Dear Friends of Spark,

An old African proverb says, “If you want to go fast, go alone. If you want to go far, go together.” Spark Ventures began in February 2007 with a vision to go far, by going together. And we are well on our way…

Core to our mission is partnerships — stabilizing, strengthening, and sustaining grassroots organizations that are committed to helping vulnerable children. Critical to our strategy are investors — individuals and groups who will join us in igniting hope and investing in the future. And key to our vision is growth — to learn from each partnership in order to improve and expand our work around the globe.

During my 2006 trip to Africa that resulted in the launching of Spark Ventures, I experienced both the devastating effects of poverty and the resilient spirit of the Zambian people. One of these truly amazing people was a child named Jane Mulenga, who was an orphan struggling to survive. Thanks to the education and care provided through the Spark-Hope partnership, she is now speaking at rallies to raise support for community school education (see below).

I could share story after story of the transformation of vulnerable children that we are privileged to support through your generous partnership with us.

And this is only the beginning. In the near future, Spark will identify a new partnership in Latin America, host regional events around the United States to raise awareness and support and develop a poultry farm in Zambia through its partnership with Hope Ministries.

Together we will do even more to help vulnerable children achieve their potential. Together we will go far.

On behalf of all of us at Spark Ventures and the children we serve, thank you for being on this journey with us.

Richard A. Johnson
Executive Director

From Orphan to Advocate: Jane Mulenga’s Story

For five years after her father passed away from AIDS, Jane and her six siblings survived on the little food that her eldest brother could afford from collecting scrap metal. Jane’s mother suffered from bouts of depression, leaving her unable to help the family, and because of the lack of food and healthcare, Jane suffered from several health problems, including attacks of asthma.

Jane’s life changed dramatically in 2006, however, when she enrolled in Hope Community School and moved into Hope House, Hope Ministries’ orphanage.

Under the care of the house mothers and full-time teachers, Jane quickly became an exceptional student, an example of the immense potential of community schools, which provide an education to the poorest children of Zambia. When a nationwide campaign urging more government funding for community schools sought an articulate student to speak to the public and a committee of government officials at a nationally televised rally, Jane was a natural choice.

Because of the dedicated work of Hope Ministries and the support of Spark Ventures, Jane was healthy and educated enough to deliver an eloquent speech on behalf of community schools and the life-changing work they do for children like herself. Because of the Spark-Hope partnership, Jane was able to transform herself from an orphan to an advocate.

“Now I see a bright future. There is light at the end of the tunnel.” - Jane Mulenga
Statement of Activities
For the year ended June 30, 2009

Revenue and Other Support:

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$322,915</td>
<td>226,975</td>
<td>-</td>
<td>549,890</td>
</tr>
<tr>
<td>Underwriting</td>
<td>48,320</td>
<td>-</td>
<td>-</td>
<td>48,320</td>
</tr>
<tr>
<td>In-Kind Contributions</td>
<td>505</td>
<td>-</td>
<td>-</td>
<td>505</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,185</td>
<td>-</td>
<td>-</td>
<td>1,185</td>
</tr>
<tr>
<td>Net Assets Released from Restrictions in Satisfaction of Program Restrictions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue and Other Support</strong></td>
<td><strong>372,925</strong></td>
<td><strong>226,975</strong></td>
<td>-</td>
<td><strong>599,900</strong></td>
</tr>
</tbody>
</table>

Expenses:

Program Services:

- Partner Programs: $180,449
- Services to Sponsors: $10,982
- Education and Awareness: $61,291
- Transformation Trips: $52,183

Total Program Services: $252,722

Support Services:

- Fundraising: $66,031
- General & Administrative: $62,114

Total Support Services: $128,145

Total Expenses: $380,867

Change in Net Assets:

- ($7,942)
- $174,792

Net Assets - Beginning of Year: $145,065

Net Assets - End of Year: $137,123

2008-2009 Highlights
Spark Ventures, in partnership with Hope Ministries, has facilitated incredible accomplishments for vulnerable children and their communities in Zambia.

