REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of the
Bradley Center Sports and Entertainment Corporation:

We have audited the accompanying balance sheets of the Bradley Center Sports and Entertainment Corporation (a Wisconsin not-for-profit corporation) as of June 30, 1995 and 1994, and the related statements of activity and changes in fund balances for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bradley Center Sports and Entertainment Corporation as of June 30, 1995 and 1994, and the results of its activities for the years then ended in conformity with generally accepted accounting principles.

Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin,
August 17, 1995.

BRADLEY CENTER SPORTS AND ENTERTAINMENT CORPORATION

BALANCE SHEETS

AS OF JUNE 30, 1995 AND 1994

	1995			1994		
ASSETS	Operating Fund	Plant Fund	Total	Operating Fund	Plant Fund	Total
CURRENT ASSETS:						
Cash and cash equivalents	$5,624,478	$5,281,957	$10,906,435	$1,319,743	$4,954,033	$6,273,776
Cash deposits held for others	964,901	-	964,901	644,361	-	644,361
Total cash and cash equivalents	6,589,379	5,281,957	11,871,336	1,964,104	4,954,033	6,918,137
Investment securities	-	100,000	100,000	-	100,000	100,000
Accounts and interest receivable	276,287	35,080	311,367	571,177	20,918	592,095
Pledge receivable	-	-	-	700,000	800,000	1,500,000
Prepaid expenses and other assets	149,061	-	149,061	329,133	-	329,133
Inventories	119,241	-	119,241	169,900	-	169,900
Total current assets	7,133,968	5,417,037	12,551,005	3,734,314	5,874,951	9,609,265
INVESTMENT SECURITIES	-	969,198	969,198	-	968,615	968,615
PROPERTY AND EQUIPMENT, at cost:						
Land	-	5,805,346	5,805,346	-	5,805,346	5,805,346
Buildings and improvements	-	68,619,482	68,619,482	-	68,411,216	68,411,216
Machinery and equipment	-	16,007,473	16,007,473	-	16,004,474	16,004,474
Construction in progress	-	74,849	74,849	-	-	-
	-	90,507,150	90,507,150	-	90,221,036	90,221,036
Less- Accumulated depreciation	-	(26,453,798)	(26,453,798)	-	(22,351,689)	(22,351,689)
Property and equipment, net	-	64,053,352	64,053,352	-	67,869,347	67,869,347
Total assets	$7,133,968	$70,439,587	$77,573,555	$3,734,314	$74,712,913	$78,447,227
LIABILITIES AND FUND BALANCES						
CURRENT LIABILITIES:						
Accounts and deposits payable	$1,216,604	$ -	$1,216,604	$832,387	$ -	$832,387
Other accrued liabilities	1,210,131	586	1,210,717	893,837	783	894,620
Deferred suite and signage revenues (Notes 7 and 8)	211,314	-	211,314	190,211	-	190,211
Current maturities of long-term debt	137,592	-	137,592	156,309	-	156,309
Total current liabilities	2,775,641	586	2,776,227	2,072,744	783	2,073,527
LONG-TERM DEBT	4,473,534	-	4,473,534	4,626,163	-	4,626,163
Total liabilities	7,249,175	586	7,249,761	6,698,907	783	6,699,690
FUND BALANCES	(115,207)	70,439,001	70,323,794	(2,964,593)	74,712,130	71,747,537
Total liabilities and fund balances	$7,133,968	$70,439,587	$77,573,555	$3,734,314	$74,712,913	$78,447,227

The accompanying notes to financial statements are an integral part of these balance sheets.

