DC

QUARTERLY REPORT

TRADING NAME OF LICENSEE: Bally's Park Place, Inc. (Bally's Atlantic City)

For The Quarter Ended March 31, 2005

TO THE

CASINO CONTROL COMMISSION

OF THE

STATE OF NEW JERSEY

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE, INC. (Bally's Atlantic City)

BALANCE SHEETS

AS OF MARCH 31, 2005 AND 2004
(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2005 (c)	2004 (d)
	ASSETS		
	Current Assets:		
1	Cash and cash equivalents	$ 26,339	$ 30,716
2	Short-term investments	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 2005, $ 4,358 ; 2004, $ 4,510) NOTE 2	100,531	83,654
4	Inventories	2,223	2,588
5	Prepaid expenses and other current assets	6,288	5,190
6	Total current assets	135,381	122,148
7	Investments, Advances, and Receivables NOTES 1 and 3	128,821	136,613
8	Property and Equipment - Gross NOTES 1 and 4	1,292,658	1,269,156
9	Less: Accumulated Depreciation/Amortization NOTES 1 and 4	(647,808)	(611,173)
10	Property and Equipment - Net	644,850	657,983
11	Other Assets NOTE 5	17,696	17,802
12	Total Assets	$ 926,748	$ 934,546
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts payable	$ 3,962	$ 3,573
14	Notes payable	-	-
	Current portion of long-term debt		
15	Due to affiliates	-	-
16	Other	59	64
17	Income taxes payable and accrued	-	-
18	Other accrued expenses NOTE 6	36,561	42,410
19	Other current liabilities NOTE 7	16,167	13,899
20	Total current liabilities	56,749	59,946
	Long-Term Debt:		
21	Due to affiliates NOTE 8	584,000	583,500
22	Other NOTE 8	1,279	1,412
23	Deferred Credits	-	-
24	Other Liabilities NOTE 9	1,703	1,623
25	Commitments And Contingencies NOTE 1	-	-
26	Total Liabilities	643,731	646,481
27	Stockholders', Partners', Or Proprietor's Equity	283,017	288,065
28	Total Liabilities And Equity	$ 926,748	$ 934,546

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, INC. (Bally's Atlantic City)

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)
($ IN THOUSANDS)

LINE (A)	DESCRIPTION (b)	2005 (c)	2004 (d)
	REVENUE:		
1	Casino	$ 146,984	157,545
2	Rooms	10,716	10,931
3	Food and Beverage	19,806	21,669
4	Other	5,463	4,962
5	Total Revenue	182,969	195,107
6	Less: Promotional allowances	37,290	40,612
7	Net Revenue	145,679	154,495
	COSTS AND EXPENSES:		
8	Costs of Goods and Services	92,640	97,870
9	Selling, General, and Administrative	19,985	19,037
10	Provision for Doubtful Accounts	200	354
11	Total costs and expenses	112,825	117,261
12	Gross Operating Profit	32,854	37,234
13	Depreciation and amortization	11,392	11,317
	Charges from affiliates other than interest:		
14	Management fees NOTE 10.	4,790	5,182
15	Other	---	---
16	Income (Loss) from Operations	16,672	20,735
	Other Income (Expenses):		
17	Interest (expense) - affiliates NOTE 8.	(12,339)	(12,399)
18	Interest (expense) - external	(196)	(58)
19	Investment alternative tax and related income (expense) - net	(568)	1,711
20	Non-operating income (expense) - net NOTE 11.	(4,943)	(73)
21	Total other income (expenses)	(18,046)	(10,819)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(1,374)	9,916
23	Provision (credit) for income taxes	2,369	5,102
24	Income (Loss) Before Extraordinary Items	(3,743)	4,814
25	Extraordinary items (net of income taxes)	---	---
26	Net Income (Loss)	$ (3,743)	$ 4,814

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, INC. (Bally's Atlantic City)

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004 AND THREE MONTHS ENDED MARCH 31, 2005

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	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 Stockholder's Equity (Deficit) (j)
1	Balance, December 31, 2003	100	$ 1			$ 128,260		$ 154,990	$ 283,251
2	Net Income - 2004							33,509	33,509
3	Contribution to Paid - In Capital								
4	Dividends							(30,000)	(30,000)
5	Prior Period Adjustments								
6	Distribution to PPE								
7									
8									
9									
10	Balance, December 31, 2004	100	1			128,260		158,499	286,760
11	Net Income (Loss) - 2005							(3,743)	(3,743)
12	Contribution to Paid - In Capital								
13	Dividends								
14	Prior Period Adjustments								
15									
16									
17									
18									
19	Balance, March 31, 2005	100	$ 1			$ 128,260		$ 154,756	$ 283,017

