

ROCKETSHIP EDUCATION AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2019 Total	2018 Total
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	\$ 25,257,138	\$ 836,447	\$ 3,966,106	\$ 4,459,971	\$ -	\$ 34,519,662	\$ 38,634,976
Restricted Cash	-	-	-	12,497,822	-	12,497,822	11,363,000
Accounts Receivable	11,334,420	503,846	428,358	976,260	-	13,242,884	9,533,421
Grants Receivable	-	75,000	100,000	-	-	175,000	1,404,283
Prepaid Expenses and Deposits	2,854,010	84,272	38,031	636,327	-	3,612,640	3,347,455
Total Current Assets	39,445,568	1,499,565	4,532,495	18,570,380	-	64,048,008	64,283,135
LONG-TERM ASSETS							
Grants Receivable	-	-	-	-	-	-	75,000
Intracompany Receivable	6,573,971	-	-	-	(6,573,971)	-	-
Security Deposits	426,830	-	-	-	(400,000)	26,830	35,795
Deferred Rent Asset	-	-	-	5,776,574	(5,776,574)	-	-
Property, Plant, and Equipment, Net	4,979,099	30,219	-	135,791,381	-	140,800,699	103,593,491
Total Long-Term Assets	11,979,900	30,219	-	141,567,955	(12,750,545)	140,827,529	103,704,286
Total Assets	\$ 51,425,468	\$ 1,529,784	\$ 4,532,495	\$ 160,138,335	\$ (12,750,545)	\$ 204,875,537	\$ 167,987,421
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 8,578,573	\$ 326,446	\$ 727,239	\$ 1,019,955	\$ -	\$ 10,652,213	\$ 9,728,362
Accrued Interest	115,619	-	-	629,610	-	745,229	592,457
Deferred Rent Liability	23,574	1,687	-	-	(25,261)	-	-
Deferred Revenues	912,295	-	-	9,456	-	921,751	1,324,670
Current Portion of Loans Payable	775,000	-	-	2,915,122	-	3,690,122	2,716,668
Total Current Liabilities	10,405,061	328,133	727,239	4,574,143	(25,261)	16,009,315	14,362,157
LONG-TERM LIABILITIES							
Security Deposits	-	-	-	400,000	(400,000)	-	-
Accrued Interest	166,076	-	-	-	-	166,076	148,825
Deferred Rent Liability	3,927,842	52,774	2,194,222	4,283,327	(5,751,313)	4,706,852	5,917,604
Intracompany Payable	-	3,238,269	3,335,702	-	(6,573,971)	-	-
Loans Payable	1,562,500	-	-	158,346,222	-	159,908,722	126,675,229
Total Long-Term Liabilities	5,656,418	3,291,043	5,529,924	163,029,549	(12,725,284)	164,781,650	132,741,658
NET ASSETS							
Without Donor Restriction	35,363,989	(2,176,842)	(1,824,668)	(7,465,357)	-	23,897,122	19,896,476
With Donor Restriction	-	87,450	100,000	-	-	187,450	987,130
Total Net Assets	35,363,989	(2,089,392)	(1,724,668)	(7,465,357)	-	24,084,572	20,883,606
Total Liabilities And Net Assets	\$ 51,425,468	\$ 1,529,784	\$ 4,532,495	\$ 160,138,335	\$ (12,750,545)	\$ 204,875,537	\$ 167,987,421

