

# spark ANNUAL REPORT 2023



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- **Foreword**

Forew



The year 2023 marked the first anniversary of Russia's war on Ukraine, devastating earthquakes across Türkiye and Syria, flooding in Libya and the escalation of the Israeli-Palestinian conflict and the massive destruction of Gaza. Youth, women and refugees living in these and other conflict- and crisis-affected situations face major, intersecting crises that continue to be compounded by the impact of the COVID-19 pandemic, global economic recessions and the escalating climate emergency. These crises show us that SPARK's work supporting youth to access economic opportunities is now more important than ever before. They also remind us that early economic recovery interventions must be prioritised in combination with humanitarian aid to ensure inclusive and sustainable solutions for young people.

Over the course of 2023, SPARK's Strategy 2030 — which was developed in 2022 — began to be implemented throughout the organisation. The seven-year strategy ensures SPARK's work becomes more localised, more effective and even more impactful in delivering economic development in fragile and conflict-affected situations. Strategy 2030 focuses on three key sectors: green business, agri-business and digital technology, and in 2023, many of the Programmes began contextualising these ambitions to meet local needs.

In line with the main tenet of SPARK's Strategy 2030, over the course of 2023, the organisation worked with and supported the capacity building of 119 local partner organisations. Our commitment to shifting power, resources and funding into the hands of local stakeholders, whilst ensuring they upskill, remains ever-present. Taking the organisation's renowned IGNITE conference to three different regions in 2023 — Dubai, Beirut and Tunisia — also enabled many of SPARK's partners to share their expertise, form new partnerships and enhance their knowledge.

Through our entrepreneurship Programmes, SPARK and its partners trained 3,244 entrepreneurs in business skills and supported 2,179 with tailored coaching and mentoring. Over 1,500 entrepreneurs received access to finance to help them start or grow their enterprises and 1,162 micro, small and medium enterprises (MSMEs) are now growing as a result of our support. This support to startups and MSMEs has created 571 new businesses and led to over 2,300 new jobs within directly supported businesses.



- **Through our employability and employment Programmes, over 2,600 young people were coached or trained in job-specific or soft skills for employment.**

Of these youth, 1,842 were directly matched with a job and more than 1,300 were matched with an internship or traineeship position. Throughout the year, SPARK worked with higher education institutions to develop or improve curricula and to train faculty staff in updated teaching methodologies, for the benefit of many thousands of future students.

Furthermore, in 2023, we conducted an impact measurement exercise for our LEAD 2 Programme in Tunisia and Somalia/land, in partnership with the International Security and Development Center (ISDC) research institute. Through this, we generated empirical evidence that the Programme realised its intended impact, namely a positive contribution to the stability of its targeted communities.

The year also brought about several internal shifts within SPARK, including a change of leadership. In September 2023, SPARK's Supervisory Board and Board of Directors jointly announced that Yannick du Pont would step down from his role as Chief Executive Officer (CEO) and leave the organisation at the end of the year. Similarly, Michel Richter, Director of Programmes, also left the organisation in December 2023. The Supervisory Board appointed an interim CEO, Peter de Ruyter, who coordinated the successful appointment of a new Board of Directors — including Simon van Melick and Christel Bultman as CEO and COO respectively — beginning from January 2024.

With the new leadership in place, SPARK is ready to continue to strengthen pathways to jobs for vulnerable youth. With the Strategy 2030 at hand and our networks of international, national and local partners growing, we are confident that SPARK can improve economic inclusion and support the stability of regions affected by instability and conflict.

**Simon van Melick (CEO)  
Christel Bultman (COO)  
Board of Directors, SPARK**





- **Supervisory Board statement**

Supervisory Board statement

# ● Supervisory Board statement

In 2023, SPARK began implementing its Strategy 2030, developed in 2022, to make its work more localised, effective, and impactful in fragile and conflict-affected situations. This strategy focuses on green business, agri-business, and digital technology. Localisation is a key track of this strategy: SPARK supported and built the capacity of 119 local partner organisations in 2023, emphasising the transfer of power, resources, and funding to local stakeholders while ensuring they upskill. With many of these partners SPARK started to co-create initiatives and innovative Programmemes with support of its donors. The SB is pleased to see how the implementation of the Strategy 2030 has begun and how it shows the core values and virtues of the organisation, with a special mention for its ‘can do’ way of working and a clear focus on generating impact.

Mid year the SB and Board of Directors (BoD) jointly announced a change to SPARK’s leadership. Yannick du Pont stepped down from his role as CEO of SPARK. With the new Strategy 2030 in place and divergent stances between the BoD and the SB on how to take it forward, we had mutually decided this is the best way moving ahead. While ensuring immediate continuity, Peter de Ruyter, a member of SPARK’s SB since 2021 acted as SPARK’s interim CEO and coordinated the successful appointment of the new BoD. Christel Bultman, with a vast experience within the humanitarian and development sector, started as SPARK’s new COO on December 1, 2023. Simon van Melick, who has been working for SPARK for more than a decade in different leadership roles, joined the BoD as the new CEO on January 1, 2024.

The Supervisory Board also underwent changes in 2023: 3 new members were added to the SB: Lizette van der Kamp, Fawad Shah and Shireen Yacoub. The SB now holds 6 members.

Going forward, with the Strategy 2030 and a new leadership in place, the SB sees that SPARK has started an exciting new chapter and is committed to improving its operational excellence and accountability, ambitiously building on the organisation’s credentials of delivering impactful Programmemes for the people it serves and works with.

The Supervisory Board acknowledges the commitment and enthusiasm of SPARK and its staff – and of course the local partners. In the face of frequently shifting work conditions, revised Programmeme plans and day to day to challenges, SPARK continues to improve its results, partnerships and governance. Equally important has been the collaboration, trust, and adaptability of our donors, which have been essential to SPARK’s sustained operations throughout the year.

We deeply appreciate their ongoing and valued support.

André Veneman  
Chair Supervisory Board



- **Our work  
in numbers**

Our work  
in numbers

# • Our work in numbers



**1,519**

**entrepreneurs** received access to finance



**571**

**new businesses** created



**1,842**

**people** matched with a **job**



**1,162**

existing **businesses** growing



**1,302**

**people** matched with an internship or traineeship



**2,309**

**jobs** created in directly supported businesses



**119**

**local partner organisations** received capacity building **support**



**7**

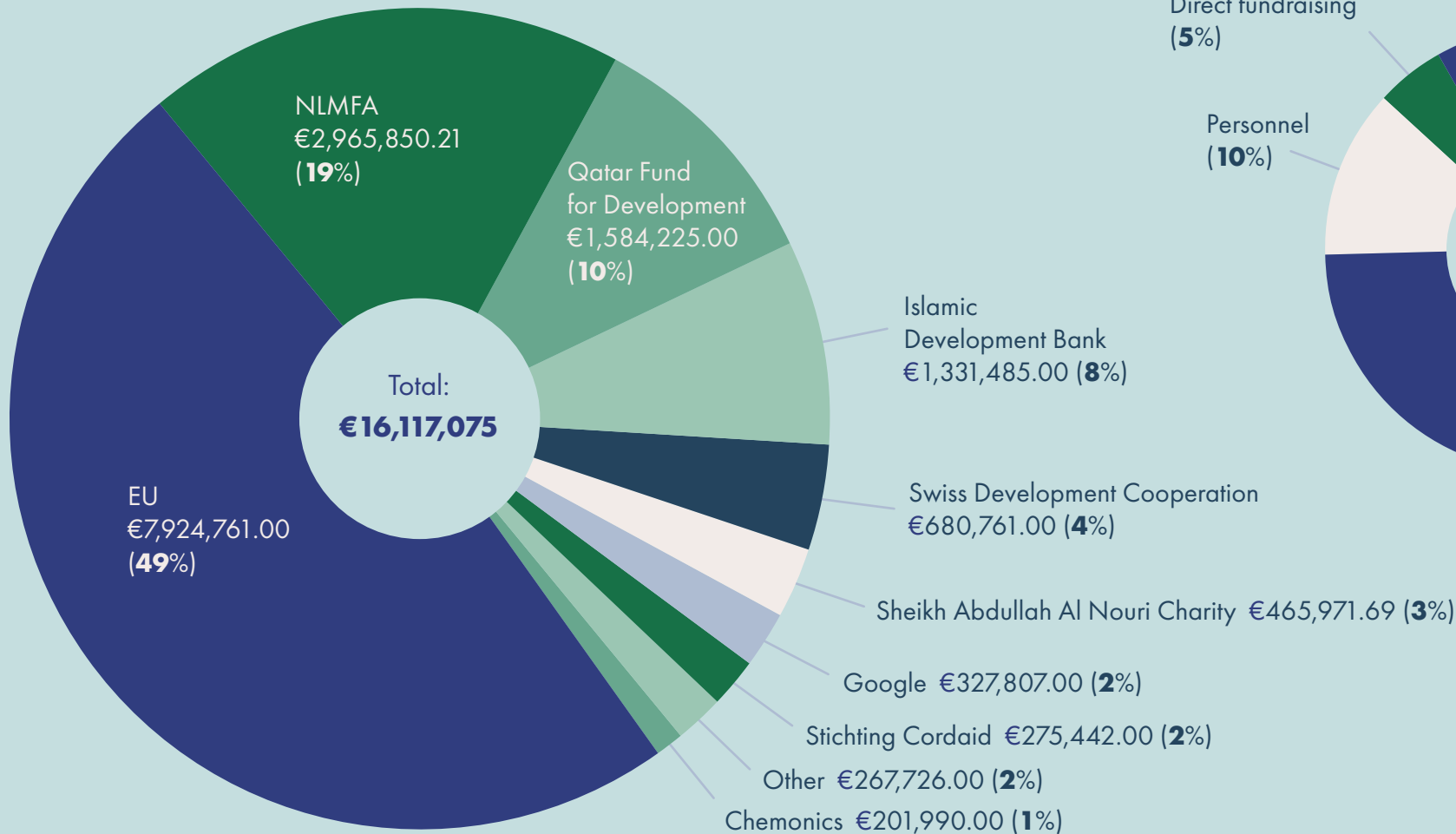
**employability and entrepreneurship curricula** developed or improved at higher education institutions



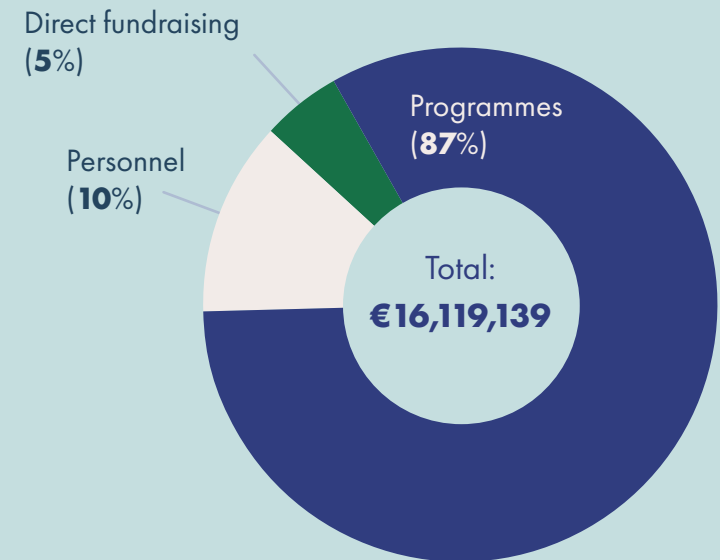
**853**

higher education **scholarship recipients** graduated

## • Where our funding comes from



## • How our funding is spent





- **How we create pathways to jobs**

How we create pathways to jobs

# How we create pathways to jobs

## Mission

SPARK's mission is to create impactful jobs for youth in growth sectors, support ambitious and innovative entrepreneurs and grow businesses in fragile and conflict-affected situations.

## Vision

The jobs created through SPARK's support have long-term effects on individual lives, create hope and realise impact for communities in regions where this is needed the most. By doing so, SPARK — together with local and international partners — contributes to the foundations of sustainable post-conflict economic recovery and stability. SPARK's support is market-driven and focuses on young people, as we envision a world in which young men and women play an active role in the socio-economic development of their societies.

