

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning and ending

B Check if applicable:
 Address change
 Name change
 Initial return
 Termination
 Amended return
 Application pending

Please use IRS label or print or type.
 See Specific Instructions.

C Name of organization
 AIR SERV INTERNATIONAL, INC.
 Doing Business As
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
 410 ROSEDALE COURT 190
 City or town, state or country, and ZIP + 4
 WARRENTON, VA 20186

D Employer identification number
 59-2500627

E Telephone number
 540-428-2323

F Name and address of principal officer: c. WARREN VEST
 410 ROSEDALE COURT, #190, WARRENTON, VA 201

G Gross receipts \$ 24,047,029

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: 501(c)(3) (insert no.) 4947(a)(1) or 527

J Website: ▶ www.AIRSERV.ORG

K Type of organization: Corporation Trust Association Other ▶

L Year of formation: 1984 **M State of legal domicile:** FL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>VISION: THAT OUR FLIGHTS WILL SAVE LIVES AND BRING HOPE TO A SUFFERING WORLD.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5 Total number of employees (Part V, line 2a)	5	76
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	15,039,556	17,211,757
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	9,015,458	5,802,080
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	16,383	<440,769.>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	24,212,672	22,748,458
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	6,013,508	6,722,109
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 82,112.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	18,783,637	17,319,490
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	24,797,145	24,041,599	
19 Revenue less expenses. Subtract line 18 from line 12	<584,473.>	<1,293,141.>	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
	21 Total liabilities (Part X, line 26)	21,866,768	20,085,644
	22 Net assets or fund balances. Subtract line 21 from line 20	10,312,826	9,824,843
		11,553,942	10,260,801

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here ▶ Warren Vest Signature of officer Date **NOV 16 2009**

C. WARREN VEST, VICE PRESIDENT
Type or print name and title

Paid Preparer's Use Only
 Preparer's signature ▶ [Signature] Date **NOV 16 2009** Check if self-employed
 Firm's name (or yours if self-employed), address, and ZIP + 4
 RSM MCGLADREY, INC.
 9737 WASHINGTONIAN BLVD., #400
 GAITHERSBURG, MD 20878-7340
 Preparer's identifying number (see instructions)
 EIN ▶
 Phone no. ▶ (301) 296-3600

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

PROVIDE SAFE AND COST-EFFECTIVE AIR TRANSPORTATION TO AGENCIES INVOLVED IN RELIEF AND DEVELOPMENT EFFORTS IN REMOTE AREAS OF AFRICA, WEST ASIA, AND THE MIDDLE EAST.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

Yes No

If "Yes", describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

Yes No

If "Yes", describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code:) (Expenses \$ 11,576,840. including grants of \$) (Revenue \$ 13,993,454.) DRC PROGRAM REPORT:

THE LAST QUARTER OF 2008 WAS A RATHER DIFFICULT PERIOD FOR AIR SERV. ON SEPTEMBER 1, 2008, ONE OF AIR SERV'S LEASED BEACH 1900 AIRCRAFT OPERATING IN THE DRC CRASHED INTO A MOUNTAINTOP WHILE DESCENDING TOWARD BUKAVU, DRC. AIR SERV HAD OPERATED FOR TWENTY FOUR YEARS WITHOUT A FATAL ACCIDENT UNTIL THIS DAY. DESPITE THIS TRAGIC ACCIDENT, ASI CONTINUED TO OPERATE, AND ON OCTOBER 31ST AIR SERV EVACUATED THIRTY (30) IRC NATIONAL STAFF FROM BENI TO GOMA. ALL AIRCRAFT WERE RETURNED TO THEIR NORMAL BASE OF OPERATIONS WHEN THE PEACE TALKS BEGAN IN EARLY NOVEMBER. DESPITE THE SECURITY SITUATION, AND MAINTENANCE/CLEARANCE ISSUES WITH THE TWIN OTTER, WE CONTINUED TO TRANSPORT A GREAT MANY

4b (Code:) (Expenses \$ 1,312,679. including grants of \$) (Revenue \$ 1,160,793.) AFGHANISTAN:

AIR SERV INTERNATIONAL BEGAN FLIGHT OPERATIONS IN AFGHANISTAN IN MARCH 2002. UNDER CONTRACT FUNDING, AIR SERV FLIGHTS SUPPORT THE UNITED NATIONS AND USAID DEVELOPMENT PROJECTS, INCLUDING ROAD CONSTRUCTION AND THE KAJAKI DAM RECONSTRUCTION PROJECT, AS WELL AS OTHER HUMANITARIAN PROGRAMS FUNDED BY USAID.

