating Profit		74,133	75,653
13	Depreciation and amortization	NOTE 1	14,070	15,201
	Charges from affiliates other than interest:			
14	Management fees	NOTE 13	7,838	8,172
15	Other	NOTE 13	10,822	10,531
16	Income (Loss) From Operations		41,403	41,749
	Other Income (Expenses) :			
17	Interest (expense) – affiliates	NOTES 5 & 9.	(6,082)	(6,282)
18	Interest (expense) – external	NOTE 10	(871)	(885)
19	Investment alternative tax and related income (expense) – net	NOTE 14	(587)	(820)
20	Nonoperating income (expense) – net		158	145
21	Total other income (expenses)		(7,382)	(7,842)
22	Income (Loss) Before Income Taxes And Extraordinary Items		34,021	33,907
23	Provision (credit) for income taxes	NOTE 6	14,348	14,445
24	Income (Loss) Before Extraordinary Items		19,673	19,462
25	Extraordinary Items (net of income taxes – 1993, $; 1992 , $) Cumulative Effect of Accounting Change	NOTE 6.	(2,367)	–
26	**Net Income (Loss)**		$ 17,306	$ 19,462

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 SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino . . . . . NOTE 1 . . .	$ 93,284	$ 91,357
2	Rooms	4,776	4,686
3	Food and beverage	9,243	10,525
4	Other	4,619	4,126
5	Total revenue	111,922	110,694
6	Less: Promotional allowances . . . . . NOTE 1 . . .	11,506	12,451
7	Net revenue	100,416	98,243
	Costs And Expenses :		
8	Cost of goods and services	49,711	49,395
9	Selling, general and administrative	17,140	20,634
10	Provision for doubtful accounts	767	722
11	Total costs and expenses	67,618	70,751
12	Gross Operating Profit	32,798	27,492
13	Depreciation and amortization . . . . . NOTE 1 . . .	4,878	4,824
	Charges from affiliates other than interest:		
14	Management fees . . . . . NOTE 13 . .	2,986	2,922
15	Other . . . . . NOTE 13 . .	3,554	3,611
16	Income (Loss) From Operations	21,380	16,135
	Other Income (Expenses) :		
17	Interest (expense) – affiliates . . . . . NOTES 5 & 9. . .	(1,928)	(2,094)
18	Interest (expense) – external . . . . . NOTE 10. . .	(289)	(293)
19	Investment alternative tax and related income (expense) – net . . . NOTE 14 . . .	(232)	(292)
20	Nonoperating income (expense) – net	28	52
21	Total other income (expenses)	(2,421)	(2,627)
22	Income (Loss) Before Income Taxes And Extraordinary Items	18,959	13,508
23	Provision (credit) for income taxes . . . . . NOTE 6 . . .	8,323	6,263
24	Income (Loss) Before Extraordinary Items	10,636	7,245
25	Extraordinary Items (net of income taxes – 1993, $; 1992 , $) Cumulative Effect of Accounting Change . . . . NOTE 6 . .	(2,367)	–
26	**Net Income (Loss)**	$ 8,269	$ 7,245

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 NINE MONTHS ENDED SEPTEMBER 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)		17,306		19,462
28	Dividends (Note 8)		(12,000)		(12,000
29	_____		–		
30	_____		–		
31	Ending balance		166,932		158,830
32	Ending Stockholders' Equity		$ 214,367		$ 206,2[illegible]

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 NINE MONTHS ENDED SEPTEMBER 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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	$ 41,050	$ 31,672
	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	(13,088)	(11,463)
5	Proceeds from disposition of property and equipment	–	–
6	Purchase of casino reinvestment obligations	(2,518)	(2,619)
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	(15,606)	(14,082)
	Cash Flows From Financing Activities :		
13	Cash proceeds from issuance of short-term debt	44,512	60,435
14	Payments to settle short-term debt	(50,653)	(56,038)
15	Cash proceeds from issuance of long-term debt	–	–
16	Costs of issuing debt	–	–
17	Payments to settle long-term debt	(5,075)	(8,606)
18	Cash proceeds from issuing stock or capital contributions	–	–
19	Purchases of treasury stock	–	–
20	Payments of dividends or capital withdrawals	(12,000)	(12,000)
21	_____	–	–
22	_____	–	–
23	Net Cash Provided (Used) by Financing Activities	(23,216)	(16,209)
24	Net Increase (Decrease) In Cash And Cash Equivalents	2,228	1,381
25	Cash And Cash Equivalents At Beginning Of Period	9,523	8,553
26	Cash And Cash Equivalents At End Of Period	$ 11,751	$ 9,934
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 7,009	$ 5,247
28	Income taxes	$ 9,784	$ 16,300

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 NINE MONTHS ENDED SEPTEMBER 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)	$ 17,306	$ 19,462
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	13,198	14,341
31	Amortization of other assets	872	860
32	Amortization of debt discount or premium	–	–
33	Deferred income taxes – current	380	(133)
34	Deferred income taxes – noncurrent	385	40
35	(Gain) loss on disposition of property and equipment	20	–
36	(Gain) loss on casino reinvestment obligations	587	820
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	663	2,144
39	Net (increase) decrease in inventories	658	172
40	Net (increase) decrease in other current assets	(533)	(70)
41	Net (increase) decrease in other assets	(206)	(1,088)
42	Net increase (decrease) in accounts payable	(1,123)	(2,381)
43	Net increase (decrease) in other current liabilities excluding debt	6,667	(1,469)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	2,176	(1,026)
45	_____	–	–
46	_____	–	–
47	Net Cash Provided (Used) By Operating Activities	$ 41,050	$ 31,672
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 13,088	$ 11,463
49	Less: Capital lease obligations incurred	–	–
50	Cash Outflows For Property And Equipment	$ 13,088	$ 11,463
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$ –	$ –
52	Goodwill acquired	–	–
53	Net assets acquired other than cash, goodwill, and property and equipment	–	–
54	Long–term debt assumed	–	–
55	Issuance of stock or capital invested	–	–
56	Cash Outflows To Acquire Business Entities	$ –	$ –
	Stock Issued Or Capital Contributions :		
57	Total issuances of stock or capital contributions	$ –	$ –
58	Less: Issuances to settle long–term debt	–	–
59	Consideration in acquisiton of business entities	–	–
60	Cash Proceeds From Issuing Stock Or Capital Contributions	$ –	$ –

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF BUSINESS

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

Revenue and Promotional Allowances

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

Inventories

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

Property and Equipment

Property and equipment is recorded at cost, including interest capitalized on funds borrowed to finance construction. There was no capitalized interest recorded for the nine months ended September 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.

Postemployment Benefits

In November 1992, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 112 (SFAS 112), "Employers' Accounting for Postemployment Benefits", which requires accrual accounting for benefits offered to employees after employment, but before retirement. The adoption of SFAS 112 did not have significant impact on the Company's financial position or results of operations.

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 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)..	$11,824	$12,126
Other.....	2,438	2,516
	$14,262	$14,642

NOTE 3. INVESTMENTS, ADVANCES AND RECEIVABLES:

	1993	1992
	(In Thousands)	
CRDA deposits.....	$7,707	$4,177
CRDA bonds receivable.....	521	521
	8,228	4,698
Less: valuation allowance on CRDA investments.....	2,845	1,759
	$5,383	$2,939

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.....	259,917	253,336
Furniture, fixtures and equipment	94,129	84,634
Construction in progress.....	4,575	5,708
Properties under capital leases.	12,340	12,340
	422,464	407,521
Less: accumulated depreciation and amortization.....	146,211	130,727
	$276,253	$276,794

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. The revolving credit facility provides for alternative floating interest rates with the current short-term rate at September 30, 1993 approximating 4.05 percent. The revolving credit facility matures in 1996. 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 outstanding at any month-end was $12,944,000 and $9,960,000, respectively, the average of the month-end amounts outstanding was $5,775,000 and $6,913,000, respectively, and the weighted average interest rate was 6.0 percent and 6.3 percent, respectively.

At September 30, 1993 and 1992, the outstanding balance on the revolving line of credit was $0 and $5,591,000, respectively.

NOTE 6. INCOME TAXES:

Effective August 1, 1993 CWI and BRC adopted the accounting and disclosure rules prescribed by Statement of Financial Accounting Standard No. 109 (SFAS 109). August is the first month of the Company's fiscal 1994. As a result, net income for the three months ended September 30, 1993 included a charge of $2,367,000 for the cumulative effect of this accounting change. Prior financial statements have not been restated.

Under SFAS 109, the liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the differences between financial reporting and tax bases of assets and liabilities using the enacted income tax rates and laws in effect when the differences are expected to reverse. Deferred income tax expenses or credits are based on the changes in the respective assets and liabilities from period to period. Prior to the adoption of SFAS 109, deferred taxes were provided using the deferred method as required by Accounting Principles Opinion No. 11 in which deferred tax expenses were provided for timing differences between book and tax recognition of revenues and expenses at the income tax rates in effect when the differences originated.

In August 1993, the Omnibus Budget Reconciliation Act of 1993 was enacted which increased the corporate tax rate from 34 to 35 percent retroactive to January 1, 1993. In accordance with generally accepted accounting principles, the retroactive effect of this change was recognized in the quarter ended September 30, 1993 and was approximately $225,000.

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

	1993	1992
	(In Thousands)	
Current:		
Federal	$12,017	$10,676
State	3,933	3,862
Deferred:		
Federal	949	(193)
State	(184)	100
	$16,715	$14,445

NOTE 6. INCOME TAXES (cont'd):

Noncurrent deferred credits of $7,031,000 and $6,311,000 at September 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 nine months ended September 30, 1993 and 1992 differs from the amount computed at the statutory rate as follows:

	(In Thousands)	
	1993	**1992**
Federal income tax at statutory rate.	$11,907	$11,528
State income taxes, net of federal benefit.....	1,990	2,014
Tax effect of adoption of SFAS 109...	2,367	-
Other, net.....	451	903
	$16,715	$14,445

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....	$ 3,841	$ 3,560
Accrued insurance costs.....	4,052	3,821
Taxes, other than income taxes.....	1,965	1,503
Legal and professional.....	1,724	561
Other.....	3,771	4,039
	$15,353	$13,484

NOTE 8. OTHER CURRENT LIABILITIES:

	1993	1992
	(In Thousands)	
Due to CWI	$1,247	$2,137
Due to DPI	607	2,618
Other	1,098	1,540
	$2,952	$6,295

On January 4, 1993, BRC declared a $6,000,000 dividend to CNJ which was paid in full on March 2, 1993. On July 19, 1993, BRC declared a $6,000,000 dividend to CNJ which was paid in full on August 24, 1993.

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

	1993	1992
	(In Thousands)	
DPI term note due June 1, 1996, interest at 11.45%	$63,400	$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 September 30, 1993, the carrying value of this note approximated its fair value.

NOTE 10. LONG-TERM DEBT, OTHER:

	1993	1992
	(In Thousands)	
Mortgage payable.....	$ -	$ 1,882
Capitalized lease obligation, net of amounts representing interest....	9,288	9,237
	$ 9,288	$11,119

Mortgage payable is comprised of the following:

	1993	1992
	(In Thousands)	
Mortgage payable, interest at 8.0% secured by property.....	$1,882	$2,164
Less current maturities.....	1,882	282
	$ -	$1,882

The mortgage was scheduled to mature in January 1999; however, BRC has elected to pay it in full on November 30, 1993. The carrying value at September 30, 1993 approximated its fair value.

BRC leases approximately six acres of property in Atlantic City, including an entire block of Boardwalk frontage, which may be suitable for development of a casino/hotel. The capitalized lease, which expires in 2076, provides that BRC pay all applicable taxes, insurance and maintenance expenses and requires annual payments of $875,000. The lease may be purchased for $13,000,000. The purchase option will increase by $500,000 in August 1997 and another $500,000 every 10 years thereafter.

Rent expense for the nine months ended September 30, 1993 and 1992 was $1,765,000 and $1,953,000, respectively.

NOTE 11. OTHER LIABILITIES:

	1993	1992
	(In Thousands)	
Accrued insurance costs.....	$6,227	$4,481
Other.....	2,831	2,405
	$9,058	$6,886

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 September 30, 1993 the amount in this revocable trust was $1,690,000 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 $351,000 and $291,000 for the nine months ended September 30, 1993 and 1992, respectively. The actuarially computed present value of the accumulated benefit obligation relating to participants employed by BRC was $2,007,000 at July 31, 1993. The liability accrued with respect to the Plan at July 31, 1993 was $2,725,000.

BRC also has an Individual Retirement Account Plan which is generally available to all full-time, non-union employees who have at least one year of service and are not covered under any qualified retirement plan. The expense of this plan was $563,000 and $541,000 for the nine months ended September 30, 1993 and 1992, respectively. Beginning January 1, 1994, the Individual Retirement Account Plan will be replaced with a 401(k) Retirement Savings Plan.

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 nine months ended September 30, 1993 and 1992 from CWI and affiliates as follows:

Affiliate	Transaction	1993	1992
		(In Thousands)	
Caesars World, Inc.	Management Fee	$ 7,838	$ 8,172
Caesars World Marketing Corp.	Marketing Services	$ 4,693	$ 4,552
Caesars Palace Corp	Tradename Fee	3,723	3,600
Caesars World, Inc.	Allocated Services	2,406	2,379
		$10,822	$10,531

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

Litigation

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

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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	$ 4,651	–	
2	Returned patrons' checks	11,646	–	
3	Total patrons' checks	16,297	$ 7,347	$ 8,950
4	Hotel Receivables	869	116	753
	Other Receivables:			
5	Receivables due from officers and employees	5	–	
6	Receivables due from affiliates	20	–	
7	Other accounts and notes receivables	671	–	
8	Total other receivables	696	–	696
9	Totals (Form 205)	$ 17,862	$ 7,463	$ 10,399

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).	172,990
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)	(123,154)
13	Checks collected through deposits	(48,337)
14	Checks transferred to returned checks	(3,254)
15	Other adjustments	–
16	Ending Balance	$ 4,651
17	"Hold" Checks Included Balance on Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$ 1,552
19	Provision As A Percent Of Counter Checks Issued	0.9%

TRADING NAME OF LICENSEE: CAESARS ATLANTIC CITY

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

(UNAUDITED)

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	61,462	$ 3,240		$
Food	226,315	4,369		
Beverage	471,197	2,374		
Travel			7,914	2,306
Coin			326,285	2,907
Coupon			77,074	1,971
Cash Rebates			174	647
Entertainment	50,692	1,385	2,082	303
Retail & gifts			203	106
Other	4,189	138	43,210	737
Total	813,855	$ 11,506	456,942	$ 8,977

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	177,195	$ 8,585		$
Food	641,538	11,504		
Beverage	1,317,289	6,566		
Travel			23,180	6,961
Coin			1,032,486	8,561
Coupon			212,857	5,369
Cash Rebates			510	1,760
Entertainment	82,942	2,210	9,536	1,637
Retail & gifts			1,110	331
Other	11,812	355	146,892	2,246
Total	2,230,776	$ 29,220	1,426,571	$ 26,865

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 11th day
of November 1993

Signature

On Behalf Of:

BOARDWALK REGENCY CORPORATION
Casino License

Basis of Authority
to Take Oaths

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

1/86

CCC-250

974.901
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QUARTERLY REPORT

THE CLARIDGE AT PARK PLACE, INC.

INDIANA AVENUE AT THE BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

RECEIVED
FEU
NOV 15 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT:	RAYMOND A. SPERA
OFFICIAL TITLE:	EXECUTIVE VICE PRESIDENT OF FINANCE & CORP. DEVELOPMENT
ADDRESS:	INDIANA AVENUE AT THE BOARDWALK ATLANTIC CITY, NEW JERSEY 08401

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

TITLE	FORM #
BALANCE SHEETS	CCC - 205
STATEMENTS OF INCOME (NINE 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
SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	ASSETS		
	CURRENT ASSETS:		
1	CASH	$ 6,428	$ 6,523
2	MARKETABLE SECURITIES	-0-	-0-
3	RECEIVABLES & PATRONS CHECKS (NET OF ALLOW. FOR DOUBTFUL ACCOUNTS - 1993, $1,567; 1992, $1,343	18,183	17,303
4	INVENTORIES	2,637	2,378
5	PREPAID EXPENSES & OTHER CURRENT ASSETS	1,620	1,359
6	TOTAL CURRENT ASSETS	28,868	27,563
7	INVESTMENTS, ADVANCES & RECEIVABLES...(NOTE 3)	119,119	124,872
8	PROPERTY & EQUIPMENT - GROSS	14,383	13,908
9	(ACCUMULATED DEPRECIATION/AMORTIZATION)	(10,029)	(10,350)
10	OTHER ASSETS...(NOTE 4)	398	513
11	TOTAL ASSETS	$152,739	$156,506
	LIABILITIES & EQUITY		
	CURRENT LIABILITIES:		
12	ACCOUNTS PAYABLE	$ 3,327	$ 2,731
13	NOTES PAYABLE	-0-	-0-
	CURRENT PORTION OF LONG-TERM DEBT:		
14	DUE TO AFFILIATES	-0-	-0-
15	OTHER...(NOTE 7)	3,530	2,766
16	INCOME TAXES PAYABLE & ACCRUED	1,916	1,629
17	OTHER ACCRUED EXPENSES...(NOTE 5)	8,748	7,926
18	OTHER CURRENT LIABILITIES...(NOTE 6)	21,416	21,510
19	TOTAL CURRENT LIABILITIES	38,937	36,562
	LONG TERM DEBT:		
20	DUE TO AFFILIATES	-0-	-0-
21	OTHER...(NOTE 7)	31,312	40,605
22	DEFERRED CREDITS	5,724	4,664
23	OTHER LIABILITIES...(NOTE 8)	56,971	60,368
24	COMMITMENTS & CONTINGENCIES (NOTE 1)		
25	TOTAL LIABILITIES	132,944	142,199
26	STOCKHOLDERS', PARTNERS, OR PROPRIETOR'S EQUITY	19,795	14,307
27	TOTAL LIABILITIES & EQUITY	$152,739	$156,506

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	REVENUE:		
1	CASINO	$120,750	$116,081
2	ROOMS	8,823	8,720
3	FOOD & BEVERAGE	14,256	14,987
4	OTHER	1,697	2,327
5	TOTAL REVENUE	145,526	142,115
6	LESS: PROMOTIONAL ALLOWANCES	12,388	13,318
7	NET REVENUE	133,138	128,797
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	68,746	68,724
9	SELLING, GENERAL & ADMINISTRATIVE	38,378	32,329
10	PROVISION FOR DOUBTFUL ACCOUNTS	440	417
11	TOTAL COSTS & EXPENSES	107,564	101,470
12	GROSS OPERATING PROFIT	25,574	27,327
13	DEPRECIATION & AMORTIZATION	1,063	957
	CHARGES FROM AFFILIATES OTHER THAN INTEREST:		
14	MANAGEMENT FEES	-0-	-0-
15	OTHER	86	78
16	INCOME (LOSS) FROM OPERATIONS	24,425	26,292
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES.....(NOTE 13)	(324)	(324)
18	INTEREST (EXPENSES) - EXTERNAL	(2,841)	(2,982)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(516)	(835)
20	NONOPERATING INCOME (EXPENSE) - NET....(NOTE 9)	(11,859)	(11,206)
21	TOTAL OTHER INCOME (EXPENSE)	(15,540)	(15,347)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	8,885	10,945
23	PROVISION (CREDIT) FOR INCOME TAXES..(NOTE 11)	3,296	4,185
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	5,589	6,760
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES - 1993, $ -0-; 1992, $-0-)	-0-	-0-
26	NET INCOME (LOSS)	$ 5,589	$ 6,760

NOTE: Casino revenues and Net Income for the nine months ended September 30, 1992 were favorably impacted by the reversal of approximately $2.4 million of progressive jackpot liability, resulting from the removal of certain progressive slot machines.