## Our four pillars

### Skill up

Higher education curricula and career centres become stronger and give youth access to market-relevant skills and entrepreneurship training

### Match up

Enabling youth to access jobs through market-relevant (higher) vocational education and internships/traineeships and actual job matching

### Start up

Jobs are created by supporting promising, high-potential entrepreneurs (startups) with coaching, access to finance and markets

### Scale up

Jobs are created by scaling growth

# Values





# • Narrative

Narrative

# ● Story:

## Green business



**Name:** Ramy Bawadi

**Location:** Lebanon



Greening the global economy will create 24 million additional jobs by 2030. In fragile and conflict-affected situations, green business — especially in the food sector, water and renewable energy — has enormous scaling and growth potential. It is also one of the areas with the most projected external public and private investment. SPARK's focus in this sector is on greening of business processes and business support to high growth potential MSMEs with a green product, as well as green jobs.

The 'From Innovation to Creation' Programme, financed by the European Union, takes a comprehensive approach to strengthening startup ecosystems in Jordan, Lebanon, Palestine and Tunisia. The Programme fosters a supportive environment for entrepreneurship with a specific focus on nurturing innovative green and digital solutions within the startup space. Existing startup ecosystems and Innovation Support Organisations (ISOs) in the region vary in their capacities — especially in terms of managerial and operational skills — and opportunities for networking, especially across countries, are scarce. Therefore, both the tailor-made capacity building for the ISOs and the networking opportunities between Programme partners helped to equip them with the skills to mature, improve their services and digitalise the delivery.

The 'From Innovation to Creation' Programme has supported a total of 400 startups with mentoring and coaching — over 90 of which were in the green sector — alongside providing direct assistance to ISOs supporting green or digital businesses. Startups are selected based on the innovativeness of their ideas, ensuring a targeted approach to fostering growth and sustainability in these critical sectors. In addition, more than 50 startups have been provided with financial support.

SPARK's focus was on capacity building, both regionally for Programme partners and by partners for ecosystem actors. Through tailored support, ecosystem mapping and capacity assessments, we identified partners' strengths and areas for improvement, facilitating a regional support network.

Although the overall number of applications for startup support has been very high — indicating a strong interest in the Programme — the focus and scalability of startups has been limited. This was particularly an issue for ISOs targeting startups in the ideation phase or slightly beyond. Many of the applications received were either from startups that did not fully meet the overall scope of the Programme or else from more advanced startups, which did not qualify. In the longer-term, our efforts to include women, marginalised groups and people from less serviced geographical areas as beneficiaries has strengthened the pipeline of future businesses led by these groups; however, in the immediate term, this has resulted in the inclusion of less developed initiatives within the Programme.

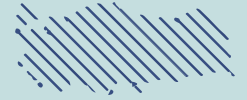
To both address these challenges and avoid duplication, SPARK facilitated coordination meetings between partners in each country. Additionally, our partners were involved from the start of the outreach and selection process, and their expertise proved helpful in identifying higher potential startups. Regardless of these

challenges, critical selection and close cooperation between SPARK and our partners resulted in the identification of promising startups.

Accessing governmental and ecosystem entry points presents a significant challenge in countries like Lebanon due to closed governmental environments and shifting priorities. While direct changes at the government level have been elusive, SPARK has identified strategic entry points and facilitated stakeholder engagement, overcoming barriers to collaboration.

In collaboration with Cewas - Flourish in Lebanon, SPARK has successfully engaged policymakers and other stakeholders to produce a policy paper on waste management business models. This paper serves as a vital resource, providing tools and guidance for businesses in the green sector to establish sustainable waste management practices.

## ● Story: Digital technology



**Name:** Omar Dahkoul  
and Osama Hanawi  
**Location:** Türkiye



By 2030, digital technology is projected to remain the fastest growing sector in most fragile states. It caters for the youth, women and refugees we focus on and SPARK helps to bridge the digital divide for them. The digital technology sector also has excellent potential to scale, attract private sector investment and operate cross-border. In this sector, we focus on the digitisation of business processes, providing business support to growing MSMEs with a growth-oriented digital/tech product and unlocking digital jobs.



In Jordan and Türkiye, the 'Economic Resilience' Programme — financed by the Qatar Fund for Development — focused on providing general support to businesses, entrepreneurs and individuals (both students and job seekers) to generate sustainable employment opportunities. Specifically, some of SPARK's partners piloted green businesses and digitalisation support. This support included making businesses more aware of eco-friendly packaging systems and transforming their business models to incorporate digital technologies, such as e-commerce websites.

In collaboration with Souq Fann — an e-commerce platform in Jordan — we have supported home-based and female-owned businesses. This includes providing technical support on digital marketing and digital sales — including on-line stock management — and establishing their online shops on Souq Fann's website, souqfann.com. The integration of these businesses into the e-commerce platform has enabled them to reach new markets and increase their revenues, while simultaneously improving their digital skills.

Due to economic fragility in Programme countries, it is always challenging to reach female-owned businesses, including those owned by refugee women. Collaborations like those previously mentioned have encouraged other female business owners to work and try new business models in order to secure sustainable businesses without challenging cultural norms. In addition, rising prices and the impact of the earthquakes in Türkiye have severely affected the livelihoods of vulnerable communities in Programme countries. This support has allowed businesses to sustain their business models and has helped participants to access employment opportunities that provide their livelihoods.

In collaboration with our partner, Qatar Charity, we matched over 1,200 Syrian refugees with employment opportunities over the course of the Programme, and 80 new businesses have been created.

Furthermore, SPARK's 'Unlocking the Potential of Tech for Inclusivity in the Middle East' (UPTIME) Programme — financed by Google — aimed to bridge the digital gender gap in the Middle East by targeting women and youth. Specifically, the Programme focused on ensuring 60% participation of girls and young women in its activities, and on supporting them through Skill Up and Match Up interventions.

Digital skills training can be particularly transformative for women, who often face cultural and social barriers to traditional employment. Remote work and freelancing opportunities enable women to participate more actively in the economy.

UPTIME's Skill Up activities helped to equip participants with specialised digital skills, such as front-end web development, cloud computing and cloud and web hosting technologies, as well as with artificial intelligence and machine learning skills. Moreover, based on the Programme's Match Up interventions, 502 participants were eventually matched with an internship or traineeship position.

Through the IsDB STEP Programme — financed by the Islamic Development Bank — SPARK worked to increase resilience and reduce poverty for marginalised youth in Lebanon and Jordan — such as youth with a refugee background — through Match Up, Start Up and Scale Up activities.

Regarding the Programme's Match Up activities, in collaboration with the SE Factory partner in Lebanon, SPARK organised three bootcamps focusing on coding skills, soft skills development and support for finding employment among

92 youth. Based on SE Factory's rigorous curriculum and personalised assistance to the bootcamp's participants, their employability was enhanced by being matched with paid internship positions in local businesses.

Moreover, the IsDB STEP Programme supported refugee-led businesses in Lebanon and Jordan to enhance their access to both finance and local, regional and international markets. For example, in partnership with Jusoor in Lebanon, SPARK supported local startups that were active in the digital technology sector with their product development, transforming them into market-ready enterprises.

- **SPARK supported local startups that were active in the digital technology sector with their product development, transforming them into market-ready enterprises.**

## ● Story: Agri-business



Location: Burundi



By 2030, agri-business will provide up to 75% of all jobs in fragile and conflict-affected situations, especially for vulnerable communities. The sector directly contributes to food security, the primary need of populations in post-conflict societies. SPARK's focus in this sector is on supporting growing agri-business MSMEs, including those involved in post-harvest processing, distribution, trade and services.



In Rwanda, MSMEs represent over 90% of Rwandan businesses and create more than 70% of jobs. The GWIZA Programme — financed by the Swiss Agency for Development and Cooperation — supports MSMEs severely impacted by the COVID-19 pandemic. In Rwanda, there are few appropriate financial products available for MSMEs and loan costs are prohibitively high. Recognising the critical role of MSMEs in the Rwandan economy, SPARK saw the urgency and necessity to act, leading to the creation of a loan guarantee fund for MSMEs in the agri-business sector.

This initiative aimed to overcome barriers such as high-interest rates, lack of collateral and complex procedures. The Programme's dual focus was on providing financial access and capacity building, with the primary goals of safeguarding existing employment and businesses, and enabling their growth where possible. Through these efforts, the Programme sought to bolster the resilience and scalability of MSMEs during and after the pandemic.

Over 460 entrepreneurs received access to finance with 1,008 new jobs created in directly supported businesses. The activity led to significant systemic changes in several key ways, including enhanced financial inclusion. SPARK improved MSMEs' access to finance, reducing barriers like high interest rates and lack of collateral, thus enabling smaller businesses to secure previously unattainable loans. SPARK's collaboration with the government and private sector led to adjustments in financial policies and market practices, creating a more supportive environment for MSMEs and influencing future policymaking to better address their unique needs. By supporting MSMEs during the pandemic, SPARK safeguarded existing jobs, stimulated business growth and created new jobs, enhancing the local economy's resilience against future economic shocks. The project's capacity-building component equipped MSMEs with essential financial management and business operation skills, strengthening their ability to sustain and grow their businesses and contributing to a more robust economic sector. The success of the loan guarantee fund increased financial institutions' confidence in lending to MSMEs. This shift is likely to have long-term effects, encouraging more inclusive lending practices and fostering a more vibrant MSME sector. Overall, the activity created a more inclusive financial ecosystem, influenced policy changes and empowered MSMEs, thereby contributing to broader systemic change.

SPARK made similar gains in Burundi, a country hit by relatively high youth unemployment rates and an underdeveloped private sector. Part of the Akazi Keza Programme — financed by the Dutch Ministry of Foreign Affairs — was dedicated to enhancing the growth potential of MSMEs within the agri-business sector. In 2023, the Akazi Keza Programme supported 104 agri-business MSMEs to advance their entrepreneurial and technical skills through continuous proximity technical coaching — a service through which entrepreneurs are coached by people from the same community with relevant expertise. Business-owners developed marketing and organisational skills, helping them to access new markets. Knowing that access to finance and equipment is crucial for MSMEs to scale, Akazi Keza also facilitated loans for entrepreneurs through partnerships with several financial institutions, including INSHAKA, EDEN, BIJE and WISE. In Burundi, risk-averse financial institutions are often unwilling to provide loans to young entrepreneurs without a guarantee. With Akazi Keza, the financial institutions provided entrepreneurs with access to credits for investment in production capacity. The growth of these 104 businesses created 400 direct new jobs.



- **Organisation**

Organis

## ● Impact management

In order to improve our contribution to the communities we serve, SPARK continuously measures the impact of our interventions and adapts accordingly. Based on the impact measurement we conducted in 2023 — in partnership with the ISDC research institute — we generated empirical evidence that the LEAD 2 Programme's start up support contributed to the stability of targeted communities. Additionally, we gained insights into how the Programme supported systemic change in the local job creation and entrepreneurship development ecosystems. These lessons are contributing to our internal learning processes and also help us to support local partners' learning in Tunisia and Somalia/land. More information on these lessons can be found in the ISDC - LEAD 2 impact measurement report.

Based on this experience, we developed an Impact Measurement Toolkit in partnership with ISDC. This toolkit provides a detailed methodology for conducting impact measurement in a standardised way across all of SPARK's Programmes and regions. The toolkit has already informed the design of Programme evaluations that we will conduct in 2024, such as the Akazi Keza end-term evaluation and the Green Forward and Umwuga Akazi Programmes' baseline measurement exercises.

In 2023, we continued internalising our SPARK Theory of Change through dedicated SPARK Academy training sessions for all staff members. We also grew local partners' awareness of our Theory of Change, helping to align our joint impact management efforts. This training and awareness-raising played a pivotal role in our ongoing change management work at SPARK, ensuring more impact-driven operations.

## ● Localisation

To advance our drive towards localisation, SPARK has built on the achievements of 2022 — including the development of our guiding principles, localisation framework and co-creation guidelines — to refine our approach going forward. This positions SPARK to strengthen partner relationships, enhance Programmes with local knowledge and expertise, and ensure the long-term sustainability of our impact.



In 2023, we formulated policy guidelines to shape our localisation framework. This document encapsulates the significance of localisation for SPARK in relation to principles within the development aid sector. Furthermore, it outlines SPARK's specific goals and achievements, clarifies the necessary competencies and illustrates how these competencies translate into Programme-level outcomes. Criteria for strategic partnerships and a list of strategic partners were also developed. To support a comprehensive partnership policy, the due diligence process was revised along with the updated partnership selection matrix.

