

BALANCE SHEET

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

Air Carrier:
 Operation : System FCQS

LINE#	DESCRIPTION	AMOUNT

ASSETS		
CURRENT ASSETS		
Line 1	Cash and cash equivalents	497,321
Line 2	Notes and accts receivable (net)	217,288
Line 3	Other current assets	157,474
Line 4	Total current assets	872,083
PROPERTY AND EQUIPMENT		
Line 5	Owned property and equipment	415,249
Line 6	Less: accumulated depreciation	115,981
Line 7	Prop. & equip. under cap. leases	0
Line 8	Less: accumulated amortization	0
Line 9	Total property & equipment	299,268
Line 10	OTHER ASSETS	755,000
Line 11	TOTAL ASSETS	1,926,351
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
Line 12	Notes and accounts payable	6,413,174
Line 13	Accrued taxes	537,158
Line 14	Other current liabilities	994,914
Line 15	Total current liabilities	7,945,246
Line 16	LONG-TERM DEBT	2,323,861
Line 17	OTHER LIABILITIES	0
Line 18	DEFERRED CREDITS	0
STOCKHOLDERS' EQUITY:		
Line 19	Preferred shares outstanding	0
Line 20	Common shares outstanding	500
Line 21	Other paid in capital	187,274
Line 22	Retained Earnings	-8,530,530
Line 23	Total stockholders' equity	-8,342,756
Line 24	Less: Treasury stock	0
Line 25	Net stockholders' equity	-8,342,756
Line 26	TOTAL LIAB. & STOCKHOLDERS' EQ.	1,926,351
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 < 20M

Air Carrier:
 Operation : System FCQS

LINE#	DESCRIPTION	AMOUNT
	OPERATING REVENUE	
	Transport Revenue	
	Scheduled Service	
Line 1	Passenger	0
Line 2	Other	0
Line 3	Nonscheduled Service	32,710,510
	Transport Related Revenue	
Line 4	Public Service Revenue	0
Line 5	Other	13,348
Line 6	Total Operating Revenue	32,723,858
	OPERATING EXPENSE	
Line 7	Flying Operations	21,574,442
Line 8	Maintenance	7,604,105
Line 9	General Services and Administration	6,370,425
	Depreciation and Amortization	
Line 10	Owned Property and Equipment	980,714
Line 11	Leased Property and Equipment	0
Line 12	Transport Related Expense	0
Line 13	Total Operating Expense	36,529,686
Line 14	OPERATING PROFIT OR LOSS	-3,805,828
	NONOPERATING EXPENSE (INCOME)	
Line 15	Interest Expense	559,623
Line 16	Other Nonoperating (Net)	-99,493
Line 17	Income Tax	0
Line 18	Discontinued operations, extra-ordinary items or Accounting changes	3,330,477
Line 19	Net Income	-7,596,435

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I < 20M 6 Mo: december 31, 1999
 Air Carrier: Operation: System FCQS

ACCT #	DESCRIPTION	Total Exp Code 9999	8-727-2 Code 7151
	DIRECT EXPENSES:		
	FLYING OPERATIONS (Less Rentals)		
3	Pilots and Copilots (S&W & Benef	2,292,503	2,292,503
4	Aircraft Fuel and Oil	5,339,877	5,339,877
5	Other	2,090,691	2,090,691
6	Total Flying Ops. (Less Rentals)	9,723,071	9,723,071
7	Maintenance - Flight Equipment	7,604,105	7,604,105
8	Depr. & Rental - Flight Equipme	5,457,373	5,457,373
9	Total Direct Expenses	22,784,549	22,784,549
	INDIRECT EXPENSES		
11	Flight Attendant Expense	1,637,762	
12	Traffic Related Expense	951,325	
13	Departure Related Expense	4,474,314	
14	Capacity Related Expense	6,681,736	
15	Total Indirect Expense	13,745,137	
16	Total Operating Expense	36,529,686	