

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In Re. AeroCentury Corp., et al.
JetFleet Management Corp.

Debtor(s)

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Case No. 21-10638

Lead Case No. 21-10636

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 09/30/2021

Petition Date: 03/29/2021

Months Pending: 6

Industry Classification: 5 3 2 4

Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Joseph M. Mulvihill

Signature of Responsible Party

10/29/2021

Date

Joseph M. Mulvihill, Young Conaway Stargatt & Taylor

Printed Name of Responsible Party

Rodney Square

1000 North King Street, Wilmington, DE 19801

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore § 1320.4(a)(2) applies.



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Debtor's Name AeroCentury Corp., et al.
JetFleet Management Corp.

Case No. 21-10638

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$44,860	
b. Total receipts (net of transfers between accounts)	\$2,200,000	\$0
c. Total disbursements (net of transfers between accounts)	\$224,621	\$1,245,560
d. Cash balance end of month (a+b-c)	\$2,020,239	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$224,621	\$1,245,560

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$2,022,677
e. Total assets	\$2,077,422
f. Postpetition payables (excluding taxes)	\$2,480,513
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$2,480,513
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$0
n. Total liabilities (debt) (j+k+l+m)	\$2,480,513
o. Ending equity/net worth (e-n)	\$-403,091

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$200,895	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$200,895	
d. Selling expenses	\$0	
e. General and administrative expenses	\$176,812	
f. Other expenses	\$26,563	
g. Depreciation and/or amortization (not included in 4b)	\$9,314	
h. Interest	\$140	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-11,934	\$286,572

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Part 5: Professional Fees and Expenses

		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>				
	<i>Itemized Breakdown by Firm</i>				
		Firm Name	Role		
	i				
	ii				

		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>				
	<i>Itemized Breakdown by Firm</i>				
		Firm Name	Role		
	i				
	ii				
c.	All professional fees and expenses (debtor & committees)				

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b. Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c. Postpetition employer payroll taxes accrued	\$45,427	\$310,888
d. Postpetition employer payroll taxes paid	\$45,427	\$310,888
e. Postpetition property taxes paid	\$0	\$0
f. Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g. Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
 - If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
 - Casualty/property insurance? Yes ☒ No ☐
 - If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
 - General liability insurance? Yes ☒ No ☐
 - If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐

Debtor's Name AeroCentury Corp., et al.
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Case No. 21-10638

- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Part 8: Individual Chapter 11 Debtors (Only)

- | | | |
|--|---|-----|
| a. Gross income (receipts) from salary and wages | _____ | \$0 |
| b. Gross income (receipts) from self-employment | _____ | \$0 |
| c. Gross income from all other sources | _____ | \$0 |
| d. Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. Payroll deductions | _____ | \$0 |
| f. Self-employment related expenses | _____ | \$0 |
| g. Living expenses | _____ | \$0 |
| h. All other expenses | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
| l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes <input type="radio"/> No <input checked="" type="radio"/> | |
| m. If yes, have you made all Domestic Support Obligation payments? | Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/> | |

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Harold M. Lyons

Signature of Responsible Party

Authorized Signatory

Title

Harold M. Lyons

Printed Name of Responsible Party

10/29/2021

Date

In Re. **AeroCentury Corp., et al.**
JetFleet Management Corp.

Case No. **21-10638**
Lead Case No **21-10636**

Monthly Operating Report

Reporting Period Ended: **9/30/21**

Statement of Cash Receipts and Disbursements

CASH BEGINNING OF MONTH	\$ 44,860
RECEIPTS	
TRANSFERS (FROM DIP ACCTS)	200,000
ISSUANCE OF SERIES A PREFERRED STOCK	<u>2,000,000</u>
TOTAL RECEIPTS	<u><u>2,200,000</u></u>
DISBURSEMENTS	
NET PAYROLL	103,565
PAYROLL TAXES	45,427
SALES, USE, & OTHER TAXES	-
INVENTORY PURCHASES	-
SECURED/ RENTAL/ LEASES	9,548
INSURANCE	20,111
ADMINISTRATIVE	31,570
SELLING	-
TRANSFERS TO NON-DEBTOR AFFILIATE FOR MANAGEMENT SERVICES	<u>14,400</u>
TOTAL DISBURSEMENTS	224,621
NET CASH FLOW	<u><u>1,975,379</u></u>
CASH - END OF MONTH	<u><u>\$ 2,020,239</u></u>

Bank Accounts

Ending balances: 9/30/21

California Bank & Trust xxx55247	\$ 2,022,677.03
Union Bank xxx73864	\$ (2,438.42)

\$ -

JetFleet Management Corp.

1440 Chapin Ave., Suite 310
Burlingame, CA 94010

Balance Sheet

As of September 2021

Assets	
Cash	
Cash - CB&T checking	2,022,677
Cash - Union Bank checking	(2,438)
Petty Cash	11
Investments	
Investment in JetFleet Canada	9,719
Other Assets	
Prepaid Expenses	47,607
Deferred Tax Asset	53,993
Valuation Allowance	(54,147)
Equipment-net	
Equipment	24,035
Accum. Depr.-Equipment	(24,035)
Leasehold Improvements - net	
Leasehold improvements	10,546
Accum amort - leasehold impvmt	(10,546)
Total Assets	<u><u>2,077,422</u></u>
Liabilities	
Payable-Other	2,423
Accrued vacation pay	216,206
Payable - JHC	2,000,000
Inter-company payable	90,834
Notes payable	170,002
Interest payable	1,043
Deferred tax liability	5
Total Liabilities	<u><u>2,480,513</u></u>
Equity	
Common Stock	1,000
Paid-in Capital	1,454,696
Retained Earnings	(1,985,439)
Current Earnings	126,652
Total Equity	<u><u>(403,092)</u></u>
Total Liability & Equity	<u><u>2,077,422</u></u>

JetFleet Management Corp.

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Profit & Loss Statement**September 2021**

Income	
Equity in JF Canada	895
AeroCentury G&A reimbursement	200,000
Total Income	<u>200,895</u>
Expenses	
Salaries	124,931
Payroll Tax Expense	4,356
Accounting	1,571
Consulting-general	2,215
Consulting-JF Canada	26,563
Consulting-AviaConsult	14,672
Promotion-ACY	1,050
Dues & Subscriptions	362
Seminars & Education	950
Rent	(7,732)
Telephone	1,851
Conference calls	28
Data communications/Internet	1,732
Travel-unspecified	2,841
Meals & Entertainment	437
Insurance-health	15,556
Insurance-life/disability	1,022
Insurance-liability	1,662
Insurance-flex spending	5,742
Insurance - dental	757
Insurance - vision	170
FedEx/UPS	361
Miscellaneous	1,006
Supplies	672
Postage	51
Depreciation	9,314
Bank fees	548
Interest	140
Total Expenses	<u>212,829</u>
Operating Profit	(11,934)
Other Income	
Other Expenses	
Net Profit/(Loss)	<u><u>(11,934)</u></u>