TROPICANA CASINO AND RESORT

QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31, 2014

AMENDED 5/11/15

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

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

TROPICANA CASINO AND RESORT
BALANCE SHEETS

AS OF DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 5/11/2015

Line (a)	Description (b)	Notes	2014* (c)	2013 (d)	
	ASSETS:				
	Current Assets:				
1	Cash and Cash Equivalents		$68,893	$120,292	
2	Short-Term Investments		0	0	
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2014, $10,679; 2013, $11,170)		17,593	12,025	
4	Inventories		3,278	2,480	
5	Other Current Assets	3	9,843	3,060	
6	Total Current Assets		99,607	137,857	
7	Investments, Advances, and Receivables	4,8,14	146,051	76,901	*
8	Property and Equipment - Gross	2	259,447	240,081	
9	Less: Accumulated Depreciation and Amortization	2	(61,765)	(48,930)	
10	Property and Equipment - Net	2	197,682	191,151	
11	Other Assets	5	179,919	5,669	
12	Total Assets		623,259	$411,578	*
	LIABILITIES AND EQUITY:				
	Current Liabilities:				
13	Accounts Payable		$10,615	$6,725	
14	Notes Payable		0	0	
	Current Portion of Long-Term Debt:				
15	Due to Affiliates	6	800	872	
16	External		0	0	
17	Income Taxes Payable and Accrued		0	0	
18	Other Accrued Expenses	12	23,993	23,642	
19	Other Current Liabilities	13	7,000	4,326	
20	Total Current Liabilities		42,408	35,565	
	Long-Term Debt:				
21	Due to Affiliates	6	77,840	85,660	
22	External		0	0	
23	Deferred Credits		0	0	
24	Other Liabilities		0	0	
25	Commitments and Contingencies		0	0	
26	Total Liabilities		120,248	121,225	
27	Stockholders', Partners', or Proprietor's Equity		503,011	290,353	*
28	Total Liabilities and Equity		623,259	$411,578	*

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.
Amounts indicated with an asterisk have been restated to conform to the current presentation

TROPICANA CASINO AND RESORT
STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 5/11/2015

Line (a)	Description (b)	Notes	2014* (c)	2013 (d)	
	Revenue:				
1	Casino		$288,618	$224,998	
2	Rooms		52,426	50,050	
3	Food and Beverage		34,238	31,474	
4	Other		12,961	11,672	
5	Total Revenue		388,243	318,194	
6	Less: Promotional Allowances		85,164	73,723	
7	Net Revenue		303,079	244,471	
	Costs and Expenses:				
8	Casino		105,084	87,319	*
9	Rooms, Food and Beverage		35,265	32,801	*
10	General, Administrative and Other	7	102,879	97,802	*
11	Total Costs and Expenses		243,228	217,922	
12	Gross Operating Profit		59,851	26,549	
13	Depreciation and Amortization	2	14,195	12,325	
	Charges from Affiliates Other than Interest:				
14	Management Fees	8	6,021	6,283	
15	Other				
16	Income (Loss) from Operations		39,635	7,941	
	Other Income (Expenses):				
17	Interest Expense - Affiliates		(3,587)	(370)	
18	Interest Expense - External		0	(2)	
19	CRDA Related Income (Expense) - Net	7	(1,606)	(2,711)	
20	Nonoperating Income (Expense) - Net	15	1,788	233	
21	Total Other Income (Expenses)		(3,405)	(2,850)	
22	Income (Loss) Before Taxes and Extraordinary Items		36,230	5,091	
23	Provision (Credit) for Income Taxes	9	(176,428)	161	*
24	Income (Loss) Before Extraordinary Items		212,658	4,930	*
25	Extraordinary Items (Net of Income Taxes - 2014, $0; 2013, $0)				
26	Net Income (Loss)		$212,658	$4,930	*

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

TROPICANA CASINO AND RESORT
STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 5/11/2015

Line (a)	Description (b)	Notes	2014* (c)	2013 (d)	
	Revenue:				
1	Casino		$66,676	$48,083	
2	Rooms		10,713	10,659	
3	Food and Beverage		7,873	6,782	
4	Other		3,413	3,146	
5	Total Revenue		88,675	68,670	
6	Less: Promotional Allowances		19,138	16,705	
7	Net Revenue		69,537	51,965	
	Costs and Expenses:				
8	Casino		26,600	20,986	*
9	Rooms, Food and Beverage		8,501	7,365	*
10	General, Administrative and Other	7	34,759	23,469	*
11	Total Costs and Expenses		69,860	51,820	
12	Gross Operating Profit		(323)	145	
13	Depreciation and Amortization	2	3,619	3,394	
	Charges from Affiliates Other than Interest:				
14	Management Fees	8	1,235	1,642	
15	Other				
16	Income (Loss) from Operations		(5,177)	(4,891)	
	Other Income (Expenses):				
17	Interest Expense - Affiliates		(881)	(370)	
18	Interest Expense - External		0	0	
19	CRDA Related Income (Expense) - Net	4	(413)	(794)	
20	Nonoperating Income (Expense) - Net	15	(6)	96	
21	Total Other Income (Expenses)		(1,300)	(1,068)	
22	Income (Loss) Before Taxes and Extraordinary Items		(6,477)	(5,959)	
23	Provision (Credit) for Income Taxes	9	(176,491)	(15)	*
24	Income (Loss) Before Extraordinary Items		170,014	(5,944)	*
25	Extraordinary Items (Net of Income Taxes - 2014, $0; 2013, $0)				
26	Net Income (Loss)		$170,014	($5,944)	*

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

TROPICANA CASINO AND RESORT
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

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

(UNAUDITED)
($ IN THOUSANDS)

Amended 5/11/2015

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..........**						$282,128		$3,295	$285,423
2	Net Income (Loss) - 2013.............								4,930	4,930
3	Contribution to Paid-in-Capital.....									0
4	Dividends....................................									0
5	Prior Period Adjustments.............									0
6										0
7										0
8										0
9										0
10	**Balance, December 31, 2013..........**		0	0	0	0	282,128	0	8,225	290,353
11	Net Income (Loss) - 2014.............								212,658	212,658
12	Contribution to Paid-in-Capital.....									0
13	Dividends....................................									0
14	Prior Period Adjustments.............									0
15										0
16										0
17										0
18										0
19	**Balance, December 31, 2014 ....**		0	$0	0	$0	$282,128	$0	$220,883	$503,011

