

# 2009-2010 Annual Report





## A Message from the Executive Director

Dear Spark Investors,

Synergy is the idea that the total can be more than the sum of the individual parts. As we often say at Spark Ventures, we can do more together than we can alone.

This past year, each individual Spark investor played an important role in the success of our mission—helping vulnerable children achieve their potential through sustainable grassroots partnerships. But it was the combined impact of the entire *Spark investing community* that far exceeded any of our individual efforts or expectations.

### A Message from Our Partner

*"On behalf of Hope Ministries and the children we serve, we would like to say thank you. Your support has benefited our children and many people in our community of Twapia. By providing some of the basic needs, you contributed to the children's health and education in a great way. Thank you so much for your support."*

- Charles Mumba  
Executive Director, Hope Ministries



Charles Mumba (left) with Hope Ministries' Board Chairman Sandy Kandolo (center) and Rich Johnson (right) at the dedication of the Shelby Goldstein Schoolhouse

Together this year in Zambia, we tested and treated for malaria and provided bed nets to the children of Hope Community School. Together, we provided clean water and thousands of meals to undernourished students, resulting in better health and increased school attendance. Together, we were able to construct and open the seven-classroom Shelby Goldstein Schoolhouse now serving more than 300 orphans and vulnerable children. And together, we raised the funds to launch a poultry farm to help Spark's partner Hope Ministries move towards financial independence.

In the coming year, Spark's growing community of more than 800 investors will help us increase child medical check-ups by 33%, serve an additional 15,000 meals, improve teacher qualifications, ensure a profitable farming business, and travel in record numbers to Zambia to experience and contribute to Spark's partnership model first hand. Our work together will result in more stories of strong, healthy, well-educated children served by sustainable partner organizations.

Ultimately, the story and impact of Spark Ventures is directly linked to you, our investors. So I encourage you to share the story, invite others to join the adventure... and watch synergy at work.

With great anticipation,



Richard A. Johnson  
Executive Director

## Top 10 Highlights

*Spark Ventures' work and its partnership with Hope Ministries in Zambia has resulted in the following highlights for 2009-2010.*

### Partner Programs & Development

- 45,000 meals served in a year-round meal program, 9,000 more than last year
- 600 medical check-ups administered, a 20% increase from last year
- Hope Ministries grows to 23 full-time employees
- 100% of Hope Community School graduates certified as peer HIV/AIDS educators

### Partner Infrastructure & Capital

- Shelby Goldstein Schoolhouse completed, opened and dedicated
- Funds raised and land purchased for Phase 3 Poultry Farm project with Hope Ministries

### Organizational Growth

- Spark's second full-time staff member hired as Program Director
- Child Sponsorships grow to 203 total sponsorships
- 282 new individual, foundation and corporate investors
- Successful completion of \$150,000 matching grant campaign, the second successful \$150,000 campaign in two years



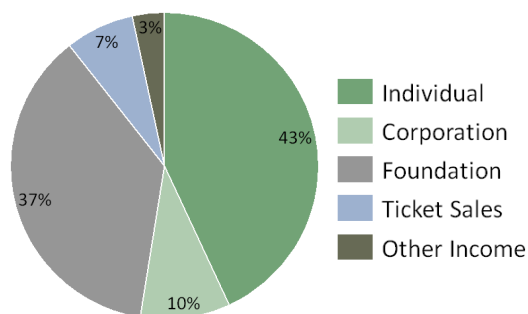
# Statement of Activities

For the years ended June 30, 2009 and 2010

	Year Ended June 30, 2010				Year Ended June 30, 2009
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
<b>Revenue and Other Support:</b>					
Contributions	\$ 271,996	\$ 148,174	\$ -	\$ 420,170	\$ 549,890
Underwriting	4,825	-	-	4,825	48,320
In-Kind Contributions	7,839	-	-	7,839	505
Other Income	21	-	-	21	1,185
Net Assets Released from Restrictions in Satisfaction of Program Restrictions	174,792	(174,792)	-	-	-
<b>Total Revenue and Other Support</b>	<b>459,473</b>	<b>(26,618)</b>	<b>-</b>	<b>432,855</b>	<b>599,900</b>
<b>Expenses:</b>					
<b>Program Services:</b>					
Partner Programs	215,447	3,250	-	218,697	180,449
Services to Sponsors	3,723	-	-	3,723	10,982
Education and Awareness	25,367	-	-	25,367	61,291
Transformation Trips	-	39,249	-	39,249	52,183
<b>Total Program Services</b>	<b>244,537</b>	<b>42,499</b>	<b>-</b>	<b>287,036</b>	<b>304,905</b>
<b>Support Services:</b>					
Fundraising	75,606	-	-	75,606	66,031
General & Administrative	50,978	-	-	50,978	62,114
<b>Total Support Services</b>	<b>126,584</b>	<b>-</b>	<b>-</b>	<b>126,584</b>	<b>128,145</b>
<b>Total Expenses</b>	<b>371,121</b>	<b>42,499</b>	<b>-</b>	<b>413,620</b>	<b>433,050</b>
Change in Net Assets	88,352	(69,117)	-	19,235	166,850
<b>Net Assets - Beginning of Year</b>	<b>137,123</b>	<b>174,792</b>	<b>-</b>	<b>311,915</b>	<b>145,065</b>
<b>Net Assets - End of Year</b>	<b>\$ 225,475</b>	<b>\$ 105,675</b>	<b>\$ -</b>	<b>\$ 331,150</b>	<b>\$ 311,915</b>

