Bally's Park Place Inc. (Bally's Atlantic City)

QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31, 2014

SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

Bally's Park Place Inc. (Bally's Atlantic City)
BALANCE SHEETS

AS OF DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 4/29/2015

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	ASSETS:			
	Current Assets:			
1	Cash and Cash Equivalents		$14,327	$17,023
2	Short-Term Investments			0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2014, $3,926; 2013, $4,147)	4	6,805	8,593
4	Inventories		1,115	1,314
5	Other Current Assets	5	3,921	7,686
6	Total Current Assets		26,168	34,616
7	Investments, Advances, and Receivables	6	16,725	49,137
8	Property and Equipment - Gross	2,7	60,387	57,248
9	Less: Accumulated Depreciation and Amortization	2,7	(10,569)	(4,476)
10	Property and Equipment - Net	7	49,818	52,772
11	Other Assets	8	82,313	119,929
12	Total Assets		$175,024	$256,454
	LIABILITIES AND EQUITY:			
	Current Liabilities:			
13	Accounts Payable		$4,030	$10,667
14	Notes Payable			0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates			
16	External		3,551	3,049
17	Income Taxes Payable and Accrued			
18	Other Accrued Expenses	9	355,168	306,615
19	Other Current Liabilities		2,409	3,319
20	Total Current Liabilities		365,158	323,650
	Long-Term Debt:			
21	Due to Affiliates	10	583,500	583,500
22	External	10	2,625	4,323
23	Deferred Credits		0	0
24	Other Liabilities	11	809	45,937
25	Commitments and Contingencies	14	0	0
26	Total Liabilities		952,092	957,410
27	Stockholders', Partners', or Proprietor's Equity		(777,068)	(700,956)
28	Total Liabilities and Equity		$175,024	$256,454

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

Bally's Park Place Inc. (Bally's Atlantic City)
STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 4/29/2015

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	Revenue:			
1	Casino		$221,894	$243,944
2	Rooms		35,609	45,559
3	Food and Beverage		45,927	45,046
4	Other		10,628	11,849
5	Total Revenue		314,058	346,398
6	Less: Promotional Allowances		86,479	90,910
7	Net Revenue		227,579	255,488
	Costs and Expenses:			
8	Casino		114,008	116,749
9	Rooms, Food and Beverage		20,698	21,717
10	General, Administrative and Other		70,238	83,523
11	Total Costs and Expenses		204,944	221,989
12	Gross Operating Profit		22,635	33,499
13	Depreciation and Amortization	2	7,746	23,582
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	0
15	Other	3	28,660	24,911
16	Income (Loss) from Operations		(13,771)	(14,994)
	Other Income (Expenses):			
17	Interest Expense - Affiliates	10	(49,598)	(49,598)
18	Interest Expense - External	10	(184)	(167)
19	CRDA Related Income (Expense) - Net	14	(697)	(3,620)
20	Nonoperating Income (Expense) - Net		(4,533)	(624,185)
21	Total Other Income (Expenses)		(55,012)	(677,570)
22	Income (Loss) Before Taxes and Extraordinary Items		(68,783)	(692,564)
23	Provision (Credit) for Income Taxes	2, 12	(53,580)	(239,789)
24	Income (Loss) Before Extraordinary Items		(15,203)	(452,775)
	Extraordinary Items (Net of Income Taxes -			
25	2014, $0; 2013, $0)		0	0
26	Net Income (Loss)		($15,203)	($452,775)

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

Bally's Park Place Inc. (Bally's Atlantic City)
STATEMENTS OF INCOME

FOR THE QUARTER ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 4/29/2015

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	Revenue:			
1	Casino		$51,378	$51,595
2	Rooms		8,327	10,354
3	Food and Beverage		10,114	10,031
4	Other		2,633	1,872
5	Total Revenue		72,452	73,852
6	Less: Promotional Allowances		21,208	23,324
7	Net Revenue		51,244	50,528
	Costs and Expenses:			
8	Casino		27,855	29,356
9	Rooms, Food and Beverage		4,099	3,980
10	General, Administrative and Other		15,978	20,062
11	Total Costs and Expenses		47,932	53,398
12	Gross Operating Profit		3,312	(2,870)
13	Depreciation and Amortization	2	959	3,184
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	0
15	Other	3	6,527	6,280
16	Income (Loss) from Operations		(4,174)	(12,334)
	Other Income (Expenses):			
17	Interest Expense - Affiliates	10	(12,400)	(12,368)
18	Interest Expense - External	10	(45)	(54)
19	CRDA Related Income (Expense) - Net	14	(457)	(651)
20	Nonoperating Income (Expense) - Net		10,750	(115,882)
21	Total Other Income (Expenses)		(2,152)	(128,955)
22	Income (Loss) Before Taxes and Extraordinary Items		(6,326)	(141,289)
23	Provision (Credit) for Income Taxes	2	(7,908)	(217,914)
24	Income (Loss) Before Extraordinary Items		1,582	76,625
	Extraordinary Items (Net of Income Taxes -			
25	2014, $0; 2013, $0)		0	0
26	Net Income (Loss)		$1,582	$76,625

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

Bally's Park Place Inc. (Bally's Atlantic City)
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND DECEMBER 31, 2014

(UNAUDITED)
($ IN THOUSANDS)

Amended 4/29/2015

Line (a)	Description (b)	Notes	Common Stock Shares (c)	Common Stock Amount (d)	Preferred Stock Shares (e)	Preferred Stock Amount (f)	Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
1	**Balance, December 31, 2012...........**		100	$1			$597,787		($238,765)	$359,023
2	Net Income (Loss) - 2013.............								(452,775)	(452,775)
3	Contribution to Paid-in-Capital......									0
4	Dividends.....................................									0
5	Prior Period Adjustments..............									0
6	Equitization of Intercompany						(600,233)		(6,971)	(607,204)
7										0
8										0
9										0
10	**Balance, December 31, 2013...........**		100	1	0	0	(2,446)	0	(698,511)	(700,956)
11	Net Income (Loss) - 2014.............								(15,203)	(15,203)
12	Contribution to Paid-in-Capital......									0
13	Dividends.....................................									0
14	Prior Period Adjustments..............									0
15	Equitization of Intercompany						(60,909)			(60,909)
16										0
17										0
18										0
19	**Balance, December 31, 2014 ....**		100	$1	0	$0	($63,355)	$0	($713,714)	($777,068)