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, INC. (Bally's Atlantic City)

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	Description (b)	2005 (c)	2004 (d)
1	Net Cash Provided (Used) By Operating Activities	$ 17,891	$ 2,975
	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	(5,402)	(7,016)
5	Proceeds from disposition of property and equipment	44	426
6	Purchase of casino reinvestment obligations	(1,851)	(1,902)
7	Purchase of other investments and loans/advances made	(278)	(4,063)
8	Proceeds from disposal of investments and collection of advances and long-term receivables	246	8,472
9	Cash outflows to acquire business entities	---	---
10		---	---
11	Net book values of disposals	---	---
12	Net Cash Provided (Used) By Investing Activities	(7,241)	(4,083)
	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	(16)	(77)
18	Cash proceeds from issuing stock or capital contributions	---	---
19	Purchases of treasury stock	---	---
20	Payments of dividends or capital withdrawals	---	---
21	Change in payable to/receivable from affiliate	(21,365)	(18,437)
22		---	---
23	Net Cash Provided (Used) By Financing Activities	(21,381)	(18,514)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(10,731)	(19,622)
25	Cash And Cash Equivalents At Beginning Of Period	37,070	50,338
26	Cash And Cash Equivalents At End Of Period	$ 26,339	$ 30,716

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Period For:		
27	Interest (net of amount capitalized)	$ 12,535	$ 12,457
28	Income taxes	$ 2,369	$ 5,102

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, INC. (Bally's Atlantic City)

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	Description (b)	2005 (c)	2004 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	$ (3,743)	$ 4,814
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	11,392	11,317
31	Amortization of other assets	---	---
32	Amortization of Debt Discount or Premium	---	---
33	Deferred Income taxes - current	---	---
34	Deferred income taxes - noncurrent	---	---
35	(Gain) loss on disposition of property and equipment	(36)	(329)
36	(Gain) loss on casino reinvestment obligations	568	(1,711)
37	(Gain) loss from other investment activities	5,443	845
38	Net (increase) decrease in receivables and patrons' checks	4,275	(5,921)
39	Net (increase) decrease in inventories	48	659
40	Net (increase) decrease in other current assets	637	(566)
41	Net (increase) decrease in other assets	---	1
42	Net increase (decrease) in accounts payables	(1,867)	(1,572)
43	Net increase (decrease) in other current liabilities excluding debt	1,050	(4,322)
44	Net increase in other noncurrent liabilities excluding debt	124	(240)
45	Loss on extinguishment of debt, net of income tax benefit	---	---
46	Amortization of CRDA assets	---	---
47	Net Cash Provided (Used) By Operating Activities	$ 17,891	$ 2,975

SUPPLEMENTAL SCHEDULE OF INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	$ 5,402	$ 7,016
49	Less: Capital lease obligations incurred	---	---
50	Cash Outflows For Property And Equipment	$ 5,402	$ 7,016
	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	$ ---	$ ---

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, INC. (Bally's Atlantic City)

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 2005

		Promotional Allowances		Promotional Expenses	
Line (a)	(b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	151,100	$ 6,826		$
2	Food	691,385	9,313		
3	Beverage	2,136,283	4,273		
4	Travel			12,138	824
5	Bus Program Cash	223,326	3,685		
6	Other Cash Complimentaries	560,714	10,676		
7	Entertainment	37,430	187	2,049	256
8	Retail & Non-Cash Gifts	38,919	2,232	98,795	3,153
9	Parking	33,680	34	33,680	101
10	Other *	2,169	65	95,103	779
11	Total	3,875,006	$ 37,291	241,765	$ 5,113

* No item in this category exceeds 5%.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and basis of presentation

The accompanying financial statements include the accounts of Bally's Park Place, Inc., a New Jersey corporation (the "Company"), a wholly owned subsidiary of Caesars Entertainment, Inc. ("CEI"). In early January 2004, CEI changed its name from Park Place Entertainment to Caesars Entertainment. 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.

All adjustments to the financial statements have been recorded and are, in the opinion of management, necessary for a fair presentation of the balance sheets of the Company at March 31, 2005 and 2004, and its statements of income for the three months ended March 31, 2005 and 2004 and its statements of cash flows for the three months ended March 31, 2005 and 2004. All such adjustments were of a normal recurring nature.

Seasonal factors

The Company's operations are subject to seasonal factors and, therefore, the results of operations of the three months ended March 31, 2005 and 2004 are not necessarily indicative of the results of operations for the full year.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted 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 period. Actual results could differ from such estimates.