4c (Code:) (Expenses \$ 3,144,151. including grants of \$) (Revenue \$ 3,751,516.) IRAQ:

AIR SERV INTERNATIONAL WAS THE FIRST CIVILIAN AIR OPERATOR GRANTED ACCESS TO IRAQ IN 2003 FOLLOWING THE END OF INITIAL US COMBAT OPERATIONS. AIR SERV PROVIDES VITAL AIR TRANSPORT IN AND OUT OF BAGHDAD FOR US AND INTERNATIONAL HUMANITARIAN ORGANIZATIONS AND AGENCIES, OFFERING SEVERAL WEEKLY FLIGHTS BETWEEN AMMAN, JORDAN AND BAGHDAD, IN COOPERATION WITH SEVERAL NGOS, AIR SERV PROVIDES CRITICAL MEDEVAC SERVICES TO JORDAN FOR IRAQI CITIZENS NEEDING EMERGENCY HEALTH CARE, MANY OF THEM CHILDREN, FUNDING IS PROVIDED BY USAID.

4d Other program services. (Describe in Schedule O.)

(Expenses \$ 3,814,243. including grants of \$) (Revenue \$ 3,842,695.)

4e Total program service expenses \$ 19,847,913. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete Schedule B, Schedule of Contributors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>	<input type="checkbox"/>	<input type="checkbox"/>
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? <i>If "Yes," complete Schedule F, Part I</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	<input type="checkbox"/>	<input type="checkbox"/>
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	<input type="checkbox"/>	<input type="checkbox"/>
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	<input type="checkbox"/>	<input type="checkbox"/>
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
	1a	12	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
	1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a	76	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
	3a		
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
	4a		
b	If "Yes," enter the name of the foreign country: SEE SCHEDULE O See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
	4b		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
	5a		
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
	5b		
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
	5c		
6a	Did the organization solicit any contributions that were not tax deductible?		X
	6a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	6b		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		X
	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
	7f		
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
	7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
	7h		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
	9b		
10	Section 501(c)(7) organizations. Enter: N/A		
a	Initiation fees and capital contributions included on Part VIII, line 12		
	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
	10b		
11	Section 501(c)(12) organizations. Enter: N/A		
a	Gross income from members or shareholders		
	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A		
	12b		

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body		7
1b	Enter the number of voting members that are independent		7
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	X	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9a	Does the organization have local chapters, branches, or affiliates?		X
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990		X
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
15a	The organization's CEO, Executive Director, or top management official?		X
15b	Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)		X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed	FL, VA, MD, DC
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input checked="" type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization:	WARREN VEST - 540-428-2323 410 ROSEDALE COURT, SUITE 190, WARRENTON, VA 20186

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
JEFF THINDWA DIRECTOR	1.00	X					0.	0.	0.	
DAVE CARLSTROM DIRECTOR	1.00	X					0.	0.	0.	
CHRISTOPHER JOHNSON CEO / DIRECTOR	40.00	X		X			58,110.	0.	18,955.	
TOM GERHARTER DIRECTOR	1.00	X					0.	0.	0.	
LACEY PITTMAN DIRECTOR	1.00	X					0.	0.	0.	
RICHARD PERRY CHAIRMAN	2.00			X			0.	0.	0.	
DREW LUTEN SECRETARY	1.00			X			0.	0.	0.	
JIM MITCHELL TREASURER	1.00			X			0.	0.	0.	
ALLEN CARNEY VICE PRESIDENT	40.00			X			92,253.	0.	8,418.	
WARREN VEST VICE PRESIDENT	40.00			X			71,165.	0.	13,517.	
JIM PLAXTON CEO / CONSULTANT	40.00			X			87,909.	0.	2,247.	

