

BALANCE SHEET

As At: december 31, 1997
 Schedule B-1.1 for Group I < 20M

Air Carrier:
 Operation : System PRQS

LINE#	DESCRIPTION	AMOUNT
ASSETS		
CURRENT ASSETS		
Line 1	Cash and cash equivalents	4,628,753
Line 2	Notes and accts receivable (net)	13,118,650
Line 3	Other current assets	38,397
Line 4	Total current assets	17,785,800
PROPERTY AND EQUIPMENT		
Line 5	Owned property and equipment	628,824
Line 6	Less: accumulated depreciation	129,655
Line 7	Prop. & equip. under cap. leases	55,011
Line 8	Less: accumulated amortization	24,449
Line 9	Total property & equipment	529,731
Line 10	OTHER ASSETS	1,982,064
Line 11	TOTAL ASSETS	20,297,595
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
Line 12	Notes and accounts payable	9,002,962
Line 13	Accrued taxes	38,672
Line 14	Other current liabilities	9,440,624
Line 15	Total current liabilities	18,482,258
Line 16	LONG-TERM DEBT	2,540,000
Line 17	OTHER LIABILITIES	0
Line 18	DEFERRED CREDITS	0
STOCKHOLDERS' EQUITY:		
Line 19	Preferred shares outstanding	0
Line 20	Common shares outstanding	10
Line 21	Other paid in capital	599,990
Line 22	Retained Earnings	-1,324,663
Line 23	Total stockholders' equity	-724,663
Line 24	Less: Treasury stock	0
Line 25	Net stockholders' equity	-724,663
Line 26	TOTAL LIAB. & STOCKHOLDERS' EQ.	20,297,595
Line 19A	No. of Preferred shares outstanding	0
Line 20A	No. of Common shares outstanding	1,000

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, 1997

Air Carrier:

Schedule P-1.1 Group I < 20M

Operation : System PRQS

LINE#	DESCRIPTION	AMOUNT
	OPERATING REVENUE	
	Transport Revenue	
	Scheduled Service	
Line 1	Passenger	0
Line 2	Other	50,670,092
Line 3	Nonscheduled Service	3,538,688
	Transport Related Revenue	
Line 4	Public Service Revenue	0
Line 5	Other	112,582
Line 6	Total Operating Revenue	54,321,362
	OPERATING EXPENSE	
Line 7	Flying Operations	23,324,007
Line 8	Maintenance	1,707,553
Line 9	General Services and Administration	28,258,461
	Depreciation and Amortization	
Line 10	Owned Property and Equipment	162,191
Line 11	Leased Property and Equipment	9,168
Line 12	Transport Related Expense	0
Line 13	Total Operating Expense	53,461,380
Line 14	OPERATING PROFIT OR LOSS	859,982
	NONOPERATING EXPENSE (INCOME)	
Line 15	Interest Expense	130,527
Line 16	Other Nonoperating (Net)	264,551
Line 17	Income Tax	0
Line 18	Discontinued operations, extra-ordinary items or Accounting changes	0
Line 19	Net Income	464,904
Line 20	Full-Time Employees	46
Line 21	Part-Time Employees	1

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I < 20M 6 Mo: december 31, 1997

Air Carrier:

ACCT #	DESCRIPTION	Operation: System			FRQS		
		Total Eqp Code 9999	MD-11 Code 7402	B-747-2/3 Code 8172	DC-8-61 Code 8512	DC-8-63F Code 8522	DC-8-62 Code 8542
DIRECT EXPENSES:							
FLYING OPERATIONS (Less Rentals							
3	Pilots and Copilots (S&W &Benef	834,288	0	0	834,288	0	0
4	Aircraft Fuel and Oil	7,884,364	236,531	4,967,149	2,601,840	39,422	39,422
5	Other	463,629	13,909	292,086	152,998	2,318	2,318
6	Total Flying Ops. (Less Rentals	9,182,281	250,440	5,259,235	3,589,126	41,740	41,740
7	Maintenance - Flight Equipment	1,707,553	0	0	1,707,553	0	0
8	Depr. & Rental - Flight Equipme	14,208,684	1,032,069	12,247,491	660,000	148,018	121,106
9	Total Direct Expenses	25,098,518	1,282,509	17,506,726	5,956,679	189,758	162,846
INDIRECT EXPENSES							
11	Flight Attendant Expense	0					
12	Traffic Related Expense	11,981,018					
13	Departure Related Expense	15,241,868					
14	Capacity Related Expense	1,139,976					
15	Total Indirect Expense	28,362,862					
16	Total Operating Expense	53,461,380					