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

Bally's Park Place Inc. (Bally's Atlantic City)
STATEMENTS OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 4/29/2015

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		$32,699	$37,960
	CASH FLOWS FROM INVESTING ACTIVITIES:			
2	Purchase of Short-Term Investments			
3	Proceeds from the Sale of Short-Term Investments			
4	Cash Outflows for Property and Equipment		(16,824)	(8,970)
5	Proceeds from Disposition of Property and Equipment		12,320	379
6	CRDA Obligations		(650)	(648)
7	Other Investments, Loans and Advances made			
8	Proceeds from Other Investments, Loans, and Advances			
9	Cash Outflows to Acquire Business Entities		0	0
10				
11				
12	Net Cash Provided (Used) By Investing Activities		(5,154)	(9,239)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt			
14	Payments to Settle Short-Term Debt			
15	Proceeds from Long-Term Debt		1,520	
16	Costs of Issuing Debt			
17	Payments to Settle Long-Term Debt			
18	Cash Proceeds from Issuing Stock or Capital Contributions		0	0
19	Purchases of Treasury Stock			
20	Payments of Dividends or Capital Withdrawals			
21	Change in Payable to / Receivable from affiliates		(31,761)	(37,275)
22				
23	Net Cash Provided (Used) By Financing Activities		(30,241)	(37,275)
24	Net Increase (Decrease) in Cash and Cash Equivalents		(2,696)	(8,554)
25	Cash and Cash Equivalents at Beginning of Period		17,023	25,577
26	Cash and Cash Equivalents at End of Period		$14,327	$17,023

	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized)		$184	$167
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.

Bally's Park Place Inc. (Bally's Atlantic City)
STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)

($ IN THOUSANDS)

Amended 4/29/2015

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss)		($15,203)	($452,775)
30	Depreciation and Amortization of Property and Equipment		7,746	21,351
31	Amortization of Other Assets		0	2,231
32	Amortization of Debt Discount or Premium		0	0
33	Deferred Income Taxes - Current		320	320
34	Deferred Income Taxes - Noncurrent		0	(170,872)
35	(Gain) Loss on Disposition of Property and Equipment		213	193
36	(Gain) Loss on CRDA-Related Obligations		697	3,620
37	(Gain) Loss from Other Investment Activities		0	
38	(Increase) Decrease in Receivables and Patrons' Checks		1,788	10,908
39	(Increase) Decrease in Inventories		199	(69)
40	(Increase) Decrease in Other Current Assets		3,445	(4,734)
41	(Increase) Decrease in Other Assets		37,616	308
42	Increase (Decrease) in Accounts Payable		(6,637)	3,852
43	Increase (Decrease) in Other Current Liabilities		47,643	48,096
44	Increase (Decrease) in Other Liabilities		(45,128)	(49,151)
45	Impairment of Assets		0	624,682
46				
47	Net Cash Provided (Used) By Operating Activities		$32,699	$37,960

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment		($17,326)	($10,659)
49	Less: Capital Lease Obligations Incurred		502	1,689
50	Cash Outflows for Property and Equipment		($16,824)	($8,970)
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired			
52	Goodwill Acquired			
53	Other Assets Acquired - net			
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	$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

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

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

Bally's Park Place Inc. (Bally's Atlantic City)
SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014
(UNAUDITED)
($ IN THOUSANDS)

		Promotional Allowances		Promotional Expenses	
Line (a)	Description (b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	514,252	$19,256	0	$0
2	Food	611,487	13,121	0	0
3	Beverage	6,175,287	12,351	0	0
4	Travel	0	0	2,775	652
5	Bus Program Cash	10,884	218	0	0
6	Promotional Gaming Credits	519,733	36,007	0	0
7	Complimentary Cash Gifts	65,177	3,334	0	0
8	Entertainment	0	0	4,516	892
9	Retail & Non-Cash Gifts	55,540	1,277	0	0
10	Parking	0	0	0	0
11	Other	183,064	915	0	0
12	Total	8,135,424	$86,479	7,291	$1,544

FOR THE QUARTER ENDED DECEMBER 31, 2014

		Promotional Allowances		Promotional Expenses	
Line (a)	Description (b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	134,754	$5,109	0	$0
2	Food	129,964	3,117	0	0
3	Beverage	1,509,740	3,020	0	0
4	Travel	0	0	911	214
5	Bus Program Cash	2,660	53	0	0
6	Promotional Gaming Credits	130,063	8,679	0	0
7	Complimentary Cash Gifts	15,623	639	0	0
8	Entertainment	0	0	2,121	409
9	Retail & Non-Cash Gifts	16,752	385	0	0
10	Parking	0	0	0	0
11	Other	41,144	206	0	0
12	Total	1,980,700	$21,208	3,032	$623

*No item in this category (Other) exceeds 5%.

Bally's Park Place Inc. (Bally's Atlantic City)
STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

FOR THE QUARTER ENDED DECEMBER 31, 2014

1. I have examined this Quarterly Report.

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

3. To the best of my knowledge and belief, the information contained in this report is accurate.

4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.S.A. 5:12-84a(1)-(5) during the quarter.