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

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
	REVENUE:		
1	CASINO	$ 43,171	$ 44,051
2	ROOMS	3,703	3,706
3	FOOD & BEVERAGE	5,103	5,228
4	OTHER	631	746
5	TOTAL REVENUE	52,608	53,731
6	LESS: PROMOTIONAL ALLOWANCES	4,790	5,064
7	NET REVENUE	47,818	48,667
	COSTS & EXPENSES:		
8	COST OF GOODS & SERVICES	24,024	24,012
9	SELLING, GENERAL & ADMINISTRATIVE	12,791	11,797
10	PROVISION FOR DOUBTFUL ACCOUNTS	136	148
11	TOTAL COSTS & EXPENSES	36,951	35,957
12	GROSS OPERATING PROFIT	10,867	12,710
13	DEPRECIATION & AMORTIZATION	369	331
	CHARGES FROM AFFILIATES OTHER THAN INTEREST:		
14	MANAGEMENT FEES	-0-	-0-
15	OTHER	29	24
16	INCOME (LOSS) FROM OPERATIONS	10,469	12,355
	OTHER INCOME (EXPENSES):		
17	INTEREST (EXPENSES) - AFFILIATES.....(NOTE 13)	(108)	(108)
18	INTEREST (EXPENSES) - EXTERNAL	(972)	(886)
19	INVESTMENT ALT. TAX & RELATED INCOME (EXPENSE) - NET	(183)	(177)
20	NONOPERATING INCOME (EXPENSE) - NET....(NOTE 9)	(3,887)	(3,725)
21	TOTAL OTHER INCOME (EXPENSE)	(5,150)	(4,896)
22	INCOME (LOSS) BEFORE INCOME TAXES & EXTRAORDINARY ITEMS	5,319	7,459
23	PROVISION (CREDIT) FOR INCOME TAXES..(NOTE 11)	2,014	2,917
24	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	3,305	4,542
25	EXTRAORDINARY ITEMS (NET OF INCOME TAXES - 1993, $ -0-; 1992, $-0-)	-0-	-0-
26	NET INCOME (LOSS)	$ 3,305	$ 4,542

NOTE: Casino revenues and Net Income for the three months ended September 30, 1992 were favorably impacted by the reversal of approximately $2.4 million of progressive jackpot liability, resulting from the removal of certain progressive slot machines.

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 NINE MONTHS ENDED SEPTEMBER 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)		5,589		6,760
28	DIVIDENDS				
29	_____				
30	_____				
31	ENDING BALANCE		14,795		9,307
32	ENDING STOCKHOLDERS' EQUITY		$19,795		$ 14,307

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 NINE MONTHS ENDED SEPTEMBER 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.

New Jersey State Library

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (B)	(C) 1993	(D) 1992
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	$ 6,667	$ 7,086
	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.....	(1,322)	(508)
5	PROCEEDS FROM DISPOSITION OF PROPERTY & EQUIPMENT.....	42	24
6	PURCHASE OF CASINO REINVESTMENT OBLIGATION.....	(1,456)	(860)
7	PURCHASE OF OTHER INVESTMENTS & LOANS/ADVANCES MADE....	(1,694)	(1,763)
8	PROCEEDS FROM DISPOSAL OF INVESTMENTS & COLLECTION OF ADVANCES & LONG TERM RECEIVABLES.....	7,092	6,603
9	CASH OUTFLOWS TO ACQUIRE BUSINESS ENTITIES.....		
10	_____.....		
11	_____.....		
12	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES.....	2,662	3,496
	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.....	(6,659)	(8,696)
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.....	(7,659)	(8,696)
24	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	1,670	1,886
25	CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	4,758	4,637
26	CASH & CASH EQUIVALENTS AT END OF PERIOD.....	$ 6,428	$ 6,523

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	CASH PAID DURING YEAR FOR:		
28	INTEREST (NET OF AMOUNT CAPITALIZED).....	$ 2,841	$ 2,982
	INCOME TAXES.....	$ 1,068	$ 2,101

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 NINE MONTHS ENDED SEPTEMBER 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)	$ 5,589	$ 6,760
	NON-CASH ITEMS INCLUDED INCOME & CASH ITEMS EXCLUDED FROM INCOME:		
30	DEPRECIATION & AMORTIZATION OF PROPERTY & EQUIPMENT	928	812
31	AMORTIZATION OF OTHER ASSETS	135	145
32	AMORTIZATION OF DEBT DISCOUNT OR PREMIUM		
33	DEFERRED INCOME TAXES - CURRENT		
34	DEFERRED INCOME TAXES - NONCURRENT	775	1,054
35	(GAIN) LOSS ON DISPOSITION OF PROPERTY & EQUIPMENT	(41)	(13)
36	(GAIN) LOSS ON CASINO REINVESTMENT OBLIGATIONS	516	835
37	(GAIN) LOSS FROM OTHER INVESTMENT ACTIVITIES		
38	NET (INCREASE) DECREASE IN RECEIVABLES AND PATRONS' CHECKS EXCLUDING RECLASS FROM LONG TERM OF $663 and $489	(372)	(46)
39	NET (INCREASE) DECREASE IN INVENTORIES	(352)	(337)
40	NET (INCREASE) DECREASE IN OTHER CURRENT ASSETS *	(554)	70
41	NET (INCREASE) DECREASE IN OTHER ASSETS	(72)	(272)
42	NET INCREASE (DECREASE) IN ACCOUNTS PAYABLE	1,458	1,078
43	NET INCREASE (DECREASE) IN OTHER CURRENT LIABILITIES EXCLUDING DEBT	1,951	(316)
44	NET INCREASE (DECREASE) IN OTHER NONCURRENT LIABILITIES EXCLUDING DEBT	(2,554)	(2,041)
45	DISCOUNT ON WRAPAROUND MORTGAGE RECEIVABLE	(740)	(643)
46			
47	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 6,667	$ 7,086

* 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	$ 1,322	$ 508
49	LESS: CAPITAL LEASE OBLIGATIONS ACQUIRED		
50	CASH OUTFLOWS FOR PROPERTY & EQUIPMENT	$ 1,322	$ 508
	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
SEPTEMBER 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) Claridge License Renewal

On September 22, 1993, New Claridge was issued a two-year casino license by the New Jersey Casino Control Commission (the "Commission") for the period commencing September 30, 1993. The relicensing approval was based in part on the execution of the third amendment to the Revolving Credit and Term Loan Agreement (the "Loan Agreement") on April 1, 1993 (as discussed in note 7, Long Term Debt).

(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 September 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 $12,559,000 discount and $13,529,000 discount at September 30, 1993 and 1992, respectively)	$ 89,191	94,971
Deferred interest receivable, due September 30, 2000	20,000	20,000
FF&E promissory note, 14%	7,173	6,023
FF&E promissory note - expansion, 14%	10,170	11,460
Reinvestment Obligations	2,695	1,444
Reinvestment Obligation Credit	33	88
	129,262	133,986
Less Current Installments	10,143	9,114
	$119,119	124,872

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 nine months ended September 30, 1993, $5,250,000 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 nine months ended September 30, 1993, $859,000 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 September 30, 1993, $1,328,000 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 September 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 nine months ended September 30, 1993, the valuation allowance recorded totalled $473,000. 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 September 30, 1993 and 1992 is $523,000 and $505,000 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 nine months ended September 30, 1993, New Claridge has recorded expense of $43,000, 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 September 30, 1993 and 1992 consist of the following:

	1993	1992
	(in thousands)	
Intangible assets (net of accumulated amortization of $520 and $285 at September 30, 1993 and 1992, respectively)	$235	350
Refundable deposits, non-current	118	118
Other	45	45
	$398	513

(5) Other Accrued Expenses

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

	1993	1992
	(in thousands)	
Progressive jackpot liability	$ 64	466
Accrued payroll and related benefits	5,542	4,314
Accrued interest due to the Partnership	1,854	1,422
Other	1,288	1,724
	$8,748	7,926

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 September 30, 1993, an additional $403,000 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 September 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	1,346	1,580
Other	1,392	1,252
	$21,416	21,510

As of September 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 September 30, 1993, such interest, which is included in Accrued Expenses, amounted to $1,854,000.

As of September 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 September 30, 1993 and 1992 consists of the following:

	1993	1992
	(in thousands)	
First Mortgage Note (a)	$34,842	43,371
Revolving line of credit (b)	-0-	-0-
	34,842	43,371
Less current installments	3,530	2,766
	$31,312	40,605

(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 September 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. In 1993, New Claridge made principal payments totalling $2,348,000 through June, $2,500,000 in August, and $530,000 in October, representing its excess cash flow, as calculated per the terms of the Loan Agreement, for the first three 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 nine months ended September 30, 1993, New Claridge made principal payments totalling $11,000 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 September 30, 1993 and 1992 there were no outstanding borrowings on the revolving working capital facility.

(8) Other Liabilities

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

	1993	1992
	(in thousands)	
Deferred rent	$36,971	40,368
Other non-current liabilities	20,000	20,000
Total	$56,971	60,368

Pursuant to the Restructuring Agreement, Webb retained an interest, which was assigned to a trustee for the benefit of the United Way of Arizona on April 2, 1990, 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 September 30, 1993, accrued interest would have amounted to approximately $20.8 million.

(9) Other Nonoperating Income (Expense) - Net

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

	1993	1992
	(in thousands)	
Interest income - Wraparound Mortgage	$13,564	14,156
Interest income - other	124	119
Other nonoperating income/(expense)	(68)	252
Facilities/maintenance fee	398	398
Gain on disposal of assets	42	13
Partnership rent expense	(25,919)	(26,144)
Total	$(11,859)	(11,206)

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

10/01/93 - 09/30/94	$ 30,635
10/01/94 - 09/30/95	30,588
10/01/95 - 09/30/96	31,334
10/01/96 - 09/30/97	39,229
10/01/97 - 09/30/98	39,858
Total Minimum	$ 171,644

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 nine months ended September 30, 1993 and 1992 rental expense for all operating leases amounted to $27,693,000 and $27,936,000 respectively, of which $(2,554,000) and $(2,041,000) 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 leased 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), and determined based on the cost of the construction of the Expansion Improvements. 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 total Expansion Operating Lease paid for the nine months ended September 30, 1993 was $3,334,000. 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 annually up to $41,775,000 in 1997, and $32,531,000 for the remainder of the lease term. 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. As of September 30, 1993, $12.6 million of the basic rent had been abated.

Effective with the closing of the Restructuring on June 16, 1989, lease expense recognized on a level basis is reduced prospectively, based on a revised schedule of rent levelling based on the agreed rental abatements.

(11) Income Taxes

The provision for income taxes as of September 30, 1993 and 1992 is comprised of the following:

	1993	1992
	(in thousands)	
Current	$2,521	3,131
Deferred	775	1,054
	$3,296	4,185

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	$2,802	3,557
State income tax less federal benefit	494	628
	$3,296	4,185

New Claridge is included in the consolidated income tax return of its parent, the Corporation. At September 30, 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, 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 No. 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 No. 109 on a prospective basis. There is no effect on the Corporation's statement of operations for the nine month period ended September 30, 1993 as a result of the adoption of Statement No. 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 nine months ended September 30, 1993 and 1992 interest expense due to affiliates was $324,000 and $324,000 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 nine months ended September 30, 1993 and 1992 amounted to $86,000 and $78,000 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 nine months ended September 30, 1993 and 1992 New Claridge has earned interest income of $13,564,000 and $14,156,000 respectively, and incurred lease expense of $25,919,000 and $26,144,000, 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 September 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.

On July 25, 1993, Shannon Bybee, Chairman and Chief Executive Officer of the Corporation resigned, resulting in the return to the Corporation of 73,963 shares of the Corporation's Class A stock, which had previously been awarded under the Plan. In addition, the Equity Units held by Mr. Bybee were returned to the Corporation upon his resignation.

TRADING NAME OF LICENSEE: THE CLARIDGE CASINO HOTEL

SCHEDULE OF RECEIVABLES & PATRONS' CHECKS
SEPTEMBER 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	$ 765		
2	RETURNED PATRONS' CHECKS	1,127		
3	TOTAL PATRONS' CHECKS	1,892	$ 1,498	$ 394
4	HOTEL RECEIVABLES	390	56	334
	OTHER RECEIVABLES:			
5	RECEIVABLES DUE FROM OFFICERS & EMPLOYEES	4		
6	RECEIVABLES DUE FROM AFFILIATES	17,231		
7	OTHER ACCOUNTS & NOTES RECEIVABLES	233		
8	TOTAL OTHER RECEIVABLES	17,468	13	17,455
9	TOTALS (FORM 205)	$ 19,750	$ 1,567	$ 18,183

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)	35,715
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)	(27,930)
13	CHECKS COLLECTED THROUGH DEPOSITS	(7,170)
14	CHECKS TRANSFERRED TO RETURNED CHECKS	(749)
15	OTHER ADJUSTMENTS	
16	ENDING BALANCE	$ 765
17		
18	"HOLD" CHECKS INCLUDED IN BALANCE ON LINE 16	
19	PROVISION FOR UNCOLLECTIBLE PATRONS' CHECKS	$ 357
	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 SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	23,061	$ 1,674,900	-0-	$ -0-
FOOD	188,323	1,580,105	-0-	-0-
BEVERAGE	293,357	1,454,747	-0-	-0-
TRAVEL	-0-	-0-	663	81,192
COIN	-0-	-0-	518,309	5,142,151
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	3,589	80,201	-0-	-0-
RETAIL & GIFTS	-0-	-0-	61,225	268,261
PARKING	-0-	-0-	32,473	269,782
OTHER	-0-	-0-	2,415	64,344
TOTAL	508,330	$ 4,789,953	615,085	$ 5,825,730

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	63,121	$ 3,748,714	-0-	$ -0-
FOOD	515,073	4,311,535	-0-	-0-
BEVERAGE	807,721	4,083,229	-0-	-0-
TRAVEL	-0-	-0-	2,231	228,081
COIN	-0-	-0-	1,609,238	15,307,900
COUPON	-0-	-0-	-0-	-0-
ENTERTAINMENT	11,088	244,916	-0-	-0-
RETAIL & GIFTS	-0-	-0-	186,109	897,271
PARKING	-0-	-0-	119,028	821,454
OTHER	-0-	-0-	6,918	183,035
TOTAL	1,397,003	$12,388,394	1,923,524	$17,437,741

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 12th day of November, 1993.

Signature

ANNA PAPPAS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 15, 1998

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 SEPTEMBER 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

RECEIVED
FEU
NOV 15 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT... Donna Graham
OFFICIAL TITLE ..... Vice President of Finance/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 SEPTEMBER 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

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

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Currrent Assets:		
1	Cash	$ 3,545	$ 4,404
2	Marketable securities	14,250	5,600
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $ 6,283 ; 1992, $ 11,567)	6,644	3,341
4	Inventories	2,098	1,570
5	Prepaid expenses and other current assets NOTE 2	16,714	39,843
6	Total current assets	43,251	54,758
7	Investments, Advances, and Receivables NOTE 3	3,122	1,774
8	Property And Equipment – Gross NOTE 4	335,178	310,999
9	(Accumulated Depreciation/Amortization) NOTE 4	(87,293)	(70,590)
10	Other Assets NOTE 5	118,884	109,467
11	Total Assets	$ 413,142	$ 406,408
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$ 1,762	$ 1,316
13	Notes payable NOTE 6	–	–
	Current portion of long–term debt		
14	Due to affiliates NOTE 9	–	4,850
15	Other	–	–
16	Income taxes payable and accrued	–	5,222
17	Other accrued expenses NOTE 7	28,706	27,310
18	Other current liabilities NOTE 8	1,652	2,349
19	Total current liabilities	32,120	41,047
	Long–Term Debt:		
20	Due to affiliates NOTE 9	273,076	259,807
21	Other	–	–
22	Deferred Credits NOTE 10	53,411	9,070
23	Other Liabilities NOTE 11	30,451	30,868
24	Commitments And Contingencies	–	–
25	Total Liabilities	389,058	340,792
26	Stockholders', Partners', Or Proprietor's Equity NOTE 12	24,084	65,616
27	Total Liabilities And Equity	$ 413,142	$ 406,408

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

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

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

STATEMENTS OF INCOME

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993 and 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992	
	Revenue:	$	$	
1	Casino	164,849	155,468	
2	Rooms	10,994	14,741	
3	Food and beverage	25,150	21,141	
4	Other	8,111	5,816	
5	Total revenue	209,104	197,166	
6	Less: Promotional allowances	26,581	24,915	
7	Net revenue	182,523	172,251	
	Costs And Expenses:			
8	Cost of goods and services	82,167	73,560	*
9	Selling, general, and administrative	60,548	53,270	*
10	Provision for doubtful accounts	530	717	
11	Total Costs and Expenses	143,245	127,547	
12	Gross Operating Profit	39,278	44,704	
13	Depreciation and Amortization	13,654	13,772	
	Charges from affiliates other than interest:			
14	Management fees	–	–	
15	Other NOTE 14.	4,175	4,675	
16	Income (Loss) From Operations	21,449	26,257	
	Other Income (Expenses):			
17	Interest (expense)–affiliates	(23,366)	(24,483)	
18	Interest (expense)–external. NOTE 15.	2,000	–	
19	Investment alternative tax and related income (expense) – net	(853)	(190)	
20	Nonoperating income (expense) – net NOTE 16.	799	1,300	
21	Total other income (expenses)	(21,420)	(23,373)	
22	Income (Loss) Before Income Taxes And Extraordinary Items	29	2,884	
23	Provision (credit) for income taxes NOTE 17.	2,310	2,085	
24	Income (Loss) Before Extraordinary Items	(2,281)	799	
25	Extraordinary items (net of income taxes – 1993, $ (1,405) ; 1992, $ –) NOTES 1 and 9	(31,961)	–	
26	Net Income (Loss)	$ (34,242)	$ 799	

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

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

1/89

* Restated to conform to 1993 presentation.

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

STATEMENTS OF INCOME

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

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992	
	Revenue:			
1	Casino	$ 62,689	$ 57,424	
2	Rooms	4,275	5,875	
3	Food and beverage	9,813	8,205	
4	Other	3,211	2,457	
5	Total revenue	79,988	73,961	
6	Less: Promotional allowances	11,134	9,621	
7	Net revenue	68,854	64,340	
	Costs And Expenses:			
8	Cost of goods and services	30,568	27,496	*
9	Selling, general, and administrative	21,951	17,997	*
10	Provision for doubtful accounts	233	175	
11	Total Costs and Expenses	52,752	45,668	
12	Gross Operating Profit	16,102	18,672	
13	Depreciation and Amortization	4,744	4,671	
	Charges from affiliates other than interest:			
14	Management fees	–	–	
15	Other NOTE 14.	1,177	1,545	
16	Income (Loss) From Operations	10,181	12,456	
	Other Income (Expenses):			
17	Interest (expense)–affiliates	(7,783)	(8,137)	
18	Interest (expense)–external	–	–	
19	Investment alternative tax and related income (expense) – net	(235)	(71)	
20	Nonoperating income (expense) – net NOTE 16.	206	382	
21	Total other income (expenses)	(7,812)	(7,826)	
22	Income (Loss) Before Income Taxes And Extraordinary Items	2,369	4,630	
23	Provision (credit) for income taxes NOTE 17.	2,981	1,850	
24	Income (Loss) Before Extraordinary Items	(612)	2,780	
25	Extraordinary items (net of income taxes – 1993, $ – ; 1992, $ –)	–	–	
26	Net Income (Loss)	$ (612)	$ 2,780	

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

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

1/89

* Restated to conform to 1993 presentation.

CCC–215

New Jersey State Library

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

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 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	Dividend Paid		(3,500)		
11					
12	Ending balance		62,212		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)		(34,242)		799
28	Dividends		( )		( )
29					
30					
31	Ending balance		(38,158)		(126)
32	Ending Stockholders' Equity		24,084		65,616

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 NINE MONTHS ENDED SEPTEMBER 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 Proprietor's Equity		
18		$	$

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	$ 16,829	$ 20,139
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities	(11,250)	(750)
3	Proceeds from the sale of short-term investment securities	–	–
4	Cash outflows for property and equipment	(7,353)	(7,918)
5	Proceeds from disposition of property and equipment	–	–
6	Purchase of casino reinvestment obligations	(1,856)	(380)
7	Purchase of other investments and loans/advances made	–	–
8	Proceeds from disposal of investment and collection of advances and long-term receivables	–	869
9	Cash outflows to acquire business entities	–	–
10	Short-term advance Bally's Park Place, Inc.(net)	9,000	(11,000)
11		–	–
12	Net Cash Provided (Used) By Investing Activities	(11,459)	(19,179)
	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	(13,415)	–
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	(3,500)	–
21	Extraordinary loss on extinguishment of debt, net of tax	2,091	–
22		–	–
23	Net Cash Provided (Used) By Financing Activities	(10,707)	(2,700)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(5,337)	(1,740)
25	Cash And Cash Equivalents At Beginning Of Year	8,882	6,144
26	Cash And Cash Equivalents At End Of Year	$ 3,545	$ 4,404

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Year For:		
27	Interest (net of amount capitalized)	$ 11,046	$ 17,232
28	Income taxes	$ 4	$ –

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 NINE MONTHS ENDED SEPTEMBER 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)	$ (34,242)	$ 799
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	11,065	9,835
31	Amortization of other assets	2,589	3,937
32	Amortization of debt discount or premium	523	(1,328)
33	Deferred income taxes – current	334	286
34	Deferred income taxes – noncurrent	(6,302)	(962)
35	(Gain) loss on disposition of property and equipment	–	–
36	(Gain) loss on casino reinvestment obligations	853	190
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	(2,214)	747
39	Net (increase) decrease in inventories	(391)	(230)
40	Net (increase) decrease in other current assets	(1,804)	(629)
41	Net (increase) decrease in other assets	(150)	–
42	Net increase (decrease) in accounts payables	(2,397)	(826)
43	Net increase (decrease) in other current liabilities excluding debt	19,514	7,760
44	Net increase (decrease) in other noncurrent liabilities excluding debt	(419)	560
45	Cumulative effect on prior years of change	–	–
46	in accounting for income taxes	29,870	–
47	Net Cash Provided (Used) By Operating Activities	$ 16,829	$ 20,139
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 7,353	$ 7,918
49	Less: Capital lease obligations incurred		–
50	Cash Outflows For Property And Equipment	$ 7,353	$ 7,918
	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 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 provision for the three and nine months ended September 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 September 30, 1993 and 1992, its statements of income for the three and nine months ended September 30, 1993 and 1992 and the statement of cash flows for the nine months ended September 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.