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

TROPICANA CASINO AND RESORT
STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)
($ IN THOUSANDS)

Amended 5/11/2015

Line (a)	Description (b)	Notes	2014* (c)	2013 (d)	
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		$46,783	$19,408	*
	CASH FLOWS FROM INVESTING ACTIVITIES:				
2	Purchase of Short-Term Investments		0	0	
3	Proceeds from the Sale of Short-Term Investments		0	0	
4	Cash Outflows for Property and Equipment............................		(23,119)	(25,861)	*
5	Proceeds from Disposition of Property and Equipment..........		52	6	
6	CRDA Obligations	7	(3,998)	(2,869)	
7	Other Investments, Loans and Advances made.......................		(77,654)	19,010	*
8	Proceeds from Other Investments, Loans, and Advances		3,142	2,124	
9	Cash Outflows to Acquire Business Entities...........................		0	0	
10	Proceeds from Sales and Luxury Tax Credits		3,395	3,453	
11	Cash Outlfows for Tenant Allowance			(1,000)	
12	Net Cash Provided (Used) By Investing Activities....................		(98,182)	(5,137)	*
	CASH FLOWS FROM FINANCING ACTIVITIES:				
13	Proceeds from Short-Term Debt		0	0	
14	Payments to Settle Short-Term Debt.......................................		0	0	
15	Proceeds from Long-Term Debt		0	(11)	
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 Withdrawals......................		0	0	
21	Forgiveness of Short and Long Term Debt		0	(78)	
22	....				
23	Net Cash Provided (Used) By Financing Activities...................		0	(89)	
24	Net Increase (Decrease) in Cash and Cash Equivalents.............		(51,399)	14,182	
25	Cash and Cash Equivalents at Beginning of Period..................		120,292	106,110	
26	Cash and Cash Equivalents at End of Period............................		$68,893	$120,292	

Line (a)	Description (b)	Notes	2014* (c)	2013 (d)
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized)......................................		$0	$2
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.

TROPICANA CASINO AND RESORT
STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013

(UNAUDITED)

($ IN THOUSANDS)

Amended 5/11/2015

Line (a)	Description (b)	Notes	2014* (c)	2013 (d)	
	CASH FLOWS FROM OPERATING ACTIVITIES:				
29	Net Income (Loss)		$212,658	$4,930	*
30	Depreciation and Amortization of Property and Equipment	2	14,195	12,247	
31	Amortization of Other Assets		0	78	
32	Amortization of Debt Discount or Premium		(61)	0	
33	Deferred Income Taxes - Current		(6,826)	0	
34	Deferred Income Taxes - Noncurrent		(175,801)	0	
35	(Gain) Loss on Disposition of Property and Equipment		976	237	*
36	(Gain) Loss on CRDA-Related Obligations	7	1,606	2,711	
37	(Gain) Loss from Other Investment Activities		0	0	
38	(Increase) Decrease in Receivables and Patrons' Checks		(5,391)	1,730	
39	(Increase) Decrease in Inventories		(365)	7	
40	(Increase) Decrease in Other Current Assets		43	(949)	
41	(Increase) Decrease in Other Assets		694	(1,263)	
42	Increase (Decrease) in Accounts Payable		1,986	(2,533)	*
43	Increase (Decrease) in Other Current Liabilities		3,025	2,213	
44	Increase (Decrease) in Other Liabilities		0	0	
45	Loss on Impairment of Intangible Assets	15	44	0	
46					
47	Net Cash Provided (Used) By Operating Activities		$46,783	$19,408	*

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		($23,119)	($25,861)	*
49	Less: Capital Lease Obligations Incurred				
50	Cash Outflows for Property and Equipment		($23,119)	($25,861)	*
	ACQUISITION OF BUSINESS ENTITIES:				
51	Property and Equipment Acquired		$0	$0	
52	Goodwill Acquired		0	0	
53	Other Assets Acquired - net		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	

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

TROPICANA CASINO AND RESORT
SCHEDULE OF PROMOTIONAL
EXPENSES AND ALLOWANCES

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

Amended 5/11/2015

		Promotional Allowances		Promotional Expenses	
Line (a)	**Description (b)**	**Number of Recipients (c)**	**Dollar Amount (d)**	**Number of Recipients (e)**	**Dollar Amount (f)**
1	Rooms	295,432	$16,396	0	$0
2	Food	549,435	11,959	220,117	4,789
3	Beverage	6,507,786	7,821	0	0
4	Travel	0	0	5,132	1,539
5	Bus Program Cash	4,605	342	0	0
6	Promotional Gaming Credits	458,620	42,615	0	0
7	Complimentary Cash Gifts	179,714	5,765	0	0
8	Entertainment	39,747	229	439	66
9	Retail & Non-Cash Gifts	0	0	297,202	2,922
10	Parking	0	0	590,487	1,771
11	Other	3,638	37	63,039	632
12	Total	8,038,977	$85,164	1,176,416	$11,719

Internet Promotional Gaming Credits previously reported as cash complimentaries were reclassed to Line 6 in the 4th Qtr 2014.

FOR THE THREE MONTHS 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	67,929	$3,726	0	$0
2	Food	111,459	$2,690	41,025	$990
3	Beverage	1,567,373	$1,851	0	$0
4	Travel	0	$0	801	$240
5	Bus Program Cash	1,134	$109	0	$0
6	Promotional Gaming Credits	129,182	$9,187	0	$0
7	Complimentary Cash Gifts	41,512	$1,452	0	$0
8	Entertainment	20,276	$115	82	$12
9	Retail & Non-Cash Gifts	0	$0	75,917	$747
10	Parking	0	$0	143,096	$429
11	Other	841	$8	18,319	$183
12	Total	1,939,706	$19,138	279,240	$2,601

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

TROPICANA CASINO AND RESORT 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.

