

**ROCKETSHIP EDUCATION AND ITS AFFILIATES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2018**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2017)**

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2018 Total	2017 Total
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
Cash and Cash Equivalents	\$ 20,844,116	\$ 883,567	\$ 2,453,937	\$ 14,612,692	\$ -	\$ 38,794,312	\$ 43,265,177
Restricted Cash	-	29,664	-	11,333,336	-	11,363,000	10,634,074
Accounts Receivable	9,235,556	3,667	-	294,198	-	9,533,421	8,203,486
Grants Receivable	-	533,532	870,751	-	-	1,404,283	476,241
Note Receivable	-	-	-	-	-	-	560,000
Prepaid Expenses and Deposits	2,349,122	48,343	46,422	903,568	-	3,347,455	1,368,099
Total Current Assets	32,428,794	1,498,773	3,371,110	27,143,794	-	64,442,471	64,507,077
<b>LONG-TERM ASSETS</b>							
Grants Receivable	-	75,000	-	-	-	75,000	96,325
Intracompany Receivable	4,949,638	334	643,470	-	(5,593,442)	-	-
Security Deposits	429,295	5,000	1,500	-	(400,000)	35,795	-
Deferred Rent Asset	-	-	-	6,403,433	(6,403,433)	-	-
Property, Plant, and Equipment, Net	5,150,515	20,219	-	98,422,757	-	103,593,491	99,989,879
Total Long-Term Assets	10,529,448	100,553	644,970	104,826,190	(12,396,875)	103,704,286	100,086,204
Total Assets	\$ 42,958,242	\$ 1,599,326	\$ 4,016,080	\$ 131,969,984	\$ (12,396,875)	\$ 168,146,757	\$ 164,593,281
<b>LIABILITIES AND NET ASSETS</b>							
<b>CURRENT LIABILITIES</b>							
Accounts Payable and Accrued Liabilities	\$ 6,294,351	\$ 335,276	\$ 728,268	\$ 2,370,467	\$ -	\$ 9,728,362	\$ 6,783,072
Accrued Interest	85,119	-	-	507,338	-	592,457	761,817
Deferred Rent Liability	-	36,283	-	-	(36,283)	-	-
Deferred Revenues	1,324,670	-	-	9,456	(9,456)	1,324,670	823,348
Current Portion of Loans Payable	491,668	-	-	2,225,000	-	2,716,668	9,722,526
Total Current Liabilities	8,195,808	371,559	728,268	5,112,261	(45,739)	14,362,157	18,090,763
<b>LONG-TERM LIABILITIES</b>							
Security Deposits	-	-	-	400,000	(400,000)	-	-
Accrued Interest	148,825	-	-	-	-	148,825	113,478
Deferred Rent Liability	3,834,350	21,092	2,302,877	6,276,315	(6,357,694)	6,076,940	1,922,841
Intracompany Payable	-	2,643,691	2,949,751	-	(5,593,442)	-	-
Loans Payable	1,762,512	-	-	124,912,717	-	126,675,229	126,930,036
Total Long-Term Liabilities	5,745,687	2,664,783	5,252,628	131,589,032	(12,351,136)	132,900,994	128,966,355
<b>NET ASSETS</b>							
Unrestricted	28,924,363	(2,066,762)	(2,229,816)	(4,731,309)	-	19,896,476	16,490,691
Temporarily Restricted	92,384	629,746	265,000	-	-	987,130	1,045,472
Total Net Assets	29,016,747	(1,437,016)	(1,964,816)	(4,731,309)	-	20,883,606	17,536,163
Total Liabilities And Net Assets	\$ 42,958,242	\$ 1,599,326	\$ 4,016,080	\$ 131,969,984	\$ (12,396,875)	\$ 168,146,757	\$ 164,593,281

See accompanying Notes to Consolidated Financial Statements.

**ROCKETSHIP EDUCATION AND ITS AFFILIATES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2017)**

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2018 Total	2017 Total
<b>UNRESTRICTED NET ASSETS</b>							
<b>REVENUES</b>							
LCFF State Aid	\$ 39,238,901	\$ -	\$ -	\$ -	\$ -	\$ 39,238,901	\$ 38,756,121
Apportionment Revenue	9,928,496	4,138,735	10,138,348	-	-	24,205,579	20,628,908
Property Taxes	15,266,385	-	-	-	-	15,266,385	13,886,120
Other State Revenue	12,233,383	73,416	2,210,386	-	-	14,517,185	12,324,370
Federal Revenue	10,070,208	1,065,681	1,815,858	-	-	12,951,747	11,057,467
Other Local Revenue	5,015,447	26,830	8,118	18,619,442	(16,229,778)	7,440,059	2,766,145
Contributions	6,904,759	131,854	970,245	-	-	8,006,858	8,197,231
Amounts Released from Restriction	41,763	32,550	596,325	-	-	670,638	264,170
Total Unrestricted Revenues	98,699,342	5,469,066	15,739,280	18,619,442	(16,229,778)	122,297,352	107,880,532
<b>EXPENSES</b>							
Program Expenses:							
Educational programs	74,905,227	4,878,229	13,854,536	-	(16,229,778)	77,408,214	70,573,394
Supporting Services:							
Site Supports and Program Development	12,441,682	-	-	15,388,516	(145,000)	27,685,198	27,977,604
Administration and General	7,023,529	782,730	2,083,443	3,763,453	145,000	13,798,155	9,280,970
Total Supporting Services	19,465,211	782,730	2,083,443	19,151,969	-	41,483,353	37,258,574
Total Expenses	94,370,438	5,660,959	15,937,979	19,151,969	(16,229,778)	118,891,567	107,831,968
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	4,328,904	(191,893)	(198,699)	(532,527)	-	3,405,785	48,564
<b>TEMPORARILY RESTRICTED NET ASSETS</b>							
Amounts Released from Restriction	(41,763)	(32,550)	(596,325)	-	-	(670,638)	(264,170)
Contributions	100,000	347,296	165,000	-	-	612,296	820,305
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	58,237	314,746	(431,325)	-	-	(58,342)	556,135
<b>INCREASE (DECREASE) IN NET ASSETS</b>	4,387,141	122,853	(630,024)	(532,527)	-	3,347,443	604,699
Net Assets - Beginning of Year	24,629,606	(1,559,869)	(1,334,792)	(4,198,782)	-	17,536,163	16,931,464
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 29,016,747</u>	<u>\$ (1,437,016)</u>	<u>\$ (1,964,816)</u>	<u>\$ (4,731,309)</u>	<u>\$ -</u>	<u>\$ 20,883,606</u>	<u>\$ 17,536,163</u>