BRADLEY CENTER SPORTS AND ENTERTAINMENT CORPORATION

STATEMENTS OF ACTIVITY

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	1995			1994		
	Operating Fund	Plant Fund	Total	Operating Fund	Plant Fund	Total
OPERATING REVENUES:						
Gross product and services revenue	$13,504,543	$ -	$13,504,543	$11,440,631	$ -	$11,440,631
Tenant shared revenue (Note 6)	(2,308,959)	-	(2,308,959)	(1,912,856)	-	(1,912,856)
Net product and services revenue	11,195,584	-	11,195,584	9,527,775	-	9,527,775
Tenant lease income	2,277,425	-	2,277,425	2,224,485	-	2,224,485
Parking	939,130	-	939,130	891,145	-	891,145
Advertising	954,885	-	954,885	875,772	-	875,772
Interest income	230,310	359,062	589,372	105,598	245,411	351,009
Other	895,353	-	895,353	799,967	-	799,967
Total operating revenues	16,492,687	359,062	16,851,749	14,424,742	245,411	14,670,153
OPERATING EXPENSES:						
Salaries, wages and benefits	5,330,760	-	5,330,760	4,843,960	-	4,843,960
Direct product costs	4,899,046	-	4,899,046	4,181,462	-	4,181,462
Depreciation	4,446,152	-	4,446,152	4,060,687	-	4,060,687
Contracted services	853,875	16,697	870,572	741,285	14,549	755,834
Maintenance and supplies	661,793	-	661,793	697,554	-	697,554
Utilities	411,102	-	411,102	377,413	-	377,413
Insurance	357,532	-	357,532	353,132	-	353,132
Interest expense	333,981	-	333,981	345,782	-	345,782
Other general administrative	524,000	-	524,000	442,564	-	442,564
Professional fees	421,006	-	421,006	341,574	-	341,574
Property taxes and related expense	186,500	-	186,500	172,295	-	172,295
Marketing and promotional	132,441	-	132,441	59,638	-	59,638
Total operating expenses	18,558,188	16,697	18,574,885	16,617,346	14,549	16,631,895
Operating income (loss)	(2,065,501)	342,365	(1,723,136)	(2,192,604)	230,862	(1,961,742)
OTHER INCOME:						
Contributions	299,393	-	299,393	-	-	-
Net income (loss)	$(1,766,108)	$342,365	$(1,423,743)	$(2,192,604)	$230,862	$(1,961,742)

The accompanying notes to financial statements are an integral part of these statements.

BRADLEY CENTER SPORTS AND ENTERTAINMENT CORPORATION

STATEMENTS OF CHANGES IN FUND BALANCES

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	1995			1994		
	Operating Fund	Plant Fund	Total	Operating Fund	Plant Fund	Total
FUND BALANCE, beginning of year	$(2,964,593)	$74,712,130	$71,747,537	$(3,294,587)	$77,003,866	$73,709,279
Net income (loss)	(1,766,108)	342,365	(1,423,743)	(2,192,604)	230,862	(1,961,742)
Transfer of capital additions and replacements financed by the Operating Fund to the Plant Fund	(636,414)	636,414	-	(737,589)	737,589	-
Sale of plant asset	6,256	(6,256)	-	-	-	-
Transfer of depreciation expense to Plant Fund	4,446,152	(4,446,152)	-	4,060,687	(4,060,687)	-
Transfers from Operating Fund to the Plant Fund for payment of liabilities (Note 10)	(500)	500	-	(800,500)	800,500	-
Transfer of Plant Fund pledge to repay Operating Fund (Note 10)	800,000	(800,000)	-	-	-	-
FUND BALANCE, end of year	$(115,207)	$70,439,001	$70,323,794	$(2,964,593)	$74,712,130	$71,747,537

The accompanying notes to financial statements are an integral part of these statements.

BRADLEY CENTER SPORTS AND ENTERTAINMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

(1) Nature of the Corporation-

Bradley Center Corporation ("BCC") was incorporated on March 13, 1985, as a Wisconsin nonstock, not-for-profit corporation. BCC had been formed for the purpose of constructing and operating the Bradley Center (the "Center"), a recreational and sports facility in Milwaukee, Wisconsin. The Center was opened and began operations October 1, 1988. All funding of the construction costs of the Center, a memorial to the late Harry L. Bradley, was provided by Mr. and Mrs. Lloyd H. Pettit.

The BCC had received a determination letter from the Internal Revenue Service ("IRS") which exempted BCC from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. BCC was also exempt from state income taxes.

