

Message from the President

The Annual Report always provides a point of reflection, a review of the past year, opportunities, challenges, and a chance to consider the future. All of us at Air Serv International look at 2003 with some awe as we reflect on the growth, new partners, and increased opportunities to serve.

As you will see, we grew. New countries of service, a larger and diversified fleet of aircraft, more qualified staff, and our collaboration with many more humanitarian partners. In this growth Air Serv remained true to its mission as an independent not for profit humanitarian agency. We flew more air miles and touched more people than ever before in some of the most dangerous and challenging places in the world. We are grateful to our staff, donors and contributors who make our humanitarian mission possible. We look forward to coming challenges.



Stu Willcuts
CEO & President

Connecting People



Building on its 20 years of experience providing air transport for non-governmental relief organizations in developing countries, Air Serv collaborates closely with key relief agencies around the world by **servicing the servers**. In the face of famine and flood, earthquake and war, the world's leading relief and development agencies count on Air Serv to get their people and cargo there safely. Air Serv's pilots and ground crew provide air transport in some of the most dangerous and desperate places in the world - at great personal risk. The very conditions that create emergency situations often make flying into the area a perilous task. Often, runways are marginal at best, navigation aids unreliable, weather conditions can be terrible, and alternative airports are non-existent. Air Serv connects the humanitarian servers to the people who most need their assistance.

Today, international involvement requires a stronger sense of mission, commitment and purpose than ever before and staff are based in some of the most inaccessible areas of the world. During 2003, Air Serv planes provided emergency and scheduled flights in remote areas of Iraq, Afghanistan, the Democratic Republic of Congo, Guinea, Liberia, Sierra Leone, Uganda and Mozambique.



Our Mission

We are a humanitarian organization that excels in transportation and communication links.

Forgetting No One



Air Serv is a respected air transport provider to the U.S. Agency for International Development, Office of Foreign Disaster Assistance, United Nations agencies, diplomatic visitors, and international and local humanitarian organizations. Air Serv has offices and personnel in strategic locations throughout the world.

Samples of Air Serv's twenty year history include:

- Medical evacuations of several adults and children out of Iraq who urgently needed medical assistance in Amman, Jordan;
- Flying humanitarian response assessment teams into difficult strategic areas in Afghanistan and Iraq, in order to facilitate the planning and implementation of critically needed assistance;
- Providing immediate transportation to Angelina Jolie, Goodwill Ambassador for the United Nations High Commissioner for Refugees, when she was stranded in East Africa and needed to get to the Congo;
- Flying weary Japanese and Canadian hostages to safety after being held in captivity by Iraqi militants;
- Rapid transportation of sick or injured Peace Corps Volunteers in Mozambique, when they needed to get to medical facilities quickly;
- Providing transportation for Andrew Natsios, Director of US AID so he could visit several secluded areas in West Africa;
- Flying in medical and food supplies to famine and war-torn areas in East Africa.



Our Vision

Connecting people.....
Forgetting no one.
Together we change lives.

Together, we change lives



Air Serv makes a difference in the lives of thousands of people by just being there to provide the transportation necessary to get the care givers to the right place at the right time. Valuable cargo consisting of medicines, food, blankets and other basic supplies are flown into regions devastated by floods, famine and the ravages of war. In countries where hundreds of thousands of refugees and internally displaced persons are without food and shelter, Air Serv partners with other humanitarian organizations to provide the emergency assistance needed to assist the people with the most basic day to day necessities. Hundreds of the world's relief and development agencies count on Air Serv to safely deliver humanitarian workers, medicines, food and supplies to the front lines of action. And, by providing the link to get the humanitarian workers to the scene of the emergency, we have impacted the lives of many people by showing that there are others in the world who really care about them.



Our Values

Humanitarian

We value collaboration with the global humanitarian team.

Service

Compassion for people is our motivation for making our clients needs a priority, in every step of our relationship.

Safety

We provide an environment where safety is considered paramount.

Responsive

We respond to people in need regardless of their political, religious or cultural affiliations.

