

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2022 Total	2021 Total
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	\$ 34,975,504	\$ 806,694	\$ 5,665,639	\$ 7,084,173	\$ -	\$ 48,532,010	\$ 47,620,276
Restricted Cash	-	-	-	9,720,654	-	9,720,654	14,098,510
Accounts Receivable	18,921,957	1,392,454	4,753,153	849,116	-	25,916,680	26,926,079
Deferred Rent Asset	-	-	-	690,978	(690,978)	-	-
Grants Receivable	-	15,000	-	-	-	15,000	17,000
Prepaid Expenses and Deposits	6,134,827	24,659	73,978	314,000	-	6,547,464	6,021,009
Total Current Assets	60,032,288	2,238,807	10,492,770	18,658,921	(690,978)	90,731,808	94,682,874
LONG-TERM ASSETS							
Intracompany Receivable	9,733,322	-	-	-	(9,733,322)	-	-
Security Deposits	453,297	-	-	-	(400,000)	53,297	49,709
Accounts Receivable	-	-	-	8,475	-	8,475	19,723
Deferred Rent Asset	-	-	-	8,842,041	(8,842,041)	-	-
Property, Plant, and Equipment, Net	4,777,866	88,809	22,574	152,071,180	-	156,960,429	161,798,585
Total Long-Term Assets	14,964,485	88,809	22,574	160,921,696	(18,975,363)	157,022,201	161,868,017
Total Assets	<u>\$ 74,996,773</u>	<u>\$ 2,327,616</u>	<u>\$ 10,515,344</u>	<u>\$ 179,580,617</u>	<u>\$ (19,666,341)</u>	<u>\$ 247,754,009</u>	<u>\$ 256,550,891</u>
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 10,164,608	\$ 297,273	\$ 1,991,224	\$ 2,126,916	\$ -	\$ 14,580,021	\$ 12,379,687
Accrued Interest	45,537	-	-	570,224	-	615,761	807,476
Deferred Revenues	5,669,362	-	-	11,343	-	5,680,705	2,942,053
Current Portion of Loans Payable	367,408	-	-	4,179,462	-	4,546,870	8,298,873
Total Current Liabilities	16,246,915	297,273	1,991,224	6,887,945	-	25,423,357	24,428,089
LONG-TERM LIABILITIES							
Security Deposits	-	-	-	400,000	(400,000)	-	-
Accrued Interest	172,481	-	-	-	-	172,481	233,082
Deferred Rent Liability	4,535,105	90,344	3,742,872	7,876,528	(9,533,019)	6,711,830	5,541,230
Intracompany Payable	-	4,220,562	4,184,973	1,327,787	(9,733,322)	-	-
Loans Payable	1,082,888	-	-	180,920,808	-	182,003,696	188,117,172
Total Long-Term Liabilities	5,790,474	4,310,906	7,927,845	190,525,123	(19,666,341)	188,888,007	193,891,484
Total Liabilities	22,037,389	4,608,179	9,919,069	197,413,068	(19,666,341)	214,311,364	218,319,573
NET ASSETS (DEFICIT)							
Without Donor Restriction	52,609,384	(2,364,421)	596,275	(17,832,451)	-	33,008,787	38,214,318
With Donor Restriction	350,000	83,858	-	-	-	433,858	17,000
Total Net Assets (Deficit)	52,959,384	(2,280,563)	596,275	(17,832,451)	-	33,442,645	38,231,318
Total Liabilities And Net Assets	<u>\$ 74,996,773</u>	<u>\$ 2,327,616</u>	<u>\$ 10,515,344</u>	<u>\$ 179,580,617</u>	<u>\$ (19,666,341)</u>	<u>\$ 247,754,009</u>	<u>\$ 256,550,891</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2022 Total	2021 Total
NET ASSETS WITHOUT DONOR RESTRICTIONS							
REVENUES							
LCFF State Aid & Property Tax Revenue	\$ 68,623,477	\$ -	\$ -	\$ -	\$ -	\$ 68,623,477	\$ 68,946,084
Apportionment Revenue	14,567,771	6,330,288	23,802,459	-	-	44,700,518	41,743,700
Other State Revenue	20,245,265	286,778	9,245,541	-	-	29,777,584	23,380,609
Federal Revenue	22,951,343	2,754,099	6,802,121	-	-	32,507,563	19,487,194
Other Local Revenue	6,269,300	34,997	669,106	19,460,080	(25,028,379)	1,405,104	2,640,117
Contributions	5,918,952	509,385	646,880	199,965	(200,000)	7,075,182	5,798,443
Amounts Released from Restriction	-	17,000	-	-	-	17,000	900,000
Total Without Donor Restriction Revenues	138,576,108	9,932,547	41,166,107	19,660,045	(25,228,379)	184,106,428	162,896,147
EXPENSES							
Program Expenses:							
Educational Programs	105,856,646	8,448,728	37,111,475	-	(18,975,187)	132,441,662	101,402,187
Program Supports	9,309,939	-	-	24,373,761	(200,000)	33,483,700	29,008,887
Supporting Services:							
Administration and General	21,271,457	1,392,248	5,775,791	493,146	(6,053,192)	22,879,450	17,547,189
Fundraising	507,147	-	-	-	-	507,147	440,860
Total Supporting Services	21,778,604	1,392,248	5,775,791	493,146	(6,053,192)	23,386,597	17,988,049
Total Expenses	136,945,189	9,840,976	42,887,266	24,866,907	(25,228,379)	189,311,959	148,399,123
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,630,919	91,571	(1,721,159)	(5,206,862)	-	(5,205,531)	14,497,024
NET ASSETS WITH DONOR RESTRICTION							
Amounts Released from Restriction	-	(17,000)	-	-	-	(17,000)	(900,000)
Contributions	350,000	83,858	-	-	-	433,858	17,000
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTION	350,000	66,858	-	-	-	416,858	(883,000)
INCREASE (DECREASE) IN NET ASSETS	1,980,919	158,429	(1,721,159)	(5,206,862)	-	(4,788,673)	13,614,024
Net Assets (Deficit) - Beginning of Year	50,978,465	(2,438,992)	2,317,434	(12,625,589)	-	38,231,318	24,617,294
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ 52,959,384</u>	<u>\$ (2,280,563)</u>	<u>\$ 596,275</u>	<u>\$ (17,832,451)</u>	<u>\$ -</u>	<u>\$ 33,442,645</u>	<u>\$ 38,231,318</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