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

NOTE 2 - PREPAID EXPENSES AND OTHER CURRENT ASSETS

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

	1993	1992
Advances to Bally's Park Place, Inc.	$ 7,000	$ 28,000
Income taxes receivable	589	-
Deferred federal and state income tax	5,784	10,096
Due from BMC	546	-
Due from Bally's Casino Holdings, Inc.	9	-
Other	2,786	1,747
	$ 16,714	$ 39,843

The Company and Bally's Park Place have a cash management arrangement whereby the Company advances excess funds to Bally's Park Place which Bally's Park Place uses to reduce the outstanding balance under its revolving credit agreement. The advances are payable on demand. Bally's Park Place had outstanding balances due to the Company totalling $7,000,000 and $28,000,000 at September 30, 1993 and 1992, respectively. The interest rate on such advances is at the prime rate of Bally's Park Place's agent bank (6% at September 30, 1993) and interest is payable quarterly. Intercompany interest income earned on funds advanced to Bally's Park Place was $75,000 and $296,000 for the three months ended September 30, 1993 and 1992, respectively, and $431,000 and $947,000 for the nine months ended September 30, 1993 and 1992, respectively.

NOTE 3 - INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of September 30, 1993 and 1992 consisted of funds invested with the New Jersey Casino Reinvestment Development Authority (the "CRDA"), net of related valuation reserves.

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

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment as of September 30 consisted of the following:

	1993	1992
Land and improvements	$ 52,009	$ 51,867
Buildings and leasehold improvements	204,790	187,704
Furniture, fixtures and equipment	75,117	65,172
Construction in progress	3,262	6,256
	335,178	310,999
Less accumulated depreciation and amortization	(87,293)	(70,590)
	$247,885	$240,409

NOTE 5 - OTHER ASSETS

Other assets as of September 30 consisted of the following:

	1993	1992
Cost in excess of acquired assets, less accumulated amortization of $19,335 and $16,159	$106,138	$109,314
Deferred finance costs, less accumulated amortization of $893	12,522	-
CRDA credits receivable	224	153
	$118,884	$109,467

For the three months ended September 30, 1993 and 1992, the Company expensed $169,000 and $584,000, respectively, and for the nine months ended September 30, 1993 and 1992, the Company expensed $207,000 and $1,555,000 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 at the prime rate of Bally's Park Place's agent bank. Intercompany interest expense on the advance for the nine months ended September 30, 1992 was $73,000.

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

NOTE 7 - OTHER ACCRUED EXPENSES

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

	1993	1992
Accrued interest	$ 14,609	$ 13,439
Accrued payroll	7,358	8,262
Accrued progressive jackpot liability	1,405	1,531
Accrued self insurance claims	1,247	1,096
Other	4,087	2,982
	$ 28,706	$ 27,310

NOTE 8 - OTHER CURRENT LIABILITIES

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

	1993	1992
Unredeemed gaming chips and tokens	$ 812	$ 1,176
Due to Bally's Park Place	411	646
Due to BMC	-	6
Due to Bally's Health & Tennis	-	8
Other	429	513
	$ 1,652	$ 2,349

NOTE 9 - LONG TERM DEBT - DUE TO AFFILIATES

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

	1993	1992
10-5/8% First Mortgage Notes due 2003 (less unamortized discount of $1,924)	$273,076	$ -
13-1/4% Mortgage-Backed Notes due 1995 (including unamortized premium of $5,657)	-	264,657
Less current maturities	-	4,850
	$273,076	$259,807

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

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.

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 September 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 September 30, 1993, $4,000,000 was available under the 10-5/8% Notes Indenture and Credit Facility to pay dividends and during October 1993, a $4,000,000 dividend was paid to BMC.

NOTE 10 - DEFERRED CREDITS

Deferred credits as of September 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.

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

NOTE 11 - OTHER LIABILITIES

Other liabilities consisted of $30,451,000 and $30,868,000 due to GNAC as of September 30, 1993 and 1992, respectively.

NOTE 12 - STOCKHOLDER'S EQUITY

At September 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.

NOTE 13 - JACKPOT PAYOUTS IN MERCHANDISE

There were no jackpot payouts in merchandise for the nine months ended September 30, 1993.

Jackpot payouts in merchandise which were charged to operations for the three months ended September 30, 1992 consisted of the following:

	Number of Recipients	Dollar Amount
Motor Vehicles	3	$ 97

Jackpot payouts in merchandise which were charged to operations for the nine months ended September 30, 1992 consisted of the following:

	Number of Recipients	Dollar Amount
Motor Vehicles	4	$ 140

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

NOTE 14 - CHARGES FROM AFFILIATES - OTHER

The charges from affiliates for the three months ended September 30 consisted of the following:

Affiliate	Nature of Charge	1993	1992
GNAC	Rent	$ 254	$ 255
BMC	Allocated costs and expenses (a)	641	443
Bally's Park Place	Rent (surface area parking lots)	174	174
	Allocated costs and expenses (b)	108	673
		$1,177	$1,545

The charges from affiliates for the nine months ended September 30 consisted of the following:

Affiliate	Nature of Charge	1993	1992
GNAC	Rent	$ 765	$ 897
BMC	Allocated costs and expenses (a)	1,892	1,368
Bally's Park Place	Rent (surface area parking lots)	522	522
	Allocated costs and expenses (b)	996	1,888
		$4,175	$4,675

(a) Costs and expenses allocated from BMC include the Company's proportionate share for directors' and officers' insurance, regulatory and public company reporting, administrative and other corporate overhead costs.

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

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

NOTE 15 - INTEREST EXPENSE - EXTERNAL

Interest expense - external for the nine months ended September 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 September 30 consisted of the following:

	1993	1992
Interest and dividend income	$ 206	$ 382

Nonoperating income for the nine months ended September 30 consisted of the following:

	1993	1992
Interest and dividend income	$ 799	$1,298
Other nonoperating income		2
	$ 799	$1,300

NOTE 17 - INCOME TAXES

During the three months ended September 30, 1993, the Company revised its estimated annual effective tax rate to reflect a change in the U.S. statutory tax rate from 34% to 35%. The effect of this change in the estimated annual effective tax rate on the income tax provision for the three and nine months ended September 30, 1993 was not material in relation to the Company's financial statements. However, the income tax provision for the three and nine months ended September 30, 1993 was increased by $772,000 as a result of applying the newly enacted tax rate to deferred tax balances as of January 1, 1993. In addition, the effective rate of the income tax provision for the three and nine months ended September 30, 1993 differed from the U.S. statutory tax rate due to nondeductible amortization of cost in excess of acquired assets and state income taxes, net of the related federal income tax benefit.

For the three and nine months ended September 30, 1992, the effective income tax rates varied from the U.S. statutory tax rate (34%) due principally to the nondeductible amortization of cost in excess of acquired assets and other permanent differences resulting from purchase accounting.

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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	$ 4,232		
2	Returned patrons' checks	7,780		
3	Total patrons' checks	12,012	$ 6,216	$ 5,796
4	Hotel Receivables	602	67	535
	Other Receivables:			
5	Receivables due from officers and employees	4		
6	Receivables due from affiliates	–		
7	Other accounts and notes receivables	309		
8	Total other receivables	313	–	313
9	Totals (Form 205)	$ 12,927	$ 6,283	$ 6,644

	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)	95,949
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)	(67,004)
13	Checks collected through deposits	(24,538)
14	Checks transferred to returned checks	3,366
15	Other adjustments	–
16	Ending Balance	$ 4,232
17	"Hold" Checks Included In Balance On Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$ 480
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 Nine Months Ended September 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	140,591	$ 6,543	–	$ –
Food	986,440	12,763	–	–
Beverage	2,265,943	4,418	–	–
Travel	–	–	32,142	2,525
Coin	–	–	1,259,877	16,032
Coupon	–	–	–	–
Entertainment	74,717	710	2,788	341
Retail & Gifts	39,517	1,976	243,896	1,794
Other	9,127	171	117,065	855
Total	3,516,335	$ 26,581	1,655,768	$ 21,547

For The Three Months Ended September 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	59,457	$ 2,767	–	$ –
Food	356,241	5,240	–	–
Beverage	909,927	1,774	–	–
Travel	–	–	14,135	1,239
Coin	–	–	433,852	5,456
Coupon	–	–	–	–
Entertainment	50,987	308	1,800	220
Retail & Gifts	19,377	969	138,320	589
Other	4,082	76	54,165	453
Total	1,400,071	$ 11,134	642,272	$ 7,957

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 Annual Report Instructions and Uniform Chart of Accounts.

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

Signature

Vice President of Finance/Treasurer
Title

03723-11
License Number

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

Signature

BERNADETTE WOZNIAK
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 16, 1998

Basis of Authority
to Take Oaths

On Behalf Of:

GNOC, CORP.
Casino Licensee

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 SEPTEMBER 30, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
NOV 15 1993
CASINO CONTROL
COMMISSION

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 SEPTEMBER 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

SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:	$	$
1	Cash	15,423	21,157
2	Marketable securities	–	–
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $16,207; 1992, $18,912)	12,499	14,778
4	Inventories	3,866	3,130
5	Prepaid expenses and other current assets Note 4, 7	11,403	4,026
6	Total current assets	43,191	43,091
7	Investments, Advances, and Receivables Note 5, 8	10,380	15,441
8	Property and Equipment – Gross Note 9	308,355	302,159
9	(Accumulated Depreciation/Amortization)	(149,264)	(135,382)
10	Other Assets Note 4	7,139	13,014
11	Total Assets	$ 219,801	$ 238,323
	LIABILITIES AND EQUITY		
	Current Liabilities:	$	$
12	Accounts payable	6,802	6,193
13	Notes payable Note 2, 3, 5	21,000	3,000
	Current portion of Long–term debt:		
14	Due to affiliates Note 3	162,739	14,299
15	Other Note 3	8	8,908
16	Income taxes payable and accrued Note 4	847	10,233
17	Other accrued expenses	15,639	16,390
18	Other current liabilities Note 2, 5	4,012	4,491
19	Total current liabilities	211,047	63,514
	Long–Term Debt:		
20	Due to affiliates Note 3	–	162,377
21	Other Note 3	465	849
22	Deferred Credits	–	–
23	Other Liabilities	–	2,200
24	Commitments and Contingencies		
25	Total Liabilities	211,512	228,940
26	Stockholders', Partners', Or Proprietor's Equity	8,289	9,383
27	Total Liabilities and Equity	$ 219,801	$ 238,323

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	187,609	191,265
2	Rooms	7,476	7,723
3	Food and beverage	23,847	24,749
4	Other	3,633	3,490
5	Total revenue	222,565	227,227
6	Less: Promotional allowances	22,202	21,580
7	Net revenue	200,363	205,647
	Costs And Expenses:		
8	Cost of goods and services	91,243	91,503
9	Selling, general, and administrative Note 5	71,408	72,617
10	Provision for doubtful accounts	2,671	2,621
11	Total costs and expenses	165,322	166,741
12	Gross Operating Profit	35,041	38,906
13	Depreciation and amortization	12,902	12,667
	Charges from affiliates other than interest:		
14	Management fees Note 5	4,716	5,317
15	Other	–	–
16	Income (Loss) From Operations	17,423	20,922
	Other Income (Expenses):		
17	Interest (expense) – affiliates Note 5	(17,027)	(17,337)
18	Interest (expense) – external	318	(418)
19	Investment alternative tax and related income (expense) – net	(1,839)	(1,206)
20	Nonoperating income (expense) – net Note 6	1,512	3,068
21	Total other income (expenses)	(17,036)	(15,893)
22	Income (Loss) Before Income Taxes And Extraordinary Items	387	5,029
23	Provision (credit) for income taxes Note 4	1,053	2,995
24	Income (Loss) Before Extraordinary Items	(666)	2,034
25	Extraordinary items (net of income taxes – 1993, $ – ; 1992, $ –) Note 4	2,000	–
26	Net Income (Loss)	$1,334	$2,034

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 SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:	$	$
1	Casino	71,025	71,897
2	Rooms	2,661	2,844
3	Food and beverage	8,851	9,211
4	Other	1,751	1,617
5	Total revenue	84,288	85,569
6	Less: Promotional allowances	8,568	7,981
7	Net revenue	75,720	77,588
	Costs And Expenses:		
8	Cost of goods and services	33,530	33,032
9	Selling, general, and administrative	26,125	26,985
10	Provision for doubtful accounts	1,057	1,119
11	Total costs and expenses	60,712	61,136
12	Gross Operating Profit	15,008	16,452
13	Depreciation and amortization	4,172	4,053
	Charges from affiliates other than interest:		
14	Management fees	1,913	2,253
15	Other	–	–
16	Income (Loss) From Operations	8,923	10,146
	Other Income (Expenses):		
17	Interest (expense) – affiliates	(5,697)	(5,733)
18	Interest (expense) – external	139	(44)
19	Investment alternative tax and related income (expense) – net	(1,137)	(437)
20	Nonoperating income (expense) – net	504	752
21	Total other income (expenses)	(6,191)	(5,462)
22	Income (Loss) Before Income Taxes And Extraordinary Items	2,732	4,684
23	Provision (credit) for income taxes	1,417	2,214
24	Income (Loss) Before Extraordinary Items	1,315	2,470
25	Extraordinary items (net of income taxes – 1993, $ – ; 1992, $ –)	–	–
26	Net Income (Loss)	$1,315	$2,470

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 nine months ended September 30, 1993 and 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE	DESCRIPTION	(c) 1993		(d) 1992	
(a)	(b)	(c) SHARES	(d) DOLLARS	(e) SHARES	(f) DOLLARS
	Common Stock:		$		$
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)				6,538
10	Dividends				(6,538)
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)		1,334		2,034
28	Dividends				(62)
29					
30					
31	Ending balance		4,789		5,883
32	Ending Stockholders' Equity		$8,289		$9,383

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 NINE MONTHS ENDED SEPTEMBER 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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash provided (Used) By Operating Activities	$14,348	$29,725
	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	(5,205)	(2,463)
5	Proceeds from disposition of property and equipment	–	91
6	Purchase of casino reinvestment obligations	(1,455)	(1,400)
7	Purchase of other investments and loans/advances made	–	–
8	Proceeds from disposal of investments and collection of advances and long-term receivables	–	–
9	Cash outflows to acquire business entities	–	–
10	_____	–	–
11	_____	–	–
12	Net Cash provided (Used) By Investing Activities	(6,660)	(3,772)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	–	3,996
14	Payments to settle short-term debt	–	(11,996)
15	Cash proceeds from issuance of long-term debt	–	–
16	Costs of issuing debt	(1,848)	(233)
17	Payments to settle long-term debt	(15,536)	(6,207)
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	13,679	3,231
22	_____	–	–
23	Net Cash Provided (Used) By Financing Activities	(3,705)	(17,809)
24	Net Increase (Decrease) In Cash And Cash Equivalents	3,983	8,144
25	Cash And Cash Equivalents At Beginning Of Period	11,440	13,013
26	Cash And Cash Equivalents At End Of Period	$15,423	$21,157
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$16,760	$17,562
28	Income taxes	$1,229	$706

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 NINE MONTHS ENDED SEPTEMBER 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)	1,334	2,034
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	10,866	11,251
31	Amortization of other assets	2,036	1,416
32	Amortization of debt discount or premium	271	271
33	Deferred income taxes – current	–	–
34	Deferred income taxes – noncurrent	(1,193)	(1,092)
35	(Gain) Loss on disposition of property and equipment	–	–
36	(Gain) Loss on casino reinvestment obligations	1,839	1,206
37	(Gain) Loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	1,074	19,808
39	Net (increase) decrease in inventories	(156)	(60)
40	Net (increase) decrease in other current assets	(1,808)	(1,329)
41	Net (increase) decrease in other assets	(714)	(1,314)
42	Net increase (decrease) in accounts payables	594	(128)
43	Net increase (decrease) in other current liabilities excluding debt	2,387	(23)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	–	–
45	Net increase (decrease) in jackpot accrual	(182)	(2,315)
46	Cumulative effect of accounting change	(2,000)	–
47	Net Cash Provided (Used) By Operating Activities	$14,348	$29,725
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
	Acquisition Of Property and Equipment:	$	$
48	Additions to property and equipment	5,205	2,463
49	Less: Capital lease obligations incurred	–	–
50	Cash Outflows For Property And Equipment	$5,205	$2,463
	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	$	$

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.

The financial statements as of September 30, 1993 and for the three and nine month periods ended September 30, 1993 and 1992 have been prepared by GBH&C without audit. In the opinion of management, these financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly its financial position as of September 30, 1993, and its results of operations for the three and nine month periods ended September 30, 1993 and 1992, and its cash flows for the nine month periods ended September 30, 1993 and 1992.

New Jersey State Library

Note 2 - Short-term credit facilities and borrowing from affiliates

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 no such registration became effective prior to August 18, 1993, the interest rate increased to 14% per annum effective at that date. The indenture also provides for 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. GBH&C currently anticipates that it will be able to refinance the Series Notes prior to their maturity (see Note 3).

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 September 30, 1993, no borrowings were outstanding; however, it is anticipated that GBH&C may, from time to time, obtain additional loans from GBCC under similar terms. GBCC's source of funds for the loans to GBH&C was borrowings from Hollywood Casino Corporation ("HCC"), parent of PHC.

HCC has also agreed to loan up to $8,000,000 to a subsidiary of PHC, the proceeds of which are to be used by the Sands in connection with a planned expansion of its gaming space. During September 1993, the subsidiary loaned $2,139,000 to GBH&C. (This item is included in the line item Other Current Liabilities on the accompanying balance sheet.) Such loans bear interest at the rate of 13.5% per annum payable semiannually, and are due at the earlier of August 6, 1994 or at such date as proceeds from a planned refinancing of the First Mortgage Notes and the Series Notes takes place. An additional loan of $2,191,000 was made in November 1993.

Note 3 - Long-term debt and pledge of assets

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

	1993	1992
11.75% first mortgage notes, due 1994, net of discounts of $300,000 and $ 661,000 respectively (a)	$162,739,000	$167,476,000
16.5% promissory note, due 1998 (b)	-	9,200,000
Term loan, due 1993 (c)	-	8,000,000
Note payable to bank (d)	-	1,275,000
Other	473,000	482,000
	163,212,000	186,433,000
Less - current maturities expected to be refinanced	<161,202,000>	-
- other current maturities	< 1,545,000>	<23,207,000
	$ 465,000	$163,226,000

(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.

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.

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

(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 September 30, 1993 are:

1993 (3 months)	$ 1,374,000
1994	161,677,000
1995	9,000
1996	10,000
1997	12,000
Thereafter	430,000
Total	$ 163,512,000

GBH&C and its affiliates currently anticipate that they will be able to refinance the First Mortgage Notes and the Series Notes totaling $182,202,000 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.

GBH&C capitalized $36,000 of interest costs during the three and nine months ended September 30, 1993.

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

Note 4 - Income taxes - (continued)

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. Payments in settlement of GBH&C's current federal tax liability are subject to the approval of the New Jersey Casino Control Commission.

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

	1993	1992
(Provision) benefit in lieu of federal income taxes:		
Current	$<1,710,000>	$<3,076,000>
Deferred	915,000	837,000
State income tax (provision) benefit:		
Current	<536,000>	<1,011,000>
Deferred	278,000	255,000
	$<1,053,000>	$<2,995,00>

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:

	September 30, 1993	September 30, 1992
Prepaid expenses and other current assets	$ 5,562,000	$ -
Other assets	3,996,000	8,041,000
Federal income taxes payable and accrued	<377,000>	<9,202,000>

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 nine month periods ended September 30, 1993.