A crucial aspect of this initiative is the coordination and management of information on localisation within SPARK. Thus, in 2023, an internal dedicated team began working under the Community of Practice (CoP) model, taking responsibility for the main activities of the localisation track. The CoP team started to internalise 'the collaboration code', which introduces a common language within the organisation as a precondition for advancing partnership management. This effort aims to establish a new way of working for SPARK, reflected in changes to contracting, instalments and financial management, and reporting methodologies towards partners. To disseminate this knowledge and vision, a training course was conducted within the CoP.



## ● Communications

In 2023, the communications team made the decision to take SPARK's flagship IGNITE conference to important regional locations outside of Europe in order to create more equal access for stakeholders and broaden

the scope of the event. Forming partnerships with various funding institutions, SPARK organised three IGNITE events in 2023; IGNITE X DIHAD, which took place in Dubai in March 2023 as part of the DIHAD conference; IGNITE Tech-Talk in Beirut in June 2023 with Al Ghurair Foundation; and IGNITE North Africa in Tunis in October 2023, with the European Union and Dutch Ministry of Foreign Affairs. Each of the regional IGNITE events welcomed both international and local representatives from higher education, business development, government, private sector and non-profit organisations. The success of the regional IGNITE event series and various partnerships was delivered in 2023, with more regional IGNITE events planned in Istanbul, and Amman.

In addition, SPARK's leadership took part in more than 15 global summits and conferences, including the European Humanitarian Forum in Brussels, the Riyadh International Humanitarian Forum, the Ukraine Recovery Conference in London, the Islamic Development Bank Annual Meeting in Riyadh and the UNHCR's Global Refugee Forum in Geneva. At several of these events, SPARK had a speaking role, helping to elevate the organisation's profile among diverse stakeholders and media. For the Global Refugee Forum, the communications team arranged a paid partnership with Devex to highlight SPARK's partnership with Qatar Charity in Türkiye. The video interview and social media campaign by the media agency achieved over 1 million impressions.

Over the course of the year, SPARK gained a total of 10,397 new followers on social media channels and achieved almost 11,827,938 social impressions. These results are reflective of a stronger focus on prioritised channels — LinkedIn and Instagram — as well as a continuously improved approach to multimedia storytelling. The communications team developed a diverse range of audio-visual content and campaigns that reflect the hopeful, solutions-driven perspective of SPARK's work. This included stories of participants, Programme achievements and impact-focused marketing campaigns that highlighted our localisation approach and the successes of our partners.

In addition, several new communications initiatives were piloted to increase SPARK's visibility among key target audiences. Examples included a campaign for International Women's Day that featured popular Arab social media influencers and a partnership with PR agencies in the Netherlands and UAE. Working with influencers resulted in increased social media followers among youth in the Middle East and the PR agency successfully placed thought-leadership pieces in 50 Tier 2 and Tier 3 media outlets.

As well as new initiatives, SPARK's communications team were also required to rapidly respond to emerging crises impacting SPARK's work in 2023, including devastating earthquakes in Türkiye and Syria, floods in Libya, SPARK's internal leadership change and the outbreak of war in Gaza. The team worked on crisis communications plans and quickly created external content, briefings, pitch decks and other materials to respond to each crisis.

In February 2023, the communications team took part in a Communications Training Week in Istanbul, featuring trainers from Al Jazeera Media Institute, B2Press and covering developments in AI. The week enabled the team to align on Strategy 2030, build communications objectives and enhance team collaboration. A

new communications team structure was implemented in February 2023, giving greater autonomy to the Middle East communications staff. Plus, our continued efforts towards localised communications saw the continued use of long-term agreements with local film and photography companies to ensure SPARK's content is contextualised and created by communities.

Working with the HR team at SPARK, a new internal communications tool was implemented at the start of 2023, enabling stronger alignment and easier communications throughout the whole organisation. Additionally, the communications team played a crucial role in enabling SPARK staff to understand and adopt Strategy 2030 by providing training sessions for teams. To reflect the updated direction of the organisation, the communications team also updated the organisation's branding in 2023, working with a graphic designer to revive SPARK's look and feel.

**SPARK's social media analytics from January - December 2023:**

Social media channels: Facebook, Instagram, Twitter, LinkedIn	Amount	% compared to 2022
Audience growth	10,397	+21.4%
Engagements	307,249	-11.9%
Post link clicks	117,679	+7.1%
Impressions	11,827,938	+15.8%

# ● Integrity and complaints addressed

We are ensuring integrity throughout our operations by implementing checks in our HR recruitment processes and by institutionalising our organisational values and our code of conduct. Additionally, we are implementing a regular complaints handling procedure and a whistleblower procedure, with the latter providing guidance in responding to integrity matters and breaches of our code of conduct. Whistleblower complaints are directly addressed or supervised by the external confidential advisor, and the findings of relevant investigations are also communicated to SPARK's donors. In 2023, we enhanced internal awareness of fraud risks and understanding of how observed or suspected incidents can be reported and addressed. We also increased our internal financial controls through the implementation of our new internal financial controls manual.



In 2023 we received and responded to 5 regular complaints. These were expressed by Programme-participants and related to the following topics:

- Issues with currency exchange rates in stipend provision to a group of scholarship recipients in Iraq/Erbil (two complaints received on this issue and one of the two was reported by a scholarship recipient on behalf of his peers);
- An issue with the scholarship contract renewal process in Iraq/Erbil;
- Dissatisfaction with the quality of a business incubation Programme offered by a partner organisation in Tunisia;
- Issue with business startup support provided to a Programme participant by a partner organisation in Türkiye, including allegations of discrimination.

As far as the whistleblower cases are concerned, SPARK received and handled 11 internal complaints in 2023. These complaints related to internal communications matters, which were investigated and discussed by SPARK's HR team, the staff involved and respective senior managers, after which a resolution was reached. Regarding the external whistleblower complaints, SPARK continued the investigation into the Jordan financial irregularity case that was reported in 2022. This investigation was headed by SPARK's Programmes Director and resulted in legal procedures, which are currently ongoing. Furthermore, an external complaint was received by the confidential advisor regarding a member of SPARK staff misusing power to benefit specific partners. However, no further details were shared by the complainant, and therefore SPARK's confidential advisor was not able to follow up on the complaint further.

In 2023, we reflected on the relevance and effectiveness of our integrity systems, which allowed us to identify points for further improvement. The key improvement points are that the reporting and investigation mechanisms within our whistleblower procedure could be further improved by ensuring more confidentiality and protection for all those involved. Also, external stakeholders' awareness of both our whistleblower and our regular complaints reporting channels could be increased, with a focus on our Programmes' target groups. Moreover, we identified the need to continue improving our HR recruitment, procurement, partner selection and contracting and decision-making processes, with a view to enhancing the integrity controls embedded within them.

• **In 2023, we reflected on the relevance and effectiveness of our integrity systems, which allowed us to identify points for further improvement.**

# Summary of Programmes

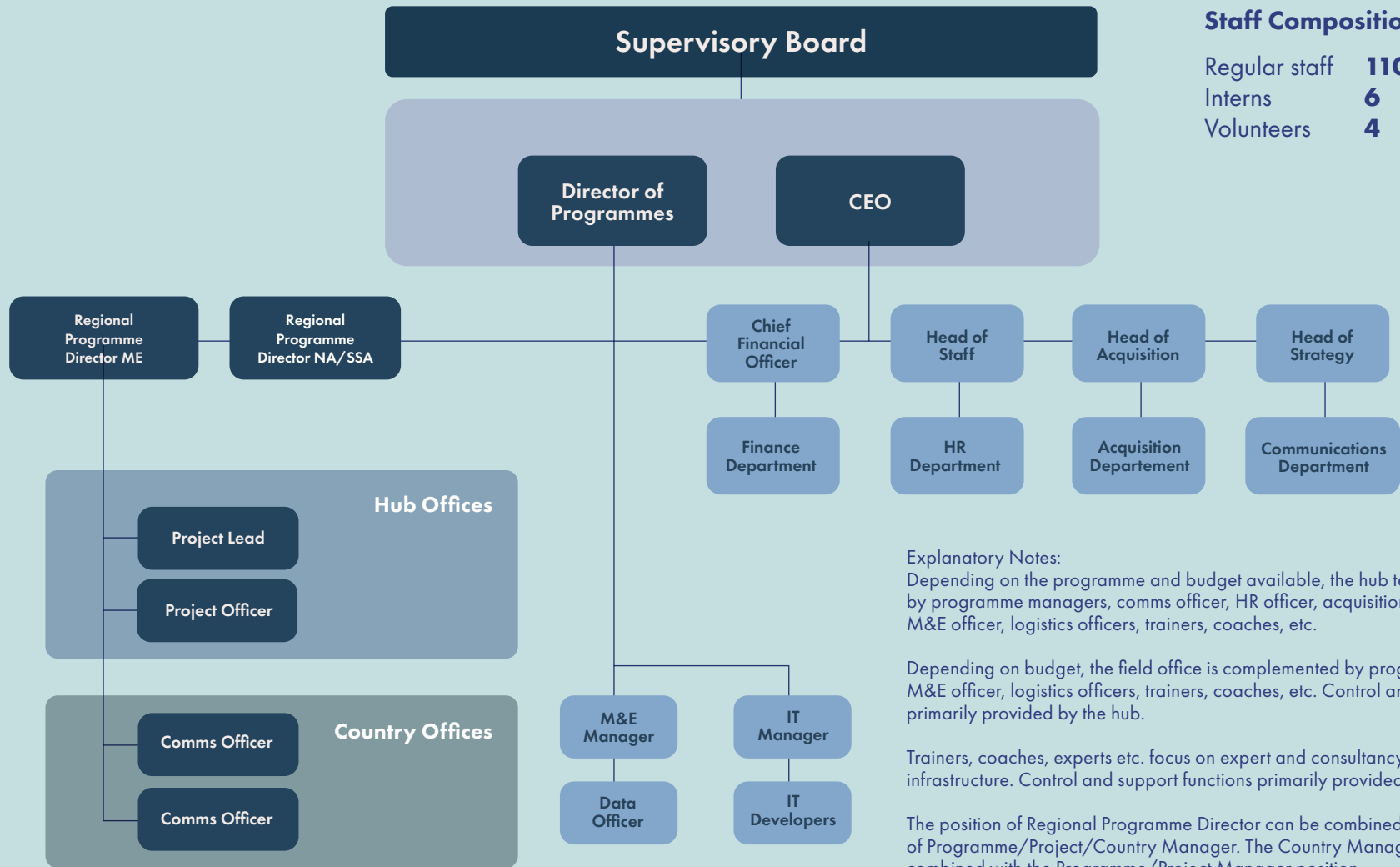
Programme	Donor(s)	Country(ies)	Theme(s)	Duration	Description	Budget 2023
Akazi Keza	Netherlands Ministry of Foreign Affairs	Burundi	Match Up, Scale Up, Skill Up, Start Up	2020-2024	Akazi Keza (meaning 'nice job' in Kirundi) bolstered the skills of youth, aligning them more effectively with the job market, while also enhancing the capacity of promising startups and existing businesses. With a targeted approach in rural and peri-rural communities, the programme fostered entrepreneurial ecosystems, supported business incubators, facilitated decent job opportunities, and boosted income and revenue, thereby contributing to stability as it nears its conclusion.	<b>992,696</b>
CLAPS	Chemonics International Inc.	Iraq	Scale Up	2022-2024	The Commercial Loan Application Preparedness and Success (CLAPS) programme, launched by SPARK in collaboration with Chemonics and USAID, empowered Iraqi SMEs by providing tailored training, mentorship, and access to finance, bolstering their resilience post-COVID-19. Through strategic partnerships and targeted support, CLAPS enhanced the connectivity between SMEs and financial institutions, fostering a robust entrepreneurial ecosystem and strengthening financial support networks in Iraq's private sector.	<b>139,964</b>
ENI	European Commission	Jordan, Lebanon, Palestine, Tunisia	Match Up, Scale Up, Skill Up, Start Up	2022-2026	The From Innovation to Creation (ENI) programme, funded by the European Union and spearheaded by SPARK alongside strategic partners like IACE and Ruwwad, nurtures innovation and startup ecosystems across Southern Neighbourhood countries, paving the way for a greener, more sustainable future. Through cluster cooperation and strategic alliances, ENI accelerates ecosystem development, advocates for change, and fosters regional exchange to empower young entrepreneurs in addressing pressing environmental and socio-economic challenges in the MENA region.	<b>2,865,425</b>
EU Dahil Turkey	European Union	Turkey	Match Up, Scale Up, Start Up	2021-2023	The EU-funded DAHIL (meaning: inclusion) programme in Turkey's southeastern provinces empowered Syrian refugees and vulnerable Turkish citizens by enhancing financial inclusion and access to resources for their small and medium-sized enterprises (SMEs). Through training, seed funding, networking events, and a loan guarantee fund, DAHIL fostered entrepreneurship, economic growth, and social cohesion, ultimately creating more job opportunities and contributing to local economic development in Adana, Gaziantep, Hatay, and Şanlıurfa.	<b>953,653</b>
EU MADAD IRAQ	European Union	Iraq	Match Up, Scale Up, Skill Up, Start Up	2020-2024	The EU Madad Iraq programme, comprising scholarship support, student services, employability assistance, and institutional capacity building and facilitated language and psychosocial support, internships, and job placements to enhance employability, aligning with Iraq's educational and economic needs. Through close collaboration and advocacy efforts, the programme introduced innovative curricula and scaled up targets in partnership with other initiatives, maximizing impact and contributing to long-term sustainable development.	<b>1,309,838</b>