Karen Worman

3/31/2015
Date

KAREN WORMAN

Vice President of Finance
Title

6320-11
License Number

On Behalf of:

Bally's Park Place Inc. (Bally's Atlantic City)
Casino Licensee

BALLY'S PARK PLACE, INC. (Bally's Atlantic City)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

Amended 4/29/2015

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

The accompanying financial statements include the accounts of Bally's Park Place, Inc., a New Jersey corporation (the "Company"), an indirect, wholly owned subsidiary of Caesars Operating Company, Inc. ("CEOC") which is a direct wholly owned subsidiary of Caesars Entertainment, Inc. ("Caesars"). The Company owns and operates the casino hotel resort in Atlantic City, New Jersey known as "Bally's Atlantic City."

The Company operates in one industry segment and all significant revenues arise from its casino and supporting hotel operations. The Company is licensed to operate the facility by the New Jersey Division of Gaming Enforcement, (the "DGE") and is subject to rules and regulations established by the DGE. The Company's license is subject to resubmission every five years.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The Companies financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), which require the use of estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting periods. Management believes the accounting estimates are appropriate and reasonably stated; however, due to the inherent uncertainties in making these estimates, actual amounts could differ.

Principles of Consolidation - The accompanying consolidated financial statement schedules include the account balances of the Company and its wholly owned subsidiaries. As a result, all material intercompany transactions and balances have been eliminated in consolidation.

Cash and Cash Equivalents – Cash equivalents are highly liquid investments with original maturities of three months or less from the date of purchase and are stated at the lower of cost or market value.

Allowance for Doubtful Accounts - The Company reserves an estimated amount for receivables that may not be collected. The methodology for estimating the allowance includes using specific reserves and applying various percentages to aged receivables. Historical collection rates are considered, as are customer relationships, in determining specific allowances. As with many estimates management must make judgments about potential actions by third parties in establishing and evaluating the allowance for doubtful accounts.

Inventories - Inventories, which consist primarily of food, beverage and operating supplies, are stated at the lower of average cost or market value.

Long-Lived Assets - The Companies have significant capital invested in long-lived assets, and judgments are made in determining the estimated useful lives of assets and salvage values and if or when an asset (or asset group) has been impaired. The accuracy of these estimates affects the amount of depreciation and amortization expense recognized in the Companies' financial results and whether the Companies have a gain or loss on the disposal of an asset. The Companies assign lives to their assets based on their standard policy, which is established by management as representative of the useful life of each category of asset.

(All dollar amounts in thousands)

The Companies review the carrying value of their long-lived assets whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. The Companies typically estimate their fair value of assets starting with a "Replacement Cost New" approach and then deducting appropriate amounts for both functional and economic obsolescence to arrive at fair value estimates. Other factors considered by management in performing this assessment may include current operating results, trends, prospects, and third-party appraisals, as well as the effect of demand, competition, and other economic, legal, and regulatory factors. In estimating expected future cash flows for determining whether an asset is impaired, assets are grouped at the lowest level of identifiable cash flows, which, for the Companies, is the individual property. These analyses are sensitive to management assumptions and the estimates of the obsolescence factors, and changes in the assumptions and estimates, could have a material impact on the analysis and the supplemental consolidated financial statements schedules.

Additions to property and equipment are stated at cost. The Companies capitalize the costs of improvements that extend the life of the asset. The Companies expense maintenance and repair costs as incurred. Gains or losses on the disposition of property and equipment are recognized in the period of disposal. Interest expense is capitalized on internally constructed assets at the applicable weighted-average borrowing rates of interest. Capitalization of interest ceases when the project is substantially complete or construction activity is suspended for more than a brief period of time.

Depreciation is calculated using the straight-line method over the shorter of the estimated useful life of the asset or the related lease as follows:

<u>Useful Lives</u>

Land improvements	12 years
Buildings	30 to 40 years
Leasehold improvements	5 to 15 years
Furniture, fixtures, and equipment	2.5 to 20 years

<u>Acquisition</u>

In December 2013, Caesars agreed to acquire the non-gaming assets, including physical property, of New Jersey's Atlantic Club Casino and Hotel in a bankruptcy auction. In December 2013, Caesars paid $4,000 into an escrow account, included in prepayments and other current assets of the accompanying supplemental consolidating balance sheet schedule for Bally's Atlantic City, pursuant to the agreement to acquire the assets. Subsequent to December 2013, Caesars formed BPP Providence Acquisition Company, LLC, a wholly owned subsidiary of Bally's Atlantic City, in order to hold the acquired assets. In January 2014, Caesars paid $10,900 to close the acquisition and later sold the Atlantic Club to TJM Properties, LLC in May 2014.

Dispositions

In October 2013, Caesars agreed to sell The Claridge Tower (the "Claridge") to TJM Properties, LLC in exchange for cash consideration of $12,500. The Claridge is a hotel facility, owned by and adjacent to Bally's Atlantic City. Prior to the sale, Bally's Atlantic City recognized an impairment of $25,330 reflected in tangible and intangible asset impairments of Bally's Atlantic City's accompanying supplemental consolidating balance sheet schedule. In February 2014, the sale closed at which Caesars received $13,200, inclusive of property tax overpayments of $800 and net of customary closing costs.

Investments in Subsidiaries - The Company had an investment in Atlantic City Country Club 1, LLC ("ACCC") a wholly owned subsidiary of the Company. It is reflected in the accompanying financial statements using the equity method. In April 2014, Caesars sold the ACCC.

Impairment of Intangible Assets - Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principle market or, if none exists, the most advantageous market, for the specific asset or liability at the measurement date (referred to as the "exit price"). Fair value is a market-based measurement that should be determined based upon assumptions that market participants would use in pricing an asset or liability, including consideration of nonperformance risk.

We assess the inputs used to measure fair value using the three-tier hierarchy promulgated under GAAP. This hierarchy indicates the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Inputs include quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.;

Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly, including quoted prices for similar assets in active markets, quoted prices from identical or similar assets in inactive markets, and observable inputs such as interest rates and yield curves.; and

Level 3: Inputs that are significant to the measurement of fair value that are not observable in the market and include management's judgments about assumptions market participants would use in pricing the asset or liability (including assumptions about risk).