Note 4 - Income taxes - (continued)

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

Deferred tax assets:	
Allowance for doubtful accounts	$ 5,230,000
Other liabilities and accruals	955,000
Other	369,000
Total deferred tax assets	6,554,000
Deferred tax liabilities:	
Depreciation	<7,092,000>
Other	<806,000>
Total deferred tax liabilities	<7,898,000>
Net deferred tax liability	$<1,344,000>

Note 5 - Litigation

Participation options

Hotel Aquarius, B.V. ("HABV"), a corporation organized under the laws of The Netherlands, filed a lawsuit in the Southern District of New York on June 19, 1992 against a predecessor of HCC, PHC, certain members of the Pratt Family and their affiliates (collectively, the "Pratt Parties") and GBCC. HABV alleges that the Pratt Parties breached certain contracts (the "Participation Options") entered into with HABV by failing to afford HABV the opportunity to participate as an investor in converting certain office space at the Sands, which had formerly been hotel rooms, back into hotel rooms, to participate in an alleged expansion of the Sands' slot machine capacity and to participate as an investor and in the management of a riverboat gaming operation in Aurora, Illinois (the "Hollywood Casino"). HABV also alleges that the Pratt Parties and GBCC have been unjustly enriched as a result of benefits conferred upon the Hollywood Casino by HABV. HABV's lawsuit seeks an order requiring that the Pratt Parties perform under the Participation Options, including, but not limited to, requiring the Pratt Parties to (a) allow HABV to receive 40% of the profits derived from the Hollywood Casino and the management thereof, and derived from the aforementioned work at the Sands and from the alleged expansion of the slot machine capacity at the Sands, (b) permit HABV to designate 50% of the members of the boards of directors of Hollywood Casino - Aurora, Inc. and GBCC, and (c) allow HABV to participate in the Hollywood Casino on the basis of HABV's alleged contribution to the project. HABV is also

Note 5 - Litigation - (continued)

seeking damages in excess of $20 million and attorneys' fees. HABV also seeks a declaratory judgment that the Participation Options are in full force and effect and that HABV continues to have the exclusive right and option to participate in any project, as defined therein, until the Participation Options are validly terminated. HCC and its codefendants believe that HABV's claims are without merit and continue to defend their position vigorously. HCC and its codefendants have filed counterclaims against HABV for, among other things, fraudulent inducement, breach of contract, and declaratory relief that the Participation Options are terminated and of no effect. Based on its review, as of November 10, 1993, Bickel & Brewer, litigation counsel for HCC and its codefendants is of the view that this litigation will not have a materially adverse effect on HCC and its codefendants. However, given that discovery in the case is incomplete, and due to the uncertainties inherent in litigation, no assurance can be given that HCC and its codefendants will prevail in this litigation, and their failure to prevail could have a material adverse effect on HCC and it codefendants' and GBH&C's financial position and results of operations.

Other Litigation

GBH&C is also a party in various other legal proceedings with respect to the conduct of casino and hotel operations. Although a possible range of loss can not be estimated, in the opinion of management, based upon the advice of counsel, settlement or resolution of these proceedings should not have a material adverse impact upon the financial position or results of operations of GBH&C.

The accompanying financial statements do not include any adjustments that might result from the outcome of the uncertainties described above.

Note 6 - Supplemental cash flow information

During September 1993, GBH&C and Pratt Casino Properties settled certain intercompany obligations on a noncash basis. Borrowings from GBH&C, totaling $3,537,000 along with accrued interest totaling $3,667,000 were eliminated against GBH&C's current federal tax obligation under the tax allocation agreement (see Note 4). The effects of this elimination have been excluded from the accompanying statement of cash flows as a noncash transaction.

Note 7 - 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 nine months ended September 30, 1993 and 1992 were $4,716,000 and $5,317,000, respectively, and are included in Management Fees Charged from Affiliates in the accompanying financial statements. Consultant and incentive fees of $186,000 were prepaid and $525,000 were due to PCMI at September 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 $224,000 and $231,000 for the nine months ended September 30, 1993 and 1992, respectively. Such amounts are included in Selling, General, and Administrative expenses in the accompanying financial statements.

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

	1993	1992
11.75% First Mortgage Notes	$14,818,000	$15,244,000
16.5% Promissory Note	107,000	1,349,000
Cash Advances from Affiliates	2,102,000	744,000
Totals	$17,027,000	$17,337,000

At September 30, 1993, GBH&C had cash advances receivable from affiliates including interest totaling $ 5,672,000. In addition, GBH&C had cash advances payable to affiliates including interest totaling $2,139,000. 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 September 30, 1993 GBH&C had 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 8 - Non-operating income (expenses)

For the nine months ended September 30, 1993 and 1992, interest income of $1,512,000 and $3,068,000 was earned on temporary investments, on deposits made with the Casino Reinvestment Development Authority, and on cash advances receivable from affiliates.

Note 9 - Prepaid expenses and other current assets

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

	1993	1992
Deferred Taxes - Current	$ 5,562,000	$ -
Prepaid expenses	3,091,000	3,103,000
Deposits	598,000	848,000
Current portion of deferred credits on deposit with the Casino Reinvestment Development Authority	2,152,000	75,000
	$ 11,403,000	$ 4,026,000

Note 10 - Investments, advances and receivables

As of September 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 $3,040,00 and $5,135,000 at September 30, 1993 and 1992, respectively)	$ 4,468,000	$ 6,600,000
Cash advances to affiliate - Noncurrent	5,672,000	8,790,000
Other items	240,000	51,000
Total Investments, Advances and Receivables	$ 10,380,000	$ 15,441,000

Note 11 - Property and equipment

Property and equipment as of September 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	98,493,000	93,831,000
Construction in progress	2,968,000	1,313,000
	308,355,000	302,159,000
Less: accumulated depreciation and amortization	<149,264,000>	<135,382,000>
Total property and equipment	$159,091,000	$166,777,000

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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	4,423		
2	Returned patrons' checks	21,470		
3	Total patrons' checks	25,893	$ 16,170	$ 9,723
4	Hotel Receivables	466	37	429
	Other Receivables:			
5	Receivables due from officers and employees	–		
6	Receivables due from affiliates	–		
7	Other accounts and notes receivables	2,347		
8	Total other receivables	2,347	–	2,347
9	Totals (Form 205)	$ 28,706	$ 16,207	$ 12,499

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	160,064
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)	(123,929)
13	Checks collected through deposits	(28,879)
14	Checks transferred to returned checks	(9,002)
15	Other adjustments	–
16	Ending Balance	$4,423
17	"Hold" Checks Included in Balance On Line 16	$ –
18	Provision For Uncollectible Patrons' Checks	$2,675
19	Provision As A Percent Of Counter Checks Issued	1.67%

TRADING NAME OF LICENSEE: SANDS HOTEL & CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	169,150	$4,949	–	$ –
Food	553,082	7,983	–	–
Beverage	773,977	8,201	–	–
Travel	–	–	15,709	4,076
Coin	–	–	548,028	8,922
Coupon	–	–	117,957	826
Entertainment	18,205	857	–	–
Retail & Gifts	–	–	28,820	2,882
Other	26,546	212	225,834	11,289
Total	1,540,960	$22,202	936,348	$27,995

****

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	67,171	$1,855	–	$ –
Food	219,809	3,071	–	–
Beverage	273,086	3,127	–	–
Travel	–	–	5,806	1,507
Coin	–	–	216,816	3,348
Coupon	–	–	47,656	334
Entertainment	10,625	499	–	–
Retail & Gifts	–	–	11,153	1,115
Other	2,117	16	98,386	4,443
Total	572,808	$8,568	379,817	$10,747

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
Title

005666-11
License Number

On Behalf Of:

Greate Bay Hotel and Casino, Inc.
Casino Licensee

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

Signature

LISA GEORGE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 30, 1995

Basis of Authority
to Take Oaths
4/86

CCC-250

974.901
C193

QUARTERLY REPORT

LICENSEE HARRAH'S CASINO HOTEL, ATLANTIC CITY

ADDRESS 1725 BRIGANTINE BOULEVARD
ATLANTIC CITY, NJ 08401

FOR THE QUARTER ENDED September 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.



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: September 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

SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$ 8,479	$ 9,449
2	Marketable Securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993 $ 3,989 ; .... 1992 $ 3,773	7,425	8,516
4	Inventories	2,307	2,022
5	Prepaid expenses and other current assets (Note 5)	3,325	2,563
6	**Total Current Assets**	21,536	22,550
7	Investments, Advances and Receivables (Note 6)	54,643	29,791
8	Property and Equipment - Gross (Note 2)	371,234	362,349
9	(Accumulated Depreciation/Amortization)	(112,504)	(102,341)
10	Other Assets	9,156	2,384
11	**Total Assets**	344,065	314,733
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts Payable	$ 1,589	$ 2,448
13	Notes Payable	0	0
	Current portion of long-term debt:		
14	Due to affiliates	0	0
15	Other .....(Note 4)	77	114
16	Income taxes payable and accrued	77	1,652
17	Other accrued expenses ..(Note 9)	15,185	15,194
18	Other current liabilities	449	356
19	**Total current liabilities**	17,377	19,764
	Long-Term Debt:		
20	Due to affiliates ..(Note 3 & 4)	0	0
21	Other .....(Notes 3 & 4)	309,751	307,303
22	Deferred Credits	3,720	0
23	Other Liabilities .....(Note 10)	41,018	33,745
24	Commitments and Contingencies ..(Note 7)	0	0
25	**Total Liabilities**	371,866	360,812
26	**Stockholders', Partners', or Proprietor's Equity**	(27,801)	(46,079)
27	**Total Liabilities and Equity**	$ 344,065	$ 314,733

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 Nine Months Ended September 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 220,187	$ 221,568
2	Rooms	16,064	16,553
3	Food and Beverage	27,710	29,374
4	Other	7,062	7,183
5	Total revenue	271,023	274,678
6	Less: Promotional Allowance	28,946	32,050
7	Net revenue	242,077	242,628
	Costs and Expenses:		
8	Cost of goods and services	133,213	134,216
9	Selling, general, and administrative	42,493	45,676
10	Provision for doubtful accounts	1,366	1,377
11	Total costs and expenses	177,072	181,269
12	Gross Operating Profit	65,005	61,359
13	Depreciation and amortization	10,162	9,318
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	998	0
16	Income (Loss) from Operations	53,845	52,041
	Other Income (Expenses):		
17	Interest (expense) - affiliates - Embassy Note	(3,528)	0
18	Interest (expense) - external .... (Note 4)	(19,570)	(2,897)
19	Investment alternative tax and related income (expense) - net	(144)	(291)
20	Nonoperating Income (expense) - net	132	407
21	Total other income (expenses)	(23,110)	(2,781)
22	Income (Loss) Before Income Taxes and Extraord. Items	30,735	49,260
23	Provision (credit) for income taxes	2,996	4,620
24	Income (Loss) Before Extraordinary Items	27,739	44,640
25	Extraordinary items (net of income taxes - 1993, $469; 1992, $0) ..(Note 3)	(4,536)	0
26	**Net Income (Loss)**	$ 23,203	$ 44,640

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

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

STATEMENTS OF INCOME

For Three Months Ended September 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 80,492	$ 82,363
2	Rooms	6,626	6,801
3	Food and Beverage	10,244	11,337
4	Other	2,940	2,846
5	Total revenue	100,302	103,347
6	Less: Promotional Allowance	10,689	12,538
7	Net revenue	89,613	90,809
	Costs and Expenses:		
8	Cost of goods and services	46,061	48,206
9	Selling, general, and administrative	14,252	16,684
10	Provision for doubtful accounts	307	348
11	Total costs and expenses	60,620	65,238
12	Gross Operating Profit	28,993	25,571
13	Depreciation and amortization	3,505	3,177
	Charges from affiliates other than interest:		
14	Management Fees	0	0
15	Other	368	0
16	Income (Loss) from Operations	25,120	22,394
	Other Income (Expenses):		
17	Interest (expense) - affiliates - Embassy Note	(3,528)	0
18	Interest (expense) - external .... (Note 4)	(5,267)	(2,885)
19	Investment alternative tax and related income (expense) - net	(64)	(69)
20	Nonoperating Income (expense) - net	(11)	129
21	Total other income (expenses)	(8,870)	(2,825)
22	Income (Loss) Before Income Taxes and Extraord. Items	16,250	19,569
23	Provision (credit) for income taxes	1,524	1,846
24	Income (Loss) Before Extraordinary Items	14,726	17,723
25	Extraordinary items (net of income taxes - 1993, $312; 1992, $0) ..(Note 3)	(3,019)	0
26	**Net Income (Loss)**	$ 11,707	$ 17,723

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 Nine Months Ended : September 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)	23,203	44,640
8	_____	0	0
9	Ending balance	670,287	640,851
	Capital Withdrawals:		
10	Beginning balance (January 1)	(827,557)	(481,557)
11	Additional capital withdrawals	(12,125)	(346,967)
12	_____	0	0
13	Ending balance	(839,682)	(828,524)
	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 Proprietor's Equity**	(27,801)	(46,079)

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 HARRAH'S CASINO HOTEL, ATLANTIC CITY

STATEMENTS OF CASH FLOWS

September 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

(a) LINE	(b) DESCRIPTION	(c) 1993	(d) 1992
1	**Net Cash Provided (Used) by Operating Activities**	$ 37,310	$ 60,069
	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	(8,657)	(18,212)
5	Proceeds from disposition of property and equipment	66	497
6	Purchase of casino reinvestment obligations	(2,479)	(2,193)
7	Purchase of other investments and loan advances made	(25,024)	0
8	Proceeds from disposal of investments and collection of advances and long-term receivables	2,187	2,152
9	Cash outflows to acquire business entities	0	0
10		0	0
11		0	0
12	**Net Cash Provided (Used) by Investing Activities**	(33,907)	(17,756)
	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	372,688	
16	Costs of issuing debt		
17	Payments to settle long-term debt	(369,967)	(67)
18	Cash proceeds from issuing stock or capital contributions		
19	Purchases of treasury stock		
20	Payments of dividends or capital withdrawals	(10,207)	(40,944)
21			
22			
23	**Net Cash Provided (Used) by Financing Activities**	(7,486)	(41,011)
24	**Net Increase (Decrease) in Cash and Cash Equivalents**	(4,083)	1,302
25	**Cash and Cash Equivalents at Beginning of Period**	12,562	8,147
26	**Cash and Cash Equivalents at End of Period**	$ 8,479	$ 9,449
	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
	Cash Paid During Period for:		
27	Interest (net of amount capitalized)	$ 23,098	$ 1,854
28	Income Taxes	$ 2,067	$ 4,525

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

September 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)	$ 23,203	$ 44,640
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property & equipment	10,108	9,289
31	Amortization of other assets	1,989	28
32	Amortization of debt discount or premium	0	0
33	Deferred income taxes - current	0	0
34	Deferred income taxes - noncurrent	(782)	0
35	(Gain) loss in dispostion of property & equipment	4	8
36	(Gain) loss on casino reinvestment obligation	0	291
37	(Gain) loss from other investment activities	748	0
38	Net (increase) decrease in receivables and patrons checks	2,091	582
39	Net (increase) decrease in inventories	262	145
40	Net (increase) decrease in other current assets	(397)	(525)
41	Net (increase) decrease in other assets	(5,280)	(1,402)
42	Net increase (decrease) in accounts payables	(603)	(260)
43	Net increase (decrease) in other current liabilities excluding debt . . .	(1,181)	2,202
44	Net increase (decrease) in other noncurrent liabilities excluding debt . . .	7,148	5,078
45	Interest Income earned on Marina District		(7)
46	Roadway Account		
47	**Net Cash Provided (Used) by Operating Activities . . . .**	$ 37,310	$ 60,069
	SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCIAL ACTIVITES		
	Aquisition of Property and Equipment:		
48	Additions to property and equipment	$ 8,657	$ 18,212
49	Less: capital lease obligations incurred	0	0
50	**Cash Outflows for Property and Equipment . . . . . .**	$ 8,657	$ 18,212
	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:

	SEPTEMBER 30	
	1993 (000's)	1992
Land and Land Improvements	$ 30,800	$ 30,422
Buildings, Leaseholds and Improvements	263,337	250,939
Furniture, Fixtures and Equipment	70,574	68,404
Construction in Progress	2,756	9,303
Equipment held under Capital Leases	345	345
C-I-P NE Inlet Redevelopment Project	3,422	2,936
	$371,234	$362,349
Less Accumulated Depreciation	(112,504)	(102,341)
Property and Equipment, Net	$258,730	$260,008

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.

On July 23, 1993, Embassy entered into a $650,000,000 reducing Revolver and Letter of Credit Facility. Embassy passed down to Harrah's Atlantic City $400,000,000 of the New Facility. The New Facility consist of an available Revolver of $195,350,000, of which Harrah's drew down $142,687,789 and a Letter of Credit totaling $204,650,000. The Revolver bears 6% interest payable monthly with the principal payment due in July 1998.

On July 23, 1993, Embassy passed down through intercompany to Harrah's Atlantic City, $200,000,000 Notes bearing 9% interest payable monthly with principal payment due February 15, 1995. The Letter of Credit guarantees the liquidity to retire the Notes when they reach maturity.

The proceeds from the Bank Revolver were used to retire the $160,220,000 Term Loan and the $147,000,000 Promissory Note payable to Embassy Suite. As a result, Harrah's Atlantic City wrote off the finance charges associates with the Term Loan. This results in an extraordinary loss of approximately $3,331,804 before adjustments 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	200,000,000
1996	- -
1997	- -
1998	110,000,000
1999	- -
2000	- -
	$310,000,000

New Jersey State Library

Total Long-Term Debt consists of:

	SEPTEMBER 30 1993 (000's)	1992
Long-term debt - Term Loan	$ 0	$160,220
Long-term debt - ESI Note	0	147,000
Long-term debt - Capital Leases	81	197
Capital Lease Obligation Due within 1 Year	(77)	(114)
Long-term debt - 9% Note	200,000	0
Discount on N/P	(253)	0
Long-term debt - Bank Revolver	110,000	0
Long-term Debt	$309,751	$307,303

9% Notes Payable

As part of the July 23, 1993 transaction, Embassy passed down to Harrah's Atlantic City, $200,000,000 Notes bearing 9 % interest payable monthly with principal payment due on February 15, 1995. Associated with the Notes is a $281,988 discount that was recorded and will be amortized over the life of the Notes. These Notes are secured by the $204,650,000 Letter of Credit which was obtained through Banker's Trust and is subject to a 1.75% daily fee. This guarantees the funds necessary to retire the $200,000,000 Notes when they mature in February 1995.

Bank Revolver

The Company is an obligee of a Bank Revolver with availability of $195,350,000 which resulted from the transaction described in Note 3. On July 23, 1993, the Company originally drew down $142,687,789 of the available Revolver. In September 1993, the Company drew down $30,000,000 reducing the available revolver. The Revolver may be reduced throughout the term, with the remaining principal payment due in July 1998. The principal payments through the nine months ended September 30, 1993 was $62,687,788.

In connection with these transactions, $8,438,000 of deferred finance charges were recorded and are being amortized over the life of the New Facility. The unused portion of the Revolver is subject to a commitment fee at the rate of .5% per day.

Interest accrues at the rate of LIBOR plus 1.5%. 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.

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

Future minimum lease payments consist of:

Year	Amount
1993	$ 27,882
1994	60,350
	$ 88,232
Less amounts representing interest	(6,425)
Present value of net minimum lease payments	$ 81,807

NOTE 5: Prepaid Expenses and Other Current Assets

	SEPTEMBER 30 1993 (OOO's)	1992
Prepaid Slot Tax	$ 717	$ 750
Prepaid Insurance	145	202
Prepaid Air Charters	589	584
Prepaid Marketing	209	490
Prepaid Other	1,557	432
Future Credit against CRDA Obligations	108	105
	$ 3,325	$ 2,563

NOTE 6: Investments, Advances and Receivables

	SEPTEMBER 30 1993 (OOO's)	1992
Notes Receivable	$ 2,321	$ 2,349
Investment in CRDA Bonds - Net of Valuation Adj.	2,300	2,222
Reinvestment Obligation Deposits - Net of Val. Adj.	1,529	1,247
Due from Affiliates	46,450	22,015
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	1,067
Interest Receivable	217	148
	$ 54,643	$ 29,791

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

	SEPTEMBER 30 1993 (OOO's)	1992
Promus	$ 24,397	$ 0
Harrah's New Jersey, Inc.	18,962	18,962
Harrah's Lake Tahoe	117	157
Embassy Suites, Inc.	2,282	2,248
Harrah's Del Rio	147	138
Harrah's Reno	394	399
Bill's Casino	111	111
Harrah's Vicksburg	1	0
Harrah's Joliet	29	0
Harrah's New Orleans	9	0
Harrah's Tunica	1	0
Total Due from Affiliates	$ 46,450	$ 22,015

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 nine months ended September 30, 1993 and 1992, were approximately $2,436,079 and $2,177,494, 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 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.