See accompanying Notes to Consolidated Financial Statements.

**ROCKETSHIP EDUCATION AND ITS AFFILIATES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2018**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2017)**

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2018 Total	2017 Total
<b>CASH FLOWS FROM OPERATING</b>							
<b>ACTIVITIES</b>							
Change in Net Assets	\$ 4,387,141	\$ 122,853	\$ (630,024)	\$ (532,527)	\$ -	\$ 3,347,443	\$ 604,699
Adjustments to Reconcile Change in Net Assets							
to Net Cash Flows from Operating Activities:							
Depreciation and Amortization	338,971	36	-	2,964,498	-	3,303,505	2,957,153
Allowance for Nonrecoverable Project Costs	-	-	-	-	-	-	1,721,312
(Increase) Decrease in Operating Assets:							
Accounts Receivable	(1,440,173)	355,823	31,411	(276,996)	-	(1,329,935)	(276,902)
Grants Receivable	52,944	(608,532)	(351,129)	-	-	(906,717)	166,068
Prepaid Expenses and Other Current							
Assets	(683,311)	(22,771)	33,950	(564,060)	-	(1,236,192)	677,420
Deferred Rent Asset	-	-	-	(2,424,669)	2,424,669	-	-
Increase (Decrease) in Operating Liabilities:							
Accounts Payable and Accrued Liabilities	659,588	139,645	1,212,642	1,534,157	-	3,546,032	1,183,357
Deferred Revenues	531,264	-	(29,942)	(769,503)	-	(268,181)	(66,629)
Deferred Rent Liability	488,961	32,861	1,665,012	4,382,478	(2,424,669)	4,144,643	608,637
Net Cash Flows from Operating							
Activities	4,335,385	19,915	1,931,920	4,313,378	-	10,600,598	7,575,115
<b>CASH FLOWS FROM INVESTING</b>							
<b>ACTIVITIES</b>							
Proceeds from Note Receivable	-	-	-	560,000	-	560,000	-
Purchases of Property, Plant, and Equipment	(202,698)	(20,255)	-	(6,668,919)	-	(6,891,872)	(18,766,316)
Net Cash Flows from Investing							
Activities	(202,698)	(20,255)	-	(6,108,919)	-	(6,331,872)	(18,766,316)
<b>CASH FLOWS FROM FINANCING</b>							
<b>ACTIVITIES</b>							
Change in Restricted Cash	-	-	-	(699,262)	-	(699,262)	(3,009,144)
Intracompany Loans	382,460	365,846	(1,498,306)	-	-	(750,000)	(2,244,791)
Proceeds from Debt	200,000	-	-	16,860,412	-	17,060,412	44,837,264
Repayment of Debt	(1,633,348)	-	-	(22,687,729)	-	(24,321,077)	(9,700,583)
Net Cash Flows from by Financing							
Activities	(1,050,888)	365,846	(1,498,306)	(6,526,579)	-	(8,709,927)	29,882,746
<b>NET INCREASE (DECREASE) IN</b>							
<b>CASH AND CASH EQUIVALENTS</b>	3,081,799	365,506	433,614	(8,322,120)	-	(4,441,201)	18,691,545
Cash and Cash Equivalents - Beginning of Year	17,762,317	547,725	2,020,323	22,934,812	-	43,265,177	24,573,632
<b>CASH AND CASH EQUIVALENTS -</b>							
<b>END OF YEAR</b>	<u>\$ 20,844,116</u>	<u>\$ 913,231</u>	<u>\$ 2,453,937</u>	<u>\$ 14,612,692</u>	<u>\$ -</u>	<u>\$ 38,823,976</u>	<u>\$ 43,265,177</u>
<b>SUPPLEMENTAL DISCLOSURES OF</b>							
<b>CASH FLOW INFORMATION</b>							
Cash Paid for Interest, Net	<u>\$ 14,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,747,174</u>	<u>\$ -</u>	<u>\$ 7,761,957</u>	<u>\$ 6,734,613</u>
Capitalized Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,050</u>	<u>\$ -</u>	<u>\$ 28,050</u>	<u>\$ 111,379</u>

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