Part VII		Statement of Revenue		(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	11,972,789.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	5,238,968.				
	g	Noncash contributions included in lines 1a-1f: \$		40,213.				
	h	Total. Add lines 1a-1f			17,211,757.			
Program Service Revenue	2 a	HOURLY FLIGHT REVENUE	Business Code	900099	3,884,498.	3,884,498.		
	b	CONTRACT REVENUE		900099	1,917,582.	1,917,582.		
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f				5,802,080.		
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)			14,801.		14,801.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	(ii) Personal				
	b	Less: rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
						843,001.		
						1,298,571.		
						-455,570.		
	b	Less: cost or other basis and sales expenses						
c	Gain or (loss)							
d	Net gain or (loss)				-455,570.	-455,570.		
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
		b	Less: direct expenses					
		c	Net income or (loss) from fundraising events					
9 a	Gross income from gaming activities. See Part IV, line 19	a						
		b	Less: direct expenses					
		c	Net income or (loss) from gaming activities					
10 a	Gross sales of inventory, less returns and allowances	a						
		b	Less: cost of goods sold					
		c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code						
11 a	OTHER INCOME			900099	175,390.	175,390.		
		b						
		c						
		d	All other revenue					
		e	Total. Add lines 11a-11d				175,390.	
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e				22,748,458.	5,521,900.	0.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	356,807.		356,807.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,471,364.	2,287,366.	1,143,634.	40,364.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	44,196.	12,834.	31,362.	
9 Other employee benefits	2,688,637.	2,097,850.	570,094.	20,693.
10 Payroll taxes	161,105.	69,650.	88,108.	3,347.
11 Fees for services (non-employees):				
a Management	141,496.	9,338.	130,358.	1,800.
b Legal	79,301.	40,065.	33,743.	5,493.
c Accounting	154,164.	34,282.	119,882.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	84,868.	57,178.	27,690.	
12 Advertising and promotion	1,406.		20.	1,386.
13 Office expenses	445,893.	262,742.	180,332.	2,819.
14 Information technology	176,969.	106,295.	68,952.	1,722.
15 Royalties				
16 Occupancy	442,495.	177,930.	264,565.	
17 Travel	1,044,323.	819,503.	220,827.	3,993.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	32,546.	15,931.	16,615.	
20 Interest	555,572.	555,572.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,588,125.	1,575,407.	12,718.	
23 Insurance	571,002.	411,796.	159,206.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a AIRCRAFT LEASES	5,144,873.	4,992,343.	152,530.	
b AIRCRAFT FUEL	4,109,477.	4,092,059.	17,418.	
c AIRCRAFT MAINTENANCE	1,422,858.	1,112,508.	310,350.	
d AIRCRAFT LANDING & FLIG	839,434.	835,188.	4,246.	
e OTHER AIRCRAFT COSTS	208,129.	188,925.	19,204.	
f All other expenses	276,559.	93,151.	182,913.	495.
25 Total functional expenses. Add lines 1 through 24f	24,041,599.	19,847,913.	4,111,574.	82,112.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year		
Assets	1	Cash - non-interest-bearing	1,684,562	1	1,845,129	
	2	Savings and temporary cash investments		2		
	3	Pledges and grants receivable, net	4,496,282	3	2,071,962	
	4	Accounts receivable, net	1,384,623	4	1,664,812	
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5		
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6		
	7	Notes and loans receivable, net		7		
	8	Inventories for sale or use	113,640	8	69,448	
	9	Prepaid expenses and deferred charges	1,422,912	9	930,392	
	10a	Land, buildings, and equipment: cost basis	10a	11,063,657		
	b	Less: accumulated depreciation. Complete Part VI of Schedule D	10b	2,694,792	10c	8,368,865
	11	Investments - publicly traded securities		11		
	12	Investments - other securities. See Part IV, line 11	419,556	12	408,598	
	13	Investments - program-related. See Part IV, line 11		13		
	14	Intangible assets		14		
	15	Other assets. See Part IV, line 11	4,726,183	15	4,726,438	
16	Total assets. Add lines 1 through 15 (must equal line 34)	21,866,768	16	20,085,644		
Liabilities	17	Accounts payable and accrued expenses	3,838,309	17	2,703,700	
	18	Grants payable		18		
	19	Deferred revenue	1,615,790	19	15,261	
	20	Tax-exempt bond liabilities		20		
	21	Escrow account liability. Complete Part IV of Schedule D		21		
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22		
	23	Secured mortgages and notes payable to unrelated third parties	4,858,727	23	7,105,882	
	24	Unsecured notes and loans payable		24		
	25	Other liabilities. Complete Part X of Schedule D		25		
	26	Total liabilities. Add lines 17 through 25	10,312,826	26	9,824,843	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets	8,792,710	27	7,499,569	
	28	Temporarily restricted net assets	2,761,232	28	2,761,232	
	29	Permanently restricted net assets		29		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds		30		
	31	Paid-in or capital surplus, or land, building, or equipment fund		31		
	32	Retained earnings, endowment, accumulated income, or other funds		32		
33	Total net assets or fund balances	11,553,942	33	10,260,801		
34	Total liabilities and net assets/fund balances	21,866,768	34	20,085,644		