	Programs						Total 2022	Total 2021
	Educational Programs	Program Supports	Total	Management and General	Fundraising	Eliminations	Expenses	Expenses
Salaries	\$ 64,930,678	\$ 6,854,484	\$ 71,785,162	\$ 8,901,879	\$ 355,519	\$ -	\$ 81,042,560	\$ 66,828,182
Employee Benefits	8,490,189	446,607	8,936,796	481,983	45,949	-	9,464,728	9,730,733
Pension	5,734,413	498,531	6,232,944	183,511	-	-	6,416,455	5,511,783
Payroll Taxes	3,030,208	482,499	3,512,707	710,755	-	-	4,223,462	3,521,365
Management Fees	-	-	-	23,462,124	-	(23,462,124)	-	-
District Fee	70,866	-	70,866	1,571,637	-	-	1,642,503	1,183,610
Accounting Expenses	-	-	-	848,221	-	-	848,221	264,784
Legal Expenses	-	-	-	809,606	-	-	809,606	894,912
Instructional Materials	4,525,185	270,785	4,795,970	(1,998)	1,998	-	4,795,970	2,948,451
Other Fees For Services	21,317,996	683,556	22,001,552	2,842,016	65,922	-	24,909,490	17,164,978
Advertising	-	-	-	210,761	-	-	210,761	81,334
Office Expenses	3,138,460	47,828	3,186,288	506,652	12,741	-	3,705,681	2,229,970
Information Technology	4,977,881	15,890	4,993,771	965,082	1,237	-	5,960,090	7,263,178
Printing and Postage	288,747	-	288,747	118,389	-	-	407,136	250,472
Occupancy	23,252,105	6,120,999	29,373,104	760,079	7,628	(18,975,187)	11,165,624	8,941,605
Travel	1,395,064	510	1,395,574	1,228,126	11,311	-	2,635,011	785,025
Conferences and Meetings	4,755	-	4,755	20,899	-	-	25,654	21,273
Insurance	184,816	-	184,816	785,723	-	-	970,539	614,141
Depreciation and Amortization	236,107	6,513,180	6,749,287	52,222	-	-	6,801,509	4,919,017
Interest Expense	-	10,781,602	10,781,602	222,330	-	(60,000)	10,943,932	10,161,272
Capital Expenses	3,201	148,721	151,922	-	-	-	151,922	38,413
Grants to School	-	200,000	200,000	-	-	(200,000)	-	-
Other Expenses	9,836,178	618,508	10,454,686	1,721,577	4,842	-	12,181,105	5,044,625
Subtotal	151,416,849	33,683,700	185,100,549	46,401,574	507,147	(42,697,311)	189,311,959	
Eliminations	(18,975,187)	(200,000)	(19,175,187)	(23,522,124)	-	42,697,311	-	
Total 2022	<u>\$ 132,441,662</u>	<u>\$ 33,483,700</u>	<u>\$ 165,925,362</u>	<u>\$ 22,879,450</u>	<u>\$ 507,147</u>	<u>\$ -</u>	<u>\$ 189,311,959</u>	
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>\$ 148,399,123</u>

See accompanying Notes to Consolidated Financial Statements.