3/31/2015
Date

Vice President - Finance
Title

7571-11
License Number

On Behalf of:

TROPICANA CASINO AND RESORT
Casino Licensee

TROPICANA ATLANTIC CITY CORP.
DBA TROPICANA CASINO AND RESORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 AND 2013
(Unaudited)
($ In Thousands)

Amended 5/11/2015

NOTE 1. ORGANIZATION AND BASIS OF PRESENTATION

Basis of Presentation

The consolidated financial statements include the accounts of Tropicana Atlantic City Corp. ("the Company") and its wholly-owned subsidiary Tropicana AC Sub Corp. ("TAC Sub"), after elimination of all significant intercompany accounts and transactions.

The Company operates a casino hotel in Atlantic City, New Jersey ("the Property") and is a wholly owned subsidiary of Tropicana Entertainment, Inc. ("TE").

On March 8, 2010 ("the Acquisition Date"), the Tropicana Casino & Resort was acquired along with the other assets of Adamar of New Jersey, Inc. by TE. The newly acquired company was formed as Tropicana Atlantic City Corp, a New Jersey corporation. Tropicana Atlantic City Corp. formed a wholly owned subsidiary, TAC Sub, a New Jersey corporation. The new corporations were formed in accordance with the terms of the Amended and Restated Purchase agreement that was approved by the United States Bankruptcy Court, District of New Jersey, on November 4, 2009 and the New Jersey Casino Control Commission ("NJCCC") on November 19, 2009.

In November 2013, the Company received authorization from the New Jersey Division of Gaming Enforcement to commence continuous, 24-hour Internet gaming ("IGaming") on its online gaming site, *TropicanaCasino.com*. Tropicana Atlantic City Online showcases a variety of slot game options and classic casino table games. Players have the opportunity to participate in community jackpots and to be rewarded with both on-property and online incentives and have the chance to participate in a variety of promotions. All participants must be 21 or older and physically located in the State of New Jersey to play.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash, cash on hand in the casino cages, money market funds and highly liquid investments with original maturities of three months or less.

Pursuant to N.J.A.C. 13:69O-1.3(j) the Property maintains a separate New Jersey bank account to ensure security of funds held in patrons internet gaming accounts. On December 31, 2014 the above mentioned account balance was $2,773 which included patron's deposits in IGaming accounts of $305.

Receivables

Receivables consist primarily of casino, hotel and other receivables, net of an allowance for doubtful accounts. Receivables are typically non-interest bearing and are initially recorded at cost. Accounts are written off when management deems the account to be uncollectible. An estimated allowance for doubtful accounts is maintained to reduce the Company's receivables to their expected realization, which approximates fair value. The allowance is estimated based on specific review of customer accounts as well as historical collection experience and current economic and business conditions. Recoveries of accounts previously written off are recorded when received.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalent accounts maintained in financial institutions and accounts receivable. Bank accounts are insured by the Federal Deposit Insurance Corporation up to $250,000 or with the Securities Investor Protection Corporation up to $500,000. Concentration of credit risk, with respect to casino receivables, is limited through the Company's credit evaluation process. The Company issues markers to approved casino customers following credit checks and investigation of credit worthiness.

Inventories

Inventories, which consist primarily of food, beverage, uniforms and operating supplies, are stated at the lower of cost or market value. Costs are determined using the average cost method.

Advertising Costs

Costs for advertising are expensed as incurred. Advertising costs for the years ended December 31, 2014 and 2013 were $8,623 and $3,366, respectively.

Property and Equipment

Property and equipment under business combination guidance is stated at fair value as of the acquisition date. Property and equipment acquired subsequent to the acquisition date is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets or, for capital leases and leasehold improvements, over the shorter of the asset's useful life or the term of the lease. Gains or losses on disposals of assets are recognized as incurred. Costs of major improvements are capitalized, while costs of normal repairs and maintenance are expensed as incurred.

The Company must make estimates and assumptions when accounting for capital expenditures. Whether an expenditure is considered a maintenance expense or a capital asset is a matter of judgment. In contrast to normal repair and maintenance costs that are expensed when incurred, items the Company classifies as maintenance capital are expenditures necessary to keep its existing properties at their current levels and are typically replacement items due to the normal wear and tear of its properties and equipment as a result of use and age. The Company's depreciation expense is highly dependent on the assumptions it makes about its assets' estimated useful lives. The Company determines the estimated useful lives based on its experience with similar assets, engineering studies and its estimate of the usage of the asset. Whenever events or circumstances occur that change the estimated useful life of an asset, the Company accounts for the change prospectively.

CRDA Investment

The New Jersey Casino Reinvestment Development Authority ("CRDA") deposits are carried at fair value. The CRDA deposits are recorded at fair value and are used to purchase CRDA bonds that carry below market interest rates unless an alternative investment is approved. A valuation allowance is established, unless there is an agreement with the CRDA for a return of the deposit at full face value, by a charge to the statement of operations. If the CRDA deposits are used to purchase CRDA bonds, the valuation allowance is transferred to the bonds as a discount, which is amortized to interest income using the interest method. If the CRDA deposits are used to make other investments, the valuation allowance is transferred to those investments and remains a valuation allowance. The CRDA bonds are classified as held-to-maturity securities and are carried at amortized cost less any adjustments for other than temporary impairments. The average interest rate on the CRDA investment was 1.0% and 0.8% for the years ended December 31, 2014 and 2013, respectively**.**

Fair Value of Financial Instruments

As defined under GAAP, fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants in the principal market or in the most advantageous market when no principal market exists. Adjustments to transaction prices or quoted market prices may be required in illiquid or disorderly markets in order to estimate fair value. Considerable judgment may be required in interpreting market data used to develop the estimates of fair value. Accordingly, estimates of fair value presented herein are not necessarily indicative of the amounts that could be realized in a current or future market exchange.

Leasing Costs

Leasing costs are capitalized as incurred and amortized evenly, as a reduction to rental income, over the related lease terms. Leasing costs consist primarily of tenant allowances, which are incentives provided to tenants whereby the Company agrees to pay certain amounts toward tenant leasehold improvements or other tenant development costs. Leasing costs are included in Other Assets on the balance sheet.

