

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2021 Total	2020 Total
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	\$ 32,627,469	\$ 1,713,752	\$ 7,856,440	\$ 5,422,615	\$ -	\$ 47,620,276	\$ 36,215,753
Restricted Cash	-	-	-	14,098,510	-	14,098,510	12,547,596
Accounts Receivable	24,944,005	328,663	1,122,871	530,540	-	26,926,079	18,555,403
Deferred Rent Asset	-	-	-	526,821	(526,821)	-	-
Grants Receivable	-	17,000	-	-	-	17,000	900,000
Prepaid Expenses and Deposits	5,338,341	74,213	271,041	337,414	-	6,021,009	4,024,684
Total Current Assets	62,909,815	2,133,628	9,250,352	20,915,900	(526,821)	94,682,874	72,243,436
LONG-TERM ASSETS							
Intracompany Receivable	7,094,138	-	-	-	(7,094,138)	-	-
Security Deposits	449,709	-	-	-	(400,000)	49,709	28,330
Accounts Receivable	-	-	-	19,723	-	19,723	-
Deferred Rent Asset	-	-	-	6,634,707	(6,634,707)	-	-
Property, Plant, and Equipment, Net	4,417,820	24,511	23,869	157,332,385	-	161,798,585	137,529,685
Total Long-Term Assets	11,961,667	24,511	23,869	163,986,815	(14,128,845)	161,868,017	137,558,015
Total Assets	<u>\$ 74,871,482</u>	<u>\$ 2,158,139</u>	<u>\$ 9,274,221</u>	<u>\$ 184,902,715</u>	<u>\$ (14,655,666)</u>	<u>\$ 256,550,891</u>	<u>\$ 209,801,451</u>
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 10,109,854	\$ 265,469	\$ 1,716,407	\$ 287,957	\$ -	\$ 12,379,687	\$ 8,237,562
Accrued Interest	41,440	-	-	766,036	-	807,476	730,670
Deferred Rent Liability	-	-	-	-	-	-	35,276
Deferred Revenues	2,930,710	-	-	11,343	-	2,942,053	1,593,373
Current Portion of Loans Payable	2,890,204	-	-	5,408,669	-	8,298,873	4,006,297
Total Current Liabilities	15,972,208	265,469	1,716,407	6,474,005	-	24,428,089	14,603,178
LONG-TERM LIABILITIES							
Security Deposits	-	-	-	400,000	(400,000)	-	-
Accrued Interest	233,082	-	-	-	-	233,082	196,643
Deferred Rent Liability	4,010,089	111,100	2,366,804	6,214,765	(7,161,528)	5,541,230	5,689,509
Intracompany Payable	-	4,220,562	2,873,576	-	(7,094,138)	-	-
Loans Payable	3,677,638	-	-	184,439,534	-	188,117,172	164,694,827
Total Long-Term Liabilities	7,920,809	4,331,662	5,240,380	191,054,299	(14,655,666)	193,891,484	170,580,979
NET ASSETS (DEFICIT)							
Without Donor Restriction	50,978,465	(2,455,992)	2,317,434	(12,625,589)	-	38,214,318	23,717,294
With Donor Restriction	-	17,000	-	-	-	17,000	900,000
Total Net Assets (Deficit)	<u>50,978,465</u>	<u>(2,438,992)</u>	<u>2,317,434</u>	<u>(12,625,589)</u>	<u>-</u>	<u>38,231,318</u>	<u>24,617,294</u>
Total Liabilities And Net Assets	<u>\$ 74,871,482</u>	<u>\$ 2,158,139</u>	<u>\$ 9,274,221</u>	<u>\$ 184,902,715</u>	<u>\$ (14,655,666)</u>	<u>\$ 256,550,891</u>	<u>\$ 209,801,451</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2021 Total	2020 Total
NET ASSETS WITHOUT DONOR RESTRICTIONS							
REVENUES							
LCFF State Aid & Property Tax Revenue	\$ 68,946,084	\$ -	\$ -	\$ -	\$ -	\$ 68,946,084	\$ 66,915,020
Apportionment Revenue	13,187,808	6,168,045	22,387,847	-	-	41,743,700	35,399,299
Other State Revenue	14,788,771	192,533	8,399,305	-	-	23,380,609	20,884,624
Federal Revenue	13,904,581	1,462,844	4,119,769	-	-	19,487,194	11,965,795
Other Local Revenue	5,274,103	3,460	2,916,147	19,513,288	(25,066,881)	2,640,117	886,809
Contributions	4,580,388	358,002	860,053	-	-	5,798,443	6,323,553
Amounts Released from Restriction	900,000	-	-	-	-	900,000	187,450