Programme	Donor(s)	Country(ies)	Theme(s)	Duration	Description	Budget 2023
EU MADAD Turkey 2	European Union	Turkey	Match Up, Scale Up, Skill Up, Start Up	2019-2023	The EU MADAD Turkey 2 programme, in collaboration with public universities, offered a comprehensive pathway to higher education for Syrian refugees and vulnerable youth in Turkey, addressing youth unemployment by providing scholarships for market-relevant degrees and extensive employment support, including internships and entrepreneurship assistance. Through scholarships funded by the European Union, youth pursue degrees in market-relevant fields, supported by employment initiatives and university collaborations to modernize curricula and teaching methods, fostering long-term growth and digital transformation.	<b>2,070,061</b>
FSA (SSADPII)	Cordaid	South Sudan	Scale Up, Start Up	2018-2023	The FSA (or SSADP II) programme empowered smallholder farmers, particularly youth and women, in South Sudan to establish and expand resilient agribusinesses, enhancing sustainable productivity. Through strategic partnerships and the establishment of Business Support Centers (BSCs), the programme facilitated access to business skills training, market information, and financial resources, fostering entrepreneurship and economic growth in rural communities across various agricultural value chains. With its conclusion, the programme leaves a lasting impact on the agribusiness landscape in South Sudan, empowering local entrepreneurs and contributing to long-term economic development.	<b>312,523</b>
Google & Tides Foundation	Google	Iraq, Lebanon, Palestine	Match Up, Start Up	2021-2023	With support from Google.org's Uptime programme, SPARK and local partners elevated digital skills among refugee and host community youth in Lebanon, Iraq, and Palestinian territories, bridging them to digital job opportunities and entrepreneurial success through tailored training and a dynamic 2-month roadshow.	<b>148,460</b>
Gwiza Project	Swiss Agency for Development and Cooperation	Rwanda	Scale Up, Start Up	2021-2024	The GWIZA project in Rwanda empowers MSMEs in the Western Province, impacted by COVID-19, through a Market Systems Development approach, fostering resilience and job creation, aided by a Loan Guarantee Fund with Equity Bank, exemplifying its significant impact on economic revitalization with 311 MSMEs assisted and 900 jobs created in just one year.	<b>922,904</b>
ISDB STEP	Islamic Development Bank	Jordan, Lebanon	Match Up, Scale Up, Skill Up, Start Up	2022-2024	The ISDB STEP Programme, a collaboration between the Islamic Development Bank, Abdul Aziz Al Ghurair Foundation, and SPARK, is a two-year initiative designed to enhance the 'Skills Training Education Programme' (STEP) in Lebanon and Jordan, focusing on skill development, curriculum modernization, and job creation to address high unemployment rates and foster sustainable economic growth in the region.	<b>1,870,204</b>
ISDB TADAMON SOMALIA	Islamic Development Bank	Somalia	Match Up, Scale Up, Skill Up, Start Up	2021-2023	The ISDB TADAMON project in Somalia responded to the COVID-19 crisis by providing skills development for healthcare staff, vocational education for vulnerable groups, and employment opportunities for women and youth, aligning with the immediate and medium-term efforts to mitigate the pandemic's impact on the Somali youth. Through tailored training and support, the programme aimed to equip individuals with market-relevant skills, foster employment, and promote resilience amidst COVID-19 challenges.	<b>80,406</b>

Programme	Donor(s)	Country(ies)	Theme(s)	Duration	Description	Budget 2023
J&P	Netherlands Ministry of Foreign Affairs	Iraq, Jordan	Match Up, Scale Up, Skill Up, Start Up	2019-2023	The Jobs and Perspectives programme addressed challenges faced by youth in the Middle East by providing training and business support, particularly emphasizing opportunities for women, in Jordan and the Kurdistan Region of Iraq. Through vocational courses, internships, and support for existing MSMEs, the programme aimed to create sustainable job opportunities while fostering social cohesion and challenging gender norms.	<b>263,494</b>
LEAD 2	Netherlands Ministry of Foreign Affairs	Somalia, Tunisia	Match Up, Scale Up, Skill Up, Start Up	2020-2023	SPARK's LEAD 2 programme builds on past successes to address job creation challenges in Tunisia and Somalia, supporting young entrepreneurs and SMEs through market access, coaching, and financial assistance. With a focus on vulnerable youth, especially women, the programme aims to create new job opportunities, enhance skills, and strengthen institutional capacity for sustainable economic growth amidst political uncertainties and conflict.	<b>1,931,081</b>
LEAP	Chemonics International Inc.	Libya	Match Up, Skill Up, Start Up	2022-2026	The Libya Economic Acceleration Project (LEAP) was a collaborative effort by SPARK and Chemonics, funded by USAID, aimed at fostering stability in the Fezzan region following years of neglect and instability, amidst the backdrop of Libya's gradual post-war recovery. Through initiatives like entrepreneurship, vocational training, and business support, LEAP endeavored to generate employment opportunities and bolster economic development. Working alongside local partners, SPARK and Chemonics strived to empower Libyan entrepreneurship organizations, fostering a conducive environment for startups and ensuring the programme's sustainability.	<b>182,067</b>
Libya Start Up I	European Union	Libya	Scale Up, Start Up	2022-2023	The Libya Startup Programme, backed by the European Union and executed alongside Super Novae, is dedicated to fostering a vibrant startup ecosystem in Libya, leveraging the nation's internet connectivity and consumer potential. Through partnerships with various stakeholders, it aims to bolster business support services and empower young entrepreneurs, striving for long-term economic growth and innovation in the region.	<b>1,193,229</b>
NoC 2	Netherlands Ministry of Foreign Affairs	Iraq, Lebanon	Skill Up	2023-2026	NoC contributes to the prevention of youth radicalisation and violent extremism by building the trust and resilience of Iraqi youth and paving the way for young men and women to participate in social, economic and political life and advocate for non-violent social change.	<b>606,065</b>
Economic Resilience	Qatar Fund for Development	Jordan, Turkey	Match Up, Scale Up, Skill Up, Start Up	2020-2024	The 'Economic Resilience through COVID-19' programme, spearheaded by SPARK and the Qatar Fund for Development, aimed to mitigate the adverse effects of the global pandemic on SMEs, especially impacting vulnerable youth and refugees in Turkey and Jordan. By providing direct support, including assistance in product adaptation and market expansion, the initiative sought to safeguard jobs and livelihoods amidst the economic challenges posed by COVID-19.	<b>1,669,959</b>

Programme	Donor(s)	Country(ies)	Theme(s)	Duration	Description	Budget 2023
Palestine Launchpad with Google	Google	Palestine	Match Up, Skill Up	2022-2025	Udacity, in partnership with Google and SPARK, introduces the Palestine Launchpad programme, offering fully funded scholarships to equip Palestinian youth with digital skills for lucrative tech careers, including remote and freelancing opportunities. With flexible learning schedules, live mentorship sessions, and career workshops, the initiative bridges the gap between education and market demands, empowering participants to thrive in the global tech workforce.	<b>195,929</b>
SMAC	Caritas Switzerland	South Sudan	Scale Up, Skill Up	2023-2025	The Strengthening Market Actors and Communities programme in South Sudan, driven by local expertise and private-sector leadership, aims to enhance market systems development, particularly in advanced market sectors, to boost income for smallholder farmers. Through collaborative efforts with the private sector, SPARK seeks to pioneer sustainable initiatives and generate valuable insights for future inclusive development strategies in the region.	<b>113,625</b>
Maharat for Tourism	Google	Jordan, Lebanon, Palestine, Tunisia, United Arab Emirates	Skill Up	2023-2024	The Maharat for Tourism programme aims to empower underserved individuals across the Middle East through digital and soft skills training, offering access to employment opportunities in the travel and tourism sector. With a focus on eco-tourism and sustainable practices, the initiative provides freely accessible digital courses, networking events, and offline learning circles, targeting youth, small business owners, and informal workers in rural and low-income communities.	<b>268,894</b>
AN LGF	Sheikh Abdullah Al Nouri Charity Society	Turkey	Scale Up	2023-2027	AN Loan Guarantee Fund (LGF), part of the DAHIL Access-to-Finance project, helps refugee entrepreneurs in Turkey gain access to finance by addressing their lack of collateral. SPARK co-signs bank loans for Syrian refugee and host community MSMEs in 11 earthquake-affected provinces, backed by cash collateral. Eligibility criteria may change with donor consent to support other SME projects and evolving needs.	<b>1,100,000</b>
ISDB Tadamon Libya	Islamic Development Bank	Libya	Match Up, Scale Up, Skill Up, Start Up	2021-2023	This project aims to mitigate COVID-19 impacts by providing short courses and entrepreneurship training, fostering sustainable employment for women, youth, and vulnerable groups in Libya, while supporting SMEs to register, survive, and scale up amidst disrupted markets.	<b>80,406</b>
SEECO	WeGlobal	Turkey	Start Up	2022-2024	The Technical Assistance Project supports social entrepreneurship, empowerment, and cohesion in Turkey's Tigris region. Funded by the World Bank and led by WeGlobal, the Tigris Development Agency is the contracting authority. Our role is to manage the contracting process with assigned experts.	<b>60,780</b>

# SPARK Overall organisation chart



# • Risk analysis

Risk	Likelihood	Impact	Mitigation
Weak partner compliance	4	4	Review of partner procedures, manual and roll out (2024)
Ineligible costs due to weak procurement compliance	4	5	Procurement procedures and manual reviewed and rolled out
Financial fraud	2	5	Financial control systems strengthened
Underperformance in Programme delivery	4	3	Capacity strengthening of project and Programme leads and managers; improved guidance from regional Programme directors
Governance transition at Board of Directors level results in loss of donor trust	4	5	Clear communication; excellent profiling; evidence that governance change leads to more stable organisation
New business target not achieved	5	5	Strengthen BD processes and collaboration; increased attention to representation and donor relations by creation of a new team
Safety and security risks for staff, weaknesses in safety and security procedures and compliance	3	5	Update and improve safety and security procedures and manual, and monitor compliance
Loss of key staff due to organisational transition	3	3	Clear communication to staff; improved attention to staff wellbeing; satisfaction survey
Weak financial shock absorption capacity	4	5	Budget savings; assess efficiency gains; improved proposal budgeting guidelines; clearer rules around margins on projects; invest in unrestricted fundraising



● **Finance**

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## • Investment policy

Financial resources are available in the short-term to carry out SPARK activities and in the long-term to ensure the continuity of the organisation. SPARK does not invest in shares, bonds or real estate. Liquid assets not required for immediate activities are kept in a savings account and can be retrieved directly when needed.

## • Fraud prevention and correction

SPARK is committed to preventing and addressing fraud and corruption within the organisation, as well as among its local partners and contracted external parties. To achieve this, SPARK employs a complaints handling process, which includes a whistleblower policy and a comprehensive anti-fraud and corruption policy. These policies are integral to the onboarding of new staff and are reinforced through periodic refresher training across the organisation. Additionally, partners and suppliers are required to adhere to the anti-fraud and corruption policy. The implementation of the internal finance control manual is playing a crucial role in fraud prevention and correction. Moreover, the 2024 launch of the updated procurement manual, RACI framework and partner selection and contracting policies will further enhance our efforts in preventing and addressing fraud.



