



**Aspire Public Schools**

***Quarterly Financial Report<sup>1</sup>***

**For the three months ending September 30, 2016**

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<sup>1</sup> Financials unaudited.

## 1<sup>st</sup> Quarter Financial Highlights

- For the three months ending Sept 30, 2016, EBIDA was \$2.6 million versus \$7.2 million for the three months ending Sept 30, 2015.
- Lower EBIDA in comparison to the prior year is due to budgeted, planned increases in school site and regional office staffing as well as planned compensation increases for FY16/17.
- Expenses are on track with budget. Total expenses of \$45.1 million during the quarter were \$5.9 million higher than a year ago. As noted above, this increase relates to budgeted increases in staffing and compensation.
- Revenues are on track with budgets as well. Total revenues of \$47.1 million during the quarter were \$2.5 million higher than a year ago. This increase is due to higher enrollment and higher per-pupil funding.
- Enrollment grew this year by approximately 600 students with two new school locations being opened this year in Aspire East Academy (Memphis, TN Grades K-1) and Aspire Benjamin Holt Middle School (Stockton, CA Grades 6-8).
- Total state per pupil revenues were \$9,589 per ADA for this period vs \$8,974 a year ago. This increase of \$615 per ADA, or 6.8%, is in line with expected increased per pupil state funding in California.
- Aspire ended the quarter with \$44.3 million in cash & cash equivalents, compared to \$49.2 million at June 30, 2016. The \$4.9 million decrease in cash is attributed to planned increases in expenses and an increase in accounts receivable related to smaller state apportionments during the months of July and August.
- Aspire ended the quarter with \$12.0 million in accounts payable and accrued expenses. The \$3.9 million decrease is due to normal payoff of year end liabilities during the quarter.
- The line of credit balance increased to \$3.0 million during the quarter. The increase is due to delay in receipt of federal and state funding for our Tennessee schools.
- During the last 12 months, Aspire has completed two major construction projects, which have significantly contributed to the overall \$9.2 million increase in property/real assets during this timeframe:
  - New Gym Construction: Completed Nov 2015-Aspire Golden State in Oakland, CA (\$3.0 Million)
  - New School Construction: Phase 1 Completed July 2016-Aspire Ben Holt Middle School and Central Valley Regional Office in Stockton, CA (Approx. \$5.0 million)

**Aspire Public Schools**  
Unaudited Consolidated Balance Sheet\*

		<u>September 30, 2016</u>	<u>September 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>Assets</b>					
Current	Cash & Equivalents	\$ 44,269,737	\$ 40,351,862	49,191,017	\$ 39,558,110
	Restricted Cash	1,253,966	1,598,640	2,742,925	3,808,122
	Accounts Receivable	30,204,839	27,711,480	23,921,357	24,296,763
	Pledges Receivable	6,216,483	6,604,058	6,577,551	6,478,348
	Prepaid Expenses	314,907	427,627	932,223	656,441
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	Total Current Assets	82,259,933	76,693,668	83,365,074	74,797,785
Non-Current	Restricted Cash	12,818,715	7,676,880	14,706,422	11,613,493
	Pledges Receivable	1,856,509	2,179,654	3,856,509	5,229,654
	Property & Equipment (net)	158,207,956	149,037,857	156,828,940	147,283,869
	Other Assets (net)	461,341	768,228	473,216	809,206
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	Total Non-Current Assets	173,344,521	159,662,619	175,865,086	164,936,222
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	Total Assets	\$ 255,604,453	\$ 236,356,287	\$ 259,230,160	\$ 239,734,007
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<b>Liabilities &amp; Net Assets</b>					
Current	Accounts Payable	4,289,815	6,320,183	7,229,863	8,762,941
	Accrued Expenses	7,708,382	7,331,465	8,673,746	8,595,186
	Capital Leases	-	661,250	-	655,000
	Debt	2,179,925	1,999,298	2,069,925	2,299,298
	Lines of Credit	3,000,000	1,500,000	700,000	-
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	Total Current Liabilities	17,178,122	17,812,197	18,673,534	20,312,425
Non-Current	Deferred Rent Due	806,623	761,896	797,336	750,083
	Capital Leases	-	15,165,000	-	15,335,000
	Debt	136,275,766	107,248,832	137,921,438	110,733,185
	Inter-Organization	-	-	(0)	-
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	Total Liabilities	154,260,511	140,987,924	157,392,309	147,130,693
Net Assets	Beginning Net Assets	101,837,851	92,603,314	92,603,314	72,628,265
	Change in Net Assets	(493,909)	2,765,048	9,234,537	19,975,049
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	Ending Net Assets	101,343,942	95,368,362	101,837,851	92,603,314
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	Total Liabilities & Net Assets	\$ 255,604,453	\$ 236,356,287	\$ 259,230,160	\$ 239,734,007
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Note: Certain items have been reclassified to conform with current period presentation.

\* Consolidated Statements include Aspire Public Schools, College For Certain Inc, and Aspire University Inc