Revenue recognition and promotional allowances

Casino revenues represent the net revenue from gaming wins and losses. The revenues from hotel, food and beverage, and from theater ticket sales are recognized at the time the related services are performed. The Statement of Income reflects operating revenues including the retail value of complimentary services (also known as promotional allowances), which are deducted on a separate line to arrive at net revenues. Promotional allowances are provided to casino patrons without charge.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the weighted average cost method.

Property and equipment

Property and equipment are stated at cost. Depreciation is provided on the straight-line basis over the estimated economic lives of the related assets. Depreciation expense was $11,392 and $11,317 for the three months ended March 31, 2005 and 2004, respectively.

Asset class	Life
Buildings	40 years
Building improvements	3-10 years
Furniture, Fixtures and Equipment	3-10 years

Connection Card Program

The Connection Card Program allows players to earn credits that may be accumulated over time and redeemed at their discretion at any CEI casino in the United States in accordance with the rules of the program. The Company records an estimated liability for the incremental cost of providing goods and services under the program at the time the credits are earned.

Fair value of financial instruments

The fair values of the Company's financial instruments including receivables, payables and debt approximate their recorded book values at March 31, 2005 and 2004.

Investments in subsidiaries

The Company has an investment in GNOC, Corp. (which owns and operates the casino hotel resort in Atlantic City known as the "Atlantic City Hilton"). The Company also has investments in two other subsidiaries, Atlantic City Country Club, Inc. and Bally's Land Ventures, Inc. The investments in all subsidiaries are reflected in the accompanying financial statements using the equity method.

On September 27, 2004, GNOC, Corp. and Bally's Olympia, LP ("BOLP") entered into a definitive agreement to sell most of the assets and certain related liabilities of the Atlantic City Hilton as well as the assets of the Company and certain other affiliates of CEI to Resorts International Holdings, LLC ("Colony") an affiliate of Colony Capital, LLC, a Los Angeles based international private investment firm, for approximately $612,000,000. The transaction was completed on April 26, 2005. GNOC Corp. ceased to operate the Atlantic City Hilton as of that date.

Under the terms of the definitive agreement, Colony purchased certain land assets of Bally's Land Ventures Realty, Inc. and the Company (see Notes 3 & 4).

Allocations and transactions with related parties

The Company transfers cash in excess of its operating needs to CEI on a daily basis. CEI provides the Company with cash advances for capital expenditures and working capital needs.

Certain executive, administrative and support operations of the Company and other CEI affiliates are consolidated, including limousine services, advertising, sales and marketing services, purchasing and certain other administrative departments. Costs of these operations are allocated to or from the Company either directly or using various formulas based on estimates of utilization of such services. Management believes the methods used to allocate these costs are reasonable.

CEI allocates certain expenses to the Company, such as information technology, internal audit and risk management. These expenses are allocated using various formulas based on estimates of utilization of such expenses. Management believes that the methods used to allocate these costs are reasonable.

Accounting Pronouncements

In November 2002, the FASB issued Interpretation No ("FIN") 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of the Indebtedness of Others." FIN No. 45 elaborates on the disclosures to be made by a guarantor about its obligations under certain guarantees issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The initial recognition and measurement provisions of this Interpretation apply to guarantees issued or modified after December 31, 2002. Implementation of this Interpretation did not have a material impact on the Company's financial statements.

In 2003, the FASB issued FIN No. 46, "Consolidation of Variable Interest Entities." FIN No. 46 addresses consolidation of entities that are not controllable through voting interest or in which the equity investors do not bear the residual economic risks and rewards. These entities have commonly been referred to as special purpose entities. The Interpretation provides guidance related to identifying variable interest entities and determining whether such entities should be consolidated. It also provides guidance related to the interest in newly consolidated variable interest entities and requires disclosures for both the primary beneficiary of a variable interest entity and other beneficiaries of the entity. Implementation of this Interpretation did not have a material impact on the Company's financial statements, as the Company does not have any variable interest entities.

Income taxes

Taxable income or loss of the Company is included in the consolidated Federal income tax return of CEI. The Company provides for income taxes by applying the respective state and federal statutory rates to pre-tax financial statement income. The corresponding liability or receivable is credited or charged to its corporate parent. Deferred income taxes and liabilities for temporary differences between the carrying amounts for financial reporting and income tax purposes, if any, are accounted for by CEI in accordance with the tax sharing agreement between CEI and the Company.