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?		X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b	If "Yes," did the organization undergo the required audit or audits?	X	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

2008
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization AIR SERV INTERNATIONAL, INC.	Employer identification number 59-2500627
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Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete the Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III - Functionally integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 - 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14		%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15		%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	16,870,286.	14,138,121.	17,676,100.	15,039,556.	17,211,757.	80,935,820.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	16,307,596.	25,178,420.	13,979,539.	9,211,326.	5,977,470.	70,654,351.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 - 5	33,177,882.	39,316,541.	31,655,639.	24,250,882.	23,189,227.	151,590,171.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000	5,306,930.	20,931,037.	10,160,010.	4,950,807.	503,096.	41,851,880.
c Add lines 7a and 7b	5,306,930.	20,931,037.	10,160,010.	4,950,807.	503,096.	41,851,880.
8 Public support (Subtract line 7c from line 6.)						109,738,291.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	33,177,882.	39,316,541.	31,655,639.	24,250,882.	23,189,227.	151,590,171.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3,867.	25,532.	64,574.	16,383.	14,801.	125,157.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	3,867.	25,532.	64,574.	16,383.	14,801.	125,157.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						151,715,328.

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	72.33 %
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	70.69 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	.08 %
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	.10 %

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

2008

Name of the organization

Employer identification number

AIR SERV INTERNATIONAL, INC.

59-2500627

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization

Employer identification number

AIR SERV INTERNATIONAL, INC.

59-2500627

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 3,698,031.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 11,043,863.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 1,834,911.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008
Open to Public Inspection

Name of the organization

AIR SERV INTERNATIONAL, INC.

Employer identification number

59-2500627

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area
 Protection of natural habitat Preservation of certified historic structure
 Preservation of open space
- 2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
- | | Held at the End of the Year |
|--|-----------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 8/17/06 | 2d |
- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____
- 4 Number of states where property subject to conservation easement is located ▶ _____
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? Yes No
- 6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No
- 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- (ii) Assets included in Form 990, Part X ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:
- a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations		
(ii) related organizations		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		5,210.	1,693.	3,517.
d Equipment		11,058,447.	2,693,099.	8,365,348.
e Other				
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				8,368,865.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

Table with 10 rows for reconciliation of net assets. Line 10 total: 22,748,458.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows for revenue reconciliation. Line 5 total: 24,041,599.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows for expense reconciliation. Line 5 total: 24,041,599.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

Multiple horizontal lines provided for entering supplemental information.

**Schedule F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. Complete if the organization answered "Yes" to
Form 990, Part IV, line 14b, line 15, or line 16.

Name of the organization

Employer identification number

AIR SERV INTERNATIONAL, INC.

59-2500627

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region. (Use Schedule F-1 (Form 990) if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
MIDDLE EAST AND NORTH AFRICA	1	23	PROGRAM SERVICES	AIR TRANSPORT	3,847,885.
SOUTH ASIA	1	0	PROGRAM SERVICES	AIR TRANSPORT	1,581,201.
SUB-SAHARAN AFRICA	7	70	PROGRAM SERVICES	AIR TRANSPORT	17,998,008.
Totals	9	93			23,427,094.