Total Without Donor Restriction Revenues	121,581,735	8,184,884	38,683,121	19,513,288	(25,066,881)	162,896,147	142,562,550
EXPENSES							
Program Expenses:							
Educational programs	83,481,132	6,731,332	30,673,451	-	(19,483,728)	101,402,187	98,929,764
Program Supports	7,952,463	-	-	21,531,424	(475,000)	29,008,887	26,861,068
Supporting Services:							
Administration and General	16,459,966	1,227,377	4,466,701	501,298	(5,108,153)	17,547,189	16,606,399
Fundraising	440,860	-	-	-	-	440,860	345,147
Total Supporting Services	16,900,826	1,227,377	4,466,701	501,298	(5,108,153)	17,988,049	16,951,546
Total Expenses	108,334,421	7,958,709	35,140,152	22,032,722	(25,066,881)	148,399,123	142,742,378
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	13,247,314	226,175	3,542,969	(2,519,434)	-	14,497,024	(179,828)
NET ASSETS WITH DONOR RESTRICTION							
Amounts Released from Restriction	(900,000)	-	-	-	-	(900,000)	(187,450)
Contributions	-	17,000	-	-	-	17,000	900,000
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTION	(900,000)	17,000	-	-	-	(883,000)	712,550
INCREASE (DECREASE) IN NET ASSETS	12,347,314	243,175	3,542,969	(2,519,434)	-	13,614,024	532,722
Net Assets (Deficit) - Beginning of Year	38,731,151	(2,782,167)	(1,225,535)	(10,106,155)	-	24,617,294	24,084,572
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ 51,078,465</u>	<u>\$ (2,538,992)</u>	<u>\$ 2,317,434</u>	<u>\$ (12,625,589)</u>	<u>\$ -</u>	<u>\$ 38,231,318</u>	<u>\$ 24,617,294</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Programs			Management and General	Fundraising	Eliminations	Total 2021 Expenses	Total 2020 Expenses
	Educational Programs	Program Supports	Total					
Salaries	\$ 52,314,656	\$ 6,030,762	\$ 58,345,418	\$ 8,126,517	\$ 356,247	\$ -	\$ 66,828,182	\$ 62,373,909
Employee Benefits	8,536,974	551,624	9,088,598	583,897	58,238	-	9,730,733	7,562,911
Pension	4,858,524	455,219	5,313,743	198,040	-	-	5,511,783	4,545,283
Payroll Taxes	2,612,357	375,799	2,988,156	533,209	-	-	3,521,365	3,488,943
Management Fees	-	-	-	21,246,422	-	(21,246,422)	-	-
District Fee	-	-	-	1,183,610	-	-	1,183,610	955,533
Accounting Expenses	-	-	-	264,784	-	-	264,784	423,683
Legal Expenses	-	-	-	894,912	-	-	894,912	637,787
Instructional Materials	2,748,730	199,721	2,948,451	(10,255)	10,255	-	2,948,451	3,316,399
Other Fees For Services	14,296,044	946,773	15,242,817	1,917,939	4,222	-	17,164,978	17,967,479
Advertising	-	-	-	81,334	-	-	81,334	118,555
Office Expenses	1,912,452	-	1,912,452	309,430	8,088	-	2,229,970	2,906,902
Information Technology	6,441,254	21,885	6,463,139	798,189	1,850	-	7,263,178	3,413,075
Printing and Postage	169,848	-	169,848	80,624	-	-	250,472	395,094
Occupancy	22,300,972	5,658,295	27,959,267	466,066	-	(19,483,728)	8,941,605	7,597,805
Travel	649,298	-	649,298	135,727	-	-	785,025	1,954,354
Conferences and Meetings	-	-	-	21,273	-	-	21,273	16,520
Insurance	160,451	-	160,451	453,690	-	-	614,141	528,233
Bad Debt	-	-	-	-	-	-	-	47,124
Depreciation and Amortization	224,749	4,583,070	4,807,819	111,198	-	-	4,919,017	4,569,248
Interest Expense	-	9,841,459	9,841,459	319,813	-	-	10,161,272	9,568,359
Capital Expenses	12	35,517	35,529	2,884	-	-	38,413	218,054
Other Expenses	3,659,594	783,763	4,443,357	1,074,308	1,960	(475,000)	5,044,625	10,137,128
Subtotal	120,885,915	29,483,887	150,369,802	38,793,611	440,860	(41,205,150)	148,399,123	
Eliminations	(19,483,728)	(475,000)	(19,958,728)	(21,246,422)	-	41,205,150	-	