New Jersey tax legislation

The New Jersey State Legislature passed a bill to increase taxes on the New Jersey casino industry, beginning in the State's fiscal year 2004 (starting July 1, 2003). Included in this legislation is a tax on net profits, taxes on certain complimentaries, and increases in parking, rooms and other fees. Profits tax expense is reflected in the provision for income taxes. Other taxes are reflected in selling, general and administrative expenses.

Casino Reinvestment Development Authority

The New Jersey Casino Control Act provides, among other things, for an assessment of licensees 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 has satisfied this investment obligation by (i) investing in qualified eligible direct investments, (ii) making qualified contributions or (iii) depositing funds with the Casino Reinvestment Development Authority (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 varying terms of up to fifty years and bear interest at below market rates. The Company records a charge to reflect the estimated realizable value of its CRDA investments.

An affiliate of the Company, Boardwalk Regency Corporation ("Caesars Atlantic City") has started construction of a new parking garage and has entered into an agreement with developers for the renovation of the Ocean One Shopping Mall, located on the boardwalk in Atlantic City. The Company, Caesars Atlantic City and Atlantic City Hilton entered into a credit agreement (the "Credit Agreement") with the CRDA to partially finance the construction of these projects. The Credit Agreement provides for funding from the CRDA for qualified development costs incurred. The CRDA funding will come from amounts either currently on deposit or to be deposited with the CRDA pursuant to the Company and its affiliates' investment obligations. As of March 31, 2005, the Company has received $20,745 of previously deposited funds from the CRDA. Upon receipt of these funds, the Company recognized a reduction of $6,846 in reserves, to reflect its current estimated realizable value of its remaining CRDA investments.

The twelve Atlantic City casino properties (the "AC Industry") and the CRDA have entered into an agreement with the New Jersey Sports & Exposition Authority (the "NJSEA") to provide funding to subsidize New Jersey's horseracing industry. In exchange for this funding, the NJSEA and the three active New Jersey racetracks will not conduct any casino gaming at the racetracks prior to January 1, 2009. As part of the agreement, the AC Industry will provide $34 million over a four year period to the NJSEA and must deposit another $62 million into the Casino Expansion Fund (managed by the CRDA). The $62 million will be derived from funds either currently on deposit or to be deposited with the CRDA pursuant to each casino property's investment obligation. The Company's obligation is equal to its fair-share of AC Industry casino revenues. The Company estimates this commitment over the four year period to be a total of $4,800, the first payment of which was made November 2004. The total estimated commitment will be charged to operations on a straight line basis through January 1, 2009. Once the Company meets its deposit obligation related to its fair share of the $62 million, the Company is eligible to receive funds from the Casino Expansion Fund for qualified construction expenditures. The Company has until June 30, 2014 to submit an application to exhaust its share of the Casino Expansion Fund. Any funds not transferred out of the Casino Expansion Fund by the required date will be transferred to funds on deposit with the CRDA pursuant to its ongoing investment obligations.

Merger Agreement

On July 14, 2004, CEI, Harrah's Entertainment, Inc. ("Harrah's") and Harrah's Operating Company, Inc., a wholly-owned subsidiary of Harrah's, entered into an Agreement and Plan of Merger (the "Merger Agreement"), providing for the merger of CEI with and into Harrah's Operating Company, Inc., which would be the surviving corporation.

On March 11, 2005, the stockholders of CEI and Harrah's approved the Merger Agreement. The transaction with Harrah's is still subject to a number of conditions, including, among other things the receipt of all necessary antitrust, gaming and other approvals, and the satisfaction or waiver of all other conditions precedent.

NOTE 2 – RECEIVABLES AND PATRONS' CHECKS

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

	2005	2004
Casino receivables (net of allowance for doubtful accounts – $4,072 in 2005 and $4,316 in 2004)	$ 5,148	$ 5,559
Other (net of allowance for doubtful accounts – $286 in 2005 and $194 in 2004)	3,953	4,017
Due from CEI	84,454	59,716
Due from Caesars Atlantic City	3,704	11,414
Due from affiliates	3,272	2,948
	$ 100,531	$ 83,654

NOTE 3 - INVESTMENTS, ADVANCES AND RECEIVABLES

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

	2005	2004
Investment in wholly owned subsidiaries (see Note 1):		
Atlantic City Country Club, Inc.	$ 13,636	$ 14,564
Bally's Land Ventures Realty, Inc.	14,342	15,097
GNOC, Corp.	67,984	69,593
Total investment in subsidiaries	95,962	99,254
Casino Reinvestment Development Authority Investment obligations (less valuation reserves of $13,145 in 2005 and $16,107 in 2004)	27,222	32,004
Jacobs Family Terrace mortgage receivable (less reserve of $250 in 2005 and 2004)	1,029	1,150
Long-term receivable from GNOC, Corp.	-	69
Long-term deposits	4,608	4,136
	$ 128,821	$ 136,613

The Company, GNOC, Corp. and the CRDA entered into a credit exchange agreement and an investment agreement in 1998. The credit exchange agreement permits the exchange of certain current and future CRDA obligations between the Company and GNOC, Corp. resulting in the long-term receivable from GNOC, Corp. The investment agreement provides an investment plan for use of certain current and future CRDA funds.