Our assessment of goodwill and other intangible assets for impairment includes an assessment using various Level 2 (EBITDA multiples and discount rate) and Level 3 (forecasted cash flows) inputs.

Fair Value of Financial Instruments - The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties. The carrying amount of receivables and all current liabilities approximates fair value due to their short-term nature. After giving effect to their allowances, the Casino Reinvestment Development Authority ("CRDA") bonds and deposits approximately reflect their fair value based upon their below-market interest rates.

(All dollar amounts in thousands)

Revenue Recognition — Casino revenues are measured by the aggregate net difference between gaming wins and losses, with liabilities recognized for funds deposited by customers before gaming play occurs and for chips in the customers' possession. Food and beverage, rooms, and other operating revenues are recognized when services are performed. Advance deposits on rooms and advance ticket sales are recorded as customer deposits until services are provided to the customer. Sales taxes and other taxes collected from customers on behalf of governmental authorities are accounted for on a net basis and are not included in net revenues or operating expenses.

Casino Promotional Allowances - The retail value of accommodations, food and beverage and other services furnished to casino guests without charge is included in gross revenue and then deducted as promotional allowances. Also included is the value of the coupons redeemed for cash at the property. The estimated costs of providing such complimentary services are classified as casino expenses in the accompanying statements of income. These costs consisted of the following as of December 31:

	2014	2013
Rooms	$10,210	$10,368
Food and Beverage	21,418	18,945
Other	1,144	1,188
Bus Program Cash	218	80
Promotional Gaming Credits	36,007	31,152
Other Cash Complimentaries	3,334	8,128
	$72,331	$69,861

Total Rewards Program Liability - The Company's customer loyalty program, Total Rewards, offers incentives to customers who gamble at certain of affiliated casinos throughout the United States. Under the program, customers are able to accumulate, or bank, reward credits over time that they may redeem at their discretion under the terms of the program. The reward credit balance will be forfeited if the customer does not earn a reward credit over the prior six-month period. As a result of the ability of the customer to bank the reward credits, the expense of reward credits is accrued after consideration of estimated forfeitures (referred to as "breakage"), as they are earned. The value of the cost to provide reward credits is expensed as the reward credits are earned and is included in casino expense in the accompanying statements of operations. To arrive at the estimated cost associated with reward credits, estimates and assumptions are made regarding incremental marginal costs of the benefits, breakage rates and the mix of goods and services for which reward credits will be redeemed. The Company uses historical data to assist in the determination of estimated accruals. At December 31, 2014 and 2013, the accrued balance for the estimated cost of Total Rewards credit redemptions was $2,324 and $2,310, respectively.

In addition to reward credits, the Company's customers can earn points based on play that are redeemable in Non Negotiable Reel Rewards ("NNRR"). The Company accrues the costs of NNRR points, after consideration of estimated breakage, as they are earned. The cost is recorded as contra-revenue and included in casino promotional allowances in the accompanying statements of income. At December 31, 2014 and 2013, the liability related to the outstanding NNRR points, which is based on historical redemption activity, was approximately $350 and $330, respectively.

Gaming Tax — The Company remits weekly to the NJ Division of Taxation a tax equal to eight percent of the gross gaming revenue, as defined. Gaming taxes paid to the NJ Division of Taxation for the twelve months ended December 31, 2014 and 2013, which are included in cost of sales in the accompanying statements of income, were approximately $17,992 and $19,529, respectively.

Property Tax – In 2014, the Company settled with the City with respect to their challenges to the real estate tax assessment for prior years. The City approved refund/credit of prior year's property taxes during the first quarter of 2014 in the amount of $1,171. This credit was included in general, administrative and other expense in the accompanying Statement of Income. In addition, the 2014 assessment was reduced by approximately $230 million. During 2014, the city increased property tax rate by approximately 32%.

Income Taxes - The Company is included in the consolidated federal tax return of Caesars and files a separate New Jersey tax return. The provision for federal income taxes is computed based on the statutory federal rate as if the Company had filed a separate income tax return. The provision for state taxes is based on the statutory New Jersey tax.

Deferred tax assets and liabilities represent the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in existing tax rates is recognized as an increase or decrease to the tax provision in the period that includes the enactment date. The Company follows the provisions of *ASC 740- Income Taxes.* The Company recognizes interest and penalties accrued related to unrecognized tax benefits in income tax expense.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses reported during the periods. Actual results could differ from such estimates and assumptions.

Internet Gaming - Caesars Interactive Entertainment New Jersey, LLC as the affiliate of Bally's Park Place, Inc. was issued an internet gaming permit on November 20, 2013 to conduct real money online gaming in the State of New Jersey. All real money online gaming is reported in the financial statements of Caesars Interactive Entertainment New Jersey, LLC. Effective November 20, 2014 the Company does not have an internet gaming permit.

Reclassifications — The Company has reclassified certain amounts for prior periods to conform to the current year's presentation.

Recently Issued Accounting Pronouncements — We do not expect that any recently issued accounting pronouncements will have a material effect on our financial statements.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company participates with CEOC and its other subsidiaries in marketing, purchasing, insurance, employee benefit and other programs that are defined and negotiated by CEOC on a consolidated basis. The Company believes that participating in these consolidated programs is beneficial in comparison to the terms for similar programs that it could negotiate on a stand-alone basis.

The Company’s property, assets and capital stock are pledged as collateral for certain of CEOC’s outstanding debt.

Cash Activity With CEOC and Affiliates - The Company transfers cash in excess of its operating and regulatory needs to its respective parent on a daily basis. Cash transfers from the Company's parent is also made based upon the needs of the Company to fund daily operations, including accounts payable, payroll, and capital expenditures. No interest is charged on transfers made to or from the Company.”