## • Board of Directors and Supervisory Board remuneration

The Supervisory Board, based on the advice of the Remuneration Committee, has established the remuneration policy, salaries and other compensation components for the Board of Directors. This policy is reviewed periodically, with the last evaluation in June 2022. In setting the remuneration policy, amounts and components, SPARK adheres to the Regulations for the Remuneration of Directors of Charity Organisations, which comply with Dutch legislation on senior-level income caps — known as 'Wet Normering Topinkomens'. The regulations provide a maximum standard for annual income based on weighted criteria. The weighting at SPARK was done by the Remuneration Committee. This resulted in a so-called BSD score of 379 points for the CEO, which corresponds to a maximum annual income excluding other remuneration of €160,322 for a 40-hour workweek over 12 months. For other Board of Directors members, the BSD score was 348, translating to a maximum annual income excluding other remuneration of €143,723 for a 40-hour workweek over 12 months, or €114,978 for a 32-hour workweek over 12 months.

Taxable allowances, pension contributions and other long-term benefits are low at SPARK compared to the market and are proportionate to the annual income. With no additional remuneration components, the Supervisory Board considers the total remuneration to be fair and acceptable. Supervisory Board members receive only a tax-free compensation for their voluntary hours, which in 2023 remained €1,500 per member per year.

## • Financial results

In 2023, SPARK experienced a decrease in income totalling €16 million, which marked a 5% decline compared to the previous year. This decrease was primarily attributed to the failure of several anticipated projects to materialise as planned. Notably, the budget for 2023 had accounted for an expenditure of €4 million from new income sources, yet only €0.5 million of this projection materialised, contributing to the overall income shortfall.

## • Positive net result

The bottom-line net result was €38,770 for 2023. Our costs for 2023 are 22% less than planned. SPARK's management teams' continued focus on cost management resulted in 87% of 2023 expenses being directly spent on the organisation's key objectives of creating impactful jobs for youth in fragile and conflict-affected states (FCAS). The 2023 financial result was significantly impacted by unforeseen costs, including substantial expenses for organisational restructuring aimed at improving long-term efficiency, unexpected expenditures related to addressing a fraud case in Jordan and immediate support and compensation efforts following the earthquake in Türkiye. These unplanned financial outlays were essential for maintaining the stability and integrity of our organisation, despite their notable impact on our short-term financial performance.

## • Continuity reserve

The decrease of 61% in the continuity reserve compared to the previous period is primarily due to the unforeseen costs previously detailed. To mitigate this decrease, the organisation has implemented significant cost-cutting measures in the third quarter of 2023, most of which took effect in early 2024, to protect the reserve and ensure its sustainability.

## • Loan guarantee fund

In addition to its regular Programme activities, SPARK has facilitated financial access by providing support through loans and/or guarantees instead of grants. These loans are primarily dispersed through financial institutions in the countries where SPARK operates. The funds provided by donors for this purpose, along with the repaid amounts of these loans and/or guarantees, are managed within the Loan Guarantee Fund, which totaled € 2.3 million at the end of 2023.



## • Budget 2024 summary

The 2024 budget was approved by the Supervisory Board in December 2023. It forecasts a decrease in income to €14.7 million, compared to the actual income of €16.2 million in 2023. The approved budget also shows a projected deficit of €132,033. This conservative forecast aims to ensure the financial sustainability of the organisation.

<b>Statement of income and expenditures</b>		<b>Rounded figures in €</b>
<b>Approved 2024 budget</b>		
Income from projects	To realise reimbursement of direct project expenses, excluding staff costs and overheads	<b>8,176,114</b>
	To realise reimbursement and profit charge on staff costs	<b>2,506,717</b>
	To realise overhead charges	<b>773,958</b>
	To realise pipeline projects income	<b>3,241,093</b>
Write-offs	Write-offs, non-reimbursable project expenses	<b>(68,000)</b>
<b>Total income</b>		<b>14,629,882</b>
Expenditures	Reimbursable project expenses excluding staff costs and overheads	<b>8,176,114</b>
	Reimbursable pipeline project expenses	<b>2,758,704</b>
	All staff costs	<b>3,291,160</b>
	Other organisational costs, non-reimbursable	<b>533,937</b>
<b>Total expenditure</b>		<b>14,759,915</b>
Balance before financial income and expenditure		<b>(130,033)</b>
Financial income or expenditure, non-reimbursable		<b>2,000</b>
<b>Total statement of income and expenditure</b>		<b>(132,033)</b>
Allocated loan guarantee funds		<b>0</b>
<b>Operational result available for continuity reserve</b>		<b>(132,033)</b>
<b>Total</b>		<b>(132,033)</b>



- **Financial  
report  
2023**

Human  
report

2023

# • Balance sheet

Assets	December 2023	December 2022
<b>Fixed Assets</b>		
Tangible fixed Assets	8 606	6 390
Financial fixed assets	1 617 057	717 205
Sum of fixed assets	1 625 662	723 594
<b>Current Assets</b>		
Receivables & Accruals	3 218 877	3 818 177
Cash & cash equivalents	4 074 982	7 134 750
Sum of current assets	7 293 859	10 952 928
<b>TOTAL</b>	<b>8 919 521</b>	<b>11 676 522</b>

## RESERVES AND LIABILITIES

### Reserves and funds

Reserves - Continuity reserve	538 844	1 399 926
Funds - Loan Guarantee Fund	2 361 746	1 461 894
Total reserves and funds	2 900 590	2 861 820

### Liabilities

Long term debt	45 000	70 000
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### Current Liabilities

Payables & Accruals	5 973 931	8 744 702
<b>TOTAL</b>	<b>8 919 521</b>	<b>11 676 522</b>

# • Statement of income and expenditures

	Realisation 2023	Budget 2023	Realisation 2022
<b>Benefits</b>			
Benefits of government subsidies	15 150 899	19 389 240	16 142 629
Benefits of other non-profit organizations	874 570	1 572 793	1 309 439
Benefits in return for delivery of services	550	17 185	14 307
Other benefits	86 095	18 820	15 669
Write off non-eligible expenses	-	(99 200)	(7 817)
Repayment regarding fraud Jordan			(426 000)
<b>Sum of the acquired benefits</b>	<b>16 112 113</b>	<b>20 898 838</b>	<b>17 048 227</b>
<b>Charges</b>			
Spent on objectives - Higher Education	4 486 623	5 383 000	5 169 322
Spent on objectives - Private Sector Development	9 477 574	12 414 383	10 176 139
	87% 13 964 197	86% 17 797 383	90% 15 345 460
Recruitment costs	5% 866 391	6% 1 138 189	4% 721 819
Management and administration costs	8% 1 288 551	8% 1 746 161	6% 1 023 637
<b>Sum of the charges</b>	<b>16 119 139</b>	<b>20 681 733</b>	<b>17 090 916</b>
Balance before financial income and expense	(7 026)	217 105	(42 689)
Balance of financial income and expenditure	45 796	169 400	275 529
Exceptional losses	-	-	(18 604)
<b>Balance of income and expenditure</b>	<b>38 770</b>	<b>47 705</b>	<b>214 235</b>
<b>Addition or subtraction to</b>			
Continuity reserve	(861 082)	(417 295)	(233 171)
Loan guarantee fund	899 852	465 000	447 406
<b>Sum of reserves and funds</b>	<b>38 770</b>	<b>417 295</b>	<b>214 235</b>

# • Cash flow statement

Cashflow Statement	12/31/23	12/31/22
<b>Cashflow from operational activities</b>		
Result	38 770	214 235
Depreciation fixed assets (incl. cars)	5 395	10 745
Depreciation financial fixed assets (IBCM loan)	-	-
<b>Gross cashflow from operation activities</b>	<b>44 165</b>	<b>224 980</b>
Mutation in current assets	599 300	(698 640)
Mutation (decrease) in current liabilities	(2 770 771)	2 312 462
Mutation in long term debts	(25 000)	70 000
<b>Net cashflow from operational activities (A)</b>	<b>(2 152 306)</b>	<b>1 908 801</b>
<b>Cashflow from investment activities</b>		
Investment in fixed assets	(7 610)	(2 228)
Disposal of fixed assets	-	-
Investment in financial fixed assets	(899 852)	(447 406)
<b>Cashflow from investment activities (B)</b>	<b>(907 462)</b>	<b>(449 634)</b>
<b>Cashflow from financing activities</b>		
Donor-restricted cash limited to long term purposes	-	-
<b>Cashflow from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Mutation in Cash and cash equivalents (A+B+C)</b>	<b>(3 059 768)</b>	<b>1 459 168</b>
Cash and cash equivalents 1 January	7 134 750	5 675 583
Cash and cash equivalents 31 December	4 074 982	7 134 750
<b>Mutation in Cash and cash equivalents</b>	<b>3 059 768</b>	<b>(1 459 168)</b>

# • Specification and allocation of costs according to category (Model C)

Objectives	Higher Education Development	Private Sector Development	Costs Income Generation	Management & Accounting	Total 2023	Budget 2023	Total 2022
<b>Costs of implementation</b>							
Grants and contributions:							
Expenses	3 978 009	6 673 548	-	-	10 651 557	14 899 556	12 479 687
SPARK contribution to projects	-	14 195			14 195	99 200	195 201
Recruitment costs	-	-	186 559	-	186 559	368 885	31 849
Personnel Costs	480 626	2 636 310	535 362	1 014 724	4 667 021	4 731 947	1 121 627
Housing costs	2 022	11 092	18 421	34 915	66 450	70 560	22 979
Office and general costs	25 722	141 088	124 733	236 418	527 961	604 786	79 817
Depreciations	245	1 342	1 316	2 494	5 397	6 000	-
Financial Expenses						169 400	
	<b>4 486 623</b>	<b>9 477 574</b>	<b>866 391</b>	<b>1 288 551</b>	<b>16 119 139</b>	<b>20 950 333</b>	<b>13 931 159</b>

## Total number of staff (Full Time Equivalent):

For 2023 119 compared to 116 for 2022.

## Explanation related to grants and contribution:

The total of grants and contributions was 4,247,999 lower than the budgeted amount.

Budget 2023 included 4,040,000 income from new projects to be utilized in 2023. Only 570,685 of these signed contracts was spent in 2023.

Remaining difference is related to less spending on the existing contracts.

## Explanation distribution of expenditures:

Cost of income generation as % of total income is: 5,4%.

For other costs as % of total expenditure, see the Statement of Income and Expenditure.

SPARK has an office in Amsterdam and Belgrade and several field offices in the countries where the projects are implemented.

SPARK's programs serve two objectives: Higher Education (development) (HE) & Private Sector Development (PSD).

Under PSD SPARK stimulates entrepreneurship and development in the private

sector in post conflict areas / fragile states by, for instance, organizing business plan competitions, trainings and SME financing facilities for young (starting) entrepreneurs. Coaching and other trainings aimed at partners for local capacity building are other PSD activities.

In addition Policy Making activities are undertaken to influence local / regional / national policy makers to facilitate private sector development.

In all our programs local & regional partners are stimulated to work together as much as possible and to contribute to our shared goals.

Division of the expenditures for HE, PSD, Costs of Income Generation and Management & Accounting:

Expenses which can be qualified as program expenditures (for instance reimbursements to partners, rent of lecture rooms & training space, reimbursements to trainers, travel and accommodation expenses of participants and trainers, reading materials, partners activities etc.) are directly allocated to the objective HE & PSD. These expenditures are presented under «Grants and Contributions» in Model C.

Operational and organisational costs of the field offices («Publicity and

Communication», «Housing costs», «Office and general costs» and «Depreciation») are also directly allocated to the objectives. If a field office has worked on projects with different objectives, the expenditures are allocated towards the objectives HE and PSD based on the time spent (hour registration) on different programs.

Personnel costs: every staff member must write its hours to projects or indirect activities. SPARK uses internal tariffs.

Costs are calculated to the Objectives, Income generation and Management & Accounting based on the worked hours and the tariffs.

Operational and organisation costs of the Amsterdam & Belgrade office are allocated to the objectives using the time registration of all International (mostly Amsterdam & Belgrade based) Management, Administrative & Support personnel. An exception to this are the promotion expenses occurred in The Netherlands, and direct costs for obtaining grants and other income.