In conjunction with obtaining its tax-exempt status, BCC represented that it would use its best efforts to transfer ownership of the Center to the State of Wisconsin (the "State"), or a political subdivision or instrumentality of the State. The transfer of ownership of the Center to the Bradley Center Sports and Entertainment Corporation (the "Corporation"), an entity established via State legislation, occurred effective June 30, 1993. BCC received a ruling from the IRS that the transfer of ownership will not adversely impact its tax exempt status. The Corporation is exempt from taxes as an instrumentality of the State.

(2) Significant Accounting Policies-

The financial statements of the Corporation have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader:

Fund accounting-

The accounts of the Corporation are maintained in accordance with the principles of fund accounting. The following describes the procedures by which resources are classified for accounting and reporting purposes into funds established according to their nature and use. The assets, liabilities, and fund balances of the Corporation are reported in two funds which maintain separate accounts, as follows:

- The Operating Fund accounts for the day-to-day operations of the Center, including contributions used for operating purposes.

  Depreciation expense is initially charged to the Operating Fund as an operating expense. This expense is then transferred annually to the plant fund.

- The <u>Plant Fund</u> is used to account for the acquisition and disposal of property and equipment and to allocate the cost of fixed assets acquired over their estimated useful lives. This fund also includes contributions which are restricted for property and equipment acquisitions. The assets and corresponding liabilities resulting therefrom have been recorded in this fund. Property and equipment acquisitions financed through operations are initially recorded in the Operating Fund and then transferred from the Operating Fund to the Plant Fund.

  The Board of Directors may designate amounts to be utilized for future replacements at the Center. In these instances, cash equivalents or investments are transferred from the Operating Fund to the Plant Fund. Investment income earned on these amounts subsequent to the transfers is also designated for plant replacements and is recorded in the Plant Fund.

<u>Inventories</u>-

Inventories are stated at the lower of cost or market, with cost being determined using the first-in, first-out method.

<u>Property and equipment</u>-

Property and equipment are stated at cost. The Corporation provides for depreciation by use of the straight-line method over the useful lives of the assets. Estimated useful lives are as follows:

Buildings and improvements	15-40 years
Machinery and equipment	5-15 years

Certain costs directly attributable to the development and construction of the Center have been capitalized. These include architectural and engineering fees as well as certain interest, construction administration and overhead costs. Land contributed by the City of Milwaukee (the "City") is recorded at the City's cost.

<u>Investment securities</u>-

Investment securities consist of treasury securities, carried at amortized cost which approximates market value, and certificates of deposits, carried at cost which equates market value.

<u>New accounting pronouncements</u>-

In June, 1993, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 117 ("SFAS No. 117"), "Financial Statements of Not-for-Profit Organizations." SFAS No. 117 establishes standards for general-purpose external financial statements provided by a not-for-profit organization and requires, among other things, that not-for-profit organizations prepare a separate statement of cash flows. The Corporation intends to adopt the new financial reporting standards of SFAS No. 117 in fiscal 1996.

Reclassifications-

Certain reclassifications were made to the fiscal 1994 amounts in order to conform with the fiscal 1995 presentation.

(3) Long-Term Debt-

Long-term debt consists of the following:

	1995	1994
Promissory note to bank, payable in monthly installments of $42,111, including interest at 7%, balance due July 1, 1995	$4,611,126	$4,782,472
Less- Current maturities	(137,592)	(156,309)
Long-term debt	$4,473,534	$4,626,163

In July 1995, the Corporation refinanced its promissory note payable. The maturity date was extended to July 1, 1998, and the interest rate was increased to 7.95%. Accordingly, the borrowings have been classified as long-term debt at June 30, 1995.

Future principal payments required on long-term debt are as follows:

Year Ending June 30,	Amount
1996	$137,592
1997	150,130
1998	161,618
1999	4,161,786
	$4,611,126

The fair value of the Corporation's debt approximates its carrying value at June 30, 1995.

(4) Related Party Transactions-

A member of the Corporation's Board of Directors and certain officers of the Corporation are members of a law firm which provides legal and administrative services to the Corporation. The cost of services provided by the law firm to the Corporation was $123,475 and $151,893 for the fiscal years ended June 30, 1995 and 1994, respectively.