## Revenue and Other Support

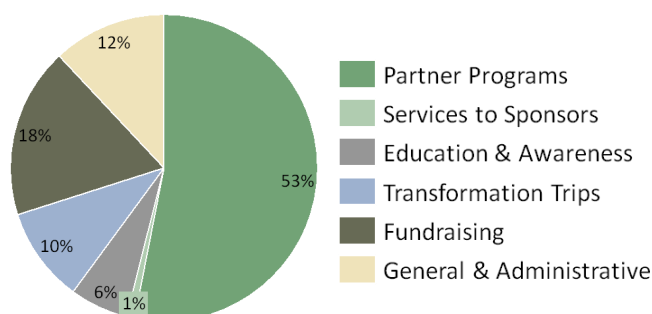
For the year ended June 30, 2009



Other Income includes In-Kind Contributions (2%), Underwriting (1%) and Sales (<1%).

## Expenses

For the year ended June 30, 2009



# Statement of Functional Expenses

For the years ended June 30, 2009 and 2010

	Program Services					Support Services			Total Expenses	
	Partner Programs	Services to Sponsors	Education & Awareness	Transformation Trips	Total Program Expenses	Fund-raising	General and Admin.	Total Support Expenses	Year Ended June 30, 2010	Year Ended June 30, 2009
Partner Operations	\$ 120,132	\$ -	\$ -	\$ -	\$ 120,132	\$ -	\$ -	\$ -	\$ 120,132	\$ 155,817
Professional Services	564	-	50	-	614	4,035	13,406	17,441	18,055	24,248
Occupancy	48	12	3,382	262	3,704	4,234	6,386	10,620	14,324	4,697
Outreach & Events	-	-	8,016	-	8,016	14,176	-	14,176	22,192	51,416
Travel	12,403	1,578	3,006	37,802	54,789	1,979	88	2,067	56,856	91,121
Supplies	2,798	812	1,497	730	5,837	3,242	1,720	4,962	10,799	7,627
Postage and Freight	87	586	204	-	877	1,855	261	2,116	2,993	883
Marketing	-	690	8,592	184	9,466	13,630	952	14,582	24,048	12,357
Meals & Entertainment*	493	12	472	259	1,236	1,023	952	1,975	3,211	N/A
Salaries & Benefits	66,010	-	-	-	66,010	28,534	25,695	54,229	120,239	81,031
Donated Goods & Services*	-	-	-	-	-	2,634	-	2,634	2,634	N/A
Equipment*	16,162	33	148	12	16,355	264	1,518	1,782	18,137	N/A
Other Expenses*	-	-	-	-	-	-	-	-	-	3,853
<b>Total Expenses</b>	<b>\$ 218,697</b>	<b>\$ 3,723</b>	<b>\$ 25,367</b>	<b>\$ 39,249</b>	<b>\$ 287,036</b>	<b>\$ 75,606</b>	<b>\$ 50,978</b>	<b>\$ 126,584</b>	<b>\$ 413,620</b>	<b>N/A</b>
<b>Total Expenses for Year Ended June 30, 2009</b>	<b>\$ 180,449</b>	<b>\$ 10,982</b>	<b>\$ 61,291</b>	<b>\$ 52,183</b>	<b>\$ 304,905</b>	<b>\$ 66,031</b>	<b>\$ 62,114</b>	<b>\$ 128,145</b>	<b>N/A</b>	<b>\$ 433,050</b>

\*Three new accounts, Meals & Entertainment, Donated Goods & Services and Equipment, were added in the year ended June 30, 2010.

To see the complete version of Spark Ventures' audited financial statements for the years ended June 30, 2010 and June 30, 2009, please go to [www.sparkventures.org/info/financial-accountability](http://www.sparkventures.org/info/financial-accountability).

To see the 2010 Honor Roll of Spark investors, please go to [www.sparkventures.org/invest/2010-honor-roll](http://www.sparkventures.org/invest/2010-honor-roll).

## From Sponsor to Leader: The Journey of a Spark Investor

Steve Karceski participated in Spark Ventures' December 2008 Transformation Trip, sponsors two Spark children and has recently joined Spark's inaugural Junior Board. Steve took a moment to share his thoughts on Spark, the Junior Board and the work being done for the children of Zambia.

