



**spark**ventures  
business driven philanthropy  
**2013 Annual Report**



## Letters from the Leaders

Dear Spark Supporter,

Thank you for taking a few minutes to review this report and learn more about the impact of your partnership with Spark Ventures. Exciting shifts in the philanthropic landscape made 2013 a year of opportunity and growth. We would not be where we are without supporters like you.

### A few trends have positive implications for Spark's work:

- As the U.S. economy continues to recover, giving is up and people are increasingly supporting international causes.
- Concern over % of budget dedicated to program expenses is being replaced with a focus on holistic funding, understanding that nonprofits also need to invest in staff, training, technology and strong operations.
- Impact and sustainability are priorities for a new wave of philanthropists, not necessarily defined by their age, but by a common interest to maximize their charitable contributions.

### A few highlights from 2013:

- The launch of our new Latin American partnership expands Spark's efforts, providing nutrition, education and healthcare, to children in Nicaragua, the second poorest country in the western hemisphere.
- Thanks to two generous, unrestricted matching grants and an ever-growing base of supporters, Spark's annual income grew by over 80%.
- A focus on investing in the business ventures that will provide local income for our partners has created potential for both Zambia and Nicaraguan partners to achieve 100% sustainability within four years.

I trust that the stories, photos and milestones captured in this report will inspire you. And I thank you again for investing in our model of business driven philanthropy that creates sustainable solutions lifting children out of poverty.

With gratitude,

A handwritten signature in black ink, appearing to read 'Richard A. Johnson'.

**Richard A. Johnson**  
CEO & Co-Founder



It has been an honor to join this inspiring community.

After just a year of working with Spark Ventures, we have already seen the positive impact of our partnership. Our children are better nourished. Our staff is better equipped and compensated.

**But, we're most excited for what comes next.**


Launching a business to build our organizational sustainability will be an incredible step to ensure we can continue to prepare the future leaders of Nicaragua.



**Corina Alvarez**

Executive Director & Co-Founder

Asociación Las Tías de León, Nicaragua



Over the past 6 years, our partnership with Spark Ventures has matured - as has our organization.

**We have developed a leading reputation in our community for academics, creativity and holistic support of the hundreds of children we serve.**

The poultry farm we jointly launched with Spark is a growing success. We secured a key contract with a major distributor and have plans to raise over 90,000 chickens in 2014, which will set us well on our way to financial sustainability.

We invite you to come visit and meet the children whose lives you are helping to transform.



**Charles Mumba**

Executive Director & Co-Founder

Hope Ministries, Zambia





# Asociación Las Tías

## Nicaragua



over **2000**  
children  
served to date



**1st** Partnership  
Trip to Nicaragua



Psychologist &  
Social Worker  
added to staff



**30** acre farm  
to be launched



in **2014**

The merchant women who launched Las Tías 24 years ago, in the dingy back corner of the local market, always had big aspirations for the youth of their community. They built Las Tías from the ground-up with unmatched force of will, and now they run two youth facilities with a dedicated staff raising leaders for the next generation.

True to their roots as entrepreneurs, their eyes glow when discussing the business planning underway that will ensure financial sustainability for Las Tías. While they continue to focus on providing holistic support to the children served today, the Las Tías leaders are excited about an agricultural project that will fund their programs for the future.





*"We live in a global community, and it means so much to be a part of this, even a small part."*

Jeff Plaisted

2013 Nicaragua Partnership Trip Participant



**Muriel, Age: 8**

**Muriel is bright - a top performer in her second grade class** despite the fact that her classmates sometimes tease her about her weight.

To ensure her continued success, the Las Tías social worker has worked one-on-one with Muriel to improve her self esteem. To be sure teasing at school doesn't extend to Las Tías' facilities, the on-staff Psychologist runs regular anti-bullying workshops.

Muriel is a second generation Las Tías beneficiary - her mother received support when she was a teen.

Now, she and Muriel's father attend the Las Tías parenting workshops to learn how to best provide a healthy and nurturing home for Muriel.



# The Spark Ventures Community

more than **700**  
investors in **2013**



annual income  
growth of **80%**



The Spark Ventures community came together spectacularly to move the needle in 2013. Matching grants from two generous investors rallied record breaking support from supporters across the country. Annual income growth of 80% positions Spark to invest heavily in strengthening and sustaining our international partnerships.