NOTE 8: Investment Obligations (Cont.)

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 September 30, 1993, the Company has established a valuation allowance of $449,727 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:

	SEPTEMBER 30 1993 (000's)	1992
Accrued Salaries, Wages and Benefits	$ 8,048	$ 8,593
Taxes Payable	663	597
Other Accrued Expenses	4,016	3,791
Accrued Progressive Slot Liability	240	771
Accrued CCC/DGE/Casino License Fees	454	273
Accrued Megabucks Handle Fees	(71)	126
Accrued Interest L-T-D	1,835	1,043
	$ 15,185	$ 15,194

NOTE 10: Other Liabilities

Other Liabilities consists of the following:

	SEPTEMBER 30 1993 (000's)	1992
Long Term Due to Affiliates	$ 38,204	$ 30,518
Other Liabilities	606	1,016
Deferred Income - ACIA Grant	699	744
Deferred Income - CRDA Grant	126	134
Deferred Income - NJHMFA Grant	456	474
Deferred Income - DCA Grant	927	859
	$ 41,018	$ 33,745

NOTE 10: Other Liabilities (CONT.)

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

	SEPTEMBER 30 1993 (000's)	1992
Harrah's Holdings, Inc.	$ 0	$ 617
Harrah's Atlantic City, Inc.	37,866	29,561
Harrah's Holiday Inns of N.J., Inc.	293	293
Holiday Casino, Inc.	45	47
	$ 38,204	$ 30,518

NOTE 11: 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 nine months ended September 30, 1993, was $2,164,085.

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

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
September 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 .	$ 2,699		
2	Returned patrons's checks . . .	5,770		
3	Total patrons' checks	8,469	$ 3,893	$ 4,576
4	Hotel Receivables	1,195	96	1,099
	Other Receivables:			
5	Receivables due from officers and employees	17		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivable	1,733		
8	Total other receivables	1,750	0	1,750
9	**Totals (Form 205)**	$ 11,414	$ 3,989	$ 7,425

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)	99,598
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)	(66,144)
13	Checks collected through deposits	(31,166)
14	Checks transferred to returned checks	$ (3,011)
15	Other adjustments	$ 0
16	Ending Balance	$ 2,696
17		
18	"Hold" Checks Included in Balance on Line 16	$ 0
19	Provision for Uncollectible Patrons' Checks	$ 1,366
	Provision as a Percent of Counter Checks Issued	1.4%

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

PROMOTIONAL EXPENSES AND ALLOWANCES

($ in Thousands)

For the Nine Months Ended September 30,1993

	Promotional Allowances			Promotional Expenses		
	Number of Recipients		Dollar Amount	Number of Recipients		Dollar Amount
Rooms	99	$	8,581		$	
Food	1,304	$	13,035		$	
Beverage	1,987	$	4,968		$	
Travel		$	0	52	$	5,133
Coin		$	0	967	$	12,086
Coupon		$	0		$	
Entertainment	113	$	2,259		$	
Retail & Gifts		$	0	255	$	1,275
Other	N/A	$	103	N/A	$	22
Total	3,501	$	28,946	1,274	$	18,516

For the Three Months Ended September 30,1993

	Promotional Allowances			Promotional Expenses		
	Number of Recipients		Dollar Amount	Number of Recipients		Dollar Amount
Rooms	39	$	3,358		$	
Food	463	$	4,634		$	
Beverage	707	$	1,767		$	
Travel		$	0	18	$	1,791
Coin		$	0	348	$	4,338
Coupon		$	0		$	
Entertainment	44	$	873		$	
Retail & Gifts		$	0	106	$	529
Other	N/A	$	57	N/A	$	18
Total	1,251	$	10,689	471	$	6,676

STATEMENTS OF CONFORMITY AND ACCURACY

State of NEW JERSEY :
: ss
County of ATLANTIC :

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

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

Signature

V.P. of Finance
Title

01833-11
License Number

Subscribed and sworn to
before me this 12th day
of November 1993
of:

Signature

MARY-JO L. CHATTEN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 20, 1995

Basis of Authority
to Take Oaths

On Behalf

Marina Associates
Casino Licensee

974.901
C193

QUARTERLY REPORT

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

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

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING

THIS ANNUAL REPORT..... **ANTHONY RODIO**
OFFICIAL TITLE..... **VICE PRESIDENT FINANCE**
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 SEPTEMBER 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
SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$ 12,028	$ 9,480
2	Marketable securities (Short-term Money Market At Cost)	18,792	13,443
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $4,644; 1992, $5,329;....NOTE 2.	58,495	58,714
4	Inventories	1,463	1,640
5	Prepaid expenses and other current assets	7,260	2,410
6	Total current assets	98,038	85,687
7	Investments, advances, and receivables	8,615	7,118
8	Property and equipment - gross....NOTE 3.	198,859	177,574
9	(Accumulated depreciation/amortization)	(32,435)	(19,652)
10	Other assets	2,273	1,379
11	**Total Assets**	$ 275,350	$ 252,106
	LIABILITIES AND STOCKHOLDER'S DEFICIT		
	Current Liabilities:		
12	Accounts payable	$ 1,810	$ 2,680
13	Notes payable		
	Current portion of long-term debt:		
14	Due to affiliate		
15	Other....NOTE 6.	81	546
16	Income taxes payable		
17	Other accrued liabilities....NOTE 4.	14,349	16,253
18	Other current liabilities....NOTE 5.	59,432	72,383
19	Total current liabilities	75,672	91,862
	Long-Term Debt:		
20	Due to affiliate....NOTE 6.	325,000	325,000
21	Other....NOTE 6.	14	1,063
22	Deferred Credits....NOTE 7,11.	19,756	525
23	Other Liabilities		
24	Commitments and Contingencies....NOTE 12.		
25	**Total Liabilities**	420,442	418,450
26	**Stockholder's Deficit**	(145,092)	(166,344)
27	**Total Liabilities and Stockholder's Deficit**	$ 275,350	$ 252,106

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 189,440	$ 182,381
2	Rooms	11,442	12,253
3	Food and beverage	23,546	24,410
4	Other	6,779	4,988
5	Total revenue	231,207	224,032
6	Less: promotional allowances	19,704	19,080
7	Net revenue	211,503	204,952
	COSTS AND EXPENSES:		
8	Cost of goods and services	129,525	125,056
9	Selling, general, and administrative	46,586	42,662
10	Provision for doubtful accounts	536	839
11	Total costs and expenses	176,647	168,557
12	**Gross Operating Profit**	34,856	36,395
13	Depreciation and amortization	10,264	8,626
	Charges from affiliates other than interest NOTE 9		
14	Management fees	6,854	6,665
15	Other	342	433
16	**Income (Loss) From Operations**	17,396	20,671
	Other Income (Expenses):		
17	Interest (expense) – affiliates		
18	Interest (expense) – external	(182)	(310)
19	Investment alternative tax and related expense NOTE 12	(1,194)	(1,118)
20	Nonoperating income – net NOTE 10	3,646	4,805
21	Total other income	2,270	3,377
22	**Income Before Income Taxes And Extraordinary Items**	19,666	24,048
23	Provision for income taxes NOTE 1,11	400	9,620
24	**Income Before Extraordinary Items**	19,266	14,428
25	Extraordinary items (net of income taxes – 1993, $0 ; 1992, $0)		
26	**Net Income**	$ 19,266	$ 14,428

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

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	REVENUE:		
1	Casino	$ 72,370	$ 67,703
2	Rooms	4,907	4,806
3	Food and beverage	8,867	8,924
4	Other	3,435	1,892
5	Total revenue	89,579	83,325
6	Less: promotional allowances	7,771	7,014
7	Net revenue	81,808	76,311
	COSTS AND EXPENSES:		
8	Cost of goods and services	42,943	43,973
9	Selling, general, and administrative	21,326	14,475
10	Provision for doubtful accounts	73	(50)
11	Total costs and expenses	64,342	58,398
12	**Gross Operating Profit**	17,466	17,913
13	Depreciation and amortization	3,407	2,850
	Charges from affiliates other than interest NOTE 9		
14	Management fees	2,655	2,478
15	Other	85	185
16	**Income From Operations**	11,319	12,400
	Other Income (Expenses):		
17	Interest (expense) – affiliates		
18	Interest (expense) – external	(11)	(91)
19	Investment alternative tax and related expense NOTE 12	(463)	(411)
20	Nonoperating income – net NOTE 10	768	1,625
21	Total other income	294	1,123
22	**Income Before Income Taxes And Extraordinary Items**	11,613	13,523
23	Provision for income taxes NOTE 1,11	400	5,410
24	**Income Before Extraordinary Items**	11,213	8,113
25	Extraordinary items (net of income taxes – 1993, $0 ; 1992, $0)		
26	**Net Income**	$ 11,213	$ 8,113

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

TRADING NAME OF LICENSEE: MERV GRIFFIN'S RESORTS CASINO HOTEL
(a wholly owned subsidiary of RESORTS INTERNATIONAL, INC.)
STATEMENTS OF CHANGES IN STOCKHOLDER'S DEFICIT
FOR THE NINE MONTHS ENDED SEPTEMBER 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 12..		(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		19,266		14,428
28	Dividends				
29	_____				
30	_____				
31	Ending balance		53,737		32,485
32	**Ending Stockholder's Deficit**		$ (145,092)		$ (166,344)

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 NINE MONTHS ENDED SEPTEMBER 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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	**Net Cash Provided by Operating Activities**	$ 39,505	$ 21,184
	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	(20,700)	(15,004)
5	Proceeds from disposition of property and equipment	79	
6	Purchase of casino reinvestment obligations	(2,121)	(2,024)
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**	(22,742)	(17,028)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt		
14	Payments to settle short-term debt	(2,038)	(888)
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	(6,548)	2,769
23	**Net Cash Provided (Used) By Financing Activities**	(8,586)	1,881
24	**Net Increase (Decrease) in Cash And Cash Equivalents**	8,177	6,037
25	**Cash And Cash Equivalents At Beginning Of Period**	22,643	16,886
26	**Cash And Cash Equivalents At End Of Period**	$ 30,820	$ 22,923

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

27	**Cash Paid During Year For:** Interest (net of amount capitalized)	$ 184	$ 317
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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Net Cash Provided by Operating Activities		
29	Net income	$ 19,266	$ 14,428
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization for property and equipment	10,264	8,626
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	210	7
36	Loss on casino reinvestment obligations	1,194	1,118
37	(Gain) loss from other investment activities		
38	Net (increase) decrease in receivables and patrons' checks	(3,089)	573
39	Net increase (decrease) in inventories	79	(172)
40	Net increase in other current assets	(5,398)	(883)
41	Net increase in other assets	(730)	(1,145)
42	Net increase in accounts payable	282	341
43	Net decrease in other current liabilities excluding debt	(1,914)	(1,660)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	19,341	(49)
45	Other		
46	_____		
47	**Net Cash Provided By Operating Activities**	$ 39,505	$ 21,184

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ (21,287)	$ (15,004)
49	Less: Capital lease obligations incurred	587	
50	**Cash Outflow For Property And Equipment**	$ (20,700)	$ (15,004)
	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 NINE MONTHS ENDED SEPTEMBER 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 September 30, were as follows:

(In Thousands of Dollars)	1993	1992
Gaming	$ 8,768	$10,264
Less allowance for doubtful accounts	(4,603)	(5,309)
	4,165	4,955
Non-gaming		
Hotel and related	1,084	559
Other	474	407
	1,558	966
Less allowance for doubtful accounts	(41)	(20)
	1,517	946
Interest receivable from affiliate	2,813	2,813
Receivable due from affiliate	50,000	50,000
	$58,495	$58,714

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 September 30, are summarized as follows:

(In Thousands of Dollars)	1993	1992
Land and land rights	$ 53,250	$ 53,250
Land improvements	144	131
Hotel and other buildings	102,300	92,971
Furniture, machinery and equipment	39,783	30,968
Construction in progress	3,382	254
	198,859	177,574
Less accumulated depreciation	(32,435)	(19,652)
	$166,424	$157,922

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 September 30, were as follows:

(In Thousands of Dollars)	1993	1992
Accrued payroll and related taxes and benefits	$ 9,580	$10,871
Progressive slot liability	346	747
Restructuring reserve	1,809	2,492
Accrued gaming taxes, fees and related assessments	917	615
Professional fees	168	193
Utilities	658	186
Various taxes	220	280
Other	651	869
	$14,349	$16,253

NOTE 5 - OTHER CURRENT LIABILITIES

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

(In Thousands of Dollars)	1993	1992
Intercompany RII	$51,325	$65,249
CRDA Bond Discount	5,000	5,000
CRDA Bond Obligation	904	849
Customer Deposit Liability	407	163
Deferred Revenue	81	41
Tenant Deposits	42	32
Unclaimed Wage Liability	7	6
Other	1,666	1,043
	$59,432	$72,383

NOTE 6 - LONG-TERM DEBT

Components of long-term debt at September 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	$95	$1,609
Less - current portion	81	546
	$14	$1,063

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 September 30, 1993 the accretion in principal amount of these notes in excess of $325,000,000 amounted to $100,406,000.

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 21.0%. 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

$356,000 and $525,000 of deferred credits at September 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 $275,000 and $484,000 for the nine months ended September 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 $510,000 and $502,000 for the nine months ended September 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 $598,000 and $633,000 for the nine months ended September 30, 1993 and 1992, respectively.

NOTE 9 - CHARGES FROM AFFILIATES

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

(In Thousands of Dollars)		1993	1992
AFFILIATED COMPANY	TRANSACTION		
Resorts International, Inc.	Management fee	$6,854	$6,665
Resorts International, Inc.	Insurance	$1,123	$1,569
	Property rental	$ 244	$ 244
		$1,367	$1,813
Paradise Island Vacations, Inc.	Flights	92	122
	Transportation		55
Other		7	12
		$1,466	$2,002

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 nine months ended September 30, were as follows:

(In Thousands of Dollars)	1993	1992
Interest income from affiliates	$5,063	$5,063
Interest income	567	584
Corporate office expense	(194)	(134)
Recapitalization costs	(1,580)	(704)
Gain (loss) on fixed assets	(210)	(7)
Other		3
	$3,646	$4,805

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)	$(28,479)	$(50,116)
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	27,575	35,108
Remaining investment obligation at September 30, 1993, which was deposited in October 1993	$ -0-	$ (904)	$ (904)

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 September 30, 1993, RIH had made CRDA deposits/bond purchases totaling $35,108,000. 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 September 30, 1993, RIH had a remaining balance of $4,873,000 face value of bonds issued by the CRDA and had $12,042,000 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 nine months ended September 30, 1993 and 1992 for discounts on obligations arising in those years were $1,194,000 and $1,118,000, 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,

(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
SEPTEMBER 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	$ 3,234		
2	Returned patrons' checks	5,534		
3	Total Patrons' Checks	8,768	$ 4,603	$ 4,165
4	**Hotel Receivables**	1,084	41	1,043
	Other Receivables:			
5	Receivables due from officers and employees			
6	Receivables due from affiliates	50,000		
7	Other accounts and notes receivables	474		
8	Total Other Receivables	50,474		50,474
9	**Total (Form 305)**	$ 60,326	$ 4,644	$ 55,682

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)	104,106
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)	(86,457)
13	Checks collected through deposits	(13,463)
14	Checks transferred to returned checks	(4,078)
15	Other adjustments	
16	**Ending Balance**	$ 3,234
17	"Hold" Checks Included In Balance On Line 16	$
18	Provision For Uncollectible Patrons' Checks	$ 536
19	Provision As A Percent Of Counter Checks Issued	0.5%

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

FOR THREE MONTHS ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	24	$ 2,691		$
FOOD	273	2,726		
BEVERAGE	122	488		
TRAVEL			17	3,074
COIN			234	2,229
COUPON	146	753		
CASH COMP			164	5,167
ENTERTAINMENT	81	977		
RETAIL & GIFTS	0	59		
OTHER	15	77	17	(1,334)
TOTAL	661	$ 7,771	432	$ 9,136

FOR NINE MONTH ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	NUMBER OF RECIPIENTS	DOLLAR AMOUNT	NUMBER OF RECIPIENTS	DOLLAR AMOUNT
ROOMS	87	$ 6,072		$
FOOD	807	8,065		
BEVERAGE	378	1,510		
TRAVEL			28	4,218
COIN			958	9,580
COUPON	247	1,563		
CASH COMP			255	8,636
ENTERTAINMENT	175	2,097		
RETAIL & GIFTS	4	221		
OTHER	35	176	116	1,149
TOTAL	1,733	$ 19,704	1,357	$ 23,583

STATEMENT OF CONFORMITY AND ACCURACY

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

ANTHONY RODIO, 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

VICE PRESIDENT FINANCE
Title

002895-11
License Number

On Behalf Of:

MERV GRIFFIN'S RESORTS CASINO HOTEL

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

Margaret M Bradley
Signature

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

Basis of Authority to Take Oaths

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QUARTERLY REPORT

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dba TropWorld Casino & Entertainment Resort

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Atlantic City, New Jersey 08401

FOR THE QUARTER ENDED September 30 **, 1993**

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COMMISSION

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 SEPTEMBER 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

SEPTEMBER 30, 1993 and 1992

(UNAUDITED)

($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	ASSETS		
	Current Assets:		
1	Cash	$10,008	$9,612
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $6,147; 1992, $8,915)	8,496	17,544
4	Inventories	2,618	2,544
5	Prepaid expenses and other current assets (Note 4, 8, 10)	14,658	13,972
6	Total current assets	35,780	43,672
7	Investments, Advances, And Receivables (Note 5, 7, 8, 11)	62,023	69,960
8	Property And Equipment – Gross (Note 2)	593,968	324,867
9	(Accumulated Depreciation/Amortization) (Note 2)	(70,215)	(93,176)
10	Other Assets (Note 4, 8)	12,370	11,843
11	Total Assets	$633,926	$357,166
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	$2,760	$3,829
13	Notes payable	0	0
	Current portion of long–term debt:		
14	Due to affiliates	0	0
15	Other (Note 3)	9	2,999
16	Income taxes payable and accrued	0	0
17	Other accrued expenses (Note 12)	14,628	22,387
18	Other current liabilities (Note 5)	3,323	2,245
19	Total current liabilities	20,718	31,460
	Long–Term Debt:		
20	Due to affiliates (Note 3, 7)	423,041	140,000
21	Other (Note 3)	1	7,098
22	Deferred Credits	0	0
23	Other Liabilities (Note 7, 13)	32,326	19,552
24	Commitments And Contingencies (Note 5)		
25	Total Liabilities	476,086	198,110
26	Stockholder's, Partners', Or Proprietor's Equity	157,840	159,056
27	Total Liabilities And Equity	$633,926	$357,166

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 and 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Revenue:		
1	Casino	$243,285	$242,466
2	Rooms	18,095	15,404
3	Food and beverage	26,748	26,235
4	Other	10,436	8,417
5	Total revenue	297,564	293,522
6	Less: Promotional allowances	36,859	32,058
7	Net revenue	260,705	261,464
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 7)	129,596	129,783
9	Selling, general, and administrative (Note 7)	70,571	65,374
10	Provision for doubtful accounts	335	731
11	Total costs and expenses	200,502	195,888
12	Gross Operating Profit	60,103	65,576
13	Depreciation and amortization	13,418	11,850
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	46,685	53,726
	Other Income (Expenses):		
17	Interest (expense) – affiliates (Note 3)	(24,412)	(14,175)
18	Interest (expense) – external (Note 3)	(1,350)	(2,058)
19	Investment alternative tax & related income (exp)–net (Note 5)	(743)	(869)
20	Nonoperating income (expense) – net (Note 14)	(20,096)	(27,702)
21	Total other income (expenses)	(46,601)	(44,804)
22	Income(Loss) Before Income Tax & Extraordinary Items	84	8,922
23	Provision (credit) for income taxes (Note 8)	(131)	3,869
24	Income (Loss) Before Extraordinary Items	215	5,053
25	Extraordinary items (net of income taxes – 1993, $–0– ; 1992, $23,400) (Note 9)	0	23,400
26	Net Income (Loss)	$215	$28,453