Administrative and Other Services - The Company is charged a fee by CEOC for administrative and other services (including consulting, legal, marketing, information technology, accounting, and insurance). The Company was charged approximately $28,660 and $24,911 for the twelve months ended December 31, 2014 and 2013, respectively, for these services.

Equitization of Intercompany Balances - During June 2013, the Company elected to equitize certain intercompany balances with its parent and affiliates that were previously classified as a receivable/liability. Offset to this was Additional Paid in Capital. This is separately shown on the Statement of Changes in Stockholder’s Equity.

Employee Benefit Plans — Caesars maintains a defined contribution savings and retirement plan that allows employees to make pre-tax and after-tax contributions. Under the plan, participating employees may elect to contribute up to 50% of their eligible earnings (subject to IRS rules and regulations) and are eligible to receive a company match of up to $600. Participating employees become vested in matching contributions on a pro-rata basis over five years of credited service. The Company’s contribution expense for the twelve months ended December 31, 2014 and 2013 was $409 and $425, respectively.

Caesars maintains several supplemental executive supplemental savings plans ("SERP") to provide additional retirement benefits to a select group of former executives. The expenses charged by Caesars to the Company for employees’ participation in these programs are included in the administrative and other services charge discussed above.

Equity Incentive Awards — Caesars maintains equity incentive awards plans in which employees of the Company may participate. Caesars allocates an appropriate amount of cost for these awards to each subsidiary where employees participate.

The Company recognized approximately $44 and $157 in equity award options in each of the years ended December 31, 2014 and 2013, respectively, in selling, general, administrative and other expenses within the accompanying statements of income.

Multiemployer Benefit Plans - Certain employees of the Company are covered by union sponsored, collectively bargained, health and welfare plans. The contributions and charges for these plans totaled $12,687 and $12,578 for the years ended December 31, 2014 and 2013, respectively, and were included in selling, general, administrative and other expenses within the accompanying statements of income.

The Company contributes to a number of multiemployer defined benefit pension plans under the terms of collective-bargaining agreements that cover its union-represented employees. The risks of participating in these multiemployer plans are different from a single-employer plan in the following aspects:

a. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

c. If the Company chooses to stop participating in some of its multiemployer plans, the Company may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a "withdrawal liability".

Multiemployer Pension Plan Participation

		Pension Protection Act Zone Status [1]			Contributions of CEOC on behalf of Bally's Park Place ($ in millions)			
Pension Fund	EIN/Pension Plan Number	2014	2013	FIP/RP Status [2]	2014	2013	Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
Pension Plan of the UNITE HERE National Retirement Fund [4]	13-6130178/001	Red	Red	Yes	$ 3.4	$ 3.1	No	March 2015
Local 68 Engineers Union Pension Plan [3]	51-0176618/001	Green	Yellow	No	0.4	0.4	No	April 2017
NJ Carpenters Pension Fund	22-6174423/001	Yellow	Yellow	Yes	0.2	0.2	No	April 2017
Other Funds					0.1	0.1		
					$ 4.1	$ 3.8		

1. Represents the Pension Protection Act ("PPA") zone status for applicable plan year beginning January 1, 2014, except where noted otherwise.
2. Indicates plans for which a financial improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented.
3. Plan years begin July 1.
4. As described in Note 15, "Subsequent Events-Other", in 2015, the Pension Plan of the UNITE HERE National Retirement Fund voted to expel Caesars Entertainment and its

(All dollar amounts in thousands)

participating subsidiaries from the plan.

The zone status is based on information that the Company received from the plan administrator and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than less than 65% funded, plans in the yellow zone are between 60% and less than 80% funded, and plans in the green zone are at least at least 80% funded. All plans detailed in the table above utilized extended amortization provisions to calculate zone status.

Atlantic City Country Club 1, LLC. - Atlantic City Country Club 1, LLC (ACCC) was a wholly owned subsidiary of the Company. The net operating costs of ACCC were allocated to the Company as well as Caesars Atlantic City, Showboat Atlantic City and Harrah's Atlantic City, affiliates of the Company. The Company was charged approximately $188 and $107 for the twelve months ended December 31, 2014 and 2013, respectively, for these services. The costs are included in other operating expenses in the accompanying statements of income. In April 2014, the Company sold the ACCC.

NOTE 4 – RECEIVABLES AND PATRONS' CHECKS

Receivables and patrons' checks as of December 31 consist of the following:

	2014	2013
Casino Receivable (Net of allowance for doubtful accounts $3,866 in 2014 and $4,053 in 2013)	$3,707	$4,371
Other (Net of allowance for doubtful accounts of $60 in 2014 and $94 in 2013)	2,742	3,876
Current Portion of Notes Receivable	356	346
	$6,805	$8,593

NOTE 5- OTHER CURRENT ASSETS

Prepaid Expense and Other Current Assets as of December 31 consist of the following:

	2014	2013
Tax Deferred Asset	$2,488	$2,184
Other	1,433	5,502
	$3,921	$7,686

(All dollar amounts in thousands)

NOTE 6 - INVESTMENTS, ADVANCES AND RECEIVABLES
Investments, advances and receivables as of December 31 consist of the following:

	2014	2013
Investment in wholly owned subsidiaries(see Note 2)	0	14,398
Atlantic City Country Club 1, LLC		
Casino Reinvestment Development Authority Investment obligations	15,453	21,329
(net of valuation reserves of $13,790 in 2014 and $13,674 in 2013)		
Assets Held for Sale	0	11,900
Other	1,272	1,510
	$16,725	$49,137

The amounts due from Caesars as of December 31 are unsecured and non-interest bearing.