## Amy Hindley

Partnership Trip Participant  
January 2013 Zambia

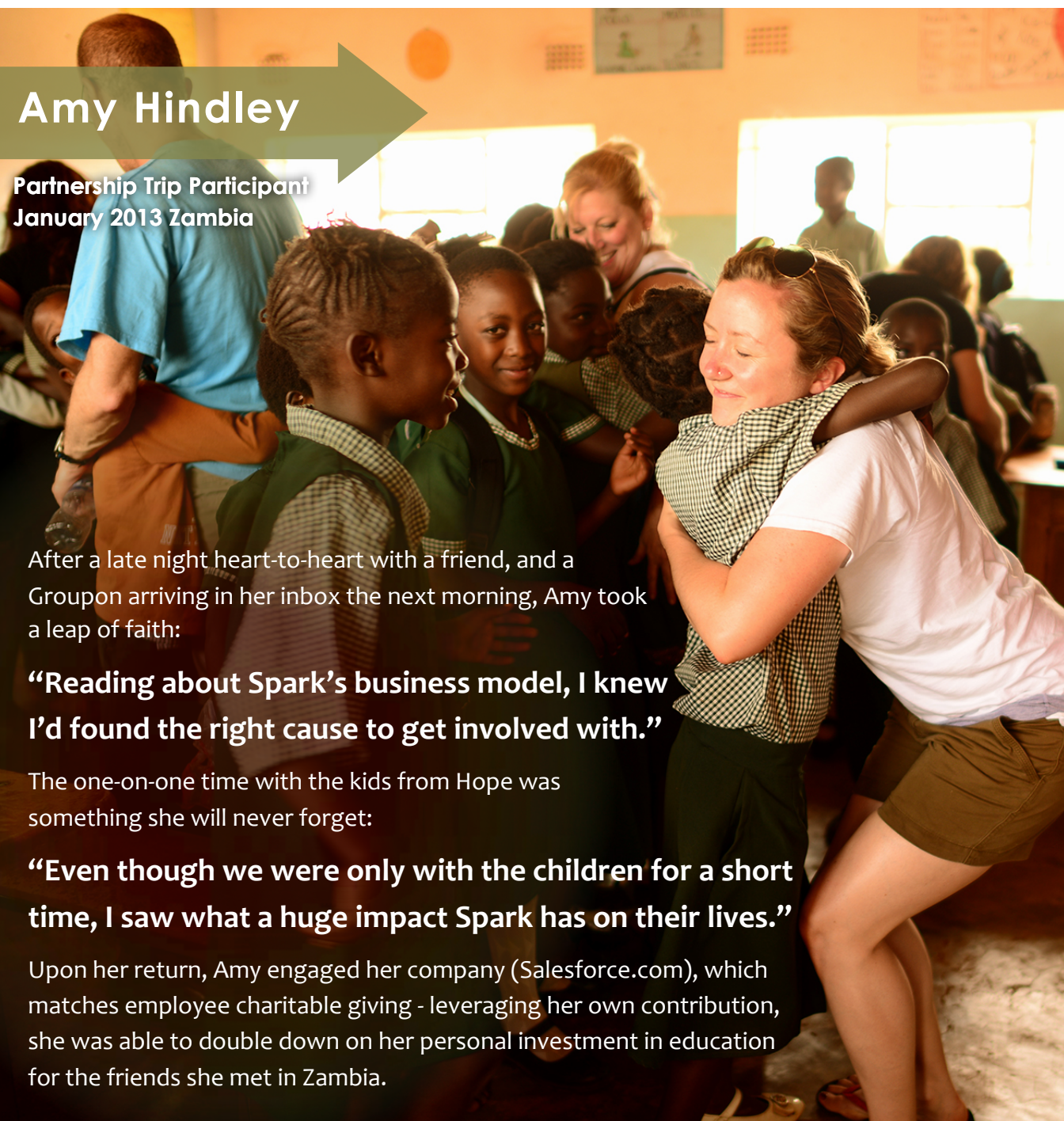
After a late night heart-to-heart with a friend, and a Groupon arriving in her inbox the next morning, Amy took a leap of faith:

**“Reading about Spark’s business model, I knew I’d found the right cause to get involved with.”**

The one-on-one time with the kids from Hope was something she will never forget:

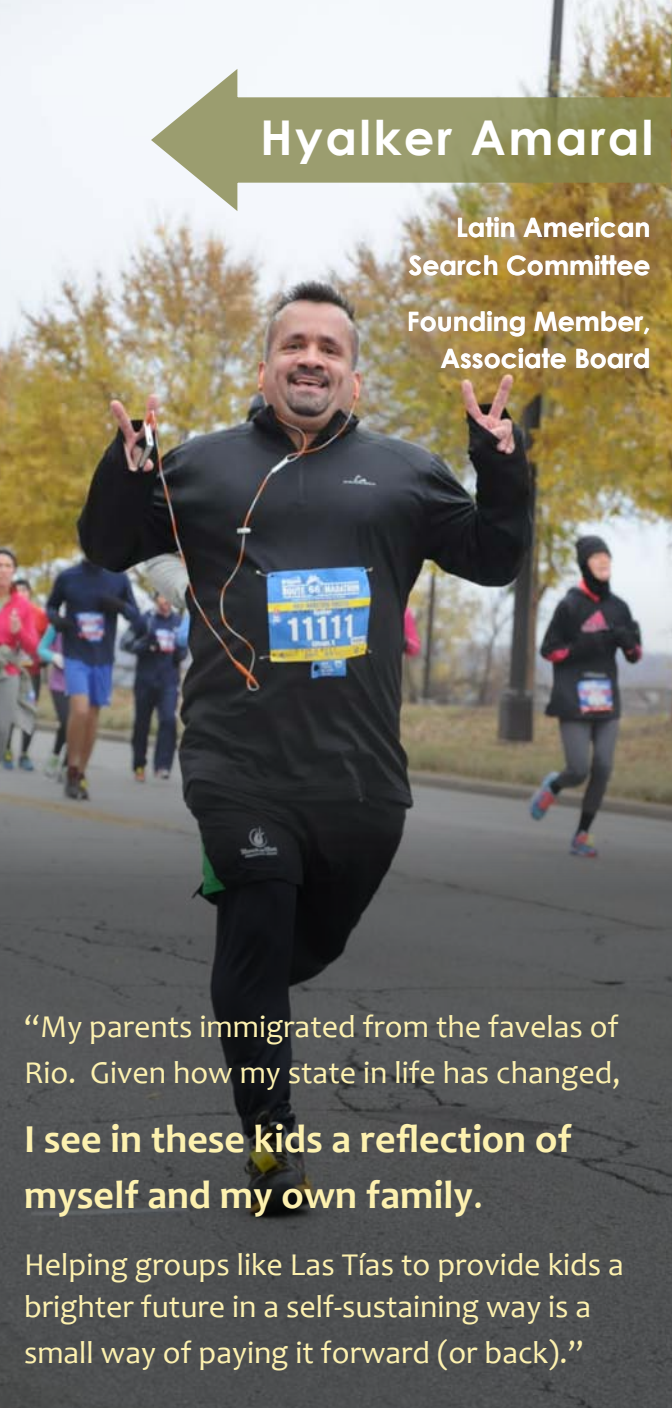
**“Even though we were only with the children for a short time, I saw what a huge impact Spark has on their lives.”**

Upon her return, Amy engaged her company (Salesforce.com), which matches employee charitable giving - leveraging her own contribution, she was able to double down on her personal investment in education for the friends she met in Zambia.





# Hyalker Amaral



Latin American  
Search Committee  
Founding Member,  
Associate Board

“My parents immigrated from the favelas of Rio. Given how my state in life has changed, I see in these kids a reflection of myself and my own family.

Helping groups like Las Tías to provide kids a brighter future in a self-sustaining way is a small way of paying it forward (or back).”