ROCKETSHIP EDUCATION, INC. AND ITS AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

	Rocketship Education	Rocketship Education Wisconsin Inc.	Rocketship Education DC Public Charter School, Inc.	Launchpad Development Company	Eliminations	2022 Total	2021 Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Change in Net Assets	\$ 1,980,919	\$ 158,429	\$ (1,721,159)	\$ (5,206,862)	\$ -	\$ (4,788,673)	\$ 13,614,024
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:							
Depreciation Expense	273,988	7,456	6,885	4,583,893	-	4,872,222	4,560,338
Transfers and Losses on Disposal of Assets	-	-	-	-	-	-	62,490
Amortization Expense	-	-	-	2,179,712	-	2,179,712	238,597
Loss/(Gain) on Disposal of Assets	-	-	-	(77,251)	-	(77,251)	-
Forgiveness of Debt	-	-	-	-	-	-	(1,687,635)
(Increase) Decrease in Operating Assets:							
Accounts Receivable	6,022,048	(1,063,791)	(3,630,282)	(307,328)	-	1,020,647	(8,390,399)
Grants Receivable	-	2,000	-	-	-	2,000	883,000
Prepaid Expenses and Deposits	(800,074)	49,554	197,063	23,414	-	(530,043)	(2,017,706)
Deferred Rent Asset	-	-	-	(2,405,184)	2,405,184	-	-
Increase (Decrease) in Operating Liabilities:							
Accounts Payable and Accrued Liabilities	2,770	31,804	274,817	1,643,147	-	1,952,538	4,274,373
Deferred Revenues	2,738,652	-	-	-	-	2,738,652	1,348,680
Deferred Rent Liability	520,496	(20,756)	1,376,068	1,695,456	(2,405,184)	1,166,080	(183,558)
Net Cash Provided (Used) by Operating Activities	10,738,799	(835,304)	(3,496,608)	2,128,997	-	8,535,884	12,702,204
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from Sale of Property, Plant and Equipment	-	-	-	1,079,193	-	1,079,193	-
Purchases of Property, Plant, and Equipment	(634,034)	(71,754)	(5,590)	(324,630)	-	(1,036,008)	(28,891,372)
Net Cash Used by Investing Activities	(634,034)	(71,754)	(5,590)	754,563	-	43,185	(28,891,372)
CASH FLOWS FROM FINANCING ACTIVITIES							
Intracompany Loans	(2,639,184)	-	1,311,397	1,327,787	-	-	(19,355)
Proceeds from Debt	200,000	-	-	43,504,197	-	43,704,197	32,711,734
Repayment of Debt	(5,317,546)	-	-	(50,431,842)	-	(55,749,388)	(3,547,774)
Net Cash Provided (Used) by Financing Activities	(7,756,730)	-	1,311,397	(5,599,858)	-	(12,045,191)	29,144,605
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	2,348,035	(907,058)	(2,190,801)	(2,716,298)	-	(3,466,122)	12,955,437
Cash, Cash Equivalents and Restricted Cash - Beginning of Year	32,627,469	1,713,752	7,856,440	19,521,125	-	61,718,786	48,763,349
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 34,975,504</u>	<u>\$ 806,694</u>	<u>\$ 5,665,639</u>	<u>\$ 16,804,827</u>	<u>\$ -</u>	<u>\$ 58,252,664</u>	<u>\$ 61,718,786</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH							
Cash and Cash Equivalents	\$ 34,975,504	\$ 806,694	\$ 5,665,639	\$ 7,084,173	\$ -	\$ 48,532,010	\$ 47,620,276
Restricted Cash	-	-	-	9,720,654	-	9,720,654	14,098,510
Total	<u>\$ 34,975,504</u>	<u>\$ 806,694</u>	<u>\$ 5,665,639</u>	<u>\$ 16,804,827</u>	<u>\$ -</u>	<u>\$ 58,252,664</u>	<u>\$ 61,718,786</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION							
Forgiveness of Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,687,635
Cash Paid for Interest, Net	<u>\$ 214,314</u>	<u>\$ 60,000</u>	<u>\$ -</u>	<u>\$ 10,826,851</u>	<u>\$ (60,000)</u>	<u>\$ 11,041,165</u>	<u>\$ 9,636,799</u>

See accompanying Notes to Consolidated Financial Statements.