Food, Education & Health
- 36,000 meals served to over 300 children in a year-round meal program
- 500 medical check-ups administered
- 16 children cared for at Hope House Orphanage
- 300 students attending Hope Community School

Infrastructure & Capital
- $85,000 sent to Hope Ministries for construction of new school facility*
- 3 capital projects completed/funded
  - Bus
  - Truck
  - Water well

Employment & Training
- 8 full-time teachers employed year-round
- 3 full-time house mothers employed year-round
- 4 trips completed for leadership training and strategic planning

*Shelby Goldstein Schoolhouse completed in December 2009

In-Kind Contribution and Other Income each make up <1% of revenue.
Journey Back to Zambia

David Goldstein and Nancy Williams participated in Spark’s Summer 2008 Transformation Trip and are returning to support a mosquito net distribution project with partner Hope Ministries. As they prepared to travel back to Zambia (February ‘10), they shared a little bit about their experience.

Why did you want to go on your first Transformation Trip with Spark?
David: I wanted to take a course in my life totally away from me and towards somebody else. I really wanted to do grassroots work right from the beginning, and that’s the kind of work Spark does.

What was the most challenging part of the experience?
Nancy: I would just say the poverty that was there. Usually it’s not something you would think, but the children in the orphanage are actually better off than many of the other children we saw that are living with their families.

What did you learn about Spark from the trip?
David: I learned that Spark is doing something other than just sending money. That expression about “teach a man to fish,” that really came through to me in Spark’s work.

Why are you choosing to go back?
Nancy: I can’t wait to go back. Even in the week I was there I developed such an attachment to the staff and the children. It will be great to see how the kids have improved and to see what the money we’ve worked so hard to raise has accomplished.

Statement of Functional Expenses
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Support Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Partner Programs</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Partner Operations</td>
<td>$155,817</td>
</tr>
<tr>
<td>Professional Services</td>
<td>-</td>
</tr>
<tr>
<td>Occupancy</td>
<td>-</td>
</tr>
<tr>
<td>Outreach and Events</td>
<td>-</td>
</tr>
<tr>
<td>Travel</td>
<td>12,305</td>
</tr>
<tr>
<td>Supplies</td>
<td>-</td>
</tr>
<tr>
<td>Postage and Freight</td>
<td>-</td>
</tr>
<tr>
<td>Marketing</td>
<td>-</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>10,277</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>2,050</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$180,449</td>
</tr>
</tbody>
</table>

To see the complete version of Spark Ventures’ audited financial statements for the year ended June 30, 2009, please go to www.sparkventures.org/info/financial-accountability/.
**A Message from Our Partner**

Dear Spark Ventures Investors,

Since we partnered with Spark Ventures in 2007, our work has progressed tremendously in terms of staff motivation, teaching quality and resources, food supplies at the school, and reduced orphanage operational costs.

All this tremendous progress has been made because of your generous giving.

We now have over 300 children attending our school and benefiting from our meal program regularly. Six new employees have improved the quality of education and care being offered. Staff motivation has increased greatly because of leadership training provided through Spark Ventures’ partner development programs.

Thank you for all your financial and moral support, without which all these positive changes would not have happened.

We will continue to be dedicated to working with and empowering children in order to contribute towards the realization of an improved and empowered society.

**Rev. Charles Mumba**  
Executive Director  
Hope Ministries

---

**Statement of Financial Position**  
For the year ended June 30, 2009

**ASSETS**

**Current Assets:**
- Cash and Cash Equivalents: 208,030
- Unconditional Promises to Give: 25,000
- Grants Receivable: 75,000

**Total Current Assets:** 308,030

**Property and Equipment:**
- Furniture and Equipment, Net of Accumulated Depreciation: 4,317

**Total Property and Equipment:** 4,317

**Total Assets:** 312,347

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**
- Accounts Payable: 432

**Total Current Liabilities:** 432

**Net Assets:**
- Unrestricted: 137,123
- Temporarily Restricted: 174,792
- Permanently Restricted: -

**Total Net Assets:** 311,915

**Total Liabilities and Net Assets:** 312,347

---

**Child Sponsorships**  
For the years ended June 30, 2008 and 2009

- Year ended June 30, 2008: 88
- Year ended June 30, 2009: 143

08-09 Growth: 63%

---

**Investors**  
For the years ended June 30, 2008 and 2009

- Year ended June 30, 2008: 228
- Year ended June 30, 2009: 557

08-09 Growth: 144%

---

*For a current list of the Board of Directors, please visit our website.*
Spark Ventures exists to form partnerships with high-impact organizations around the world that help vulnerable children achieve their potential.