NOTE 7- LAND, BUILDING AND EQUIPMENT
Property and equipment as of December 31 consist of the following:

	2014	2013
Land	$27,807	$27,865
Buildings and Improvements	11,883	8,132
Furniture, Fixtures and Equipment	14,738	16,692
Construction in progress	5,959	4,559
	$60,387	$57,248
Less accumulated depreciation	(10,569)	(4,476)
	$49,818	$52,772

Over time, the Company has experienced deteriorating gaming volumes, and as a result the Company determined it was necessary to complete an assessment for impairment. Upon the failure of step one of the assessment, the Company performed a valuation of its long-lived assets. As a result of these assessments, in December 31, the Company recorded a tangible asset impairment of $477,072. With the assistance of third party valuation experts, the Company estimated the fair value of the property starting with a "Replacement Cost New" approach and then deducting appropriate amounts for both functional and economic obsolescence to arrive at the fair value estimates. These analyses are sensitive to management assumptions and the estimates of the obsolescence factors, and increases or decreases in these assumptions and estimates could have a material impact on the analyses.

During the fourth quarter 2013, casino property sales occurred in the Atlantic City market. The pricing of the transactions indicated a substantial decline in market price had occurred for Casinos in Atlantic City. As a result of this triggering event, the Company determined it was necessary to perform a recoverability test of the carrying amount of our Atlantic City properties. It was determined the carrying values of our Atlantic City properties were not recoverable. Therefore, we performed a fair value assessment of the properties. Impairment losses of $613,250 were recorded in 2013 primarily as a result of the assessment.

(All dollar amounts in thousands)

NOTE 8- OTHER ASSETS

Other assets as of December 31 consist of the following:

	2014	2013
Notes Receivable-Net of current portion	8,889	9,246
Tax Deferred Asset	72,954	110,231
Other	470	452
	$82,313	$119,929

NOTE 9- OTHER ACCRUED EXPENSES

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

	2014	2013
Accrued Interest	$342,292	$292,695
Accrued Payroll	6,412	5,842
Other	6,464	8,078
	$355,168	$306,615

NOTE 10- LONG-TERM DEBT-DUE TO AFFILIATES AND OTHER

Long-term debt-due to affiliates and other as of December 31 consist of the following:

	2014	2013
8.5% Note payable to Harrah's Entertainment Ltd. ("HEL") due January 1, 2019	$500,000	$500,000
8.5% Note Payable To HEL due May 31, 2021	33,500	33,500
8.5% Note Payable To HEL due May 31, 2021	50,000	50,000
	$583,500	$583,500
Long-term debt-other:	$2,625	$4,323

On July 1, 2006, the three promissory notes formerly held by Caesars Entertainment Finance Corporation ("CEFC") were assigned to HEL. Neither the terms nor the amounts of debt were affected by this assignment. The only notable change resulting from the assignment was a change in the timing of interest payments. Prior to the assignment interest payments were made monthly. However, for subsequent tax years, interest payments will be remitted annually, payable in the following year. As of December 31, 2014 and 2013, accrued interest related to the three intercompany notes totaled $342,292 and $292,695 respectively. Since the notes are due to an affiliate, a determination of fair value is not considered meaningful.

(All dollar amounts in thousands)

The Company amended and restated its notes payable to HEL originally due January 1, 2009 in the amount of $500,000. The new amended and restated note payable has the same terms and conditions and at the same interest rate but with a new maturity date of January 1, 2019.

The Company also amended and restated its notes payable to HEL originally due May 31, 2011 in the amount of $83,500. The new amended and restated note payable has the same terms and conditions and at the same interest rate but with a new maturity date of May 31, 2021.

NOTE 11 - OTHER LIABILITIES

As of December 31, Other Liabilities were as follows:

	2014	2013
Retirement and Other Employee benefit Plans	$463	$346
Deferred Tax Liability	346	45,591
	$809	$45,937

NOTE 12 – INCOME TAXES (BENEFIT) The Company is included in the consolidated federal tax return of Caesars, but files a separate New Jersey tax return.

The tax years that remain open for examination for Caesar's major jurisdictions are 2010 through 2014 for New Jersey. The tax years prior to 2010 are no longer subject to examination for U.S. tax purposes.

Significant components of the provision/(benefit) for income taxes for the years ended December 31, 2014 and 2013, are as follows:

Income Tax Provision (Benefit)	2014	2013
Current:		
Federal	$ (47,192)	$ (26,222)
State	(44,987)	(283)
	(92,179)	(26,505)
Deferred	38,599	(213,284)
Income tax provision/(benefit)	$ (53,580)	$ (239,789)

BALLY'S PARK PLACE, INC. (Bally's Atlantic City)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

The provision for income taxes for the years ended December 31, 2014 and 2013, differs from the federal statutory rate of 35% primarily due to state income taxes, the impact of nondeductible expenses, federal tax credits and the accrual for uncertain tax positions.

The Company does not have a formal tax sharing agreement in place with its parent entity for federal income tax purposes. Therefore, Caesars reports all of the Company's federal income taxes of which the Company's portion was a benefit of $47,192 in 2014.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The components of the Company's deferred tax assets and liabilities as of December 31, 2014 and 2013, were as follows:

	2014	2013
Deferred tax assets:		
Allowance for doubtful accounts	$ 1,642	$ 1,738
Contingencies	58	17,577
CRDA investment obligation	5,657	5,609
Depreciation and other property related items	107,935	132,217
Federal tax credit carryovers	1,940	1,739
Intangible assets	1,620	2,137
Other	1,916	606
Net operating loss carryovers	7,769	2,458
	128,537	164,081
Valuation Allowance	(48,563)	(47,227)
	79,974	116,854
Deferred tax liabilities:		
Grantor Trust	(4,532)	(4,439)
	(4,532)	(4,439)
Net deferred tax asset	$ 75,442	$ 112,415

As of December 31, 2014, the Company had New Jersey net operating loss (NOL) carryforwards of $133,399. These NOLs will begin to expire in 2031.

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing federal and state deferred tax assets. On the basis of this evaluation, as of December 31, 2014, a valuation allowance of $48,563 has been recorded against the portion of the federal and state deferred tax assets that are not more likely than not to be realized. The amount of the federal and state deferred tax assets considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased.