Total 2021	<u>\$ 101,402,187</u>	<u>\$ 29,008,887</u>	<u>\$ 130,411,074</u>	<u>\$ 17,547,189</u>	<u>\$ 440,860</u>	<u>\$ -</u>	<u>\$ 148,399,123</u>	
Total 2020	<u>\$ 98,929,764</u>	<u>\$ 26,861,068</u>	<u>\$ 125,790,832</u>	<u>\$ 16,606,399</u>	<u>\$ 345,147</u>			<u>\$ 142,742,378</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2021 Total	2020 Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Change in Net Assets	\$ 12,247,314	\$ 343,175	\$ 3,542,969	\$ (2,519,434)	\$ -	\$ 13,614,024	\$ 532,722
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:							
Depreciation Expense	322,610	7,012	6,325	4,224,391	-	4,560,338	4,205,615
Transfers and Losses on Disposal of Assets	-	-	-	62,490	-	62,490	41,744
Amortization Expense	-	-	-	238,597	-	238,597	363,633
Forgiveness of Debt	-	(537,473)	(1,150,162)	-	-	(1,687,635)	-
(Increase) Decrease in Operating Assets:							
Accounts Receivable	(7,316,639)	(238,655)	(713,990)	(121,115)	-	(8,390,399)	(5,313,437)
Grants Receivable	900,000	(17,000)	-	-	-	883,000	(725,000)
Prepaid Expenses and Deposits	(2,454,430)	27,343	67,266	342,115	-	(2,017,706)	(413,544)
Deferred Rent Asset	-	-	-	1,170,767	(1,170,767)	-	-
Increase (Decrease) in Operating Liabilities:							
Accounts Payable and Accrued Liabilities	4,084,985	120,559	408,489	(339,660)	-	4,274,373	(2,395,184)
Deferred Revenues	1,348,680	-	-	-	-	1,348,680	671,623
Deferred Rent Liability	(79,331)	58,297	(362,066)	(971,225)	1,170,767	(183,558)	1,017,932
Net Cash Provided (Used) by Operating Activities	9,053,189	(236,742)	1,798,831	2,086,926	-	12,702,204	(2,013,896)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchases of Property, Plant, and Equipment	-	-	(24,453)	(28,866,919)	-	(28,891,372)	(980,966)
Net Cash Used by Investing Activities	-	-	(24,453)	(28,866,919)	-	(28,891,372)	(980,966)
CASH FLOWS FROM FINANCING ACTIVITIES							
Intracompany Loans	137,859	107,652	(49,984)	(214,882)	-	(19,355)	-
Proceeds from Debt	1,645,000	-	-	31,066,734	-	32,711,734	8,387,635
Repayment of Debt	(1,039,656)	-	-	(2,508,118)	-	(3,547,774)	(3,646,908)
Net Cash Provided (Used) by Financing Activities	743,203	107,652	(49,984)	28,343,734	-	29,144,605	4,740,727
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	9,796,392	(129,090)	1,724,394	1,563,741	-	12,955,437	1,745,865
Cash, Cash Equivalents and Restricted Cash - Beginning of Year	22,831,077	1,842,842	6,132,046	17,957,384	-	48,763,349	47,017,484
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 32,627,469</u>	<u>\$ 1,713,752</u>	<u>\$ 7,856,440</u>	<u>\$ 19,521,125</u>	<u>\$ -</u>	<u>\$ 61,718,786</u>	<u>\$ 48,763,349</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH							
Cash and Cash Equivalents	\$ 32,627,469	\$ 1,713,752	\$ 7,856,440	\$ 5,422,615	\$ -	\$ 47,620,276	\$ 36,215,753
Restricted Cash	-	-	-	14,098,510	-	14,098,510	12,547,596
Total	<u>\$ 32,627,469</u>	<u>\$ 1,713,752</u>	<u>\$ 7,856,440</u>	<u>\$ 19,521,125</u>	<u>\$ -</u>	<u>\$ 61,718,786</u>	<u>\$ 48,763,349</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION							
Forgiveness of Debt	\$ -	\$ 537,473	\$ 1,150,162	\$ -	\$ -	\$ 1,687,635	\$ -
Cash Paid for Interest, Net	<u>\$ 285,747</u>	<u>\$ 64,651</u>	<u>\$ -</u>	<u>\$ 9,286,401</u>	<u>\$ -</u>	<u>\$ 9,636,799</u>	<u>\$ 7,761,957</u>

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