These are directly allocated towards the objective «Costs Income Generation». Project management, Finance and IT hours directly registered on projects / programs, are allocated to the objectives HE and PSD.

# • Accounting principles 1 / 2

## General

The annual accounts 2023 have been drawn up according to generally accepted accounting principles in the Netherlands and RJ 650 for Fundraising organisations. The accounts include the financial statements of Stichting SPARK in Amsterdam, The Netherlands, and the regional offices in Serbia, Kosovo, Macedonia, Liberia, Palestine, Burundi, Rwanda, South Sudan, Turkey, Somalia, Iraq, Lebanon, Tunisia, Jordan and Libya.

## Principles of valuation

Assets and liabilities are stated at face value unless indicated otherwise. Transactions in foreign currencies are recorded using the rate of the transaction. Assets and liabilities denominated in foreign currency are converted at the exchange rate at the year-end.

## Fixed assets

The tangible fixed assets are stated at purchase value minus annual depreciations, calculated on the basis of estimated useful economical lifetime. The depreciation is a fixed percentage of the purchase price:

	NL	Rwanda	Burundi	Liberia	Palestine	South Sudan	Lebanon	Jordan
furniture	25%	20%	20%	20%	10%	25%	-	-
computer hardware	33%	50%	20%	25%	20%	25%	20%	-
cars	25%	25%	20%	25%	25%	25%	n.a	20%

	Kosovo	Serbia	Yemen	Gaziantep	Somalia	Iraq	Tunisia	Libya
furniture	20%	20%	25%	25%	33%	46-48%	20%	20%
computer hardware	20%	20%	33%	25%	33%	46%	33%	25%
cars	25%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

## Financial fixed assets

SPARK has signed contracts with local partners to manage loan guarantee funds which benefit start ups and SME's established under the Private Sector development projects. The participation is stated at its actual value at year end. Costs of fund management, defaults, interest received and currency revaluations are presented as expenditures or income in the Statement of Income and Expenditures. These financial fixed assets are financed from an earmarked Loan Guarantee Fund, see below for further explanation about the fund.

## Cash & Cash equivalents

All amounts presented under the Cash & cash equivalents heading, are directly accessible. Foreign currency accounts are valued at the EURO - foreign currency exchange rate per 31 December 2023.

## Reserves and Funds

SPARK can freely access the amounts presented under the Continuity reserve.be found in the explanatory notes to the balance sheet.

The earmarked Loan Guarantee Funds were originally financed by the Dutch Ministry of Foreign Affairs through project grants such as MFS, BSCK and others. The ownership of the funds has been transferred to SPARK. SPARK pledges to keep using the funds for purposes in line with the original objectives. Therefore, the funds are presented as allocated reserve under the Reserves & Funds. The additions to and withdrawal from the fund from the start to current book year can be found in the explanatory notes to the balance sheet.

# • Accounting principles 2/2

## **Liabilities - partner obligations**

SPARK entered into contractual obligations with partner organisations and transferred project responsibilities to them. The project grants as well as the project expenses include amounts that are funded to and expended by partner organisations. SPARK books expenses and income related to partner contracts as per installment paid since this is the most accurate estimate of the progress of work at hand by the partner. Expenses and income are adjusted to the exact correct amounts as soon as the partner contract is completed and the total expenditures occurred under the contract are clear and can be settled.

## **Explanation of the pension rules applicable to SPARK**

SPARK utilizes a defined contribution plan for its pension scheme.

## **Foundation of determining the result**

The result has been determined as follows: Grants are recognised as income in the statement of income and expenditure in proportion to the progress of the project

## **Allocation of general organisational costs to the objectives**

Operational and organisation costs of the Amsterdam office have been allocated to the objectives using the time registration 2023 of all Amsterdam and Belgrade personnel. For further clarification, please refer to the explanation provided under “specification and allocation of costs according to category” (Model C).

## **Income from own fundraising - Contributions in kind**

In kind contributions are stated at their fair value, however, in 2023 no such contributions were received. The contributions are presented under Income from own fundraising and under the particular cost sort / activity they relate to in the Statement of Income in Expenditures.

# • Explanatory notes statement of income and expenditure 1 / 3

Benefits	Realisation 2023	Realisation 2022
<b>Benefits of government subsidies</b>		
Grants EU - MAD Iraq, EUDAHIL, MTK02, EUMN, LSUP, EULAP, EME, YMCB	7 924 761	6 236 789
Grants NLMFA - ABIN, LEAD, IEO,NOC, JAP, AKAZI KEZA, KAB-CARE	2 965 850	5 489 426
Grant ISBD+NUR, IsDB&Al Nouri, SSDB Tad, AlNouri OPT, ISDB STEP, TADM, TADS	1 331 485	1 740 257
Grant QFFD	1 584 225	2 119 422
Grant Gwiza project (SDC)	680 761	556 736
Grant LEAP, YGA	69 820	-
SMAC	128 025	-
Al Nouri LGF	465 972	
	<b>15 150 899</b>	<b>16 142 629</b>

## Benefits of other non-profit organizations

Al Fakhoora, Education Above All	41 543	78 989
Grant Postcode Lottery (NPL) (activity grant), New PCL	-	166 687
FSA, Coridad	275 442	561 553
CASS, IITA	-	41 297
GGL	155 622	410 481
CLAP, SECH	201 990	45 364
NUFFIC	-	5 066
UDACITY	172 185	
SEECO	27 788	
	<b>874 570</b>	<b>1 309 439</b>

Benefits	Realisation 2023	Realisation 2022
<b>Benefits for the delivery of products and/or the provision of services</b>		
EIB (service contract)	550	14 307
<b>Sum of the acquired benefits</b>	<b>16 026 019</b>	<b>17 466 375</b>
<b>Other benefits</b>		
Other benefits	3 839	179
Other benefits from unexpected events	50 151	
Other benefits of cancellation of provisions	2 647	
Other income (COVID NOW subsidy Dutch government)	29 458	15 491
	<b>86 095</b>	<b>15 669</b>
<b>Write off non-eligible expenses</b>		(7 817)
<b>Repayment regarding fraud Jordan</b>		(426 000)
<b>Sum of the benefits</b>	<b>16 112 113</b>	<b>17 048 227</b>

# Explanatory notes statement of income and expenditure 2/3

Charges	2023	2022
<b>Details of "Specification and allocation of costs according to category"(Model C)</b>		
Spent on objectives	10 651 557	12 331 429
SPARK own contribution to projects	14 195	82 701
Recruitment costs	186 559	181 754
Management and administration costs	5 266 828	4 495 032
<b>TOTAL Charges</b>	<b>16 119 139</b>	<b>17 090 915</b>
<b>Grants and contributions</b>		
Private Sector development programmes	6 507 428	7 631 519
Loan Guarantee and Credit Fund costs	166 120	-17 406
Subtotal Private Sector Development	6 673 548	7 614 113
<b>Higher Education programmes</b>		
Subtotal Higher Education	3 978 009	4 717 316
<b>Total Spent on objectives</b>	<b>10 651 557</b>	<b>12 331 429</b>
<b>SPARK own contribution in projects</b>		
MTK02	14 195	28 667
EULAP		(6 129)
NUFFIC		13 560
ABIN		46 603
	<b>14 195</b>	<b>82 701</b>

Charges	2023	2022
<b>Recruitment costs</b>		
Feasibility studies and project acquisition	143 847	88 660
SPARK general - promotion and advertising	42 712	93 095
	<b>186 559</b>	<b>181 754</b>

## Management and administration costs

### Personnel Costs

Amsterdam, Belgrade, Macedonia, Kosovo

Gross salaries including holiday allowances	964 970	891 524
Social security premiums & Pensions	208 356	168 783
Other personnel costs	210 742	173 375
Staff training (including field office staff)	20 067	27 595
Non-payroll staffs	527 074	307 964
<b>Field offices</b>		
Field office coordinating personnel	2 351 561	2 124 130
Non-payroll staffs	384 251	356 393
	<b>4 667 021</b>	<b>4 049 764</b>

Note:

Starting 2021 the method of allocating staff costs has been changed.

All staff costs are reflected under Personnel Costs, and through Staff allocations reported under respective projects.

Charges	2023	2022
<b>Housing costs</b>		
Rent and utilities - Amsterdam & Belgrade office	66 450	89 492
Rent and utilities - field offices	-	-
	<b>66 450</b>	<b>89 492</b>

Note:

Starting 2021 field offices rent costs and utilities are directly booked under projects (therefore included in the HE or PSD project costs).

# • Explanatory notes statement of income and expenditure 3 / 3

Charges	2023	2022
<b>Office and general costs</b>		
Amsterdam, Belgrade, Pristina - Main		
Office supplies, telecommunication & postage, other office costs	1 813	3 413
IT infrastructure services - maintenance	36 223	49 337
Development of Finance Software	23 000	32 345
Organisational fees and memberships	21 228	27 238
Administration and auditing	117 640	58 588
Tax & legal advice	13 020	6 679
Quality assurance	4 719	6 821
Insurances	196	-
Contingencies Main	173 396	24 423
MASP Implementation	46 554	75 812
Strategy 2030	11 090	-
Field offices / projects - Middle East, North Africa, Sub Sahara		
Contingencies	78 013	60 375
Writing-offs of receivables/disposals	1 069	
	<b>527 961</b>	<b>345 031</b>

## Note:

Starting 2021 all field offices' general costs are booked directly under projects, therefore no costs booked under this section, except under Contingency.

The contingency costs encompass unforeseen expenses related to the Jordan fraud case and compensation for the earthquake in Turkey, totaling €167,552.

Management and administration expenses, particularly personnel and general office costs in Amsterdam, include restructuring expenditures of €143,145 due to a leadership change in the second half of 2023. These costs significantly contributed to the negative result.

Charges	2023	2022
<b>Depreciation</b>		
Amsterdam		
Depreciation fixed assets	4 747	4 782
Field offices / projects		
Depreciation fixed assets	649	5 963
	<b>5 397</b>	<b>10 745</b>
<b>Total Charges</b>		
	<b>16 119 139</b>	<b>17 090 915</b>
<b>Balance before financial income/expense</b>	<b>(7 026)</b>	<b>(42 689)</b>
<b>Balance of financial income and expenditure</b>	<b>45 796</b>	<b>275 529</b>
<b>Exceptional losses</b>		
Unrecoverable VAT Lebanon		18 604
<b>Balance of income and expenditure</b>	<b>38 770</b>	<b>214 235</b>

# Explanatory notes balance sheet 1 / 9

Asset	31-December 2023		31-December 2022	
<b>Tangible fixed assets</b>				
Furniture		316		2 409
Computer hardware		8 287		3 980
Cars		0		0
		<b>8 604</b>		<b>6 390</b>
<b>Fixed assets</b>	<b>Total 2023</b>	<b>Furniture</b>	<b>Computer hardware</b>	<b>Cars</b>
Book value previous year				
Purchase value	471 932	88 606	256 995	126,330
Accumulated depreciation	(465 542)	(86 197)	(253 015)	(126 330)
<b>Book value 01 January 2023</b>	<b>6,390</b>	<b>2,409</b>	<b>3,980</b>	<b>0</b>
Mutations				
Purchases	7 610		7 610	0
Disposals	0			
Depreciation	(5 396)	(2 093)	(3 304)	0
	<b>2 214</b>	<b>(2 093)</b>	<b>4 306</b>	<b>0</b>
Bookvalue year end				
Purchase value	479 542	88 606	264 606	126 330
Accumulated depreciation	(470 939)	(86 197)	(256 319)	(126 330)
<b>Book value 31 December 2023</b>	<b>8 604</b>	<b>316</b>	<b>8 287</b>	<b>0</b>
Fixed assets used for operations ( furniture & hardware)		8 603		6 389
Fixed assets directly related to the objectives (cars)		0		0
		<b>8 604</b>		<b>6 390</b>

# • Explanatory notes balance sheet 2/9

	31-Dec 2023	31-Dec 2022
<b>Financial Fixed assets</b>		
<b>Participation loan guarantee funds</b>		
Balance 01 January 2022	712 204	264 799
Mutation 2022	899 852	447 406
<b>Balance 31 December 2023</b>	<b>1 612 056</b>	<b>712 204</b>

## Specification mutation 2023

New loan guarantee contracts and new loans	1 065 972		
Defaults	-		
Reimbursement and closed contract with banks / participants	-		
Interest, provisions and exchange rate differences	(166 120)		
<b>Total mutation</b>	<b>899 852</b>		

The financial fixed assets are directly allocated to the objective Private Sector Development.  
For the explanation of the usage of these funds, please see the description of the allocated funds, under the Liabilities.