(5) Cash Deposits Held for Others-

The Corporation maintains separate cash accounts, under various operating agreements, for cash collections related to ticket sales through the Center box office. The cash collected for these ticket sales is to be remitted to the respective promoter or tenant at the settlement of the event. As of June 30, 1995 and 1994, the Corporation had approximately $965,000 and

$644,000, respectively, in cash that was held in a fiduciary capacity under the terms of the agreements. These amounts are also shown as a corresponding current liability included in accounts and deposits payable in the accompanying Balance Sheets.

(6) Tenant Lease Agreements-

The Corporation has entered into lease agreements with the Milwaukee Bucks, Inc. (the "Bucks"), P.B.C. Productions, Inc. (the "Admirals"), Milwaukee Pro Soccer, Inc. (the "Wave"), Milwaukee Mustangs, Arena Football, Inc. (the "Mustangs") and Marquette University ("Marquette") for use of the Center. These agreements expire or expired on September 30, 1997, August 31, 1995, April 30, 1995, September 30, 1996 and March 16, 1998, respectively.

The Bucks receive a share of concessions, suites, catering, merchandise and program revenues which is reflected as tenant shared revenue in the accompanying Statements of Activity.

(7) Advertising Agreements-

The Corporation has entered into advertising agreements for exclusive rights to advertise on the grounds and within the Center. The agreements with Ameritech Corporation and the Coca-Cola Company expire on September 30, 1995 and 1998, respectively, and the agreements with The Milwaukee Journal/Sentinel, Inc. and Marshall & Ilsley Bank expire on November 30, 1995 and 1996, respectively. Of the amounts received under the agreements, $126,501 and $107,304 was reflected as deferred signage revenue in the accompanying Balance Sheets as of June 30, 1995 and 1994, respectively.

(8) Suite License Fees-

The Corporation has entered into various license agreements ranging from three to five years for the use of the box suites at the Center. Minimum gross rental fees to be received during the remaining years of the agreements are as follows:

Year Ending June 30,	Amount
1996	$4,186,934
1997	3,289,128
1998	1,798,614
1999	153,898
	$9,428,574

Deferred suite revenue of $77,579 and $73,683 under these agreements is reflected in the accompanying Balance Sheets as of June 30, 1995 and 1994, respectively.

(9) Employee Benefit Plan-

On December 21, 1993, the Corporation's Board of Directors (the "Board") approved the BCSEC Defined Contribution Retirement Plan (the "Plan") which became effective for the plan year commencing January 1, 1993. The Plan is a qualified non-contributory profit sharing plan which allows for annual contributions to be made at the discretion of the Board. Contributions are allocated to eligible employees based on employee compensation and vest over time, as defined by the Plan. During fiscal years 1995 and 1994, contributions of approximately $125,000 and $100,000, respectively, were made and expensed.

(10) Contingencies-

The Corporation was involved in a lawsuit related to the initial construction of the Center which was settled in fiscal year 1995 for approximately $1,800,000. There was no impact on the Corporation's net income due to an agreement with Jane Bradley Pettit whereby the Corporation was reimbursed for the entire liability incurred, which included collection of the $1,500,000 pledge receivable recorded in fiscal year 1993.

In conjunction with this lawsuit, the Operating Fund financed the Plant Fund's portion ($800,000) of a cash appeal bond posted in fiscal year 1994. This amount was included in transfers from the Operating Fund to the Plant Fund for payment of liabilities in the Statements of Changes in Fund Balances for fiscal year 1994. Upon settlement, the amount was included in transfers from the Plant Fund to the Operating Fund for reimbursement of payment in the Statements of Changes in Fund Balances for fiscal year 1995.

The Corporation is involved in contract and other disputes in the ordinary course of business. While the results of these matters cannot be predicted with any certainty, based upon the information presently available, management is of the opinion that the final outcome of such proceedings should not have a material adverse effect upon the financial statements of the Corporation.

(11) Commitments-

In May 1995, the Corporation committed to the construction of a new scoreboard. The project is expected to be completed in September 1995. At June 30, 1995, the Corporation had commitments for expenditures of approximately $4,000,000 relating to the completion of the scoreboard.