



US Department of Transportation
Research and Special Programs Administration

Air Carrier: CHAMPION AIR

Quarter End: December 31, 2006

STATEMENT OF CASH FLOWS

Cash at Beginning of Quarter	14,315,012
Cash Flows From Operations	981,301
Income (Loss)	
Adjustments to reconcile Net Income (Loss) to Net Cash	
Depreciation and Amortization	1,126,249
Bad Debt Reserve	-
Change in Assets & Liabilities	
Accounts Receivable	(3,292,377)
Prepaid Expenses	(347,361)
Inventory	-
Other Current Assets	-
Accounts Payable	(426,457)
Other Current Liabilities	1,358,103
Deferred Taxes	(3,245)
Deposits and Other Assets	(702,532)
Net Cash provided (used) by Operations	<u>(1,306,319)</u>
Cash Flow from Investing Activities	
Capital Expenditures	(59,904)
Airframe and Engine Overhauls	-
Net Cash provided (used) by Investing Activities	<u>(59,904)</u>
Cash Flow from Financing Activities	
Net Short Term borrowing (investing)	-
Net Long Term borrowing (investing)	1,431,540
Payments on long-term debt	-
Other	-
Net Cash provided (used) by Financing Activities	<u>1,431,540</u>
Net Increase (Decrease) in Cash	<u>65,317</u>
Cash at end of Quarter	<u><u>14,380,329</u></u>