

BALANCE SHEET

As At: december 31, 1999  
 Schedule B-1.1 for Group I < 20M

Air Carrier:  
 Operation : Domestic CTQD

LINE#	DESCRIPTION	AMOUNT
ASSETS		
CURRENT ASSETS		
Line 1	Cash and cash equivalents	0
Line 2	Notes and accts receivable (net)	844,762
Line 3	Other current assets	9,661
Line 4	Total current assets	854,423
PROPERTY AND EQUIPMENT		
Line 5	Owned property and equipment	841,852
Line 6	Less: accumulated depreciation	498,993
Line 7	Prop. & equip. under cap. leases	0
Line 8	Less: accumulated amortization	0
Line 9	Total property & equipment	342,859
Line 10	OTHER ASSETS	682,724
Line 11	TOTAL ASSETS	1,880,006
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
Line 12	Notes and accounts payable	3,923,676
Line 13	Accrued taxes	0
Line 14	Other current liabilities	0
Line 15	Total current liabilities	3,923,676
Line 16	LONG-TERM DEBT	610,430
Line 17	OTHER LIABILITIES	0
Line 18	DEFERRED CREDITS	0
STOCKHOLDERS' EQUITY:		
Line 19	Preferred shares outstanding	0
Line 20	Common shares outstanding	10,100
Line 21	Other paid in capital	0
Line 22	Retained Earnings	-2,664,200
Line 23	Total stockholders' equity	-2,654,100
Line 24	Less: Treasury stock	0
Line 25	Net stockholders' equity	-2,654,100
Line 26	TOTAL LIAB. & STOCKHOLDERS' EQ.	1,880,006
Line 19A	No. of Preferred shares outstanding	0
Line 20A	No. of Common shares outstanding	0

I, the undersigned, (Title) \_\_\_\_\_  
 of the above-named air carrier certify that the above report and  
 the attached Financial Schedules, Statement of Operations, and  
 Traffic and Capacity Statistics, including the T-100 report and  
 Passenger Origin-Destination Survey, have been examined by me and  
 to the best of my knowledge and belief are true, correct and  
 complete reports for the period stated.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (Please Type or Print) \_\_\_\_\_

## STATEMENT OF OPERATIONS

Six Months Ended: december 31, 1999  
Schedule P-1.1 Group I < 20MAir Carrier:  
Operation : Domestic CTQD  
AMOUNT

LINE#	DESCRIPTION	AMOUNT
	OPERATING REVENUE	
	Transport Revenue	
	Scheduled Service	
Line 1	Passenger	0
Line 2	Other	0
Line 3	Nonscheduled Service	11,595,346
	Transport Related Revenue	
Line 4	Public Service Revenue	0
Line 5	Other	0
Line 6	Total Operating Revenue	11,595,346
	OPERATING EXPENSE	
Line 7	Flying Operations	7,834,172
Line 8	Maintenance	2,675,435
Line 9	General Services and Administration	1,695,764
	Depreciation and Amortization	
Line 10	Owned Property and Equipment	97,728
Line 11	Leased Property and Equipment	0
Line 12	Transport Related Expense	0
Line 13	Total Operating Expense	12,303,099
Line 14	OPERATING PROFIT OR LOSS	-707,753
	NONOPERATING EXPENSE (INCOME)	
Line 15	Interest Expense	68,535
Line 16	Other Nonoperating (Net)	28,636
Line 17	Income Tax	-25,000
Line 18	Discontinued operations, extra-ordinary items or Accounting changes	427,788
Line 19	Net Income	-1,207,712

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I < 20M 6 Mo:		December 31, 1999
Air Carrier:		Operation: Domestic
		Total Eqp: B-727-2
ACCT #	DESCRIPTION	Code 9999 Code 7152
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DIRECT EXPENSES:		
FLYING OPERATIONS (Less Rentals)		
3	Pilots and Copilots (S&W & Benef	2,682,997 2,682,997
4	Aircraft Fuel and Oil	465,719 465,719
5	Other	4,685,456 4,685,456
6	Total Flying Ops. (Less Rentals)	7,834,172 7,834,172
7	Maintenance - Flight Equipment	2,675,435 2,675,435
8	Depr. & Rental - Flight Equipme	0 0
9	Total Direct Expenses	10,509,607 10,509,607
INDIRECT EXPENSES		
11	Flight Attendant Expense	0
12	Traffic Related Expense	0
13	Departure Related Expense	0
14	Capacity Related Expense	1,793,492
15	Total Indirect Expense	1,793,492
16	Total Operating Expense	12,303,099