Valuation of Long-Lived Assets

Long-lived assets held and used by the Company are reviewed for impairment whenever events or changes in circumstances warrant such a review. The carrying value of a long-lived or amortizable intangible asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the asset.

Intangible Assets

The Company's definite life intangible assets include customer lists and favorable lease agreements. Intangible assets with a definite life are amortized over their useful life, which is the period over which the asset is expected to contribute directly or indirectly to future cash flows. Management periodically assesses the amortization period of intangible assets with definite lives based upon estimated future cash flows from related operations.

Self-Insurance Reserves

The Company is self-insured up to certain stop loss amounts for employee health coverage, workers' compensation and general liability claims. Insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of estimates for claims incurred but not yet reported as estimated by management with the assistance of a third party. In estimating these accruals, historical loss experience is considered and judgments are made about the expected levels of costs per claim. The Company believes its estimates of future liability are reasonable based upon its methodology; however, changes in health care costs, accident frequency and severity and other factors could materially affect the estimates for these liabilities. The Company continually monitors changes in claim type and incident and evaluates the insurance accrual, making necessary adjustments based on the evaluation of these qualitative data points. The Company's accrual for general liability claims was approximately $1,458 and $1,932 at December 31, 2014 and 2013, respectively. The Company's accrual for workers compensation and employee health insurance claims was approximately $4,680 and $3,069 at December 31, 2014 and 2013, respectively.

Customer Loyalty Program

The Company provides certain customer loyalty programs (the "Programs") at its casino, which allow customers to redeem points earned from their gaming activity for cash, food, beverage, rooms or merchandise. Under the Programs, customers are able to accumulate points that may be redeemed in the future, subject to certain limitations and the terms of the Programs. The Company records a liability for the estimated cost of the outstanding points under the Programs that it believes will ultimately be redeemed. The estimated cost of the outstanding points under the Programs is calculated based on estimates and assumptions regarding marginal costs of the goods and services, redemption rates and the mix of goods and services for which the points are expected to be redeemed. For points that may be redeemed for cash, the Company accrues this cost (after consideration of estimated redemption rates) as they are earned, which is included in promotional allowances. For points that may only be redeemed for goods or services but cannot be redeemed for cash, the Company estimates the cost and accrues for this expense as the points are earned from gaming play, which is recorded as casino operating costs and expenses. At December 31, 2014 and 2013, the Company had $1,672 and $1,425, respectively, accrued for the estimated cost of anticipated redemptions under the Programs.

Revenue Recognition and Promotional Allowances

Casino revenue represents the difference between wins and losses from gaming activities. Room, food and beverage and other operating revenues are recognized at the time the goods or services are provided. The Company collects taxes from customers at the point of sale on transaction subject to sales and other taxes. Revenues are recorded net of any taxes collected. The retail value of rooms, food and beverage and other services provided to customers on a complimentary basis is included in gross revenues and then deducted as promotional allowances. The Company makes cash promotional offers to certain of its customers, including cash rebates as part of loyalty programs generally based on an individual's level of gaming play. These costs are classified as promotional allowances. For the year ended December 31, 2014, the total casino revenue was $288,618 which is comprised of $53,534 for games revenue, $216,391 for slot revenue and $18,693 for IGaming revenue. For the year ended December 31, 2013, the total casino revenue was $224,998 which is comprised of $47,175 for games revenue, $177,107 for slot revenue and $716 for IGaming Revenue.

Internet Gaming Operations

On November 21, 2013 the Company commenced online gaming operations with Gamesys Limited ("Gamesys") as our exclusive internet provider. The Company currently offers two online gaming brands *TropicanaCasino.com* and *VirginCasino.com*. IGaming casino revenues represent the difference between wins and losses from online gaming activities and are recognized net of internet revenues from the Virgin Casino site as a component of Casino Revenue in the Statements of Income. Progressive jackpots are accrued on IGaming progressive games when earned and recorded on the Statements of Income as a component of Casino Revenue.

The Company makes cash promotional offers to certain of its IGaming customers, including cash rebates as part of loyalty programs generally based on an individual's level of gaming play. These costs are classified as promotional allowances.

The State of New Jersey imposes an annual tax of 15% on IGaming gross revenue. These taxes along with expenses for software & licensing fees, royalty fees and payment processing fees are recorded as a component of Casino Costs & Expenses. Certain legal, marketing, advertising and administrative fees associated with the setup and ongoing support of IGaming are reflected in General, Administrative and Other on the Statements of Income.

An initial Internet Gaming Permit Fee of $400 along with an annual Responsible Internet Gaming Fee of $250 were required at the time the license was granted. These fees were treated as prepaid expenses and were written off over the year. IGaming licensees are also required to invest an additional 2.5% of gross casino revenue to satisfy investment obligations with the CRDA.

Income taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between 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 tax rates on deferred tax assets and liabilities is recognized in income in the period that included the enactment date. Future tax benefits are recognized to the extent that realization of those benefits is considered more likely than not, and a valuation allowance is established for deferred tax assets which do not meet this threshold.

Recently Issued Accounting Standards

In August 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, an amendment to FASB Accounting Standards Codification ("ASC") Topic 205, *Presentation of Financial Statements*. This update provides guidance on management's responsibility in evaluating whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. This ASU is effective for the annual period ending after December 15, 2016, and for annual and interim periods thereafter. Early adoption is permitted. The Company does not expect the adoption of this ASU to have a material impact on its financial statement disclosures.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes the revenue recognition requirements in ASC Topic 605, *Revenue Recognition*. This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The standard will be effective for the first interim period within fiscal years beginning after December 15, 2016, using one of two retrospective application methods. The Company is evaluating the impacts, if any, the adoption of ASU No. 2014-09 will have on the Company's financial position or results of operations.

In April 2014, the FASB issued ASU No. 2014-08, *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*, which changes the criteria for reporting discontinued operations. Under the amendment a disposal of a component of an entity or a group of components of an entity is required to be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results when any of the following occurs: (i) the component of an entity or group of components of an entity meets the criteria to be classified as held for sale; (ii) the component of an entity or group of components of an entity is disposed of by sale; and (iii) the component of an entity or group of components of an entity is disposed of other than by sale (for example, by abandonment or in a distribution to owners in a spinoff). This new guidance is effective prospectively for all disposals (or classifications as held for sale) of components of an entity and all business activities, on acquisition, that are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years.