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2008

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008
Open to Public
Inspection

Name of the organization

AIR SERV INTERNATIONAL, INC.

Employer identification number

59-2500627

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

MISSION: AIR SERV INTERNATIONAL IS A NOT-FOR-PROFIT AVIATION

ORGANIZATION THAT SUPPORTS HUMANITARIAN PROGRAMS WORLDWIDE.

VALUES: WE VALUE RESPECT AND COMPASSION FOR INDIVIDUALS, WE VALUE

TEAMWORK AND PROFESSIONALISM, WE VALUE SERVICE ABOVE AND BEYOND WHAT IS

REQUIRED, WE VALUE A "GET IT DONE" ATTITUDE.

FORM 990, PART III, LINE 3, CHANGES IN PROGRAM SERVICES:

AFGHANISTAN PROGRAM OPERATIONS WERE CONCLUDED.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

PASSENGERS AND THEIR MUCH-NEEDED CARGO THROUGHOUT THE REGION, DURING

2008 WE FLEW 2,498 BLOCK HOURS, AND CARRIED 8,397 PASSENGERS AND 287

METRIC TONS OF CARGO, AIR SERV ALSO CONTINUED TO MAINTAIN A VERY

POSITIVE WORKING RELATIONSHIP WITH THE NGOS AS OUR PROCEDURES LIMITED

CANCELLATIONS AND MAXIMIZED SLOT TIMES.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

CHAD AND SUDAN:

AIR SERV INTERNATIONAL'S ABECHE BASE IN EASTERN CHAD PROVIDES A LIFE

LINE TO THE REFUGEE CAMPS ALONG THE CHAD-SUDAN BORDER IN SUPPORT OF THE

HUMANITARIAN RESPONSE OF THE UN HIGH COMMISSIONER FOR REFUGEES (UNHCR)

AND IMPLEMENTING PARTNERS, THE PROGRAM IS FUNDED BY THE DEPARTMENT OF

STATE'S BUREAU OF POPULATION, REFUGEES, AND MIGRATION (BPRM), MORE THAN

200,000 SUDANESE REFUGEES HAVE CROSSED INTO CHAD FROM DARFUR.

EXPENSES \$ 2287765, INCLUDING GRANTS OF \$ 0, REVENUE \$ 2765320.

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008
Open to Public
Inspection

Name of the organization

AIR SERV INTERNATIONAL, INC.

Employer identification number

59-2500627

MOZAMBIQUE

EXPENSES \$ 1065583, INCLUDING GRANTS OF \$ 0, REVENUE \$ 1285074.

OTHER

EXPENSES \$ 460895, INCLUDING GRANTS OF \$ 0, REVENUE \$ -207699.

FORM 990, PART V, LINE 4B, LIST OF FOREIGN COUNTRIES:

UGANDA, CONGO, DEM REP, CHAD, MOZAMBIQUE,

JORDAN, AFGHANISTAN, PAKISTAN

FORM 990, PART VI, SECTION A, LINE 3: THE BOARD OF DIRECTORS DELEGATED

CONTROL OVER MANAGEMENT DUTIES CUSTOMARILY PERFORMED BY OR UNDER THE DIRECT

SUPERVISION OF OFFICERS, DIRECTORS OR TRUSTEES, OR KEY EMPLOYEES TO A

MANAGEMENT CONSULTANT WHO WAS NOT AN EMPLOYEE. THIS CONSULTANT PERFORMED

THE DAY TO DAY DUTIES OF THE CHIEF EXECUTIVE OFFICER ON A FULL TIME BASIS

FROM APPROXIMATELY JUNE 2007 THROUGH MAY 2008 BUT WAS NEVER ACTUALLY HIRED

AS AN EMPLOYEE OF THE CORPORATION.

FORM 990, PART VI, SECTION A, LINE 10: THE ORGANIZATION'S OFFICERS AND

STAFF REVIEWED FORM 990 BEFORE IT WAS FILED.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REQUIRES

CONTEMPORANEOUS REPORTING OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST.