**Aspire Public Schools**  
Unaudited Consolidated Statement of Activities\*

	<u>Three Months Ended</u> <u>September 30, 2016</u>	<u>Three Months Ended</u> <u>September 30, 2015</u>	<u>Twelve Months Ended</u> <u>June 30, 2016</u>	<u>Twelve Months Ended</u> <u>June 30, 2015</u>
Active Schools	40	38	38	38
Enrollment	15,638	15,104	15,158	14,605
Average Daily Attendance %	96.9%	97.0%	95.8%	95.7%
ADA	15,161	14,653	14,521	13,970
<b>Revenues</b>				
State ADA-Based	\$ 36,345,029	\$ 32,872,662	\$ 131,805,808	\$ 111,777,169
<i>Per ADA (Annualized)</i>	9,589	8,974	9,077	8,001
Other State	3,302,533	3,712,436	16,666,705	10,085,094
<b>Total State Revenues</b>	39,647,562	36,585,098	148,472,512	121,862,264
Federal Programs	3,194,339	3,675,111	17,673,784	16,292,371
Special Education	2,304,172	2,246,556	9,529,133	8,985,890
Food Programs	1,180,743	1,053,360	5,367,932	4,946,695
Local	294,678	534,663	2,223,610	1,409,845
Donations & Grants	431,536	455,972	3,577,165	7,898,116
Other Income	10,963	11,329	42,023	(107,427)
<b>Total Revenues</b>	47,063,993	44,562,088	186,886,160	161,287,755
<b>Expenses</b>				
<i>Schools</i>				
Payroll & Benefits	29,252,617	24,066,716	106,712,127	86,706,043
Operating	8,748,323	8,466,755	35,074,993	30,102,211
<b>Total School Expenses</b>	38,000,940	32,533,471	141,787,120	116,808,255
<i>Regional Office</i>				
Payroll & Benefits	1,728,322	1,293,959	5,563,669	3,425,830
Operating	880,730	290,517	1,357,737	1,072,146
<b>Total Regional Office Expenses</b>	2,609,052	1,584,476	6,921,406	4,497,977
<i>Home Office</i>				
Payroll & Benefits	3,395,933	3,764,985	15,001,206	14,617,015
Operating	1,058,566	1,342,625	5,358,457	6,284,292
<b>Total Home Office Expenses</b>	4,454,499	5,107,610	20,359,663	20,901,307
<b>Total Expenses</b>	45,064,491	39,225,557	169,068,189	142,207,538
CY Expenses with PY Revenues	(555,735)	(1,852,083)	(8,097,846)	(7,780,354)
<b>Total Expenses for EBIDA</b>	44,508,756	37,373,474	160,970,342	134,427,184
Earnings Before Interest & Depreciation	2,555,237	7,188,614	25,915,817	26,860,571
<b>Other (Income) Expense</b>				
Depreciation & Amortization	1,576,028	1,358,750	6,326,876	5,351,025
Interest	1,284,461	1,640,582	8,519,200	6,737,034
Other (Income) Expense	(0)	47,866	12,585,580	108,115
CY Expenses with PY Revenues	555,735	1,852,083	8,097,846	7,780,354
<b>Net Other</b>	3,416,223	4,899,281	35,529,503	19,976,527
<b>Net Funds Provided (Used)</b>	(860,986)	2,289,334	(9,613,685)	6,884,044
Special Multi-Year Revenues	367,077	475,715	18,848,222	13,091,006
<b>Total Funds Provided</b>	\$ (493,909)	\$ 2,765,048	\$ 9,234,537	\$ 19,975,049

Note: Certain items have been reclassified to conform with current period presentation.

\* Consolidated Statements include Aspire Public Schools, College For Certain Inc, and Aspire University Inc

**Aspire Public Schools**  
Unaudited Consolidated Statement of Changes In Cash\*

	<u>Three Months Ended</u> <u>September 30, 2016</u>	<u>Three Months Ended</u> <u>September 30, 2015</u>	<u>Twelve Months Ended</u> <u>June 30, 2016</u>	<u>Twelve Months Ended</u> <u>June 30, 2015</u>
<b>Operating Activities</b>				
Total Funds Provided	\$ (493,909)	\$ 2,765,048	\$ 9,234,537	\$ 19,975,049
Depreciation & Amortization	1,576,028	1,358,750	6,326,876	5,351,025
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Provided By Operating Activities	1,082,119	4,123,798	15,561,413	25,326,074
<b>Current Balance Sheet Accounts</b>				
Restricted Cash	1,488,959	2,209,481	1,065,197	(112,830)
Accounts Receivable	(6,283,482)	(3,414,717)	375,406	184,346
Pledges Receivable	361,068	(125,710)	(99,203)	(464,061)
Prepaid Expenses	617,315	228,814	(275,782)	(399,388)
Accounts Payable	(2,940,048)	(2,442,758)	(1,533,078)	2,181,333
Accrued Expenses	(965,365)	(1,263,720)	78,561	554,449
Deferred Revenue	-	-	-	-
Capital Leases	-	6,250	(655,000)	20,000
Debt	110,000	(300,000)	(229,373)	228,402
Lines of Credit	2,300,000	1,500,000	700,000	-
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Net Current Changes	(5,311,552)	(3,602,359)	(573,272)	2,192,251
<b>Non-Current Balance Sheet Accounts</b>				
Restricted Cash	1,887,707	3,936,613	(3,092,928)	1,642,288
Pledges Receivable	2,000,000	3,050,000	1,373,145	(4,399,141)
Property & Equipment (net)	(1,379,016)	(1,753,989)	(9,545,071)	(10,793,208)
Other Assets (net)	11,875	40,978	335,990	3,661,281
Depreciation & Amortization	(1,576,028)	(1,358,750)	(6,326,876)	(5,351,025)
Deferred Rent Due	9,287	11,813	47,253	54,552
Capital Leases	-	(170,000)	(15,335,000)	(655,000)
Debt	(1,645,672)	(3,484,353)	27,188,253	(6,012,321)
Inter-organization	0	-	(0)	(0)
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Net Non-Current Changes	(691,847)	272,313	(5,355,234)	(21,852,575)
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Net Change In Cash	(4,921,280)	793,752	9,632,907	5,665,750
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Beginning Cash	49,191,017	39,558,110	39,558,110	33,892,359
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Ending Cash	\$ 44,269,737	\$ 40,351,862	\$ 49,191,017	\$ 39,558,110
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Note: Certain items have been reclassified to conform with current period presentation.

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