A variety of proposed or otherwise potential accounting standards are currently under consideration by standard-setting organizations and certain regulatory agencies. Because of the tentative and preliminary nature of such proposed standards, we have not yet determined the effect, if any, that the implementation of such proposed standards would have on our financial statements.

Reclassifications

Certain reclassifications have been made to prior year amounts in order to conform with current year presentation.

Subsequent Events

The Company evaluated its December 31, 2014 financial statements for subsequent events for recognition or disclosure through March 31, 2015, the date the financial statements were available to be issued.

NOTE 2. PROPERTY AND EQUIPMENT

Property and Equipment consist of the following (in thousands):

	December 31, 2014	December 31, 2013
Land and land improvements	$ 68,020	$ 68,020
Building and improvements	109,089	110,925
Furniture, fixtures and equipment	61,113	54,942
Construction in progress	21,225	6,194
Total property and equipment-gross	259,447	240,081
Less: accumulated depreciation and amortization	(61,765)	(48,930)
Total property and equipment	$ 197,682	$ 191,151

Depreciation expense related to property and equipment was $14,195 and $12,247 for the years ended December 31, 2014 and 2013 respectively.

NOTE 3. OTHER CURRENT ASSETS

Other Current Assets consist of the following (in thousands):

	December 31, 2014	December 31, 2013
Prepaid insurance	$ 932	$ 953
Prepaid taxes & licenses	1,057	1,230
Current deferred tax asset, net	6,826	-
Other	1,028	877
Total other current assets	$ 9,843	$ 3,060

NOTE 4. INVESTMENTS

The New Jersey Casino Control Act provides, among other things, for an assessment of licensees equal to 1.25% of their gross gaming revenues and 2.5% on IGaming gross revenue in lieu of an investment alternative tax equal to 2.5% of gross gaming revenues and 5% on IGaming gross revenue. 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. According to the Casino Control Act, funds on deposit with the CRDA are invested by the CRDA and the resulting income is shared two-thirds to the casino licensee and one third to the CRDA. Further, the Casino Control Act requires that CRDA bonds be issued at statutory rates established at two-third of market value.

The CRDA bonds have various contractual maturities that range from 2 to 40 years. Actual maturities may differ from contractual maturities because of prepayment rights.

Investments consist of the following (in thousands):

	December 31, 2014	December 31, 2013
Investment in bonds-CRDA	$ 16,409	$ 16,542
Less unamortized discount	(4,306)	(4,417)
Less valuation allowance	(3,662)	(3,463)
Deposits - CRDA	32,257	29,538
Less valuation allowance	(7,873)	(7,201)
Direct investment - CRDA	1,292	4,022
Less valuation allowance	(1,292)	(1,381)
Total investments	$ 32,825	$ 33,640

NOTE 5. INTANGIBLE ASSETS

Intangible assets, a component of Other Assets, consist of the following (in thousands):

	December 31, 2014	December 31, 2013
Favorable leases	$ 2,114	$ 2,385
Customer Lists	1,400	1,400
Total intagible assets	3,514	3,785
Less accumulated amortization:		
Favorable leases	(1,803)	(1,613)
Customer Lists	(1,400)	(1,400)
Total accumulated amortization	(3,203)	(3,013)
Intangible assets, net	$ 311	$ 772

Customer lists represent the value associated with customers enrolled in our customer loyalty programs and were amortized to amortization expense on a straight-line basis over three years. Favorable lease arrangements are being amortized to tenant income on a straight-line basis over the terms of the various leases ending in 2015.

Estimated future amortization expense for the year ended December 31, 2015 for the acquired intangible assets subject to amortization is $311.

NOTE 6. DEBT

TE has long-term debt where the Company is a guarantor and substantially all of the Company's property and equipment is pledged as collateral. As a result, a portion of TE's debt and unamortized debt discount is allocated to the Company based on total asset valuation.

Debt consists of the following (in thousands):

	December 31, 2014	December 31, 2013
TE Term Loan Facility; 4.0% due 2020, net of unamortized discount of $335 thousand at December 31, 2014	$ 78,640	$ 86,532
Less : current portion	(800)	(872)
Total long-term debt	$ 77,840	$ 85,660

Scheduled maturities of the Company's long-term debt at December 31, 2014 are as follows (in thousands):

Years ending December 31,	
2015	$ 800
2016	800
2017	800
2018	800
2019	800
Thereafter	74,975
Total scheduled maturities	78,975
Unamortized debt discount	(335)
Total long-term debt	$ 78,640

TE Debt

On November 27, 2013, TE entered into (i) a senior secured first lien term loan facility in an aggregate principal amount of $300 million, issued at a discount of 0.5% (the "Term Loan Facility") and (ii) a senior secured first lien revolving credit facility in an aggregate principal amount of $15 million (the "Revolving Facility" and, together with the Term Loan Facility, the "Credit Facilities"). Commencing on December 31, 2013, the Term Loan Facility will amortize in equal quarterly installments in an amount of $750, with any remaining balance payable on the final maturity date of the Term Loan Facility, which is November 27, 2020. Amounts under the Revolving Facility are available to be borrowed and re-borrowed until its termination on November 27, 2018. TE allocates its debt and unamortized debt discount to its subsidiaries based on the portion of collateralized assets at each subsidiary.

The Term Loan Facility accrues interest, at a floating per annum rate (as defined in the Credit Agreement) such that the applicable interest rate shall not be less than 4.0%. As of December 31, 2014, the interest rate on the Term Loan Facility was 4.0% and no amounts were outstanding under the Revolving Facility.

NOTE 7. COMMITMENTS AND CONTINGENCIES

Licensing

On November 10, 2010, the Company was granted its plenary casino license by the New Jersey Casino Control Commission.