All the assets of Bally's Land Ventures Realty, Inc. were sold to Colony in April 2005 (see Note 1).

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

NOTE 4 - PROPERTY AND EQUIPMENT

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

	2005	2004
Land	$ 112,969	$ 112,378
Buildings and improvements	860,660	857,060
Furniture, fixtures and equipment	305,323	298,390
Construction in progress	13,706	1,328
	1,292,658	1,269,156
Less accumulated depreciation and amortization	(647,808)	(611,173)
	$ 644,850	$ 657,983

$42,392 of land and improvements were sold to Colony in April 2005 (see Note 1).

NOTE 5 - OTHER ASSETS

Other assets as of March 31 consist of the following:

	2005	2004
Cost in excess of acquired assets, less accumulated amortization of $260.	$ 17,581	$ 17,581
Other	115	221
	$ 17,696	$ 17,802

NOTE 6 - OTHER ACCRUED EXPENSES

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

	2005	2004
Accrued payroll and benefits	$ 20,720	$ 25,499
Insurance claims	4,461	5,912
Other	11,380	10,999
	$ 36,561	$ 42,410

NOTE 7 - OTHER CURRENT LIABILITIES

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

	2005	2004
Chip and token liability	$ 2,785	$ 2,236
Connection Card liability	3,680	4,106
Due to affiliates	5,742	5,384
Other	3,960	2,173
	$ 16,167	$ 13,899

NOTE 8 - LONG-TERM DEBT-DUE TO AFFILIATES AND OTHER

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

	2005	2004
Long-term debt due to affiliates:		
8.5% Note payable to Caesars Entertainment Finance Corporation ("CEFC") due January 1, 2009	$500,000	$ 500,000
8.5% Note payable to CEFC due May 31, 2011	33,500	33,500
8.5% Note payable to CEFC due May 31, 2011	50,000	50,000
8.5% Note payable to CEFC due April 30, 2013	500	-
	$584,000	$ 583,500
Long-term debt-other:		
Other secured and unsecured debt	$ 1,279	$ 1,412

In January 1999, the Company executed a $500,000 note payable to CEI with interest at a rate of 8.5% per annum, payable on the last business day of each quarter. On July 1, 2000, CEI assigned the $500,000 note to Park Place Finance Corporation. On March 9, 2004, Park Place Finance Corporation changed its name to Caesars Entertainment Finance Corporation. On June 1, 2001 the Company executed two notes payable in the amounts of $33,500 and a $50,000 to CEFC each with interest at a rate of 8.5% per annum, payable on the last business day of each quarter. In April 2004, the Company executed a $500 note payable to CEFC with interest at a rate of 8.5% per annum, payable on the last business day of each month.

NOTE 9 - OTHER LIABILITIES

Other liabilities as of March 31 consist of the following:

	2005	2004
Retirement and other employee benefit plans	$ 1,256	$ 1,220
Other	447	403
	$ 1,703	$ 1,623

NOTE 10 – CHARGES FROM AFFILIATES-MANAGEMENT FEE

The Company and CEI have entered into an administrative services and management agreement. Under the agreement, CEI provides certain services to the Company in the conduct of its business including, but not limited to operations, marketing, banking, accounting, insurance, tax, regulatory and public company reporting, human resource and benefit administration and other administrative functions. In consideration for these services, the Company pays CEI a monthly management fee equal to three percent of revenues, as defined.

NOTE 11 - NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income (expense) for the three months ended March 31 consists of the following:

	2005	2004
Interest income	$ 239	$ 217
Gain (loss) on sale of assets	36	329
Equity in income of unconsolidated subsidiaries	(5,443)	(845)
Other	225	226
	$ (4,943)	$ (73)

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.

2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission'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.A.C. 19:43-4.2(b)1-5 during the quarter.

Signature

Assistant Vice President/Controller
Title

#7091-11
License Number

On Behalf Of:
Bally's Park Place, Inc. NJ
Casino Licensee