<b>Loans (IBCM)</b>		<b>5 000</b>	<b>5000</b>
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The loan of 151.379 has been revaluated during 2019 to 115.000 as agreed between IBCM and SPARK.  
In 2020, a further provision has been made and the book value has been decreased to € 5.000. No further changes in 2022.

<b>Total Financial Fixed assets</b>		<b>1 617 057</b>	<b>717 205</b>
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# Explanatory notes balance sheet 3 / 9

Asset	31-Dec 2023	31-Dec 2022
<b>Current assets</b>		
Prefinancing by SPARK on donor grants	3 077 244	3 290 377
Accounts receivables and prepaid expenses	141 632	527 800
	<b>3 218 877</b>	<b>3 818 177</b>
<b>Prefinancing by SPARK on donor grants</b>		
Project ISDB+NUR, IsDB	-	427 190
Project ISDB+NUR, Al Nouri	-	104 645
Project ABIN	-	120 464
Project EULAP	92 388	92 388
Project JAP	16 278	597 842
Project FSA	316 972	41 530
Project ISDB Tadamon	0	289 537
Project Kab-Care	47 323	47 323
Project CASS	42 773	42 773
Project Al Fakhoora	-	319 805
Project ALNOURI OPT	0	9 959
Project TADAMON Somalia	1	324 517
Project EU MAD IRAQ	699 421	772 408
Project NOC 1	-	99 997
Project CLAP	91 322	0
Project EUDAHIL	320 344	-
Project EUMN (ENI) ME	174 658	-
Project LEAD 02 NL MFA	326 847	
Project MTK02	843 439	
Project TADAMON Libya	52 611	
Project Libya Economic Acceleration-LEAP	52 867	
	<b>3 077 244</b>	<b>3 290 377</b>

Asset	31-Dec 2023	31-Dec 2022
<b>Accounts receivables and prepaid expenses</b>		
Prepaid expenses	77 660	298 712
Other receivables	36 185	19 359
Receivables from Partners		209 728
<b>Other receivables - Service contracts:</b>		
Project SEECO	27 788	-
	<b>141 632</b>	<b>527 800</b>
<b>Cash &amp; Cash equivalents</b>		
Cash Amsterdam	379	211
Current & savings accounts The Netherlands	3 564 534	6 596 448
Cash abroad offices	33 693	7 706
<b>Current accounts abroad offices</b>		
Kosovo	219	8 421
Serbia	62 010	71 443
Rwanda	17 554	13 109
Burundi	33 630	20 184
Liberia	0	0
Palestine	61 255	94 268
Somalia	908	3 407
Turkey	192 394	178 719
South Sudan	30 253	14 750
Yemen	36	36
Lebanon	1 215	1 640
Iraq	60 704	39 544
Jordan	13 733	83 719
Tunisia	2 467	1 146
	<b>4 074 982</b>	<b>7 134 750</b>

All liquidities are directly accessible.

# Explanatory notes balance sheet 4/9

Reserves and Liabilities		31 Dec 2023	31 Dec 2022
Continuity reserve		538 844	1 399 926
Balance 01 January 2023		1 399 926	
Mutation 2023		(861 082)	
Balance 31 December 2023		538 844	

## Continuity reserve

The continuity reserve covers all remaining risks that are not addressed in any other allocated reserve.

The continuity reserve should, for example, compensate unforeseen, sudden and temporary stagnation of income or unforeseen excessive expenses. The Executive Board and the Supervisory Board have set a general guidelines to determine the maximum requirement of continuity reserve. When determining the maximum of the reserve, SPARK takes the "Richtlijn Goede Doelen Nederland "Financial management for Charities" into account (maximum 150% of the annual costs of the executive organisation).

The main guidelines to determine the height of the reserves are as follows:

- SPARK does not aim for large savings because the focus should be on our final beneficiaries;
- Country offices cost is not counted as annual organisational costs because they are directly connected to available project funding.

The continuity reserve are € 538,844 on 31 December 2023. This reserve is intended to cover the annual costs of the executive organization, which include personnel costs for staff in the Amsterdam and Belgrade offices, housing costs, office and general expenses, as well as coordinating staff costs in some regional offices. The decrease in the continuity reserve compared to the previous period is primarily attributed to: 1) organizational restructuring expenses resulting from a leadership change in 2023, 2) unexpected expenses related to the Jordan fraud case (reported in the AR 2022), and 3) Spark's own investments into LG Fund in Rwanda and Turkey. Despite this decrease, it's important to note that the organization has taken measures by cutting significant costs in the fall of 2023 to protect the reserve and ensure its sustainability.

Loan Guarantee Fund		31 Dec 2023	31 Dec 2022
Revolving Loan guarantee fund business start-ups		2 361 746	1 461 894
Balance 01 January 2023		1 461 894	
Mutation 2023		899 852	
Balance 31 December 2023		2 361 746	

SPARK has been contracting local partners to manage loan guarantee funds facilitating access to finance for starting and growing businesses. This is part of SPARK's Private Sector development projects. In 2023 funds are cash collaterals deposited at local micro-finance institutions or banks for a fixed period. Common practice in these facilities is that Micro Finance Institutes or banks disburse and manage loans from their own funds; the deposit minus administrative costs and minus defaults, plus gained interest on the deposit (or from the entrepreneurs) is returned to SPARK after a certain period. The fund is credited for these returns that stay earmarked in this fund for new, future investments. In 2023 the new deposit of € 1,065,972 has been placed into fund. This is investment of Gwiza (SDC) project in Rwanda and Al Nouri Charity LGF project in Turkey.

Total loan guarantee fund mutation since 2007 can be summarized as follows:

Cumulative deposits into the funds:	3 595 153
Withheld management costs for banks:	(49,460)
Received interest added:	170 981
Exchange rate differences / currency revaluations:	-145 662
Deducted bankrupt / delayed loans losses:	(832,546)
Loan amounts not used and returned (2016, 2017):	(144,574)
Funds transferred to external parties (up to 2021):	(232,145)
	<b>2 361 746</b>

The Revolving Loan guarantee fund is € 1,461,894 higher than the current investments from the fund per end of year, which are represented as € 899,852 of financial fixed assets on the balance sheet. This means that € 1,461,894 is available for new (re) investments at the end of 2023. The cumulative table above shows, among others, how much has been deposited in the fund since the start and how much has been deducted because of bankrupt lenders and write offs on loans. Entrepreneurs pay interest rates, mostly ranging from 5% to 15%, which are lower than commercial market rates.

# Explanatory notes balance sheet 5 / 9

Services	31 Dec 2023	31 Dec 2022
<b>Long term debt</b>		
Accrual IBDA	45 000	70 000
<b>Current liabilities</b>		
Grants received in advance	4 373 909	7 302 412
Partner obligations and payables	12 710	12 710
Creditors	574 604	511 876
Other payables	1 012 708	917 705
<b>These current liabilities are further specified below:</b>	<b>5 973 931</b>	<b>8 744 702</b>

## Grants received in advance

Project Asfari Foundation	20 380	20 380
Al Fakhoora	40 836	
Project LEAD 02	-	246 548
Project MTK 02	-	1 042 434
Project AKAZI KEZA	282 614	122 811
Project QFFD	482 246	229 248
Project EUDAHIL	-	555 267
Project Google	-	104 364
Gwiza Project-SDC	202 436	317 195
TADAMON Libya	-	63 238
Libya START UP	44 302	1 329 541
CLAP	-	19 528
EUMN - ENI	94 511	686 277
ISDB STEP - Lebanon/Jordan	1 428 067	2 562 027
EIB	3 004	3 554
Project NOC2	585 128	-
RIYADA	44 216	-

Services	31 Dec 2023	31 Dec 2022
Maharat	914 240	-
SMAC	76 294	-
Udacity Google	155 636	-
	<b>4 373 909</b>	<b>7 302 412</b>

## Partner obligations and payables

Programme IEO	12 710	12 710
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## Short term debts & accruals

Creditors	574 604	511 876
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## Other payables:

Stipends and tuition fees	22 574	67 853
Procurements for projects		19 294
Project and general audit costs	527 905	131 053
Income tax, social security, pensions, severance	99 917	100 606
Vacation days & allowance	122 587	91 780
Other short term debts	595	78 472
Accrual for South Sudan	0	2 647
Liability for Jordan	221 034	426 000
Other long term provisions	18 096	
	<b>1 012 708</b>	<b>917 705</b>

The total estimated amount of outstanding holidays in 2023 is € 64,357 including field offices.

# • Explanatory notes balance sheet 6/9

**Off Balance Sheet Commitments - The following programs / projects relate to periods exceeding the year 2023:**

Name	Donor	Period	Balance remaining to the end of period
Dynamic Futures Programme: Syrian Refugees and Palestinian Expansion (AF)	Education Above All Foundation	30/04/2016-031/12/2024	€ 50 342
Palestine Launchpad Programme in partnership with Udacity	Google	12/05/2022-12/05/2025	€ 871 612
Supporting Economic Resilience for Refugees, IDPs and Vulnerable Host Communities through Sustainable Job Creation in Syria and Countries of Surrounding Region - QFFD	Qatar Fund	17/06/2020-17/12/2024	€ 1 388 778
Innovation that scales Strat-up Ecosystem in Mediterranean countries ENI (EUMN)	EU	01/02/2022-31/01/2026	€ 3 904 774
Skills training education prog in Lebanon and Jordan (ISDB STEP - Lebanon/Jordan)	Islamic Development Bank	25/04/2022-25/04/2024	€ 1 324 917
Support to Higher Education for Syrian refugees Iraq IDPs and vulnerable Iraqi host community youth - Phase 2 - EU MAD IRAQ	EU	04/04/2020-31/05/2024	€ 304 125
SPARK Network of Change Phase II (NOC2)	NLMFA	04/01/2023-31/03/2026	€ 3 176 928
RIYADA Building Resilience for youth in Palestine	Arab Fund for Economic and Social Development	01/12/2023-31/12/2024	€ 442 995
Youth Grow Activity (YGA)	United States Agency for International Development	15/10/2023-15/10/2028	€ 260 281
Libya Start Up! EU for an innovative start up ecosystem in Libya	EU	13/06/2022-15/06/2025	€ 3 624 136
Akazi Keza	NLMFA	01/07/2020 -30/06/2024	€ 484 854
Strengthening Market Actors and Communities (SMAC)	Caritas	15/08/2023-31/10/2024	€ 568 218
Gwiza project-MSME Support Programme in response to COVID-19 in Rwanda	SDC	18/10/2021-31/10/2024	€ 252 945
Iraqi SME Commerical Loan Application preparedness (CLAPS)	Chemonics	16/10/2022-29/02/2024	€ 55 016
SEECO - Technical Assistance Project to support Social Entrepreneurship, Empowerment and Cohesion in Tigris Region of Turkey	WeGlobal	30/12/2022-28/06/2024	€ 32 992

The nature of grants received is not structural or permanent but incidental and one-time for a period between two and four years mostly.

# • Explanatory notes balance sheet 7 / 9

## Obligations to implementing partner organisations:

The following obligations to implementing and strategic partners relate to the period after 2023.