The State of New Jersey imposes an annual tax of 8% on gross casino revenue and commencing with the operations of IGaming, an annual tax of 15% on IGaming gross revenue. Pursuant to legislation adopted in 1984, casino licensees or IGaming permit holders are required to invest an additional 1.25% percent of gross casino revenue and 2.5% of IGaming gross revenue or 5% on gross IGaming revenue for the purchase of bonds to be issued by the 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 2.5% 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. For the period ending December 31, 2014 and 2013, the Company's reinvestment obligation was $3,998 and $2,869 respectively for the purchase of CRDA bonds. For the period ending December 31, 2014 and 2013, the Company recorded a loss provision of $1,606 and $2,711 respectively. The loss provision is to recognize the effect of the below market interest rate using the interest rate in effect at December 31, 2014.

2011 Legislation

On February 1, 2011, New Jersey enacted legislation (the "Tourism District Bill") that delegates redevelopment authority and creation of a master plan to the CRDA and allowed the CRDA the ability to enter into a five year public private partnership with the casinos in Atlantic City that have formed the Atlantic City Alliance ("ACA") to jointly market the city. The legislation obligates the Atlantic City casinos either through the ACA or, if not a member of the ACA, through individual assessments, to provide funding for the Tourism District Bill in the aggregate amount of $30.0 million annually through 2016. Each Atlantic City casino's proportionate share of the assessment will be based on the gross revenue generated in the preceding fiscal year. The Company estimates its portions of these industry obligations to be approximately 11.2%.

Tax Appeal Settlement

In January 2013, the Company settled outstanding real estate tax appeals with the City of Atlantic City. The settlement involves the tax years 2008 through 2012 and also covers negotiated real estate assessments for 2013 and 2014. Under the terms of the settlement, the Company was to receive a $49.5 million refund in the form of credits against annual real estate tax bills beginning in 2013 and ending in 2017. The credits were to be front-loaded in 2013 and 2014 so that after the credits are applied, the Company paid $1,750 in taxes in 2013. The Company utilized $16,044 of credits as a reduction to operating expenses in the year ended December 31, 2013. In addition, the Company expensed $4,065 in professional fees related to this settlement in the year ended December 31, 2013. In January 2014, the Company received $31,725 in cash as payment to satisfy future credits.

For the year ended December 31, 2014, the annual realty tax expense for the land and improvements was $23,060 based on a tax rate of $3.348 per $100 of assessed value, net of property tax credits from the City of Atlantic City. Realty taxes for subsequent years and for any expansion or improvements of the facilities may vary significantly depending on assessed values and the tax rate in effect at such future time.

UNITE HERE

In September 2011, the collective bargaining agreement between the Company and UNITE HERE Local 54 expired and the Company continued to voluntarily contribute to the UNITE HERE National Retirement Fund Rehabilitation Plan (the "NRF") after the September 2011 expiration date through February 25, 2012 (at which time the Company declared an impasse in the collective bargaining negotiations and ceased contributions to the NRF). UNITE HERE subsequently filed a charge with the National Labor Relations Board (the "NLRB") alleging that the Company's declarations of an impasse violated the National Labor Relations Act. The Company contested this charge. In addition, in January 2012 the NRF's legal counsel sent a letter to the Company asserting that any withdrawal from the NRF would not be entitled to the NRF's "Free Look Rule" and would trigger a withdrawal liability and in November 2013 the Company was advised by UNITE HERE that the NRF had estimated the Company's withdrawal liability from the NRF to be approximately $4 million. In May 2014 the Company and UNITE HERE Local 54 entered into a new collective bargaining agreement as well as a settlement agreement pursuant to which, among other things, the NLRB charge and related charges filed by both parties were withdrawn. In addition, the Company entered into a settlement agreement with the NRF pursuant to which the Company paid approximately $4 million to the NRF in settlement of all outstanding withdrawal liability claims.

In July 2014, the Company and UNITE HERE each provided notice to the other of their respective intentions to renegotiate their existing collective bargaining agreement due to expire on September 14, 2014. Subsequently, UNITE HERE requested that the Company extend the collective bargaining agreement for an additional six months, which request was rejected by the Company. The collective bargaining agreement expired on September 14, 2014. The Company has requested that UNITE HERE provide the Company with detailed information related to the UNITE HERE Health Fund, which information is essential for the Company to prepare for negotiation of a new collective bargaining agreement. UNITE HERE has yet to provide the Company with any of the requested information

Other

The Company 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 the Company. Management believes that its defenses are substantial in each of these matters, and the Company's legal posture can be successfully defended or satisfactorily settled without material adverse effect on its consolidated financial position, results of operations or cash flows.

NOTE 8. RELATED PARTIES

Advances to affiliates are reflected in Investments, Advances and Receivables. The identity of the affiliate and corresponding balances at December 31, 2014 and 2013 are as follows (in thousands):

	December 31,	
	2014	2013
Due from Tropicana Entertainment Inc.	$ 113,034	$ 43,261
Due from TEI (ES) LLC	172	-
Due from Centroplex-Baton Rouge	20	-
	$ 113,226	$ 43,261

Transactions with TE include activity principally related to TE’s Term Loan Facility, joint insurance programs, federal income tax filings, and other administrative services. The Company operates a Reservation Call Center for which it charges the Lumiere Hotel (“TEI (ES), LLC”) and Centroplex Baton Rouge a fee. TEI (ES) LLC and Centroplex Baton Rouge are wholly owned Subsidiaries of TE. Various corporate services were provided to the Company in the twelve months ended December 31, 2014 and 2013 for which a management fee was charged. For the twelve months ended December 31, 2014 and 2013 the Company recorded a management fee of $6,021 and $6,283 respectively. In April 2014 and September 2014, the Company began taking reservations through its call center for TEI (ES), LLC and Centroplex Baton Rouge, respectively.   The Company charged TEI (ES), LLC and Centroplex Baton Rouge for the services provided.

During 2014, the Company transferred gaming equipment to TE and recorded a $6,685 receivable in the accompanying balance sheet as of December 31, 2014.