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 SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
	Revenue:		
1	Casino	$89,923	$91,457
2	Rooms	6,363	5,589
3	Food and beverage	9,391	9,566
4	Other	4,526	4,141
5	Total revenue	110,203	110,753
6	Less: Promotional allowances	13,191	11,910
7	Net revenue	97,012	98,843
	Costs and Expenses:		
8	Cost of goods and services (Note 6, 7)	45,710	47,006
9	Selling, general, and administrative (Note 7)	25,124	23,353
10	Provision for doubtful accounts	555	106
11	Total costs and expenses	71,389	70,465
12	Gross Operating Profit	25,623	28,378
13	Depreciation and amortization	5,642	3,780
	Charges from affiliates other than interest:		
14	Management fees	0	0
15	Other	0	0
16	Income (loss) from operations	19,981	24,598
	Other Income (Expenses):		
17	Interest (expense) – affiliates (Note 3)	(14,962)	(4,725)
18	Interest (expense) – external (Note 3)	0	(809)
19	Investment alternative tax & related income (exp)–net (Note 5)	(226)	(296)
20	Nonoperating income (expense) – net (Note 14)	(1,030)	(8,901)
21	Total other income (expenses)	(16,218)	(14,731)
22	Income(Loss) Before Income Tax & Extraordinary Items	3,763	9,867
23	Provision (credit) for income taxes (Note 8)	1,156	4,222
24	Income (Loss) Before Extraordinary Items	2,607	5,645
25	Extraordinary items (net of income taxes – 1993, $ 0; 1992, $ 0) (Note 9)	0	0
26	Net Income (Loss)	$2,607	$5,645

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 NINE MONTHS ENDED SEPTEMBER 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)		215		5,053
28	Dividends				
29	Extraordinary item				
30	Change in acct method.....(Note 9)		0		23,400
31	Ending balance		25,054		26,270
32	Ending Stockholder's Equity		$157,840		$159,056

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 nine MONTHS ENDED September 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	$	$

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 and 1992

(UNAUDITED)
($ in Thousands)

LINE (a)	DESCRIPTION (b)	1993 (c)	1992 (d)
1	Net Cash Provided (Used) By Operating Activities	$11,798	$2,999
	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	(7,392)	(4,238)
5	Proceeds from disposition of property and equipment	329	123
6	Purchase of casino reinvestment obligations	(3,036)	(2,975)
7	Purchase of other investments and loans/advances made	(419)	(3,367)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	(3,812)	5,752
9	Cash outflows to acquire business entities		
10	_____		
11	_____		
12	Net Cash Provided (Used) By Investing Activities	(14,330)	(4,705)
	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	(1,547)	(1,967)
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	(1,547)	(1,967)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(4,079)	(3,673)
25	Cash And Cash Equivalents At Beginning Of Period	14,087	13,285
26	Cash And Cash Equivalents At End Of Period	$10,008	$9,612

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$20,250	$20,911
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 NINE MONTHS ENDED SEPTEMBER 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)	$215	$28,453
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	13,412	11,844
31	Amortization of other assets	6	6
32	Amortization of debt discount or premium		
33	Deferred income taxes – current	(2,364)	(8,329)
34	Deferred income taxes – noncurrent	1,852	(11,201)
35	(Gain) loss on disposition of property and equipment	(35)	(253)
36	(Gain) loss on casino reinvestment obligations	743	869
37	(Gain) loss from other investment activities	138	0
38	Net (increase) decrease in receivables and patrons' checks	(210)	1,247
39	Net (increase) decrease in inventories	39	(45)
40	Net (increase) decrease in other current assets	495	(1,690)
41	Net (increase) decrease in other assets	(291)	67
42	Net increase (decrease) in accounts payables	(2,459)	(309)
43	Net increase (decrease) in other current liabilities excluding debt	(191)	(1,200)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	906	(15,082)
45	Net (increase) decrease in accrued interest income	(458)	(1,378)
46	_____		
47	Net Cash Provided (Used) By Operating Activities	$11,798	$2,999

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	($7,765)	($7,500)
49	* Less: Capital lease obligations incurred	($373)	($3,262)
50	Cash Outflows For Property And Equipment	($7,392)	($4,238)
	Acquisition Of Business Entities:		
51	Property and equipment acquired	$300,879	$0
52	Goodwill acquired		
53	Net assets acquired other than cash, goodwill, and property & equipment	17,838	0
54	Long–term debt assumed	(283,041)	
55	Issuance of stock or capital invested		
56	Cash Outflows To Acquire Business Entities	$0	$0
	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 $3,383 were incurred for 1993 and 1992,respectively, when Adamar entered into new property and equipment leases. Capital lease obligation retirements of $12 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 NINE MONTHS ENDED SEPTEMBER 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 September 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	551,089,000	283,676,000
Construction in progress	3,662,000	1,974,000
Total property and equipment - gross	593,968,000	324,867,000
Accumulated depreciation	(70,215,000)	(93,176,000)
Total property and equipment	$ 523,753,000	$ 231,691,000

NOTE 3. LONG-TERM DEBT

At September 30, 1993 and 1992, Long-Term Debt consisted of:

	1993	1992
Notes Payable to Aztar Mortgage Funding, Inc.		
Note payable; 13.5%; due 1996	$ 140,000,000	$ 140,000,000
Notes Payable to Aztar Corporation		
First Mortgage Note; 12-1/4%; due 1996 (a)	171,000,000	-
Amortization differential (a)	(89,000,000)	-
Second Mortgage; 16.5%; matures 1994 (b)	141,041,000	-
Note payable; 8.5%; due 1996	60,000,000	-
Long-term debt due to affiliates	423,041,000	140,000,000
Obligations under capital leases	10,000	10,097,000
	423,051,000	150,097,000
Less: current portion	(9,000)	(2,999,000)
Long-term debt, net of current portion	$ 423,042,000	$ 147,098,000

(a) Per the Fixed Rate Agreement, the effective interest rate is fixed at 16%.
(b) May be extended to 1996 under certain circumstances.

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	$ 4,000
1994	223,047,000
1995	0
1996	200,000,000
1997	0
Thereafter	0
Total	$ 423,051,000

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 November 3, 1993, effective November 26, 1993, 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 $3,036,000 and $2,975,000 for the purchase of CRDA bonds and, accordingly, the Company recorded a loss provision of $743,000 and $869,000 to recognize the effect of the below market interest rate the bonds would have borne had they been issued on September 30, 1993 and 1992.

In July 1993, Aztar acquired more than two-thirds of all the limited partnership interests in Ambassador Real Estate Investors, L.P. ("AREI"), the general partnership interests in AREI and the remaining general partnership interests in Ambassador General Partnership ("AGP") and exercised its right under the agreement of limited partnership of AREI to call the remaining limited partnership interests of AREI. In conjunction with the reacquisition by Aztar of the AGP Assets, Aztar transferred $300,879,000 of AGP Assets, along with $283,041,000 of intercompany indebtedness, to Adamar. In addition, other assets in the amount of $26,687,000 and other liabilities in the amount of $8,849,000 were eliminated.

NOTE 6. JACKPOT PAYOUTS

Jackpot payouts for the nine months ended September 30, 1993 are:

	Payouts Included In Promotional Allowances		Other Payouts	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	1	$ 84,850	10*	$ 150,000
Total	1	$ 84,850	10	$ 150,000

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

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

	Payouts Included In Promotional Allowances		Other Payouts	
	Number of Payouts	Dollar Amount	Number of Payouts	Dollar Amount
Motor Vehicles	1	$ 84,850	2*	$ 30,000
Total	1	$ 84,850	2	$ 30,000

*Note: Cash was taken by two 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 September 30, 1993 and 1992 are:

	1993	1992
Due to Aztar Corporation	$ 14,197,000	$ -0-
Due to Atlantic-Deauville, Inc.	562,000	322,000
Due to Ramada New Jersey, Inc.	2,845,000	2,094,000
Due to Adamar Garage Corporation	14,039,000	12,316,000
Due to Aztar Mortgage Funding, Inc.	683,000	683,000
	$ 32,326,000	$ 15,415,000

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

	1993	1992
Advances to Aztar Corporation	-0-	$ 5,981,000
Advances to Tropicana West	$ 23,168,000	10,743,000
Advances to Laughlin	3,000	-0-
	23,171,000	16,724,000
Note receivable - Adamar Garage Corporation	17,052,000	17,052,000
	$ 40,223,000	$ 33,776,000

Notes payable to related parties are included in Long-term debt to affiliates (See Note 3). The identity of the affiliate and corresponding balances at September 30, 1993 and 1992 are:

Payee	1993	1992
Aztar Mortgage Funding, Inc.	$ 140,000,000	$ 140,000,000
Aztar Corporation	283,041,000	-0-
	$ 423,041,000	$ 140,000,000

For the nine months ended September 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	$ 7,000	$ 6,000
Property insurance	364,000	350,000
Workman's compensation	588,000	790,000
Other	-0-	1,000
	$ 959,000	$ 1,147,000
Selling, General and Administrative		
Insurance (1)	$ 741,000	$ 698,000
Executive deferred compensation plan	26,000	27,000
Workman's compensation	121,000	161,000
Long-term incentive	592,000	625,000
Restricted Stock	-0-	96,000
Other	6,000	21,000
	1,486,000	1,628,000
Total	$ 2,445,000	$ 2,775,000

(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 September 30, 1993 and 1992, Prepaid Expenses and Other Current Assets consisted of the following:

	1993	1992
Current deferred taxes	$ 9,612,000	$ 8,329,000
Other	5,046,000	5,643,000
	$ 14,658,000	$ 13,972,000

NOTE 11. INVESTMENTS, ADVANCES, AND RECEIVABLES

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

	1993	1992
Due from affiliates	$ 23,171,000	$ 16,724,000
CRDA investment	21,542,000	18,587,000
Mortgage receivable	-0-	17,200,000
Note receivable - Adamar Garage Corporation	17,052,000	17,052,000
Long-term note receivable	258,000	397,000
Total	$ 62,023,000	$ 69,960,000

NOTE 12. OTHER ACCRUED EXPENSES

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

	1993	1992
Accrued payroll taxes and benefits	$ 6,565,000	$ 7,464,000
Accrued progressive slot win	1,116,000	3,290,000
Accrued miscellaneous	750,000	660,000
Accrued claims reserve	1,808,000	1,959,000
Deferred rent	-0-	3,819,000
Other	4,387,000	5,195,000
Total	$ 14,626,000	$ 22,387,000

NOTE 13. OTHER LIABILITIES

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

	1993	1992
Due to affiliates	$ 32,326,000	$ 15,415,000
Deferred rent	-0-	4,137,000
Total	$ 32,326,000	$ 19,552,000

NOTE 14. NON-OPERATING INCOME/(EXPENSE)

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

	1993	1992
Interest income	$ 4,224,000	$ 4,911,000
Administrative fee	50,000	75,000
Leased land rental	2,771,000	4,157,000
Maintenance reimbursement	7,557,000	9,667,000
Gain on disposition	35,000	253,000
Rent expense	(34,733,000)	(46,765,000)
Total	$ (20,096,000)	$ (27,702,000)

TRADING NAME OF LICENSEE: TROPWORLD CASINO AND ENTERTAINMENT RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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	$2,542		
2	Returned patrons' checks	10,212		
3	Total patrons' checks	12,754	($5,920)	$6,834
4	Hotel Receivables	925	(227)	698
	Other Receivables:			
5	Receivables due from officers and employees	38		
6	Receivables due from affiliates	0		
7	Other accounts and notes receivables	926		
8	Total other receivables	964		964
9	Totals (Form 205)	$14,643	($6,147)	$8,496

	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)	80,616
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)	(53,719)
13	Checks collected through deposits	(25,161)
14	Checks transferred to returned checks	(2,279)
15	Other adjustments	0
16	Ending Balance	$2,542
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectable Patrons' Checks	$338
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 Nine Months Ended September 30, 1993

	Promotional Allowances		Promotional Expense	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	182,308	$ 13,192,000	-0-	$ -0-
Food	1,262,417	12,372,000	95,916	940,000
Beverage	3,803,619	4,586,000	-0-	-0-
Travel	-0-	-0-	2,244	786,000
Coin	-0-	-0-	2,008,264	31,645,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	65,497	1,886,000	9,137	183,000
Retail & Gifts	378,473	3,785,000	-0-	-0-
Other	103,805	1,038,000	50,846	508,000
Total	5,796,119	$ 36,859,000	2,166,407	$ 34,062,000

For The Three Months Ended September 1993

	Promotional Allowances		Promotional Expense	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	47,872	$ 3,926,000	-0-	$ -0-
Food	481,465	4,719,000	37,415	367,000
Beverage	1,441,901	1,729,000	-0-	-0-
Travel	-0-	-0-	946	332,000
Coin	-0-	-0-	740,777	12,552,000
Coupon	-0-	-0-	-0-	-0-
Entertainment	33,254	987,000	3,229	65,000
Retail & Gifts	141,335	1,414,000	-0-	-0-
Other	41,610	416,000	18,633	186,000
Total	2,187,437	$ 13,191,000	801,000	$ 13,502,000

STATEMENT OF CONFORMITY AND ACCURACY

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

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

deposes and says:

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

Lester Brzozowski
Signature

Senior Vice President
Finance and Administration
Title

03032-11
License Number

On Behalf Of:

TropWorld Casino &
Enterainment Resort
Casino Licensee

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

Dolores Durfor
Signature

DOLORES DURFOR
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 22, 1998

Basis of Authority
to Take Oaths

974.901
C193

QUARTERLY REPORT

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

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

RECEIVED
FEU
NOV 15 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 SEPTEMBER 30, 1993

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

SEPTEMBER 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	ASSETS		
	Current Assets:		
1	Cash	$21,250	$19,718
2	Marketable securities	0	0
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $2,206; 1992, $2,757)	7,282	7,248
4	Inventories	1,842	2,237
5	Prepaid expenses and other current assets	3,986	5,213
6	Total current assets	34,360	34,416
7	Investments, Advances, And Receivables	3,718	1,797
8	Property And Equipment – Gross (NOTE 2)	493,274	480,780
9	(Accumulated Depreciation/Amortization)	(155,540)	(138,090)
10	Other Assets (NOTE 6)	826	762
11	Total Assets	$376,638	$379,665
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable (NOTE 7)	$2,908	$3,122
13	Notes payable (NOTE 4)	0	0
	Current portion of long–term debt:		
14	Due to affiliates (NOTE 3,5)	0	0
15	Other (NOTE 4)	0	0
16	Income taxes payable and accrued	0	0
17	Other accrued expenses (NOTE 8)	14,811	13,125
18	Other current liabilities (NOTE 9)	14,480	15,266
19	Total current liabilities	32,199	31,513
	Long–Term Debt:		
20	Due to affiliates (NOTE 3)	251,924	232,115
21	Other (NOTE 4)	45,000	45,000
22	Deferred Credits	0	0
23	Other Liabilities	8	7
24	Commitments And Contingencies (NOTE 11)		
25	Total Liabilities	329,131	308,635
26	Stockholders', Partners', Or Proprietor's Equity	47,507	71,030
27	Total Liabilities and Equity	$376,638	$379,665

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 SEPTEMBER 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$70,061	$71,062
2	Rooms	6,694	5,578
3	Food and beverage	9,692	10,112
4	Other	2,709	2,699
5	Total revenue	89,156	89,451
6	Less: Promotional allowances	10,795	10,127
7	Net revenue	78,361	79,324
	Costs And Expenses:		
8	Cost of goods and services	40,793	41,133
9	Selling, general, and administrative	18,903	22,031
10	Provision for doubtful accounts	75	643
11	Total costs and expenses	59,771	63,807
12	Gross Operating Profit	18,590	15,517
13	Depreciation and amortization	3,450	4,557
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	396	433
15	Other	0	0
16	Income (Loss) From Operations	14,744	10,527
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(11,702)	(9,953)
18	Interest (expense) – external (NOTE 4)	(1,030)	(1,029)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(299)	(370)
20	Nonoperating income (expense) – net (NOTE 10)	151	174
21	Total other income (expenses)	(12,880)	(11,178)
22	Income (Loss) Before Income Taxes And Extraordinary Items	1,864	(651)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	1,864	(651)
25	Extraordinary items (net of income taxes – 1993, $ 0; 1992, $ 0) (NOTE 14)	0	0
26	Net Income (Loss)	$1,864	($651)

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$186,773	$184,409
2	Rooms	15,268	13,654
3	Food and beverage	26,133	26,720
4	Other	6,652	6,372
5	Total revenue	234,826	231,155
6	Less: Promotional allowances	27,077	26,334
7	Net revenue	207,749	204,821
	Costs And Expenses:		
8	Cost of goods and services	114,615	113,624
9	Selling, general, and administrative	55,539	57,772
10	Provision for doubtful accounts	670	1,927
11	Total costs and expenses	170,824	173,323
12	Gross Operating Profit	36,925	31,498
13	Depreciation and amortization	12,866	15,218
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	1,241	603
15	Other	0	0
16	Income (Loss) From Operations	22,818	15,677
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(32,207)	(30,889)
18	Interest (expense) – external (NOTE 4)	(3,059)	(3,350)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(819)	(1,189)
20	Nonoperating income (expense) – net (NOTE 10)	485	(5,672)
21	Total other income (expenses)	(35,600)	(41,100)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(12,782)	(25,423)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	(12,782)	(25,423)
25	Extraordinary items (net of income taxes – 1993, $0; 1992, $126,837,000) (NOTE 14)	0	126,837
26	Net Income (Loss)	($12,782)	$101,414

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 NINE MONTHS ENDED SEPTEMBER 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 NINE MONTHS ENDED SEPTEMBER 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	32,344	33,024
3	_____	0	0
4	Ending balance	103,540	104,220
	Accumulated Income (Loss):		
5	Beginning balance (January 1)	(4,801)	(96,154)
6	Prior period adjustments	0	0
7	Net income (loss)	(12,782)	101,414
8	_____	0	0
9	Ending balance	(17,583)	5,260
	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	$47,507	$71,030

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) By Operating Activities	($984)	($23,793)
	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	(10,191)	(6,295)
5	Proceeds from disposition of property and equipment	0	0
6	Purchase of casino reinvestment obligations	(731)	(1,258)
7	Purchase of other investments and loans/advances made	0	0
8	Proceeds from disposal of investments and collection of advances and long-term receivables	0	0
9	Cash outflows to acquire business entities	0	0
10	Redemption of A-1 Bonds	0	0
11	_____	0	0
12	Net Cash Provided (Used) By Investing Activities	(10,922)	(7,553)
	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	9,856	3,070
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	0	0
21	_____	(510)	33,024
22	_____	0	0
23	Net Cash Provided (Used) By Financing Activities	9,346	36,094
24	Net Increase (Decrease) In Cash And Cash Equivalents	(2,560)	4,748
25	Cash And Cash Equivalents At Beginning Of Period	23,810	14,970
26	Cash And Cash Equivalents At End Of Period	$21,250	$19,718

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$12,638	$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 NINE MONTHS ENDED SEPTEMBER 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)	($12,782)	$101,414
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	12,866	14,783
31	Amortization of other assets	0	435
32	Amortization of debt discount or premium	7,625	4,287
33	Deferred income taxes – current	0	0
34	Deferred income taxes – noncurrent	0	0
35	(Gain) loss on disposition of property and equipment	(26)	0
36	(Gain) loss on casino reinvestment obligations	819	1,189
37	(Gain) loss from other investment activities	0	0
38	Net (increase) decrease in receivables and patrons' checks	(340)	548
39	Net (increase) decrease in inventories	318	(386)
40	Net (increase) decrease in other current assets	(732)	(1,464)
41	Net (increase) decrease in other assets	(1,635)	(681)
42	Net increase (decrease) in accounts payables	(2,313)	(3,206)
43	Net increase (decrease) in other current liabilities excluding debt	(4,785)	(12,525)
44	Net increase (decrease) in other noncurrent liabilities excluding debt	1	0
45	_____	0	(128,187)
46	_____	0	0
47	Net Cash Provided (Used) By Operating Activities	($984)	($23,793)

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$10,217	$6,295
49	Less: Capital lease obligations incurred	0	0
50	Cash Outflows For Property And Equipment	$10,217	$6,295
	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 $2,206,000 through September 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 September 30:

	1993	1992
	(In thousands)	
Land and Land Improvements	$ 36,688	$ 34,568
Buildings	235,170	235,170
Furniture, Fixtures and Equipment	102,996	97,070
Construction in Progress	3,039	1,969
Building/Leasehold Improvements	115,381	112,003
TOTAL	$493,274	$480,780
Less Accumulated Depreciation	(155,540)	(138,090)
Net Property and Equipment	$337,734	$342,690

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 September 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	826	762
Deferred Marina Improvement	0	0
TOTAL OTHER ASSETS	$ 826	$ 762

NOTE 7 - ACCOUNTS PAYABLE:

	1993	1992
	(In thousands)	
Accounts Payable Trade	$ 2,280	$2,586
Patron Deposits	531	465
Other	97	71
TOTAL ACCOUNTS PAYABLE	$ 2,908	$ 3,122

NOTE 8 - OTHER ACCRUED EXPENSES:

	1993	1992
	(In thousands)	
Accrued Payroll & Taxes	$ 5,003	$ 3,591
Accrued Interest	4,047	3,969
Accrued Advertising/Promotions	304	179
Accrued Progressive Jackpots	299	363
Accrued Sick/Vacation	4,753	4,499
Other	405	524
TOTAL OTHER ACCRUED EXPENSES	$14,811	$13,125

NOTE 9 - OTHER CURRENT LIABILITIES:

	1993	1992
	(In thousands)	
Outstanding Chip Liability	$ 3,520	$ 4,295
Outstanding Token Liability	492	368
Patron Deposits	66	35
Accrued Utilities	78	124
Accrued Group Health insurance	2,714	1,921
Accrued Insurance	4,077	1,912
A/P Other	1,530	4,878
Accrued Legal	430	522
Accrued CCC/DGE	424	217
Construction Retainage	53	2
Accrued Inventories	260	246
Accrued CRDA	836	746
TOTAL OTHER CURRENT LIABILITIES	$14,480	$15,266

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

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

Three Months

	1993	1992
	(In thousands)	
Interest Income	$ 151	$ 158
Debt Restructuring	0	16
	$ 151	$ 174

Nine Months

	1993	1992
	(In thousands)	
Interest Income	$ 485	$ 310
Debt Restructuring	0	(5,982)
	$ 485	$(5,672)

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 $819,000 for the nine months ending September 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 September 30, 1993, the Partnership had made contributions totaling approximately $8,446,000.