(All dollar amounts in thousands)

At the beginning of 2014, the Company had an unrecognized tax benefits balance of $23,797. During 2014, the unrecognized tax liability was reduced by $23,615 due to state statute of limitations expirations. The ending balance of unrecognized tax benefits at December 31, 2014 was $182. The Company recognizes interest and penalties accrued related to unrecognized tax benefits in income tax expense. We reduced our accrual by $21,797 during 2014 primarily due to state statute of limitations expirations. As of December 31, 2014, the Company accrued $32 for the payment of interest and penalties.

We believe that it is reasonably possible that the unrecognized tax benefits liability will not change within the next 12 months. Audit outcomes and the timing of audit settlements are subject to significant uncertainty. Although we believe that adequate provision has been made for such issues, there is a possibility that the ultimate resolution of such issues could have an adverse effect on our earnings. Conversely, if these issues are resolved favorably in the future, the related provision would be reduced, thus having a favorable impact on earnings.

NOTE 13 – LEASES

The Companies lease both real estate and equipment used in their operations and classify those leases as either operating or capital leases, for accounting purposes. As of December 31, 2014, the Companies did not have any operating leases. Rent expense is associated with operating leases for continuing operations and is charged to expense in the year incurred. In addition to the minimum rental commitments, certain of our operating leases provide for contingent rentals based on a percentage of revenues in excess of specified amounts.

	Capital Leases	Financing Obligations
2015	$ 1,352	$ 2,484
2016	650	1,948
2017	108	-
2018	-	-
Thereafter	-	-
Total minimum lease payments	2,110	4,432
Amounts representing interest	(110)	(258)
Present value of net minimum lease payments	2,000	4,174
Less current maturities	(1,265)	(2,284)
Lease obligations — noncurrent	$ 735	$ 1,890

Rent expense, which includes both cancelable and non-cancelable leases for the years ended December 31, 2014 and 2013, was $2,693 and $2,096, respectively. These amounts are included in the accompanying Statements of Income.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

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

(All dollar amounts in thousands)

Insurance Reserve - The Company is self-insured for various levels of general liability coverage. Insurance claims and reserves include the accrual of estimated settlements for known and anticipated claims. Accrued expenses and other current liabilities in the accompanying balance sheets include insurance allowances of $500 and $115 as of December 31, 2014 and 2013. Actual results may differ from these reserve amounts.

CRDA Investment Obligation - The New Jersey Casino Control Act provides, among other things, for an assessment of licenses equal to 1.25% of their gross gaming revenues in lieu of an investment alternative tax equal to 2.5% of gross gaming revenues. The Company may satisfy this investment obligation by investing in qualified eligible direct investments, by making qualified contributions or by depositing funds with the CRDA. Funds deposited with the CRDA may be used to purchase bonds designated by the CRDA or, under certain circumstances, may be donated to the CRDA in exchange for credits against future CRDA investment obligations. CRDA bonds have terms up to 50 years and bear interest at below-market rate. During 2014, the Company entered into a donation credit agreement, whereby a portion of the Company's CRDA deposits were permitted to be used for non-gaming related projects.

As of December 31, CRDA related assets were as follows:

	2014	2013
CRDA Bonds - net of amortized costs	$6,938	$11,272
Deposit - net of reserve	7,276	8,373
Direct Investments - net of reserves	1,239	1,684
	$15,453	$21,329

The Company records charges to operations to reflect the estimated net realizable value of its CRDA investment. Charges to operations were $697 and $3,620 for the twelve months ended December 31, 2014 and 2013, respectively, and is included in CRDA (income) expense, in the statements of income.

The funds on deposits are held in an interest-bearing account by the CRDA. Initial obligation deposits are marked down by approximately 33% to represent their fair value and eventual expected conversion into bonds by the CRDA. Once CRDA Bonds are issued we have concluded that the bonds are held-to-maturity since the Company has the ability and the intent to hold these bonds to maturity and under the CRDA, they are not permitted to do otherwise. As such the CRDA Bonds are measured at amortized cost. As there is no market for the CRDA Bonds, its fair value could only be determined based on unobservable inputs. Such inputs are limited to the historical carrying value of the CRDA Bonds that are reduced, consistent with industry practice, by 1/3 of their face value at the time of issuance to represent fair value. The Company accretes such discount over the remaining life of the bonds. Accretion for the twelve months ended December 31, 2014 and 2013 was ($112) and $118, respectively, and is included in CRDA Expense in the consolidated statements of operations.

After the initial determination of fair value, the Company will analyze the recoverability of the CRDA Bonds on a quarterly basis and its affect on reported amount based upon the ability and likelihood of bonds to be repaid. When considering recoverability of the CRDA Bonds, the Company considers the relative credit-worthiness of each bondholder, historical collection experience and other information received from the CRDA. If indications exist that the amount expected to be recovered is less than its carrying value, the asset will be written down to its expected realizable amount.

All the Atlantic City casino properties and the CRDA entered into an agreement with the Atlantic City Alliance (the “ACA”) to provide funding to subsidize the Atlantic City market. This agreement was signed on November 2, 2011 and is set to expire on December 31, 2016. The agreement provides that in exchange for funding, the ACA will create and implement a marketing plan for the AC Industry. As part of the agreement, the AC Industry provided an initial deposit of $5,000 in December 2011 and will continue to pay $30,000 annually for the next five years. The Company paid $2,484 in the twelve months ending December 31, 2014. The Company’s obligation for its portion of future payments is estimated at $4,954 equal to its fair-share of AC Industry casino revenues.

Atlantic City Conference Center - In June 2013, Caesars established, AC Conference NewCo, LLC (“NewCo”) to construct and operate a new conference center (the "Project") adjacent to Harrah's Atlantic City. NewCo is a direct wholly owned subsidiary of AC Conference HoldCo, LLC, which is a direct wholly owned subsidiary of Caesars.