SUPPLIER AND VENDOR RELATIONSHIPS ARE MONITORED FOR ACTUAL OR POTENTIAL

CONFLICTS OF INTEREST.

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008
Open to Public
Inspection

Name of the organization

AIR SERV INTERNATIONAL, INC.

Employer identification number

59-2500627

FORM 990, PART VI, SECTION B, LINE 15: THE BOARD OF DIRECTORS DETERMINES

COMPENSATION OF THE CEO. THE CEO IS NOT A MEMBER OF THE BOARD OF DIRECTORS.

THE CEO DETERMINES COMPENSATION OF OTHER OFFICERS AND EMPLOYEES.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION'S GOVERNING

DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE UPON REQUEST. THE

ORGANIZATION'S FINANCIAL STATEMENTS ARE POSTED ON THE ORGANIZATION'S WEB

SITE AT WWW.AIRSERV.ORG.

FORM 990, PAGE 4, LINE 12 AND FORM 990, PAGE 11, PART XI, LINE 2

AUDITED FINANCIAL STATEMENTS

ALTHOUGH THE ORGANIZATION DOES NOT RECEIVE STAND ALONE GAAP FINANCIAL

STATEMENTS IT DOES RECEIVE ON AN ANNUAL BASIS FROM INDEPENDENT AUDITORS

CONSOLIDATED ENTITY GAAP FINANCIAL STATEMENTS FOR IT AND ITS

AFFILIATES.

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)		X
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)	X	
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees		X
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses		X
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) AIR SERV LIMITED	J	168,617.
(2)		
(3)		
(4)		
(5)		
(6)		

Information Return of U.S. Persons With Respect To Certain Foreign Corporations

(Rev. December 2007)
Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JAN 1**, 2008, and ending **DEC 31**, 2008

Attachment
Sequence No. **121**

Name of person filing this return AIR SERV INTERNATIONAL, INC. Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 410 ROSEDALE COURT, NO. 190 City or town, state, and ZIP code WARRENTON, VA 20186	A Identifying number 59-2500627 B Category of filer (See instructions. Check applicable box(es)): 1 (repealed) 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period 100.00 %
Filer's tax year beginning JAN 1 , 2008, and ending DEC 31 , 2008	

D Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in English. All amounts must be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation AIR SERV LIMITED P.O. BOX 7548 KAMPALA UGANDA	b Employer identification number, if any c Country under whose laws incorporated UGANDA
---	---

d Date of incorporation	e Principal place of business	f Principal business activity code number	g Principal business activity	h Functional currency
01/17/97	UGANDA	481000	AVIATION	UNITED STATES, DOLLAR

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States	b If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"><i>(i)</i> Taxable income or (loss)</td> <td style="width:50%;"><i>(ii)</i> U.S. income tax paid (after all credits)</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>	<i>(i)</i> Taxable income or (loss)	<i>(ii)</i> U.S. income tax paid (after all credits)		
<i>(i)</i> Taxable income or (loss)	<i>(ii)</i> U.S. income tax paid (after all credits)				

c Name and address of foreign corporation's statutory or resident agent in country of incorporation KAKURA & CO., ADVOCATES 1ST FLR, AIRWAYS HOUSE, PLOT 6 KAMPALA 6256 UGANDA	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different WARREN VEST 410 ROSEDALE COURT WARRENTON VA 20186
---	--

Schedule A Stock of the Foreign Corporation		
(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	<i>(i)</i> Beginning of annual accounting period	<i>(ii)</i> End of annual accounting period
COMMON	211,000	211,000

LHA For Paperwork Reduction Act Notice, see instructions.