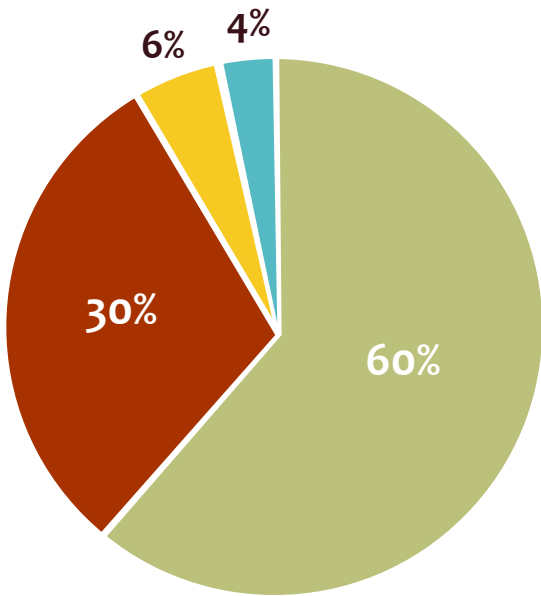
# Brian Wu

Member, Spark Ventures  
Board of Directors



“In the daily hustle and bustle of running a business and raising a family, my friends at Spark remind me what is ultimately important.

My business, College Park Athletic Club, has supported Spark Ventures for years. Our employees and clients have pride knowing they make a difference around the world through our partnership with Spark.”



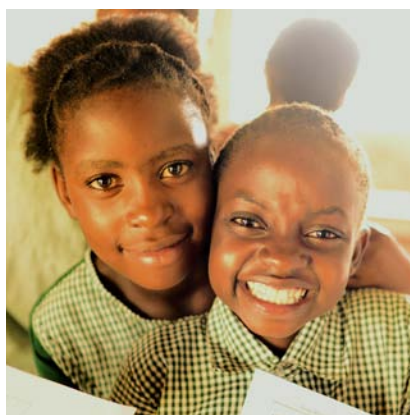
## Revenue and Other Support

- Individual Contributions
- Corporate & Foundation
- Ticket & General Sales
- In-Kind Contributions