NOTE 9. INCOME TAXES

The (benefit) /provision for income taxes is comprised of (in thousands):

	December 31, 2014	December 31, 2013
Current		
Federal	$ 6,068	$ -
State	131	161
	6,199	161
Deferred		
Federal	(182,627)	-
State	-	-
	(182,627)	-
	$ (176,428)	$ 161

A reconciliation of the federal income tax statutory rate and the effective tax rate is as follows (in thousands):

	December 31, 2014	December 31, 2013
Expected tax at 35%	$ 12,681	$ 1,782
State tax net of federal benefit	(2,147)	(97)
Effect of permannent differences	503	189
Valuation allowance	(187,465)	(1,713)
Total Provision	$ (176,428)	$ 161

The income tax effects of loss carryforwards, tax credit carryforwards and temporary differences between financial and income tax reporting that give rise to the deferred income tax assets and liabilities at December 31, 2014 and 2013, are as follows (in thousands):

	December 31, 2014	December 31, 2013
Receivables	$ 4,362	$ 4,563
Accrued compensation	3,567	2,580
Net operating loss carryforward	58,542	65,350
Reserve accrued liablities	436	285
Property and equipment	137,354	136,095
Other assets	2,662	2,657
Gross deferred tax assets	206,923	211,530
Less valuation allowance	(23,064)	(209,965)
Total deferred tax asset	183,859	1,565
Deductible prepaids	(1,232)	(1,250)
Intangibles	-	(315)
Total deferred tax liablilites	(1,232)	(1,565)
Gross deferred tax liabilities	$ 182,627	$ -

As of March 8, 2010, the Company had various net deferred tax assets made up primarily of the expected future tax benefit of net operating loss carryforwards and excess tax basis not yet deductible for tax purposes. A valuation allowance was provided in full against these net deferred tax assets upon the Company's emergence from bankruptcy. During 2014, the Company reduced the valuation allowance related to the remaining net tax assets by $186.9 million. The reduction in the valuation allowance is a result of the Company analyzing all positive and negative evidence and concluding that it is more likely than not that it will generate future taxable income to utilize this portion of net deferred tax assets. The benefit from this reduction in the valuation allowance was recorded as an income tax benefit for 2014

The Company has federal net operating loss carryforwards pursuant to the acquisition of Adamar. Internal Revenue Code Section 382 ("Section 382") places certain limitation on the annual amount of net operating loss carryforwards that can be utilized when a change of ownership occurs. The Company believes it's acquisition of Adamar was a change in ownership pursuant to Section 382. As a result of the annual limitation, the net operating loss carryforward amount available to be used in future periods is approximately $161.2 million and will begin to expire in 2028 and forward.

Accounting for uncertainty in income taxes prescribes a threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The accounting standards also require that the tax positions be assessed using a two step process. A tax position is recognized if it meets a "more likely than not" threshold, and is measured at the largest amount of benefit that is greater than 50 percent likely of being realized. Uncertain tax positions must be reviewed at each balance sheet date. As of December 31, 2014 and 2013, the Company does not have an uncertain tax position. The Company policy is to recognize interest and penalties related to unrecognized tax benefits/liabilities in income tax expense. For the years ended December 31, 2014 and 2013, no amounts have been recorded. The Company has not accrued interest or penalties as of December 31, 2014. The Company files income tax returns in the United States Federal jurisdiction and New Jersey. Generally, the statute of limitation for examination of the Company's returns is open for years ended December 31, 2010.

NOTE 10. RETIREMENT PLANS

The Company does not sponsor a defined benefit plan. The Company offers a defined contribution 401(k) plan, which covers substantially all employees who are not covered by a collective bargaining agreement and who reach certain age and length of service requirements. Plan participants can elect to defer before tax compensation through payroll deductions. Such deferrals are regulated under Section 401(k) of the Internal Revenue Code. The plan allows for the Company to make an employer contribution on the employee's behalf at the Company's discretion.

Multiemployer Pension Plans

At December 31, 2014 and 2013 we had collective bargaining agreements with unions covering certain employees. Since February 2012, the Company has not participated in any union-sponsored, collectively bargained, multiemployer defined benefit pension plans. The risks of participating in multiemployer pension plans are different from single-employer pension plans in the following aspects: (i) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, (ii) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers, and (iii) if the Company stops participating in some of its multiemployer pension 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.

The Company made no contributions to these multiemployer plans for the years ended December 31, 2014 and 2013, respectively.

Under the UNITE HERE National Retirement Fund Rehabilitation Plan (the "NRF"), the Company paid increased contributions from January 2012 until the Company withdrew from the plan on February 25, 2012. Subsequent to the withdrawal, the NFR asserted a withdrawal liability claim against the Company in the approximate amount of $4 million. In May 2014 the Company and UNITE HERE Local 54 entered into a new collective bargaining agreement as well as a settlement agreement pursuant to which, among other things, the Company began to accrue contributions towards a new single employer Variable Annuity Pension Plan for certain Tropicana AC Local 54 employees. In addition, the Company entered into a settlement agreement with the NRF pursuant to which the Company paid approximately $4 million to the NRF in settlement of all outstanding withdrawal liability claims.

In April 2012, the International Union of Operating Engineers Local 68 Pension Fund (the “Local 68 Pension Plan”) asserted that the Company withdrew from the Local 68 Pension Plan on March 7, 2010 and therefore owed approximately $4.2 million in withdrawal liability to the Local 68 Pension Fund for periods predating March 7, 2010. The Company did not become a participating employer in the Local 68 Pension Fund until March 8, 2010 and continued its participation through June 30, 2010 at which time it withdrew and was assessed an approximate $0.3 million withdrawal liability which it paid in 2011. The Company does not believe it has any liability for and is contesting the Local 68 Pension Fund claims for withdrawal liability for any periods prior to March 7, 2010.

NOTE 11. LEASES

For the years ended December 31, 2014 and 2013 the Company recorded rental revenue of $5,705 and $5,166, respectively.

The future minimum lease payments to be received under non-cancelable operating leases for years subsequent to December 31, 2014 are as follows (in thousands):

2015	$4,962
2016	4,922
2017	4,757
2018	4,136
2019	3,788
Thereafter	8,322
Total	$30,887

The above minimum rental income does not include contingent rental income or common area maintenance costs contained within certain retail operating leases.