Professional

We are dedicated to the highest standards of performance and reliability in all areas.

Financial

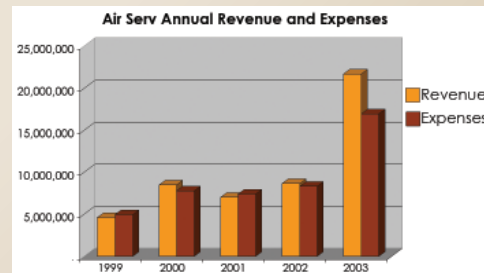
Consolidated Position of Financial Position as of December 31, 2003

- Air Serv now recognizes Federal awards as soon as earned and has made deposits on two Kodiak aircraft and a specialized STOL aircraft.
- These actions have increased Air Serv net worth by about \$4.7M
- \$3M of the increase is reserved for use in Federal programs. \$1.7 is for the Kodiak Airplane.

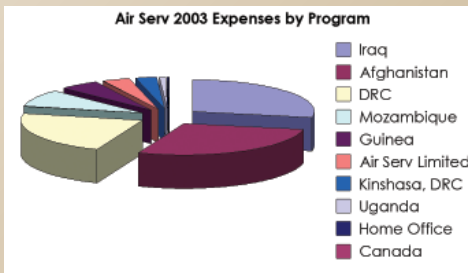
	2002	2003
ASSETS		
Current Assets		
Cash and cash equivalents	1,462,035	1,250,612
Accounts Receivable	494,553	804,966
Grants Receivable	658,892	3,693,777
Investments	350,470	219,943
Inventories	200,900	288,207
Prepays and other expenses	200,820	259,495
Property and Equipment, net	5,230,882	5,102,810
Deposit on Kodiak Aircraft	-	1,668,141
Total Assets	8,598,552	13,287,951

LIABILITIES & NET ASSETS

Current Liabilities		
Notes Payable	5,750	-
Current portion of long term debt	128,204	133,422
A/P and Accruals	819,218	1,042,552
Current portion of overhaul reserve	900,000	1,151,000
Line of credit	-	100,000
Refundable advances	245,469	242,343
Deferred Revenue	77,902	100,000
Long-term debt	162,113	28,328
Reserve for aircraft overhauls	1,010,122	528,567
Net Assets	5,249,774	9,961,739
Total Liabilities and Net Assets	8,598,552	13,287,951



In the past 5 years, Air Serv revenues increased by more than 400%



In 2003, Air Serv conducted programs in 8 countries.

Senior Home Office Staff

President and CEO: Stu Willcuts
 Chief Financial Officer: David Gribble
 Vice President of International Operations: Don Cressman
 Vice President of Administration and Support Services: Dolores Weis
 Deputy Director of Operations & International Chief Pilot: Kurt Neuenschwander
 Director, Technical Services: Jeff Graham
 Director, Human Resources: Tina Shaffer
 Mozambique Country Director: Jon Merrill
 Guinea Country Director: Bob Strother
 DR Congo Country Director - Goma: Clarisse Goussaud
 DR Congo Country Director - Kinshasha : Serge Lelotte
 Afghanistan/Pakistan Country Director: Corliss Zylstra
 Iraq Country Director: Erwin Temmerman
 Air Serv Limited (Uganda) Managing Director: Robert Dira
 Air Serv Canada Executive Director: Susan MacGregor

Board of Directors 2003

Joyce Godwin	Chair
Mark Howard	Secretary
Jim Mitchell	Treasurer
Mark Abbott	Director
Roger Moberg	Director
Richard Perry	Director
Michael A. Stoltzfus	Director
Jeff Thindwa	Director
Harold Thomas	Director
Stu Willcuts	President & CEO

Major Donors

U.S. Agency for International Development, Office of Foreign Disaster Assistance
 United Nations High Commissioner for Refugees
 U. S. Bureau of Population, Refugees and Migration, Department of State
 Federal Express
 Individual Donors



Twenty Years of Humanitarian Response
1984 - 2004



2003
Annual Report



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