Form **5471** (Rev. 12-2007)

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued

	(a) Name of country or U.S. possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1	U.S.			
2				
3				
4				
5				
6				
7				
8	Total			

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	445,552.	217,445.
2a	Trade notes and accounts receivable	145,603.	52,688.
b	Less allowance for bad debts	()	()
3	Inventories		
4	Other current assets (attach schedule) SEE STATEMENT 3	24,044.	23,718.
5	Loans to shareholders and other related persons	21,317.	4,669.
6	Investment in subsidiaries (attach schedule)		
7	Other investments (attach schedule)		
8a	Buildings and other depreciable assets	578,048.	683,356.
b	Less accumulated depreciation	()	()
9a	Depletable assets		
b	Less accumulated depletion	()	()
10	Land (net of any amortization)		
11	Intangible assets:		
a	Goodwill		
b	Organization costs		
c	Patents, trademarks, and other intangible assets		
d	Less accumulated amortization for lines 11a, b, and c	()	()
12	Other assets (attach schedule)		
13	Total assets	1,214,564.	981,876.
Liabilities and Shareholders' Equity			
14	Accounts payable	251,717.	412,288.
15	Other current liabilities (attach schedule)		
16	Loans from shareholders and other related persons	963,218.	859,190.
17	Other liabilities (attach schedule)		
18	Capital stock:		
a	Preferred stock		
b	Common stock	1,055,000.	1,055,000.
19	Paid-in or capital surplus (attach reconciliation)	1,005,209.	1,005,209.
20	Retained earnings	-2,060,580.	-2,349,811.
21	Less cost of treasury stock	()	()
22	Total liabilities and shareholders' equity	1,214,564.	981,876.

Schedule G Other Information

- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?
If "Yes," see the instructions for required attachment. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2 During the tax year, did the foreign corporation own an interest in any trust? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
If "Yes," you are generally required to attach Form 8858 for each entity (see instructions). | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4 During the tax year, was the foreign corporation a participant in any cost sharing arrangement? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5 During the course of the tax year, did the foreign corporation become a participant in any cost sharing arrangement? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Schedule H Current Earnings and Profits

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account	1		-331,609.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):			
	Net Additions	Net Subtractions	
a Capital gains or losses			
b Depreciation and amortization			
c Depletion			
d Investment or incentive allowance			
e Charges to statutory reserves			
f Inventory adjustments			
g Taxes			
h Other (attach schedule)			
3 Total net additions			
4 Total net subtractions			
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5a		-331,609.
b DASTM gain or (loss) for foreign corporations that use DASTM	5b		
c Combine lines 5a and 5b	5c		-331,609.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations)	5d		

Enter exchange rate used for line 5d ▶

Schedule I Summary of Shareholder's Income From Foreign Corporation

1 Subpart F income (line 38b, Worksheet A in the instructions)	1		
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	2		
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3		
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4		
5 Factoring income	5		
6 Total of lines 1 through 5. Enter here and on your income tax return	6		
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7		
8 Exchange gain or (loss) on a distribution of previously taxed income	8		

- | | | |
|--|--------------------------|-------------------------------------|
| • Was any income of the foreign corporation blocked? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Did any such income become unblocked during the tax year (see section 964(b))? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J
(Form 5471)**

(Rev. December 2005)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No. 1545-0704

▶ Attach to Form 5471.

Name of person filing Form 5471

Identifying number

AIR SERV INTERNATIONAL, INC.

59-2500627

Name of foreign corporation

AIR SERV LIMITED

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)
1 Balance at beginning of year	-2,189,362.	
2a Current year E&P		
b Current year deficit in E&P	331,609.	
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	-2,520,971.	
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year		
5a Actual distributions or reclassifications of previously taxed E&P		
b Actual distributions of nonpreviously taxed E&P		
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)		
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	-2,520,971.	
7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)	-2,520,971.	

	(c) Previously Taxed E&P (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
	<i>(i)</i> Earnings Invested in U.S. Property	<i>(ii)</i> Earnings Invested in Excess Passive Assets	<i>(iii)</i> Subpart F Income	
1				-2,189,362.
2a				
b				
3				
4				
5a				
b				
6a				
b				
7				-2,520,971.

**SCHEDULE M
(Form 5471)**

(Rev. December 2007)

Department of the Treasury
Internal Revenue Service

**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

OMB No. 1545-0704

▶ Attach to Form 5471.

Name of person filing Form 5471

Identifying number

AIR SERV INTERNATIONAL, INC.