NOTE 12. OTHER ACCRUED EXPENSES

Other Accrued Expenses consist of the following (in thousands):

	December 31,	
	2014	2013
Accrued payroll, taxes, and benefits	$ 11,494	$ 13,152
Accrued progressive liability	1,316	735
Insurance reserves	6,138	5,001
Other	5,045	4,754
Total other accrued expenses	$ 23,993	$ 23,642

NOTE 13. OTHER CURRENT LIABILITIES

Other Current Liabilities consist of the following (in thousands):

	December 31,	
	2014	2013
Chip liability	$ 2,106	$ 1,894
Other	4,894	2,432
Total other current liabilities	$ 7,000	$ 4,326

NOTE 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the Company's cash and cash equivalents, restricted cash, receivables and accounts payable approximate fair value because of the short term maturities of these instruments. A financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The three levels are as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

- Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

- Level 3 - Unobservable inputs reflect the Company's judgments about the assumptions market participants would use in pricing the asset or liability since limited market data exists. The Company develops these inputs based on the best information available, including its own data.

The following table presents a summary of fair value measurements by level for certain assets measured at fair value on a recurring basis included in the accompanying balance sheets at December 31, 2014 and 2013 (in thousands):

	Input Levels for Fair Value Measurements			
	Level 1	**Level 2**	**Level 3**	**Total**
December 31, 2014				
Assets:				
CRDA deposits, net	$ -	$ -	$ 24,384	$ 24,384
December 31, 2013				
Assets:				
CRDA deposits, net	$ -	$ -	$ 22,337	$ 22,337

Funds on deposit with the CRDA are held in interest bearing accounts by the CRDA. Interest is earned at the stated rate that approximates two-thirds of the current market rate for similar assets. The Company records charges to expense to reflect the lower return on investment and records the deposit at fair value. The fair value of the CRDA deposits, classified in the fair value hierarchy as Level 3, are estimated using valuation allowances calculated based on market rates for similar assets and other information received

from the CRDA.
The following table summarizes the changes in fair value of the Company's Level 3 CRDA deposits (in thousands):

	Year Ended December 31,	
	2014	**2013**
Balance at January 1	$ 22,337	$ 22,764
Realized or unrealized losses	(705)	(2,161)
Additional CRDA deposits	3,998	2,869
Purchases of CRDA investments	(1,246)	(1,135)
Balance at December 31	$ 24,384	$ 22,337

Losses are included the accompanying statements of income. There were no transfers between fair value levels for 2014 or 2013.

CRDA Bonds

The Company's CRDA bonds are classified as held-to-maturity since the Company has the ability and intent to hold these bonds to maturity under the CRDA, the Company is not permitted to do otherwise. The CRDA Bonds are initially recorded at a discount to approximate fair value. After the initial determination of fair value, the company will analyze the CRDA bonds quarterly for recoverability based on management's historical collection experience and other information received from the CRDA. If indications exist that the CRDA bond is impaired, additional valuation allowances will be recorded. The fair value of the Company's CRDA bonds are considered a Level 3 fair value measurement. The CRDA bonds carrying value as of December 31, 2014 and 2013 net of the unamortized discount and valuation allowance is $8.4 million and $8.7 million, respectively, which approximates fair value.

Long-term Debt
The Company's long-term debt is carried at amortized cost in the accompanying balance sheets. The fair value of the Company's long-term debt is a Level 2 fair value measurement and has been estimated based upon quoted market prices for similar issues. The estimated fair value of long-term debt as of December 31, 2014 and 2013 is approximately $79.5 million and $87 million.

NOTE 15. NON-OPERATING INCOME/EXPENSE

Non-operating Income/(Expense) consists of the following (in thousands):

	December 31,	
	2014	2013
Interest income	$ 1,717	$ 558
Impairment charge	(44)	-
Insurance proceeds	1,250	-
Construction accident related	(159)	(87)
Loss on disposal of asset	(660)	(238)
Loss on abandonment	(316)	-
Total non-operating income/(expense)	$ 1,788	$ 233

TROPICANA CASINO AND RESORT

ANNUAL FILINGS

FOR THE YEAR ENDED DECEMBER 31, 2014
AMENDED 5/11/15

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

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

TROPICANA CASINO AND RESORT

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	$2,667		
2	Returned Patrons' Checks	12,369		
3	Total Patrons' Checks	15,036	$9,767	$5,269
4	Hotel Receivables	2,272	217	2,055
	Other Receivables:			
5	Receivables Due from Officers and Employees	-		
6	Receivables Due from Affiliates	6,685		
7	Other Accounts and Notes Receivables	4,279		
8	Total Other Receivables	10,964	695	10,269
9	Totals (Form DGE-205)	$28,272	$10,679	$17,593

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	**Description (g)**	**Amount (h)**
10	Beginning Balance (January 1)	$2,957
11	Counter Checks Issued	86,598
12	Checks Redeemed Prior to Deposit	(64,862)
13	Checks Collected Through Deposits	(18,505)
14	Checks Transferred to Returned Checks	(3,521)
15	Other Adjustments	
16	Ending Balance	$2,667
17	"Hold" Checks Included in Balance on Line 16	0
18	Provision for Uncollectible Patrons' Checks	$1,629
19	Provision as a Percent of Counter Checks Issued	1.9%

TROPICANA CASINO AND RESORT
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	625			
2	Slot Machines	77			
3	Administration	5			
4	Casino Accounting	122			
5	Simulcasting				
6	Other				
7	Total - Casino	829	$17,455	$0	$17,455
8	ROOMS	422	9,609		9,609
9	FOOD AND BEVERAGE	706	14,076		14,076
10	GUEST ENTERTAINMENT	141	1,646		1,646
11	MARKETING	143	5,380		5,380
12	OPERATION AND MAINTENANCE	199	7,235		7,235
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	3	919		919
14	Accounting and Auditing	43	1,872		1,872
15	Security	188	4,885		4,885
16	Other Administrative and General	40	1,908		1,908
	OTHER OPERATED DEPARTMENTS:				
17	Communications	16	356		356
18	Transportation	100	1,586		1,586
19	Hotel Sales	5	269		269
20	IT	22	1,299		1,299
21					0
22					0
23	TOTALS - ALL DEPARTMENTS	2,857	$68,496	$0	$68,496