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 $623,000 for matching contributions for the nine months ended September 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 9/30/93

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

For The Nine Months Ended 9/30/93

	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 September 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	$ 396	$ 433

		Nine Months	
Affiliate	Transaction	1993	1992
		(In Thousands)	
Trump's Castle Management Corp.	Management Fee	$ 1,241	$ 603

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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	$3,767		
2	Returned patrons' checks	2,404		
3	Total patrons' checks	6,171	$2,086	$4,085
4	Hotel Receivables	878	120	758
	Other Receivables:			
5	Receivables due from officers and employees	25		
6	Receivables due from affiliates	1,064		
7	Other accounts and notes receivables	1,350		
8	Total other receivables	2,439	0	2,439
9	Totals (Form 305)	$9,488	$2,206	$7,282

	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)	109,081
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)	(83,574)
13	Checks collected through deposits	(23,084)
14	Checks transferred to returned checks	(2,425)
15	Other adjustments	0
16	Ending Balance	$3,767
17	"Hold" Checks Included In Balance On Line 16	$0
18	Provision For Uncollectible Patrons' Checks	620
19	Provision As A Percent Of Counter Checks Issued	0.6%

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	208,608	9,639,000	0	0
FOOD	775,530	11,633,000	0	0
BEVERAGE	967,765	4,113,000	0	0
TRAVEL	0	0	28,731	5,028,000
COIN	0	0	0	0
COUPON	0	0	1,784,600	17,382,000
ENTERTAINMENT	60,040	1,501,000	529	15,845
RETAIL & GIFTS	33,000	165,000	0	0
OTHER	5,000	26,000	30,620	1,531,000
TOTAL	2,049,943	$27,077,000	1,844,480	$23,956,845

****

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
ROOMS	74,319	$4,297,000	0	$0
FOOD	270,397	4,056,000	0	0
BEVERAGE	371,530	1,579,000	0	0
TRAVEL	0	0	10,081	1,764,000
COIN	0	0	0	0
COUPON	0	0	611,879	5,957,000
ENTERTAINMENT	31,240	781,000	258	7,285
RETAIL & GIFTS	13,400	67,000	0	0
OTHER	2,800	15,000	11,960	598,000
TOTAL	763,686	$10,795,000	634,178	$8,326,285

STATEMENT OF CONFORMITY AND ACCURACY

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

Thomas P. Venier, being duly sworn according to law upon my oath deposes and says:

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

Tom Venier
Signature

Sr. Vice President Finance
Title

00711-11
License Number

Subscribed and sworn to
before me this 10th day
of November, 1993

Sharon J. Miller
Signature

SHARON J. MILLER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 18, 1996
Basis of Authority
to Take Oaths

On behalf Of:

Trump's Castle Hotel & Casino
Casino Licensee

mended 11/17/93

TRADING NAME OF LICENSEE TRUMP'S CASTLE HOTEL & CASINO

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 1993 and 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$56,325	$55,830
2	Rooms	3,812	3,632
3	Food and beverage	7,554	8,153
4	Other	1,507	1,531
5	Total revenue	69,198	69,146
6	Less: Promotional allowances	7,676	8,176
7	Net revenue	61,522	60,970
	Costs And Expenses:		
8	Cost of goods and services	35,079	35,313
9	Selling, general, and administrative	18,399	17,504
10	Provision for doubtful accounts	306	717
11	Total costs and expenses	53,784	53,534
12	Gross Operating Profit	7,738	7,436
13	Depreciation and amortization	4,660	5,406
	Charges from affiliates other than interest:		
14	Management fees (NOTE 15)	433	0
15	Other	0	0
16	Income (Loss) From Operations	2,645	2,030
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(10,222)	(10,476)
18	Interest (expense) – external (NOTE 4)	(1,008)	(1,178)
19	Investment alternative tax and related income (expense) – net (NOTE 11)	(296)	(447)
20	Nonoperating income (expense) – net (NOTE 10)	135	(1,752)
21	Total other income (expenses)	(11,391)	(13,853)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(8,746)	(11,823)
23	Provision (credit) for income taxes (NOTE 1)	0	0
24	Income (Loss) Before Extraordinary Items	(8,746)	(11,823)
25	Extraordinary Items (net of income taxes – 1993, $0; 1992, $0) (NOTE 14)	0	(1,350)
26	Net Income (Loss)	($8,746)	($13,173)

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

Amended 11/17/93

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	18,237
10	Provision for doubtful accounts	289	567
11	Total costs and expenses	57,269	55,982
12	Gross Operating Profit	10,597	8,545
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	3,120
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(10,283)	(10,460)
18	Interest (expense) – external (NOTE 4)	(1,021)	(1,143)
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)	(16,069)
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, $128,187,000) (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.

mended 11/17/93

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	35,741
10	Provision for doubtful accounts	595	1,284
11	Total costs and expenses	111,053	109,516
12	Gross Operating Profit	18,335	15,981
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	5,150
	Other Income (Expenses):		
17	Interest (expense) – affiliates (NOTE 3,5)	(20,505)	(20,936)
18	Interest (expense) – external (NOTE 4)	(2,029)	(2,321)
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)	(29,922)
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, $126,837,000) (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.

QUARTERLY REPORT

974.901
C193

LICENSEE: TRUMP PLAZA HOTEL & CASINO

ADDRESS: MISSISSIPPI AVENUE & BOARDWALK
ATLANTIC CITY, NJ 08401

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

PROPERTY OF
NEW JERSEY STATE LIBRARY
DEC - 8 1993
185 W. STATE ST.
TRENTON, N.J.

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
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NOV 15 1993
CASINO CONTROL
COMMISSION

NAME OF OFFICER IN CHARGE
OF CORRESPONDENCE REGARDING
THIS QUARTERLY REPORT..... GEORGE T. PAPANIER

OFFICIAL TITLE..... VICE-PRESIDENT OF FINANCE

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 SEPTEMBER 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

New Jersey State Library

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

BALANCE SHEETS

SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		(c) 1993	(d) 1992
	ASSETS			
	Current Assets:			
1	Cash		$ 26,571	$ 14,452
2	Marketable securities		–	–
3	Receivables and patrons' checks (net of allowance for doubtful accounts – 1993, $12,093; 1992, $16,173)		6,821	8,842
4	Inventories		3,631	2,729
5	Prepaid expenses and other current assets	NOTE 2	3,127	4,190
6	Total current assets		40,150	30,213
7	Investments, Advances, and Receivables	NOTE 3	9,550	4,987
8	Property and Equipment – Gross	NOTE 4	412,386	406,189
9	(Accumulated Depreciation/Amortization)	NOTE 4	(118,685)	(105,831)
10	Other Assets	NOTE 5	45,939	32,791
11	Total Assets		$ 389,340	$ 368,349
	LIABILITIES AND EQUITY			
	Current Liabilities:			
12	Accounts Payable		$ 4,538	$ 6,662
13	Notes Payable		660	484
	Current portion of long–term debt:			
14	Due to affiliates		–	–
15	Other	NOTE 9	1,611	9,537
16	Income taxes payable and accrued		–	–
17	Other accrued expenses	NOTE 6	25,893	20,285
18	Other current liabilities	NOTE 7	6,432	6,511
19	Total current liabilities		39,134	43,479
	Long–Term Debt:			
20	Due to affiliates	NOTE 8	325,772	225,000
21	Other	NOTE 9	6,076	24,086
22	Deferred Credits	NOTE 10	1,820	736
23	Other Liabilities	NOTE 13	3,953	58,009
24	Commitments and Contingencies	NOTE 14	–	–
25	Total Liabilities		376,755	351,310
26	Stockholders', Partners', or Proprietor's Equity		12,585	17,039
27	Total Liabilities and Equity		$ 389,340	$ 368,349

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	Revenue:		
1	Casino	$ 207,266	$ 208,782
2	Rooms	13,971	21,825
3	Food and beverage	32,042	35,272
4	Other	6,647	9,119
5	Total revenue	259,926	274,998
6	Less: Promotional allowances	28,453	30,957
7	Net revenue	231,473	244,041
	Costs and Expenses:		
8	Costs of goods and services	118,589	126,949
9	Selling, general, and administrative	53,762	61,728
10	Provision for doubtful accounts	122	5,067
11	Total costs and expenses	172,473	193,744
12	Gross Operating Profit	59,000	50,297
13	Depreciation and amortization	13,405	11,931
	Charges from affiliates other than interest:		
14	Management fees	795	458
15	Other	2,038	1,592
16	Income (Loss) from Operations	42,762	36,316
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(24,117)	(20,970)
18	Interest (expense) – external	(1,860)	(3,291)
19	Investment alternative tax and related income (expense) – net	(862)	(1,773)
20	Nonoperating income (expense) – net NOTE 12	(2,082)	(5,147)
21	Total other income (expense)	(28,921)	(31,181)
22	Income (Loss) before Income Taxes and Extraordinary Items	13,841	5,135
23	Provision (credit) for income taxes NOTE 15	1,325	7
24	Income (Loss) before Extraordinary Items	12,516	5,128
25	Extraordinary items (net of income taxes – 1993,$ – , 1992, $ –) NOTE 14	4,120	(38,205)
26	Net Income (Loss)	$ 16,636	$ (33,077)

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 SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE	DESCRIPTION	(c) 1993	(d) 1992
(a)	(b)		
	Revenue:		
1	Casino	$ 75,560	$ 75,363
2	Rooms	5,674	8,859
3	Food and beverage	12,091	13,053
4	Other	3,118	5,027
5	Total revenue	96,443	102,302
6	Less: Promotional allowances	10,977	11,466
7	Net revenue	85,466	90,836
	Costs and Expenses:		
8	Costs of goods and services	41,785	45,063
9	Selling, general, and administrative	17,777	20,647
10	Provision for doubtful accounts	(189)	2,992
11	Total costs and expenses	59,373	68,702
12	Gross Operating Profit	26,093	22,134
13	Depreciation and amortization	4,035	3,790
	Charges from affiliates other than interest:		
14	Management fees	259	250
15	Other	373	535
16	Income (Loss) from Operations	21,426	17,559
	Other Income (Expenses):		
17	Interest (expense) – affiliates NOTE 11	(9,357)	(6,750)
18	Interest (expense) – external	(268)	(922)
19	Investment alternative tax and related income (expense) – net	(316)	(363)
20	Nonoperating income (expense) – net NOTE 12	(1,969)	(498)
21	Total other income (expense)	(11,910)	(8,533)
22	Income (Loss) before Income Taxes and Extraordinary Items	9,516	9,026
23	Provision (credit) for income taxes NOTE 15	902	387
24	Income (Loss) before Extraordinary Items	8,614	8,639
25	Extraordinary items (net of income taxes – 1993, $ – ; 1992, $ –)	–	–
26	Net Income (Loss)	$ 8,614	$ 8,639

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 NINE MONTHS ENDED SEPTEMBER 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)	16,636	(33,077)
8	_____	–	–
9	Ending balance	31,360	17,434
	Capital Withdrawals:		
10	Beginning balance (January 1)	(54,069)	(47,175)
11	Additional capital withdrawals	(27,500)	–
12	Preferred Partnership Interest Distribution	(6,320)	(3,927)
13	Ending balance	(87,889)	(51,102)
	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	$ 12,585	$ 17,039

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) by Operating Activities	$ 32,725	$ 19,324
	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	(6,291)	(4,918)
5	Proceeds from disposition of property and equipment	5	34
6	Purchase of casino reinvestment obligations	(1,875)	(1,100)
7	Purchase of other investments and loans/advances made	(6,596)	(1,460)
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	(14,757)	(7,132)
	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	(1,995)	(1,435)
15	Cash proceeds from issuance of long-term debt	325,800	250,237
16	Costs of issuing debt (net of affiliate)	(14,438)	–
17	Payments to settle long-term debt	(247,292)	(256,360)
18	Cash proceeds from issuing stock or capital contribution	–	–
19	Preferred Partnership Interest Payment	(40,000)	–
20	Capital Withdrawals	(27,500)	(2,180)
21	Charges to equity from refinancing	(6,252)	–
22	Preferred stock accreation	–	–
23	Net Cash Provided (Used) by Financing Activities	(10,199)	(8,215)
24	Net Increase (Decrease) in Cash and Cash Equivalents	7,769	3,977
25	Cash and Cash Equivalents at Beginning of Period	18,802	10,475
26	Cash and Cash Equivalents at End of Period	$ 26,571	$ 14,452

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 24,438	$ 24,091
28	Income taxes	$ –	$ –

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

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL & CASINO

STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 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)	$ 16,636	$ (33,077)
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property & equipment	13,122	11,394
31	Amortization of other assets	283	537
32	Amortization of debt discount or premium	85	–
33	Deferred income taxes – current	–	–
34	Deferred income taxes – noncurrent	1,325	7
35	(Gain) loss on disposition of property and equipment	(5)	(34)
36	(Gain) loss on casino reinvestment obligation	862	1,773
37	(Gain) loss from other investment activities	–	–
38	Net (increase) decrease in receivables and patrons' checks	1,049	3,802
39	Net (increase) decrease in inventories	(563)	172
40	Net (increase) decrease in other current assets	(628)	(910)
41	Net (increase) decrease in other assets	5,153	229
42	Net increase (decrease) in accounts payable	(1,352)	(601)
43	Net increase (decrease) in other current liabilities excluding debt	878	(2,173)
44		–	–
45	Extraordinary (Gain) Loss	(4,120)	38,205
46		–	–
47	Net Cash Provided (Used) by Operating Activities	$ 32,725	$ 19,324

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:		
48	Additions to property and equipment	$ (6,557)	$ (4,918)
49	Less: Capital lease obligations incurred	266	–
50	Cash Outflows for Property and Equipment	$ (6,291)	$ (4,918)
	Acquisition of Business Entities:		
51	Property and equipment acquired	$ –	$ –
52	Goodwill acquired	–	–
53	Net assets acquired other than cash, goodwill, and property and equipment	–	–
54	Long–term debt assumed	–	–
55	Issuance of stock or capital invested	–	–
56	Cash Outflows to Acquire Business Entities	$ –	$ –
	Stock Issued or Capital Contributions:		
57	Total issuances of stock or capital contribution	$ –	$ –
58	Less: Issuances to settle long–term debt	–	–
59	Consideration in acquisition of business entities	–	–
60	Cash Proceeds from Issuing Stock or Capital Contributions	$ –	$ –

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Trump Plaza Associates, (the "Company"), doing business as Trump Plaza Hotel and Casino ("Trump Plaza") was organized in June 1982 as a general partnership under the laws of the State of New Jersey for the purpose of acquiring, completing the construction of and operating Trump Plaza. 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 September 30, consisted of the following:

	1993	1992
Prepaid taxes	$ 690,000	$ 652,000
Prepaid insurance	1,174,000	1,062,000
Prepaid rent	124,000	188,000
Prepaid advertising costs	360,000	426,000
Prepaid CRDA expense	-	1,208,000
Prepaid service contracts	97,000	119,000
Prepaid sewerage costs	200,000	171,000
Other	482,000	364,000
	$3,127,000	$4,190,000

NOTE 3: INVESTMENTS, ADVANCES AND RECEIVABLES

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

	1993	1992
Advances due from -		
Trump Seashore Associates	$ 877,000	$1,165,000
Trump Plaza Holding Associates	3,080,000	-
Trump Crystal Tower Associates	-	403,000
Other Affiliated Companies	-	7,000
Casino reinvestment bonds and escrow deposit, net of valuation adjustment (1993) $2,796,000; (1992) $1,706,000	5,593,000	3,412,000
	$9,550,000	$4,987,000

NOTE 4: PROPERTY AND EQUIPMENT - NET

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

	1993	1992
Land and land improvements	$ 35,613,000	$ 34,904,000
Buildings	295,524,000	293,744,000
Furniture, fixtures and equipment	75,865,000	72,892,000
Leasehold improvements	2,404,000	2,378,000
Construction in progress	2,980,000	2,271,000
	412,386,000	406,189,000
Less - Accumulated depreciation & amortization	(118,685,000)	(105,831,000)
Net property and equipment	$293,701,000	$300,358,000

NOTE 5: OTHER ASSETS

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

	1993	1992
Land rights, net	$30,151,000	$30,520,000
Deposits	1,673,000	740,000
Deferred loan cost (net of affiliate)	14,051,000	37,000
Deferred slot tax charge	64,000	77,000
Other deferred charge	-	1,417,000
	$45,939,000	$32,791,000

NOTE 6: OTHER ACCRUED EXPENSES

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

	1993	1992
Accrued payroll	$ 8,094,000	$ 8,160,000
Accrued progressive jackpot liabilities	803,000	959,000
Accrued interest	9,568,000	1,665,000
Accrued gaming taxes payable	336,000	123,000
Accrued Casino Control Commission & Division of Gaming Enforcement fees	572,000	684,000
Accrued utilities	425,000	532,000
Accrued union benefits	214,000	321,000
Accrued health insurance benefits	1,833,000	1,183,000
Accrued parking,sales, use & luxury tax	371,000	392,000
Accrued professional costs	418,000	1,876,000
Accrued special event costs	781,000	694,000
Accrued repairs & maintenance cost	114,000	85,000
Accrued property taxes	186,000	195,000
Accrued bank service charges	49,000	63,000
Accrued restructuring expense	-	567,000
Accrued refinancing expenses	687,000	-
Accrued preferred stock dividends	-	274,000
Distribution payable on preferred stock to Trump Plaza Funding, Inc.	-	1,216,000
Accrued uniforms	30,000	52,000
Other	1,412,000	1,244,000
	$25,893,000	$20,285,000

NOTE 7: OTHER CURRENT LIABILITIES

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

	1993	1992
Undeemed chip/token liability	$1,215,000	$1,204,000
Patron deposits	194,000	198,000
Casino reinvestment liability	948,000	888,000
Reserve for insurance claims	2,479,000	2,514,000
Advance room/theater deposits	135,000	157,000
Advances due to Trump Castle Associates	315,000	124,000
Advances due to Trump Penthouse Parcel	-	89,000
Advances due to Seashore Four Associates	590,000	603,000
Advances due to Taj Mahal Associates	134,000	380,000
Other	422,000	354,000
	$6,432,000	$6,511,000

NOTE 8: LONG-TERM DEBT DUE TO AFFILIATES

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

	1993	1992
10 7/8% Partnership Note, net of unamortized discount of $4,228,000, interest payable semi-annually, maturing in 2001.	$325,772,000	$ -
12% Partnership note, interest payable semi-annually, maturing in 2002.	-	225,000,000
	$325,772,000	$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. 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 September 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.	6,507,000	7,371,000
Other notes with interest rates ranging from 8.0% to 11.5%, principal and interest payable monthly, secured by automobile and computer equipment	1,180,000	281,000
	7,687,000	33,623,000
Less current maturities	1,611,000	9,537,000
	$6,076,000	$24,086,000

(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 September 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 nine months ended September 30, 1993 and interest on the 12 7/8% Partnership Note for the three and nine months ended September 30, 1992.

NOTE 12: NONOPERATING INCOME (EXPENSE) - NET

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

	Three Months Ended		Nine Months Ended	
	1993	1992	1993	1992
Interest income	$ 133,000	$ 110,000	$ 361,000	$ 351,000
Gain on disposal of property and equipment	-	-	5,000	34,000
Litigation expense	(66,000)	(64,000)	(41,000)	(1,142,000)
Restructuring expense	-	(684,000)	-	(4,611,000)
Nonoperating lease and related cost	(1,912,000)	-	(2,268,000)	-
Other nonoperating income (expense)	(124,000)	140,000	(139,000)	221,000
	$(1,969,000)	$(498,000)	$(2,082,000)	$(5,147,000)

NOTE 13: OTHER LIABILITIES

Other liabilities as of September 30, consisted of the following:

	1993	1992
Preferred Partnership Interest	$ -	$57,943,000
Deferred Income Taxes relating to Preferred Partnership Interest	3,953,000	66,000
	$3,953,000	$58,009,000

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 nine months ended September 30, consisted entirely of deferred state income taxes.