Per 31 December 2023, the still open contractual obligations to implementing and strategic partners amount to:

### Middle East implementing partners:

Implementing Partner Name	project	period	outstanding obligation contract curr	outstanding
Qatar Charity	QFFD	11/1/20 - 10/31/23	\$US 445 942	401 243
Gaziantep Teknopark	QFFD	10/1/22 - 3/31/24	\$US 34 740	1 060
Kudra- Startup Yard	MTK	10/1/21 - 9/15/23	TRY 9 947	303
Kudra TUR-SEED FUNDS-SOP 1 + 18.000 EURO	MTK	10/1/21 - 9/15/23	€ 18 000	18 000
Need Map	EU-Dahil	9/25/23 - 11/30/23	\$US 24 603	24 602
Station J	EU\ENI	10/1/22 - 1/31/24	\$US 45 907	41 305
Techno Park	EU\ENI	11/1/22 - 4/30/24	\$US 29 224	26 294
UCAS	EU\ENI	10/1/22 - 1/31/24	\$US 36 333	32 691
Intersect	EU\ENI	11/1/22 - 2/29/24	\$US 108 108	97 271
PICTI	EU\ENI	10/1/22 - 3/31/24	\$US 29 571	26 607
WAFAA	IsDB- STEP	10/1/22 - 9/30/23	\$US 3 253	2 926
INJAZ LEBANON	EU\ENI	12/1/22 - 11/30/23	\$US 16 702	15 027
AOU & PPI	EU\ENI	12/1/22 - 11/30/23	\$US 14 472	13 021
Bloom-ALTCITY IMPACT	EU\ENI	3/1/23 - 2/29/24	\$US 95 942	86 325
CEWAS LBN	EU\ENI	3/16/23 - 3/15/24	JOD 13 102	11 789
AUB	EU\ENI	3/15/23 - 3/15/24	JOD 30 213	27 184
Berytech Foundation	EU\ENI	5/1/23 - 4/30/24	\$US 54 702	49 218
TTi 2022	EU\ENI	11/1/22 - 2/29/24	TRY 29 177	891
BDC	IsDB- STEP	8/20/23 - 4/15/24	TRY 894	27
Ruwad	EU\ENI	4/1/23 - 1/31/26	\$US 47 202	42 471

# • Explanatory notes balance sheet 8/9

## Obligations to implementing partner organisations:

The following conditional obligations to implementing and strategic partners relate to the period after 2023.

### North Africa implementing partners:

Implementing Partner Name	project	period	outstanding obligation contract curr	outstanding
IACE	EU\ENI	15/08/2022 - 12/02/2026		650 167
FLAT6LAB	EU\ENI	01/07/2023 - 30/06/2024		170 864
HIVE	EU\ENI	01/02/2023 - 31/01/2024		5 944
SMART CAPITAL	EU\ENI	01/02/2023 - 31/04/2024		165 918
TAYSIR	EU\ENI	16/03/2023 - 31/05/2024		68 645
THE DOT	EU\ENI	01/02/2023 - 30/06/2024		159 846

### Sub Sahara implementing partners:

Implementing Partner Name	project	period	outstanding obligation contract curr	outstanding
AFORGER	AKZ	20/07/2023 - 19/04/2024	BIF 19 200 000	6 144
CEMAC	AKZ	29/05/2023 - 28/03/2024	BIF 100 032 588	32 010
CREOP	AKZ	7/6/23 - 5/4/24	BIF 81 315 383	26 020
INFINITY	AKZ	29/05/2023 - 28/03/2024	BIF 59 693 293	19 101

# • Explanatory notes balance sheet 9/9

## These rental obligations are payable for periods exceeding the year 2023:

As of 09 March 2020 SPARK HQ is located at Haarlemmer Houttuinen 15H in Amsterdam

The total expenses per year are € 39,600. The contract duration is up to 08 March 2025.

SPARK's field offices rental obligations	contract period	yearly obligation contract curr	yearly obligation EUR
Burundi Bujumbura Office	up to 31/12/2024	\$US 10 200	€ 9 178
Burundi Cibitoke Center	up to 31/03/2024	BIF 900 000	€ 285
Iraq Erbil	up to 24/05/2024	\$US 3 600	€ 3 239
Jordan office	up to 31/12/2024	JOD 11 000	€ 13 960
Lebanon	up to 30/04/2024	\$US 6 000	€ 5 399
OPT	up to 31/12/2024	\$US 8 800	€ 7 918
Rwanda	up to 30/04/2024	\$US 16 822	€ 15 136
Rwanda (rent for GWIZA project coaches)	up to 31/12/2023	RWF 2 700 000	€ 1 917
Serbia	up to 31/12/2024	€ 13 200	€ 13 200
South Sudan	up to 31/12/2024	\$US 13 200	€ 11 877
Tunisia	up to 30/06/2024	TND 17 357	€ 5 097
Turkey (Instabul office)	up to 31/12/2024	TRY 300 000	€ 9 159
Turkey(Gaziantep office)	up to 30/09/2024	TRY 96 000	€ 2 931
Iraq (car rent)	up to 24/05/2024	\$US 6 000	€ 5 399

# • Remuneration Executive board 1 / 2

Amounts in €	Yannick du Pont	Michel Richter	Bilal Amin	Peter de Ruiter	Christel Bultman	Esther Bosgra
Position	CEO	Programme Director	Finance Director	Interim CEO	Operations Director	
Employment agreement	Permanent	Permanent		Temporary	Year contract	
Hours/week	40	40	40	40	40	
Part time percentage	100	80	100	100	100	
Period	Jan-Dec	Jan-Dec	Jan-June	July-Dec	Dec-Dec	

## Remuneration

Gross salary	99 799	70 490	37 710	30 400	8 400	
Holiday allowance	7 848	5 543	8 588		672	
Fixed end of year allowance	-	-		-	-	
Subtotal year income	107 647	76 033	46 298	30 400	9 072	0

Taxable allowances			16 745	6 233		
Pension costs (employer's share)	4 264	2 540	4 910	0	0	
<b>Total Remuneration 2023</b>	<b>111 911</b>	<b>78 573</b>	<b>64 843</b>	<b>36 633</b>	<b>9 072</b>	<b>0</b>
Comparitive figure 2022	108 697	76 920	93 111	0	0	73 345

# • Remuneration Executive board 2/2

Amounts in €	Andre Venema	Fred de Vries	Wassim Beaineh	Pieter de Ruiter	Lizette van der Kamp	Fawad Shah	Shireen Yacoub
<b>Position</b>	Member	Chair	Member	Member	Member	Member	Member
Period	Jan-Dec	Jan-Dec	Jan-Dec	Jan-June	Oct-Dec	Oct-Dec	Oct-Dec
<b>Allowances</b>							
Expense allowance	1 500	1 500	1 500	750	375	375	375

The Supervisory Board, upon advice of the Remuneration Committee, has determined the remuneration policy, the salaries and the amount of other remuneration components for the Board of Directors. The policy is updated periodically. The last evaluation was in June 2022.

For determining the remuneration policy, amounts and components, SPARK follows the Regulations for the remuneration of directors of charity organizations (see [www.goededoelennederland.nl](http://www.goededoelennederland.nl)). These regulations take into account the Dutch legislation on maximizing senior level incomes (Wet Normering Topinkomens).

The regulations provide a maximum standard for annual income based on weighted criteria. The weighing at SPARK was done by the Remuneration committee. This led to a so-called BSD score of 379 points for the CEO with a maximum annual income excluding other remuneration 2022 114.366 of EUR (40 hours / 12 months) and a BSD score of 348 for the other BoD members with a maximum annual income excluding other remuneration 2022 of EUR 102.538 (40 hours/ 12 months) or EUR 82.030 (32 hours/ 12 months).

The actual annual income. see table above, of the CEO amounted to EUR 111.911 lower than the applicable ceiling of EUR 160.322 of the applicable score. The annual incomes of the programme director (80% FTE) amounted to EUR 78.573, also lower than the applicable ceiling of EUR 114.978. The annual income of CFO, interim Director and the new operation director varies from EUR 9.072 - 64.843, also lower than the applicable ceiling of EUR 143.723. Taking into account the absence of any other remuneration components, the Supervisory Board views the total remuneration, including the slight deviations for the annual income compared to the BSD scales, as acceptable and fair.

The taxable allowances / additions, the employer's pension contribution and other long-term benefits are low in proportion to the annual income and compared with the market.

# • Specifications of income

Income Per Donor	Realisation 2023 €	Realisation 2023 %
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## Project (cash) grants from donors

Grant LEAD2 - NLMFA	1 566 625	10 %
Grant JaP - NLMFA	255 457	2 %
Grant AKAZI KEZA, NLMFA	728 897	5 %
Grant NOC2 - NLMFA	414 872	3 %
<b>Subtotal NLMFA</b>	<b>2 965 850</b>	<b>19 %</b>

Grant MAD IRAQ - EU	971 283	6 %
Grant MTK 02 - EU	1 885 873	12 %
Grant EUDAHIL - EU	875 611	5 %
Grant EUMN-ENI EU	2 906 755	18 %
Grant Libya Strat Up!	1 285 239	8 %
<b>Subtotal EU</b>	<b>7 924 761</b>	<b>49 %</b>

Grant Al Fakhoora	41 543	0 %
Grant CASS	201 990	1 %
Grant FSA	275 442	2 %
Grant Google	155 622	1 %
Grant QFFD	1 584 225	10 %
Grant SDC	680 761	4 %
Grant IsDB STEP Leb&Jor	1 133 960	7 %
Grant IsDB Tadamon Libya	115 849	1 %
Grant IsDB Tadamon SOM	81 676	1 %
Grant EIB	550	0 %
Grant SMAC	128 025	1 %
Grant Udacity	172 185	1 %

Grant SEECO	27 788	0 %
Grant LEAP	69 820	0 %
Grant Al Nouri Charity LGF	465 972	3 %
<b>Subtotal others</b>	<b>5 135 408</b>	<b>32 %</b>

<b>Subtotal of grants raised</b>	<b>16 026 019</b>	<b>100 %</b>
Other income (Other income from unexpected events, Income of cancellation of provisions )	56 637	0 %
Other income (COVID NOW subsidy Dutch Government)	29 458	0 %

<b>Subtotal of other income</b>	<b>86 095</b>	<b>0</b>
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<b>Total Income</b>	<b>16 112 113</b>	<b>100%</b>
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# • Signatories

Signed By: S.van.melick@spark-online.org  
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**Simon van Melick - CEO**

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**Christel Bultman - COO**

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**André Veneman - Chair**

Corporate Director Sustainability at AkzoNobel (retired)

**Wassim Beaineh - General Member**

Manager International Cooperation, MENA, Wageningen University & Research  
Co-Chair of the Advisory Board, Robert CARR Fund for Civil Society Networks

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**Fred de Vries - General Member**

Head of Internationalisation Strategy, University of Twente

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**Fawad Shah - General Member**

Chief Operations Officer at Alphacomm

**Lizette van der Kamp - General Member**

Regional Team Lead Public Infrastructure, West Africa & MENA at Invest International;  
former Senior Advisor International Development at Rijksdienst voor Ondernemend Nederland (RVO)

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# • Auditor report



Financial  
report  
2023

At the time of publishing, the audit of this annual report is near completion. During the course of the audit, our attention was drawn to some alleged irregularities in time writing. These are currently under investigation by an independent party. The audit conclusions will be finalised as soon as the results of the investigation are in, most probably in early 2025.

# List of abbreviations

<b>BoD</b>	Board of Directors
<b>CASS</b>	Cassava Agribusiness Seed System
<b>EU</b>	European Union
<b>EU MADAD</b>	European Union Regional Trust Fund in Response to the Syrian crisis
<b>HR</b>	Human Resources
<b>INGO</b>	International Non-Governmental Organisation
<b>IsDB</b>	Islamic Development Bank
<b>ISFD</b>	Islamic Solidarity Fund for Development
<b>J&amp;P</b>	Jobs and Perspectives Programme
<b>KR-I</b>	Kurdistan Region of Iraq
<b>LEAD</b>	Local Employment in Africa for Development Programme
<b>MENA</b>	Middle East and North Africa
<b>MSME</b>	Micro, Small and Medium Enterprises
<b>M&amp;E</b>	Monitoring and Evaluation
<b>NGO</b>	Non-Governmental Organisation
<b>NLMFA</b>	Netherlands Ministry of Foreign Affairs
<b>NoC</b>	Networks of Change Programme
<b>QFFD</b>	Qatar Fund for Development
<b>RACI</b>	Responsible, Accountable, Consulted and Informed
<b>RPD</b>	Regional Programme Director
<b>SB</b>	Supervisory Board
<b>SME</b>	Small and Medium Enterprises
<b>SSADP II</b>	South Sudan Agribusiness Development Project II
<b>TVET</b>	Technical and Vocational Education and Training

# Contact

## Follow SPARK on:

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## General contact:

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+31 (0)20 753 0311

[www.SPARK.ngo](http://www.SPARK.ngo)

## Newsletter:

Subscribe to our newsletter via

[www.SPARK.ngo](http://www.SPARK.ngo)

## Bank account information:

**Account holder:** Stichting SPARK

**Account number:** NL09 ABNA 0570 2112 12

**IBAN:** NL09 ABNA 0570 2112 12

**SWIFT/BIC:** ABNANL2A

**Place:** Amsterdam, the Netherlands