**Total:** \$917,185

# Hope Ministries

## Zambia



over **1000**  
children  
served to date



Nutrition Training



provided to **30**  
guardians in May

**48** Partnership  
Trip volunteers



via Groupon deal

**40,000+**  
chickens

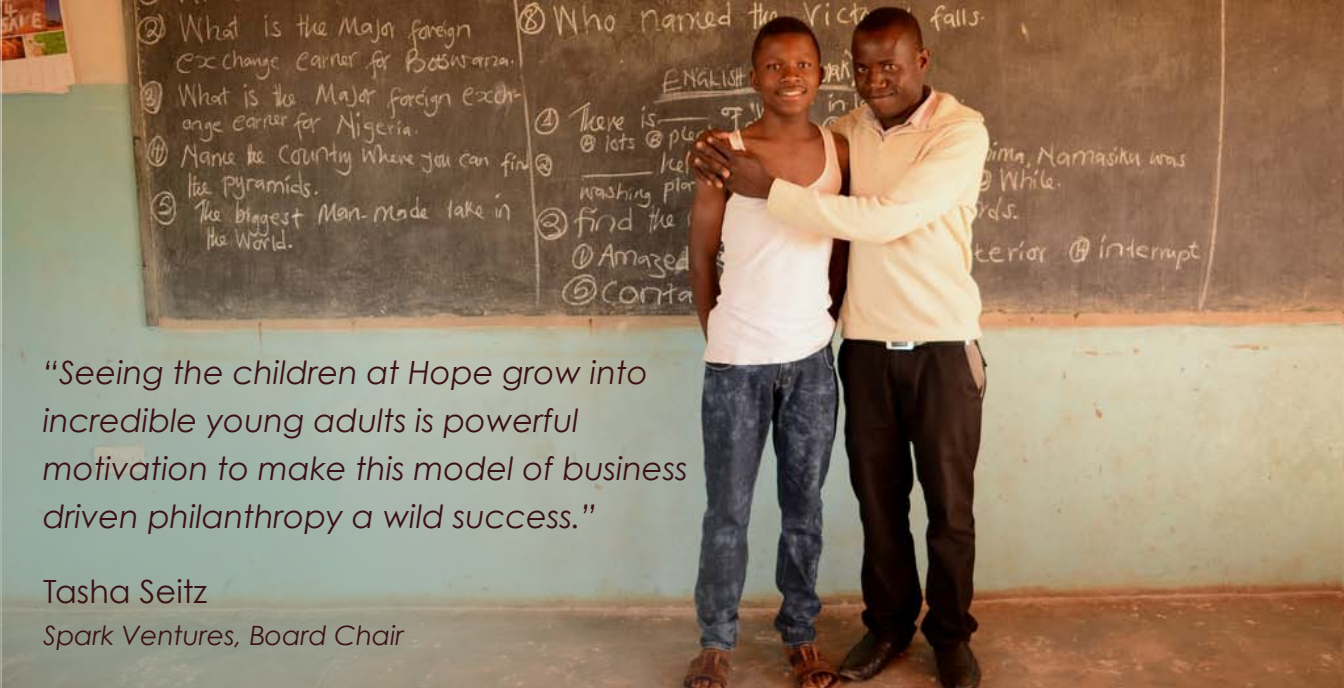


sold to date

After six years of partnership, Hope Community School is poised to graduate a Grade 7 class of students who have spent their entire primary education under the guidance of Hope's dedicated staff. Like classmates in previous years, these young people leave with a high-quality primary education, as evidenced by the 100% pass-rate on their Grade 7 national exams.

With expansion underway at the poultry farm, the coming years will see the life-changing programs of this school financially supported by this local business, Spark's investment in the sustainability and future of our Zambian partner.





*"Seeing the children at Hope grow into incredible young adults is powerful motivation to make this model of business driven philanthropy a wild success."*

Tasha Seitz  
Spark Ventures, Board Chair



## Cephas, Age: 21

Fifteen when the partnership between Spark Ventures and Hope Ministries began, Cephas had already lost family to HIV/AIDS and found himself orphaned.

Joining one of the first graduating classes from Hope Community School, he thrived as a resident of Hope House orphanage and proudly graduated from high school in 2012.

Cephas now works at the Hope Ventures poultry farm, learning all aspects of the business. This year, he enrolled in computer training class so he can help digitize the accounting functions at the farm. **He is healthy, educated and not only contributing to society, but giving back to the organizations that helped to lift him out of poverty and give him a future.**







*"We are able to take lessons learned in Zambia, and apply them in Nicaragua. With a nimble team, eager for the business launch, 2014 is going to be a big year for Las Tías."*

Lucy Jodlowska  
Spark Ventures, Director of Partnerships

# Building a Business in Nicaragua

## Cultivating Sustainability for Las Tías

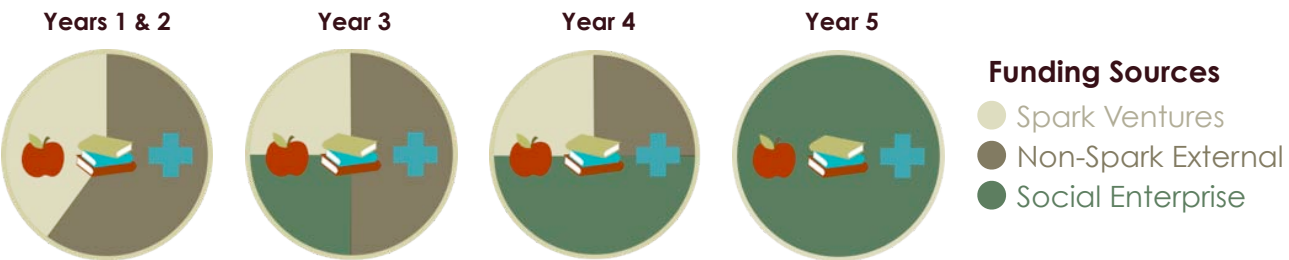
The fundamental differentiator of the Spark Ventures model is the business we jointly launch with our partner organizations. For Las Tías, this venture will ensure financial sustainability for their core programs serving some of Nicaragua’s most vulnerable children.

**Fast growing economic sectors are the target** - Launching a profitable business in the second poorest country in the western hemisphere is no small undertaking. Spark identified agriculture as having strong potential for economic growth over the next several decades.

**Profitability goals tied to sustainability benchmark** - Las Tías serves 150 children each year and hundreds of family members of those children. The farm will be responsible for progressively off-setting the expenses for this programming, generating profit that will eventually sustain 100% of Las Tías’ operations.