59-2500627

Name of foreign corporation

AIR SERV LIMITED

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ UNITED STATES DOLLAR

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory)					
2 Sales of tangible property other than stock in trade					
3 Sales of property rights (patents, trademarks, etc.)					
4 Buy-in payments received					
5 Cost sharing payments received					
6 Compensation received for technical, managerial, engineering, construction, or like services					
7 Commissions received					
8 Rents, royalties, and license fees received	123,260.				
9 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income)					
10 Interest received					
11 Premiums received for insurance or reinsurance					
12 Add lines 1 through 11	123,260.				
13 Purchases of stock in trade (inventory)					
14 Purchases of tangible property other than stock in trade					
15 Purchases of property rights (patents, trademarks, etc.)					
16 Buy-in payments paid					
17 Cost sharing payments paid					
18 Compensation paid for technical, managerial, engineering, construction, or like services	215,500.				
19 Commissions paid					
20 Rents, royalties, and license fees paid					
21 Dividends paid					
22 Interest paid					
23 Premiums paid for insurance or reinsurance					
24 Add lines 13 through 23	215,500.				
25 Amounts borrowed (enter the maximum loan balance during the year) - see instr.	859,190.				
26 Amounts loaned (enter the maximum loan balance during the year) - see instr.	4,669.				

FORM 5471	OTHER INCOME	STATEMENT	1
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DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
NET FOREIGN EXCHANGE GAIN			4,893.
TOTAL TO 5471, SCHEDULE C, LINE 8			4,893.

FORM 5471	OTHER DEDUCTIONS	STATEMENT	2
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DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
AUDITING AND ACCOUNTING			18,332.
TRANSPORT AND TRAVEL			21,661.
INSURANCE			9,773.
UTILITIES			5,137.
TELECOMMUNICATIONS			34,325.
CONFERENCE AND TRAINING			22,523.
OFFICE SUPPLIES AND EXPENSES			24,421.
BAD DEBT EXPENSE			12,108.
OTHER EXPENSES			33,374.
TAXES AND LICENSE			15,784.
IT SUPPORT & CONSULTING			28,244.
PROFESSIONAL FEES			14,462.
REPAIRS & MAINTENANCE			35,867.
BANK CHARGES			8,597.
TOTAL TO 5471, SCHEDULE C, LINE 16			284,608.

FORM 5471	OTHER CURRENT ASSETS	STATEMENT	3
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DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
STATUTORY DEPOSIT WITH CAA	10,506.	10,506.
PREPAYMENTS	13,538.	8,212.
JOINT VENTURE		5,000.
TOTAL TO 5471, PAGE 3, SCHEDULE F, LINE 4	24,044.	23,718.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization AIR SERV INTERNATIONAL, INC.	Employer identification number 59-2500627
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 410 ROSEDALE COURT, NO. 190	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WARRENTON, VA 20186	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

THE ORGANIZATION

- The books are in the care of ▶ **410 ROSEDALE COURT, NO. 190 - WARRENTON, VA 20186**
Telephone No. ▶ **540-428-2323** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2009**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2008** or
▶ tax year beginning _____, and ending _____.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

E-FILED

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II	Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).	
Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	AIR SERV INTERNATIONAL, INC.	59-2500627
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	410 ROSEDALE COURT, NO. 190	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	WARRENTON, VA 20186	

Check type of return to be filed (File a separate application for each return):

Form 990
 Form 990-EZ
 Form 990-T (sec. 401(a) or 408(a) trust)
 Form 1041-A
 Form 5227
 Form 8870
 Form 990-BL
 Form 990-PF
 Form 990-T (trust other than above)
 Form 4720
 Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

THE ORGANIZATION

• The books are in the care of **▶ 410 ROSEDALE COURT, NO. 190 - WARRENTON, VA 20186**
 Telephone No. **▶ 540-428-2323** FAX No. **▶**

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2009.**

5 For calendar year **2008**, or other tax year beginning _____, and ending _____.

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension _____

INFORMATION REQUIRED TO FILE A COMPLETE AND ACCURATE RETURN WILL NOT BE AVAILABLE UNTIL AFTER THE FIRST EXTENDED DUE DATE.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **▶** *[Handwritten Signature]* Title **▶ ACCOUNTANT** Date **▶ AUG 12 2009**