Also in June 2013, Caesars signed an agreement with the CRDA regarding a grant for financial assistance in the amount of $45,000 (the "Project Grant") wherein the CRDA will provide Caesars cash to help fund the construction of the Project. Under the Project Grant, Caesars is obligated to contribute to the CRDA the following:

- $46,200 of Atlantic City Economic Development Investment Alternative Tax Obligation balances (“Existing Credits”), of which $1,200 represents a 2.75% administrative fee,
- $9,500 of CRDA Credits that the CRDA will use towards the construction of the CRDA’s marketplace-style retail development project (the "Donation Credits"), and
- Land parcels with an appraised value of $7,300 on which the CRDA’s Marketplace Project will be developed (the Marketplace Parcels).

The gross value of the credits and land parcels described above held by the Companies immediately prior to the transaction were as follows:

(All dollar amounts in thousands)

Existing Credits		
Bally's Park Place, Inc.	$	23,400
Boardwalk Regency Corporation		10,600
Harrah's Atlantic City Holding, Inc. and Subsidiaries		7,000
Ocean Showboat, Inc. and Subsidiaries		5,200
	$	46,200
Donation Credits		
Ocean Showboat, Inc. and Subsidiaries	$	9,500
Marketplace Parcels		
Bally's Park Place, Inc.	$	4,600
Boardwalk Regency Corporation		2,700
	$	7,300

In return for the above, the CRDA will deposit $45,000 into a Project Fund from which Caesars can draw on a pari-passu basis via reimbursements to NewCo based on amounts paid for the Project by NewCo. To date, Caesars has received $14,796 in reimbursements from the Project Fund.

NOTE 15 — SUBSEQUENT EVENTS

The Company completed its subsequent events review through March 31, 2015, the date on which the financial statements were available to be issued, and noted the following item.

CEOC Bankruptcy Petition - On January 15, 2015, CEOC, and a substantial majority of their wholly owned subsidiaries, including the Company, filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"). During the Chapter 11 Cases, CEOC expects to operate their businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. Certain holders of CEOC second lien notes filed an involuntary Chapter 11 petition against us in the United States Bankruptcy Court for the District of Delaware on January 12, 2015. On January 28, 2015, the Delaware Court ordered that the involuntary petition and related transactions be transferred to the Bankruptcy Court.

Employee Benefit Plans - In January 2015, the National Retirement Fund ("NRF"), a multi-employer defined benefit pension plan, voted to expel Caesars Entertainment and its participating subsidiaries from the plan. NRF claims that CEOC's bankruptcy presents an "actuarial risk" to the plan because, depending on the outcome of the bankruptcy proceeding, Caesars Entertainment might no longer be liable to the plan for any partial or complete withdrawal liability. Caesars Entertainment vigorously disputes NRF's legal and contractual authority to take such action and has challenged NRF's actions in the appropriate legal forums.

BALLY'S PARK PLACE INC. (BALLY'S ATLANTIC CITY)

ANNUAL FILINGS

FOR THE YEAR ENDED DECEMBER 31, 2014

SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

BALLY'S PARK PLACE INC. (BALLY'S ATLANTIC CITY)

ANNUAL SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

FOR THE YEAR ENDED DECEMBER 31, 2014

(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES				
Line (a)	**Description (b)**	**Account Balance (c)**	**Allowance (d)**	**Accounts Receivable (Net of Allowance) (e)**
	Patrons' Checks:			
1	Undeposited Patrons' Checks	$2,288		
2	Returned Patrons' Checks	5,285		
3	Total Patrons' Checks	7,573	$3,866	$3,707
4	Hotel Receivables	1,234	60	$1,174
	Other Receivables:			
5	Receivables Due from Officers and Employees	402		
6	Receivables Due from Affiliates	-		
7	Other Accounts and Notes Receivables	1,522		
8	Total Other Receivables	1,924		$1,924
9	Totals (Form DGE-205)	$10,731	$3,926	$6,805

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	**Description (g)**	**Amount (h)**
10	Beginning Balance (January 1)	$2,933
11	Counter Checks Issued	67,895
12	Checks Redeemed Prior to Deposit	(51,671)
13	Checks Collected Through Deposits	(14,365)
14	Checks Transferred to Returned Checks	(2,504)
15	Other Adjustments	0
16	Ending Balance	$2,288
17	"Hold" Checks Included in Balance on Line 16	0
18	Provision for Uncollectible Patrons' Checks	$430
19	Provision as a Percent of Counter Checks Issued	0.6%

Bally's Park Place Inc. (Bally's Atlantic City)
ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2014
($ IN THOUSANDS)

Line (a)	Department (b)	Number of Employees (c)	Salaries and Wages: Other Employees (d)	Salaries and Wages: Officers & Owners (e)	Salaries and Wages: Totals (f)
	CASINO:				
1	Table and Other Games	700			
2	Slot Machines	52			
3	Administration				
4	Casino Cashiering	82			
5	Simulcasting				
6	Other				
7	Total - Casino	834	$20,686	$66	$20,752
8	ROOMS	272	6,822	121	6,943
9	FOOD AND BEVERAGE	859	15,030	118	15,148
10	GUEST ENTERTAINMENT	258	742		742
11	MARKETING	140	4,675	469	5,144
12	OPERATION AND MAINTENANCE	220	8,473		8,473
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	7	97	503	600
14	Accounting and Auditing	15	763		763
15	Security	207	6,792		6,792
16	Other Administrative and General	81	3,502	57	3,559
	OTHER OPERATED DEPARTMENTS:				
17	Parking Operations	40	835		835
18	Health Club/Pool Services	26	499		499
19	Telephone	0			
20	Retail Stores	34	821		821
21	Coat Check	0			
22					
23	TOTALS - ALL DEPARTMENTS	2,993	$69,737	$1,334	$71,071