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2019 Total	2018 Total
NET ASSETS WITHOUT DONOR RESTRICTIONS							
REVENUES							
LCFF State Aid & Property Tax Revenue	\$ 63,871,048	\$ -	\$ -	\$ -	\$ -	\$ 63,871,048	\$ 54,505,286
Apportionment Revenue	10,047,047	4,671,498	15,241,852	-	-	29,960,397	24,205,579
Other State Revenue	15,179,128	126,624	6,035,843	-	-	21,341,595	14,517,185
Federal Revenue	10,300,145	1,268,547	1,405,458	-	-	12,974,150	12,951,747
Other Local Revenue	4,989,452	10,459	1,845,631	17,783,774	(20,690,957)	3,938,359	7,440,059
Contributions	4,661,427	237,061	562,661	-	-	5,461,149	8,006,858
Amounts Released from Restriction	92,384	542,296	165,000	-	-	799,680	670,638
Total Without Donor Restriction Revenues	109,140,631	6,856,485	25,256,445	17,783,774	(20,690,957)	138,346,378	122,297,352
EXPENSES							
Program Expenses:							
Educational programs	81,438,395	6,042,468	22,060,812	-	(16,731,536)	92,810,139	77,408,214
Program Site Supports	-	-	-	20,135,877	(625,279)	19,510,598	13,798,155
Supporting Services:							
Administration and General	20,980,809	924,097	2,790,485	381,945	(3,334,142)	21,743,194	27,685,198
Fundraising	281,801	-	-	-	-	281,801	-
Total Supporting Services	21,262,610	924,097	2,790,485	381,945	(3,334,142)	22,024,995	27,685,198
Total Expenses	102,701,005	6,966,565	24,851,297	20,517,822	(20,690,957)	134,345,732	118,891,567
INCREASE (DECREASE) IN							
NET ASSETS WITHOUT DONOR RESTRICTIONS	6,439,626	(110,080)	405,148	(2,734,048)	-	4,000,646	3,405,785
NET ASSETS WITH DONOR RESTRICTION							
Amounts Released from Restriction	(92,384)	(542,296)	(165,000)	-	-	(799,680)	(670,638)
INCREASE (DECREASE) IN NET ASSETS							
WITH DONOR RESTRICTION	(92,384)	(542,296)	(165,000)	-	-	(799,680)	(58,342)
INCREASE (DECREASE) IN NET ASSETS	6,347,242	(652,376)	240,148	(2,734,048)	-	3,200,966	3,347,443
Net Assets, Beginning of Year	29,016,747	(1,437,016)	(1,964,816)	(4,731,309)	-	20,883,606	17,536,163
NET ASSETS, END OF YEAR	<u>\$ 35,363,989</u>	<u>\$ (2,089,392)</u>	<u>\$ (1,724,668)</u>	<u>\$ (7,465,357)</u>	<u>\$ -</u>	<u>\$ 24,084,572</u>	<u>\$ 20,883,606</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2019 Total	2018 Total
CASH FLOWS FROM OPERATING							
ACTIVITIES							
Change in Net Assets	\$ 6,347,242	\$ (652,376)	\$ 240,148	\$ (2,734,048)	\$ -	\$ 3,200,966	\$ 3,347,443
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:							
Depreciation Expense	314,415	11,085	-	3,085,978	-	3,411,478	3,012,873
Amortization Expense	-	-	-	319,291	-	319,291	290,632
(Increase) Decrease in Operating Assets:							
Accounts Receivable	(2,098,864)	(500,179)	(428,358)	(682,066)	-	(3,709,467)	(1,329,935)
Grants Receivable	-	533,532	770,751	-	-	1,304,283	(906,717)
Prepaid Expenses and Other Current Assets	(501,079)	(30,929)	9,891	267,241	-	(254,876)	(1,236,192)
Deferred Rent Asset	-	-	-	626,859	(626,859)	-	-
Increase (Decrease) in Operating Liabilities:							
Accounts Payable and Accrued Liabilities	2,331,972	(8,830)	(1,029)	(1,254,543)	-	1,067,570	3,546,032
Deferred Revenues	(412,375)	-	-	-	-	(412,375)	(268,181)
Deferred Rent Liability	117,065	(2,914)	(108,655)	(1,803,986)	626,859	(1,171,631)	3,985,307
Net Cash Flows from Operating Activities	6,098,376	(650,611)	482,748	(2,175,274)	-	3,755,239	10,441,262
CASH FLOWS FROM INVESTING							
ACTIVITIES							
Proceeds from Note Receivable	-	-	-	-	-	-	560,000
Purchases of Property, Plant, and Equipment	(144,341)	(21,085)	-	(39,780,915)	-	(39,946,341)	(6,891,872)
Net Cash Flows from Investing Activities	(144,341)	(21,085)	-	(39,780,915)	-	(39,946,341)	(6,331,872)
CASH FLOWS FROM FINANCING							
ACTIVITIES							
Change in Restricted Cash	-	-	-	(1,164,487)	-	(1,164,487)	(728,926)
Intracompany Loans	(1,624,333)	594,912	1,029,421	-	-	-	(750,000)
Proceeds from Debt	250,000	-	-	35,831,955	-	36,081,955	17,060,412
Repayment of Debt	(166,680)	-	-	(2,675,000)	-	(2,841,680)	(24,321,077)
Net Cash Flows from by Financing Activities	(1,541,013)	594,912	1,029,421	31,992,468	-	32,075,788	(8,739,591)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,413,022	(76,784)	1,512,169	(9,963,721)	-	(4,115,314)	(4,630,201)
Cash and Cash Equivalents, Beginning of Year	20,844,116	913,231	2,453,937	14,423,692	-	38,634,976	43,265,177
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 25,257,138</u>	<u>\$ 836,447</u>	<u>\$ 3,966,106</u>	<u>\$ 4,459,971</u>	<u>\$ -</u>	<u>\$ 34,519,662</u>	<u>\$ 38,634,976</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION							
Cash Paid for Interest, Net	<u>\$ 9,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,285,723</u>	<u>\$ -</u>	<u>\$ 5,294,798</u>	<u>\$ 7,761,957</u>
Capitalized Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,050</u>	<u>\$ -</u>	<u>\$ 28,050</u>	<u>\$ 28,050</u>

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