**Minimizing challenges while leveraging the network** - The Spark/Las Tías team is working on a plan for the farm that takes into account potential challenges ranging from weather to complex distribution models. Strategic and technical advisors within the country as well as from Spark’s talented support network in the U.S. are critical to the success of this venture.

As the agribusiness in Nicaragua grows in profitability, these funds will offset the nutrition, education and healthcare programming costs of Las Tías. Spark Ventures’ current financial role to support the organization, as well as that of Las Tías’ other funders, will be replaced by revenue from this local social enterprise.





## 2013 Board of Directors

### **Tasha Seitz**

#### **Chair**

*Partner, JK&B Capital*

### **Scott Barbeau**

#### **Vice Chair**

*Co-Founder, Spark Ventures*

*Professional Musician*

### **Nancy O'Leary**

#### **Treasurer**

*CFO, JK&B Capital*

### **Gary Vlk**

#### **Secretary**

*Co-Founder and Executive VP,*

*One Smooth Stone*

### **Molly Baskin**

*Managing Director,*

*Ansley Consulting Group*

### **David Goldstein**

*Founder and Attorney,*

*David Goldstein & Associates, LLC*

### **Steve Gant**

*Managing Director,*

*Modulo Security Solutions*

### **Michael Komasinski**

*President and Group Managing Director,*

*Schawk Retail Marketing*

### **Dan Marcus**

*Investment Advisor,*

*Marcus Capital, LLC*

### **Patti O'Neil**

*Treasurer and Assistant Professor,*

*Rush University Medical Center*

### **Ross Parr**

*Vice President, Global Sales,*

*SaskTel International*

### **Koji Torihara**

*Senior Manager, International Finance*

*Boeing*

### **Stacy Wells**

*Senior VP, Relationship Manager,*

*Wells Fargo*

### **Brian Wu**

*General Manager,*

*College Park Athletic Club*

## Leadership Team

### **Rich Johnson**

*CEO & Co-Founder*

### **Lucy Jodlowska**

*Director of Partnerships*

### **Stephanie Denzer**

*Program Manager*

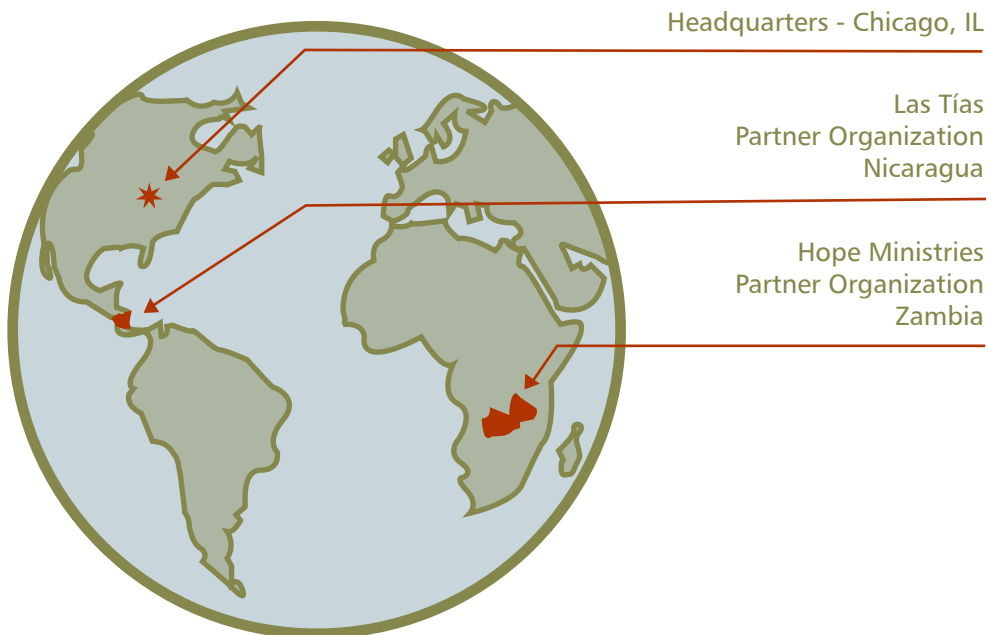
### **Marcia McDonnell**

*Finance Manager*



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