### Tell us a little about yourself and how you go involved with Spark.

I'm 23 years old, and I graduated from North Park University, which is where I met Spark's executive director Rich Johnson and first became interested in Spark.

### What do you think makes Spark different from other organizations?

One thing that makes Spark so unique is that they have the long-term goal of making the partner organization survive on its own. Plus, investors are able to see the impact that Spark is having. On my trip to Zambia, I saw with my own eyes the way that Spark was affecting my sponsored child's life. I saw the schoolhouse, the new orphanage, and the meals being served to the kids. It inspired me to sponsor another child through Spark.

### Why did you decide to join Spark's recently launched Junior Board?

When I heard Spark was going to have a Junior Board I jumped at the chance to join. I saw it as a way to stay involved on a higher level. I hope that we'll be able to expand Spark's reach to young professionals because getting more young people involved with Spark will lead to more support down the road.

### How has being involved with Spark impacted you?

The trip to Zambia was probably the best experience I've ever had, and it made me want to be involved and give my support. This is the first time I've been so passionate about an organization, and I'm very proud that I can be a part of Spark's work.



Steve Karceski with a Hope Community School student during his December 2008 trip to Hope Ministries in Zambia



## Statement of Financial Position

For the year ended June 30, 2009 and 2010

	Year Ended June 30	
	2010	2009
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 208,614	\$ 208,030
Unconditional Promises to Give	-	25,000
Assets Held for Sale	485	-
Loans Receivable	7,664	-
Grants Receivable	75,000	75,000
<b>Total Current Assets</b>	<b>\$ 291,763</b>	<b>\$ 308,030</b>
<b>Property and Equipment</b>		
Furniture and Equipment, Net of Accumulated Depreciation	6,247	4,317
<b>Total Property and Equipment</b>	<b>6,247</b>	<b>4,317</b>
<b>Other Assets</b>		
Partner Loan Receivable	35,000	-
<b>Total Other Assets</b>	<b>35,000</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 333,010</b>	<b>\$ 312,347</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 1,860	\$ 432
<b>Total Current Liabilities / Total Liabilities</b>	<b>1,860</b>	<b>432</b>
<b>Net Assets</b>		
Unrestricted	225,475	137,123
Temporarily Restricted	105,675	174,792
Permanently Restricted	-	-
<b>Total Net Assets</b>	<b>331,150</b>	<b>311,915</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 333,010</b>	<b>\$ 312,347</b>

## Board of Directors

2009-2010

**Richard Johnson,**  
President &  
Executive Director  
*Director of University  
Ministries, North Park  
University*

**Scott Barbeau,**  
VP & Treasurer  
*Professional Musician*

**David Goldstein**  
*Founder and Attorney,  
David Goldstein &  
Associates, LLC*

**Robert Hon**  
*VP, Credit Suisse  
Securities*

**Daniel Marcus**  
*Investment Advisor,  
Marcus Capital, LLC*

**Nancy O'Leary**  
*CFO, JK&B Capital*

**Tasha Seitz**  
*Partner, JK&B Capital*

**Tiffany Staman**  
*Associate Director of  
Development,  
Rockford Rescue  
Mission*

**Gary Vlk**  
*Co-Founder and  
Executive VP, One  
Smooth Stone*

**Stacy Wells**  
*VP, Relationship  
Manager, Wells Fargo*

**Brian Wu**  
*General Manager,  
College Park Athletic  
Club*

**Princess Kasune  
Zulu**  
*International AIDS  
Activist; Author*

*\*For a current list of the Board of Directors,  
please visit our [website](#).*

## Finding Hope: The Story of Bright Mambwe

When Bright Mambwe's father fell ill from AIDS, he had only one thought. Not about how to get the ARVs that might extend his life or what additional symptoms of the syndrome to expect, but rather how to get his son into Hope Community School.

Bright, an incredibly intelligent twelve-year-old, had not attended school in over a year because his family did not have the funds to send him to a government or private school, which charge tuition of roughly \$80 per year. His father knew, however, that with a sick and possibly dying father and a mother who passed away years ago, his son would need an education above all else.

Getting a quality education for his children had proven difficult in the past, however. Bright's sister had attended Lubuto High School but was kicked out when the family could not afford to purchase a new uniform when hers was accidentally burned. So, Bright's father walked from the single room in the small mud house that he rents to Hope Community School and pleaded for a place for his son. Touched by the child's tenuous circumstances, Headteacher Ng'oma accepted Bright into the school, and Bright has been thriving ever since. Through the Spark-Hope partnership, he receives not only an education that will help lift him out of the cycle of poverty his family has endured but also a steady source of nutrition, health care and emotional support.

Having been weighted down by the tragedies of his childhood, Bright loves the thought of the weightlessness of flying and dreams of being a pilot one day, a dream that only an education can help him achieve.



*Bright Mambwe outside his home in  
Twapia, Zambia*



Spark Ventures exists to form **partnerships** with **high-impact** organizations around the world that help **vulnerable children** achieve their **potential**.