

Acorn Growth Equity Capital, LLC
Balance Sheet and Income Statement-Tax Basis
As of December 31, 2006

	<u>As of December 31, 2006</u>	<u>Income Statement</u>	<u>Year ended December 31, 2006</u>
ASSETS		Ordinary Income/Expense	
Current Assets		Income	
Checking/Savings	\$ 614,701	Income (loss) from Investments	
Total Due from Manager escrow accounts	<u>\$ 73,264</u>	Income (loss) from CAT-Holdings	\$ (25,006)
Total Current Assets	<u>\$ 687,965</u>	Total Income (loss) from Investments	<u>\$ (25,006)</u>
Other Assets		Total Income	\$ (25,006)
Investments		Expense	
CAT Holdings LLC	\$ 487,500	Bank Service Charges	\$ -
Equity in Income (loss)-CAT-Holdings	<u>\$ (25,006)</u>	Total Expense	<u>\$ (25,006)</u>
Total Investments	\$ 462,494	Net Ordinary Income	\$ (25,006)
Offering costs	<u>\$ 61,690</u>	Other Income/Expense	
Total Other Assets	<u>\$ 524,184</u>	Other Income	
TOTAL ASSETS	<u><u>\$ 1,212,149</u></u>	Interest Income	<u>\$ 12,878</u>
		Total Other Income	<u>\$ 12,878</u>
LIABILITIES & EQUITY		Net Income (loss)	<u><u>\$ (12,128)</u></u>
Liabilities			
Current Liabilities			
Due to Growth Fund-transfer out	<u>\$ 185,172</u>		
Total Current Liabilities	<u>\$ 185,172</u>		
Total Liabilities	\$ 185,172		
Equity			
Members' interests-Series A	\$ 680,000		
Members' interests-Series B	\$ 359,125		
Retained Earnings (deficit)	<u>\$ (12,148)</u>		
Total Equity	<u>\$ 1,026,977</u>		
TOTAL LIABILITIES & EQUITY	<u><u>\$ 1,212,149</u></u>		

The Acorn Growth Equity Capital LLC (Equity Fund) was closed on April 30, 2006 with total net investable subscriptions of \$1.83 million. As of December 31, 2006, the Equity Fund has made one investment in Commuter Air Technology, Inc. through the holding company, Commuter Air Technology Holdings LLC ("CAT-Holdings"). The total investment made was \$487,500 and represents a 52% equity ownership by the Equity Fund. The loss recognized for book and tax purposes represents the flow-through of the amortization of certain costs and net interest income/expense from the operations of CAT-Holdings.

At the end of 2006, the Equity Fund had \$1.34 million of remaining subscriptions available to invest. Of this amount, \$841,000 is callable from Series B investors during calendar year 2007. In February 2007, \$343,000 was called from Series B investors for the anticipated acquisition of Comtek Advanced Structures, Ltd.

In March 2007, a 5% preferred return on subscriptions invested in CAT Holdings was paid to each member in an amount equal to \$574 per \$50,000 subscription level for a total of \$ 26,979.