	Three Months Ended		Nine Months Ended	
	1993	1992	1993	1992
Current	$ -	$ -	$ -	$ -
Deferred	902,000	387,000	1,325,000	7,000
Total	$902,000	$ 387,000	$1,325,000	$ 7,000

TRADING NAME OF LICENSEE: Trump Plaza Hotel & Casino

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 30, 1993

(Unaudited)
($ in thousands)

Line (a)	Description (b)	Account Balance (c)	Allowance (d)	Accounts Receivable net of allowance (e)
1	Patrons' Check: Undeposited patrons' checks	$ 2,716		
2	Returned patron's check	14,535		
3	Total patron's checks	17,251	11,864	5,387
4	Hotel Receivables	1,383	229	1,154
5	Other Receivables: Receivables due from officers and employees	28		
6	Receivables due from affiliates	-		
7	Other accounts and notes receivables	252		
8	Total other receivables	280		280
9	Totals (Form 205)	$18,914	$12,093	$ 6,821

Line (f)	UNDEPOSITED PATRON'S CHECKS ACTIVITY 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 patron's cash deposits).	96,096
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 patron's cash deposits).	(70,756)
13	Checks collected through deposits	(20,210)
14	Checks transferred to returned checks	(5,646)
15	Other adjustments	-
16	Ending Balance	2,716
17	"Hold Checks" included in Balance on Line 16	-
18	Provisions for Uncollectible Patron's Checks	147
19	Provisions as a percent of Counter Checks issued.	0.2%

TRADING NAME OF LICENSEE: TRUMP PLAZA HOTEL AND CASINO

PROMOTIONAL EXPENSES AND ALLOWANCES

For the Three Months Ended September 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	48,330	$3,379,000	365	$28,000
Food	249,192	3,240,000	–	–
Beverage	749,573	2,248,000	–	–
Travel	–	–	5,907	886,000
Coin	–	–	770,781	4,710,000
Coupon	270,359	1,361,000	–	–
Entertainment	18,234	514,000	860	34,000
Retail & Gifts	–	–	23	224,000
Other	23,527	235,000	7,685	192,000
Total	1,359,215	$10,977,000	785,621	$6,074,000

For the Nine Months Ended September 30, 1993

	Promotional Allowances		Promotional Expenses	
	Number of Recipients	Dollar Amount	Number of Recipients	Dollar Amount
Rooms	93,142	$8,302,000	1,866	$140,000
Food	679,955	8,840,000	–	–
Beverage	2,082,753	6,248,000	–	–
Travel	–	–	15,651	2,348,000
Coin	–	–	2,204,017	13,806,000
Coupon	660,612	3,465,000	–	–
Entertainment	41,945	950,000	2,325	93,000
Retail & Gifts	–	–	343	852,000
Other	64,829	648,000	20,556	514,000
Total	3,623,236	$28,453,000	2,244,758	$17,753,000

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS

STATEMENT OF CONFORMITY AND ACCURACY

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

GEORGE T. PAPANIER, 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

VICE-PRESIDENT OF FINANCE
Title

004859-11
License Number

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

Signature

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

On Behalf Of:

TRUMP PLAZA ASSOCIATES
Casino Licensee

Basis of Authority
to Take Oaths

974.901
C193

QUARTERLY REPORT

LICENSEE TRUMP TAJ MAHAL CASINO RESORT

ADDRESS 1000 BOARDWALK

ATLANTIC CITY, NEW JERSEY 08401

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185 W. STATE ST.
TRENTON, N.J.

FOR THE QUARTER ENDED SEPTEMBER 30, 1993

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

RECEIVED
FEU
NOV 15 1993
CASINO CONTROL COMMISSION

NAME OF OFFICER IN CHARGE OF CORRESPONDENCE REGARDING THIS QUARTERLY REPORT..... R. BRUCE MCKEE

OFFICIAL TITLE..... SENIOR 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 SEPTEMBER 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

SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		SEPTEMBER (c) 1993	SEPTEMBER (d) 1992
	ASSETS			
	Current Assets:			
1	Cash and cash investments		$ 80,320	$ 56,868
2	Marketable securities		-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 1993, $5,534; 1992, $6,161)		12,315	12,742
4	Inventories		3,598	3,032
5	Prepaid expenses and other current assets		5,485	5,167
6	Total current assets		101,718	77,809
7	Investment, Advances, and Receivables - CRDA		6,456	3,752
8	Property and Equipment - Gross	NOTE 3	859,358	841,002
9	(Accumulated Depreciation/Amortization)	NOTE 3	(131,111)	(95,713)
10	Other Assets		1,458	938
11	Total Assets		$ 837,879	$ 827,788
	LIABILITIES AND EQUITY			
	Current Liabilites:			
12	Accounts Payable		$ 6,182	$ 5,816
13	Notes Payable		-	-
	Current portion of long-term debt:			
14	Due to affiliates		-	-
15	Other	NOTES 2 & 4	705	466
16	Income taxes payable and accrued		-	-
17	Other accrued expenses	NOTE 5	54,628	53,997
18	Other current liabilities	NOTE 6	8,693	5,153
19	Total current liabilities		70,208	65,432
	Long-Term Debt:			
20	Due to affiliates	NOTES 2 & 4	576,264	546,624
21	Other	NOTES 2 & 4	45,319	45,496
22	Deferred Credits		-	-
23	Other Liabilities	NOTE 7	28,423	27,923
24	Commitments and Contingencies	NOTE 10		
25	Total Liabilities		720,214	685,475
26	Stockholders', Partners', or Proprietor's Equity		117,665	142,313
27	Total Liabilities and Equity		$ 837,879	$ 827,788

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

NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	REVENUE:		
1	Casino	$ 338,077	$ 318,973
2	Rooms	31,046	31,775
3	Food and Beverage	41,848	46,764
4	Other	12,926	12,303
5	Total Revenue	423,897	409,815
6	Less: Promotional allowances	42,373	49,148
7	Net Revenue	381,524	360,667
	COSTS AND EXPENSES:		
8	Cost of Goods and Services	176,267	173,235
9	Selling, General and Administrative	101,179	96,858
10	Provision for Doubtful Accounts	3,768	5,756
11	Total Costs and Expenses	281,214	275,849
12	Gross Operating Profit	100,310	84,818
13	Depreciation and Amortization	27,487	27,250
	Charges from Affiliates other than Interest:	-	-
14	Management Fees	-	-
15	Other NOTE 8	3,729	3,456
16	Income (Loss) From Operations	69,094	54,112
	Other Income (Expenses):		
17	Interest (Expenses) - Affiliates NOTE 4	(76,308)	(73,205)
18	Interest (Expenses) - External NOTE 4	(3,533)	(3,797)
19	Investment Alternative Tax and Related Income(Expense) - Net	(2,087)	(1,946)
20	Nonoperating Income (Expense) - Net NOTE 9	851	695
21	Total Other Income (Expenses)	(81,077)	(78,253)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(11,983)	(24,141)
23	Provision (Credit) for Income Taxes	-	-
24	Income (Loss) Before Extraordinary Items	(11,983)	(24,141)
25	Extraordinary Items	-	-
26	Net Income (Loss)	$ (11,983)	$ (24,141)

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 SEPTEMBER 30, 1993 AND 1992

($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
	REVENUE:		
1	Casino	$ 126,932	$ 121,438
2	Rooms	12,103	12,330
3	Food and Beverage	15,649	17,471
4	Other	4,179	4,397
5	Total Revenue	158,863	155,636
6	Less: Promotional allowances	15,991	19,172
7	Net Revenue	142,872	136,464
	COSTS AND EXPENSES:		
8	Cost of Goods and Services	64,248	62,110
9	Selling, General and Administrative	35,258	35,433
10	Provision for Doubtful Accounts	1,253	1,962
11	Total Costs and Expenses	100,759	99,505
12	Gross Operating Profit	42,113	36,959
13	Depreciation and Amortization	9,144	9,118
	Charges from Affiliates other than Interest:	-	-
14	Management Fees	-	-
15	Other NOTE 8	1,374	1,294
16	Income (Loss) From Operations	31,595	26,547
	Other Income (Expenses):		
17	Interest (Expenses) - Affiliates NOTE 4	(25,832)	(24,658)
18	Interest (Expenses) - External NOTE 4	(1,141)	(1,169)
19	Investment Alternative Tax and Related Income(Expense) - Net	(783)	(745)
20	Nonoperating Income (Expense) - Net NOTE 9	373	184
21	Total Other Income (Expenses)	(27,383)	(26,388)
22	Income (Loss) Before Income Taxes and Extraordinary Items	4,212	159
23	Provision (Credit) for Income Taxes	-	-
24	Income (Loss) Before Extraordinary Items	4,212	159
25	Extraordinary Items	-	-
26	Net Income (Loss)	$ 4,212	$ 159

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)

($ IN THOUSANDS)

NOT APPLICABLE

LINE	DESCRIPTION	1992 (C) SHARES	1992 (D) DOLLARS	1991 (E) SHARES	1991 (F) DOLLARS
	Common Stock:				
1	Beginning Balance (January 1)		$		$
2	Sale of Stock				
3	_____				
4	Ending Balance				
	Preferred Stock:				
5	Beginning Balance (January 1)				
6	Sale of Stock				
7	_____				
8	Ending Balance				
	Additional Paid-in Capital:				
9	Beginning Balance (January 1)				
10	_____				
11	_____				
12	Ending Balance				
	Treasury Stock:				
13	Beginning Balance (January 1)		( )		( )
14	Purchase of Additional Stock		( )		( )
15	Sale or Retirement of Stock				
16	Ending Balance		( )		( )
	Subscriptions Receivable for Capital Stock:				
17	Beginning Balance (January 1)		( )		( )
18	_____				
19	_____				
20	Ending Balance		( )		( )
	Net Unrealized Loss on Noncurrent Marketable Equity Securities:				
21	Beginning Balance (January 1)		( )		( )
22	_____				
23	_____				
24	Ending Balance		( )		( )
	Retained Earnings:				
25	Beginning Balance (January 1)				
26	Prior Period Adjustments				
27	Net Income (Loss)				
28	Dividends		( )		( )
29	_____				
30	_____				
31	Ending Balance				
32	Ending Stockholders' Equity		$		$

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

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

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 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)	(11,983)	(24,141)
8	_____	0	0
9	Ending Balance	(3,010)	19,931
	Capital Withdrawals:		
10	Beginning Balance	(1,825)	-
11	Additional Capital Withdrawals	-	-
12	Partnership Distribution NOTE 10	(1,245)	(1,363)
13	Ending Balance	(3,070)	(1,363)
	Net Unrealized Loss On Noncurrent Marketable Equity Securities:		
14	Beginning Balance	-	-
15	_____	-	-
16	_____	-	-
17	Ending Balance	0	0
18	Ending Partners' or Proprietor's Equity	$ 117,665	$ 142,313

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 NINE MONTHS ENDED SEPTEMBER 30, 1993 AND 1992

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	(c) 1993	(d) 1992
1	Net Cash Provided (Used) by Operating Activities	$ 50,417	$ 36,355
	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	(13,075)	(6,489)
5	Proceeds from Disposition of Property and Equipment	-	-
6	Purchase of Casino Reinvestment Obligations	(3,840)	(2,497)
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	(16,915)	(8,986)
	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	(561)	(8,497)
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	(1,245)	(1,363)
23	Net Cash Provided (Used) by Financing Activites	12,776	6,984
24	Net Increase (Decrease) in Cash and Cash Equivalents	46,278	34,353
25	Cash and Cash Equivalents at Beginning of Period	34,042	22,515
26	Cash and Cash Equivalents at End of Period	$ 80,320	$ 56,868

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period for:		
27	Interest (Net of Amount Capitalized)	$ 38,173	$ 37,991
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 NINE MONTHS ENDED SEPTEMBER 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)	$ (11,983)	$ (24,141)
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment	27,487	27,250
31	Amortization of Other Assets	-	-
32	Amortization of Debt Discount or Premium	11,542	9,656
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	1,752	551
37	(Gain Loss from Other Investment Activities	-	-
38	Net (Increase) Decrease in Receivables and Patrons' Checks	1,910	4,331
39	Net (Increase) Decrease in Inventories	(525)	120
40	Net (Increase) Decrease in Other Current Assets	(1,814)	(2,534)
41	Net (Increase) Decrease in Other Assets	(430)	(136)
42	Net Increase (Decrease) in Accounts Payables	1,023	1,297
43	Net Increase (Decrease) in Other Current Liabilities Excluding Debt	24,416	17,997
44	Net Increase (Decrease) in Other Noncurrent Liabilities Excluding Debt	(4,258)	846
45	Net Increase in Notes Payable	-	-
46	Costs related to lease guarantee	1,297	1,118
47	Net Cash Provided (Used) by Operating Activites	$ 50,417	$ 36,355

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition of Property and Equipment:		
48	Additions to Property and Equipment	$ 13,607	$ 6,489
49	Less: Captial Lease Obligations Incurred	(532)	-
50	Cash Outflows for Property and Equipment	$ 13,075	$ 6,489
	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
SEPTEMBER 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 nine months ended September 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 September 30, 1993 the unaccreted balance of this discount approximated $176,620,000. The current interest rates of other borrowings approximated their stated interest rates as of the Effective Date.

NOTE 3 - PROPERTY AND EQUIPMENT

	September 30,	
	1993	1992
	(in thousands)	
Land	$ 37,291	$ 37,291
Buildings	646,144	638,095
Furniture, fixtures and equipment	146,520	141,340
Leasehold improvements	29,403	24,276
Total	859,358	841,002
Less Accumulated Depreciation	131,111	95,713
Net Property and Equipment	$728,247	$745,289

NOTE 4 - LONG TERM DEBT

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

	1993	1992
	(in thousands)	
Long-term Portion		
Due to affiliates:		
Trump Taj Mahal Funding, Inc.	$752,884	$738,302
Unamortized discount	(176,620)	(191,678)
Net	$576,264	$546,624
Other:		
Bank term loan	$ 45,175	$ 45,347
Other	144	149
Total other	$ 45,319	$ 45,496
Current Portion		
Other:		
Bank term loan	$ 172	$ 157
Other	533	309
Total other	$ 705	$ 466

	Nine months ended September 30,	
	1993	1992
	(in thousands)	
Interest Expense - Affiliates		
Trump Taj Mahal Funding, Inc.	$ 63,469	$ 62,432
Accretion - bond discount	11,542	9,656
Accretion - lease guarantee	1,297	1,117
Total	$ 76,308	$ 73,205
Interest Expense - External		
Bank term loan	$ 3,228	$ 3,251
Other	194	84
Working Capital line of credit	111	462
Total	$ 3,533	$ 3,797

NOTE 4 - LONG TERM DEBT (continued)

	Three months ended September 30, 1993	1992
	(in thousands)	
Interest Expense-Affiliates		
Trump Taj Mahal Funding, Inc.	$ 21,363	$ 20,950
Accretion - bond discount	4,021	3,322
Accretion - lease guarantee	448	386
Total	$ 25,832	$ 24,658
Interest Expense-External		
Bank term loan	$ 1,087	$ 1,091
Other	6	22
Working Capital line of credit	48	56
Total	$ 1,141	$ 1,169

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 paid the Additional Amount on May 15, 1993 and May 15, 1992 through the issuance of approximately $14,582,000 and $8,844,000, respectively, in additional New Bonds.

In November 1991, the Partnership obtained a working capital line of credit in the amount of $25,000,000 with a maturity of five years. Interest on advances under the line is at prime plus 4% with a minimum of 9% per annum. The Agreement provides for a 1% annual fee and a 3/4% unused line fee and contains various covenants during the term of the facility. During 1993, no amounts have been outstanding under the line.

NOTE 5 - OTHER ACCRUED EXPENSES

		September 30, 1993		September 30, 1992
		(in thousands)		
Accrued CRDA obligation		$ 1,568		$ 3,151
Accrued interest		26,484		25,972
Accrued payroll & related		14,813		11,399
Progressive jackpot		2,247		2,278
Accrued advertising		2,998		1,771
Accrued real estate taxes		3,003		2,653
Other	**	3,515	**	6,773
Total		$ 54,628		$ 53,997

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

NOTE 6 - OTHER CURRENT LIABILITIES

	September 30, 1993	September 30, 1992
	(in thousands)	
Affiliates:		
Donald J. Trump	$ 411	$ 322
Trump's Castle Associates	281	219
Trump Plaza Associates	(149)	(383)
Helicopter Air Service	(43)	(43)
	500	115
Advance deposits	987	568
Unredeemed chip liability	2,228	1,431
Insurance reserves	4,363	2,367
Other	615	672
	8,193	5,038
Total	$ 8,693	$ 5,153

NOTE 7 - OTHER LIABILITIES

Other liabilities at September 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	5,576	5,468
Accounts payable - Long Term	525	1,450
Lease guarantee	12,265	10,567
Other	1,265	1,446
	$28,423	$27,923

NOTE 8 - CHARGES FROM AFFILIATES

	Nine months ended September 30,	
	1993	1992
	(in thousands)	
Other:		
Rent	$ 2,044	$ 2,044
Allocated salaries	461	293
Trump Services Agreement	1,224	1,119
	$ 3,729	$ 3,456

	Three months ended September 30,	
	1993	1992
	(in thousands)	
Other:		
Rent	$ 682	$ 681
Allocated salaries	158	109
Trump Services Agreement	534	504
	$ 1,374	$ 1,294

NOTE 9 - NON-OPERATING INCOME (EXPENSE)

	Nine months ended September 30,	
	1993	1992
	(in thousands)	
Interest Income	$ 851	$ 695
	$ 851	$ 695

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

	Three months ended September 30,	
	1993	1992
	(in thousands)	
Interest Income	$ 373	$ 184
	$ 373	$ 184

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. 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 nine months ended September 30, 1993 and 1992 approximated $1,245,000 and $1,363,000, 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.

	Nine months ended September 30,	
	1993	1992
Merchandise - jackpot payouts	$81,315	$174,794

	Three months ended September 30,	
	1993	1992
Merchandise - jackpot payouts	$29,210	$ 86,964

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

SEPTEMBER 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	$ 7,649		
2	Returned Patrons' Checks	7,706		
3	Total Patrons' Checks	15,355	$ (5,233)	$ 10,122
4	Hotel Receivables	2,222	(301)	1,921
	Other Receivables:			
5	Receivables Due From Officers and Employees	0		
6	Receivables Due From Affiliates	0		
7	Other Accounts and Notes Receivables	272		
8	Total Other Receivables	272	0	272
9	Totals (Form 205)	$ 17,849	$ (5,534)	$ 12,315

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)	198,535
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)	(146,615)
13	Checks Collected Through Deposits	(41,473)
14	Checks Transferred to Returned Checks	(12,121)
15	Other Adjustments	1,128
16	Ending Balance	$ 7,649
17	"Hold" Checks Included in Balance on Line 16	$ 0
18	Provision for Uncollectible Patrons' Checks	$ 3,581
19	Provision as a Percent of Counter Checks Issued	1.8%

TRADING NAME OF LICENSEE: TRUMP TAJ MAHAL CASINO RESORT

PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	126,387	$17,697		$
Food	1,136,722	13,825		
Beverage	3,670,570	6,892		
Travel			26,917	3,767
Coin			2,330,298	29,715
Coupon	313,837	2,112		
Entertainment	81,081	1,314		
Retail & Gifts			5,560	241
Other	37,291	533	163,536	7,090
Total	5,365,888	$42,373	2,526,311	$40,813

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1993

	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSE	
	# OF RECIPIENTS	DOLLAR AMOUNTS	# OF RECIPIENTS	DOLLAR AMOUNTS
Rooms	50,505	$7,100		$
Food	457,057	5,448		
Beverage	1,466,126	2,637		
Travel			8,659	1,096
Coin			705,571	10,461
Coupon	37,361	311		
Entertainment	48,271	335		
Retail & Gifts			1,825	87
Other	9,440	160	38,102	2,666
Total	2,068,760	$15,991	754,157	$14,310

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

Senior Vice President, Finance
TITLE

0548-11
LICENSE NUMBER

On Behalf Of:

Trump Taj Mahal Associates
Casino Licensee

Subscribed and Sworn to before me
this 12th day of November, 1993

Maryann S. Connor
Signature

MARYANN S. CONNOR
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Jan. 11, 1998

Basis of Authority
to Take Oaths