

OrangeSky

— Australia —

ANNUAL REPORT
2018/2019



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Orange Sky Australia acknowledges the Australian Aboriginal and Torres Strait Islander peoples of this nation. We acknowledge the traditional custodians of the lands on which our company is located and where we conduct our business. We pay our respects to ancestors and Elders, past, present and emerging. Orange Sky Australia is committed to honouring Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

Co-Founders' Report

It's hard to believe that it's been five years since Orange Sky did our first ever load of washing on the streets of Brisbane. Time has flown since then and we've experienced incredible growth, with the 2018/19 financial year being no different. From kicking off the financial year with a new van in Darwin (giving us a presence in all Australian states and territories), launching in Cairns, adding a fourth service in Melbourne and doing our first ever international load of washing in Auckland - this year brought so many highlights.

It wasn't all about vans though... in October, Orange Sky was announced as the People's Choice Award winner in the Google Impact Challenge, providing \$1 million of funding to develop a volunteer management software solution for the not-for-profit sector called Campfire. This is an incredibly exciting strategic initiative that long term, will inject revenue into Orange Sky and also help the entire third sector to manage, roster, onboard and support volunteers.

We also ticked off one of our biggest milestones; one million kilograms of washing! We hit the milestone in Port Macquarie with friends, Kevin and Melissa, who said, "There's a lot of us out there who need our washing done, but it's not just the washing, you get to stop for a chat. It's just awesome that these things are available."

Orange Sky also completed our first ever social impact report supported through Deloitte, which examined all of the outputs we capture out on shift - washes, showers, conversation hours, employment hours and referrals to other service providers - and helped us define the social impact our vans are delivering into each community. This tool will form a key part of our strategy moving forward to ensure we are maximising our impact in every community we operate in. The 2017/18 year saw us deliver \$7.5m in social impact and we had a 27 percent growth to \$9.5m in 2018/19.

With the highs there were also some struggles, especially in our home state of Queensland. Bushfires devastated the community of Baffle Creek in November and a record-breaking flood hit Townsville in February. We were able to support people affected by these disasters and washed more than five tonnes of laundry for locals doing it tough.

April also saw us say goodbye to founding board member and inaugural CEO, Jo Westh. We are so grateful for the impact Jo had on Orange Sky and in the lives of our friends, leading and guiding us through a tremendous period of growth and leaving Orange Sky in a place for Nic and I to take over as joint Managing Directors. We are incredibly excited for this next phase.

2019/20 is shaping up to be even bigger than 2018/19! We have moderate vehicle growth planned and a strong operational focus on growing our impact in every community we operate in, with a target of increasing our social impact to \$11.5m. A massive thanks to everyone who made Orange Sky come to life this year, we're looking forward to a bigger and better year to come!



Lucas and Nic,
Orange Sky Co-Founders and Managing Directors



Our Mission is to Positively Connect Communities

Passion & Focus

We feel incredibly lucky to help improve the lives of others.

Imagination & Innovation

We take pride in our ability to solve problems through invention and creativity.

Collaborative Partnerships

We succeed through sharing ideas, challenges and resources.

Energy & Drive

We value initiative and the willingness to do whatever it takes to get stuff done.

Our Impact

Over the past year, we positively connected



14,000 people

at 9,445 shifts across 24 cities

THROUGH



41,111
washes



5,634
showers



69,495
hours of
conversation

WITH



29
vans in
operation



1,673
volunteers in
Australia

Our Reach



people experiencing homelessness in Australia...

That's 1 in every 200 people



56 % percent are male
44 % percent are female



are over the age of 55



are Aboriginal or Torres Strait Islander



are under the age of 35

8,200

are in improvised dwellings, tents or sleeping out.



people are living in severely crowded dwellings



Mick's Story

“Homelessness to me means a lot of things.

I broke my back probably 19 years ago, fractured my skull, had a bit of a head injury and ended up homeless. That was the first experience of long term homelessness. Since then it's just been trying to make every day better than the last and move forward.

The hardest part of being homeless is people's judgement of you. They might see you doing it rough and you just want a night's sleep and you get woken up, just, “oh, you're a scum,” or “beggar,” or “you're a bludger.” That's a lot of the main ones. A lot of people you see on the streets... [they] ended up homeless not by their own doing. When you get to know a lot of them too, they're not stupid people. I've met all sorts of people on the streets. It's just lack of affordable housing... it's pretty hard to come across somewhere where you can afford, especially living in the city.

After coming to Orange Sky services [for] over a year and a half, it's not a service. You actually come to see your friends. You're just stopping off to do your washing.

Every time I've come to Orange Sky, there's always people doing the same as me; doing it rough, but always have a laugh, always a handshake, a conversation about dinner or what's for breakfast. It's quite interesting because everyone's sort of different walks of life, different problems, but everyone sort of is the same. Everyone looks out for each other.”

Highlights from 18/19

July 2018



Launched our first Northern Territory service in Darwin

September 2018



Launched a remote service on Palm Island

October 2018



Launched our first international van in Auckland, New Zealand

December 2018



Deployed vans to support people impacted by the Baffle Creek bushfires

February 2019



Provided more than 4,000kg of laundry for people affected by the Townsville floods

February 2019



Launched our fourth service in Melbourne, covering the Northern and Western suburbs

April 2019



Launched a laundry service in Cairns, taking the number of vans currently in operation around the country to 29

May 2019



Completed our millionth kilogram of washing since Orange Sky kicked off in 2014

Our Services

Laundry, showers and laundry & showers!

What started as one laundry van in Brisbane has now expanded into a fleet of 20 laundry vans, three shower vans and six hybrid vans (a combination of washers, dryers and showers) across Australia. There are more than 1,600 volunteers who give up time every week to sit down on an orange chair and positively connect with friends doing it tough.



Social Impact Washing

At Orange Sky, we have 29 vans around Australia that operate at around 250 locations each week. But what happens when those vans aren't washing clothes for people doing it tough?

Our Social Impact Washing program is our way of making the most out of our mobile laundry vans, while also providing another way to connect friends with the community. In certain

locations, when our vans are not on shift, they are used by our friends to wash items for local businesses and organisations. We enter into commercial laundry contracts with these businesses and our friends are paid to undertake the washing.



With support from our national labour hire partner Programmed, we offer friends the opportunity to take part in a paid 13-week training and employment placement with Orange Sky. Friends are supported by volunteers to learn skills that can be used in a variety of workplaces in the future. At the end of the placement, friends leave with a recent employment history, references and ongoing support to find further opportunities.

Remote Australia

The 2018/19 financial year saw Orange Sky launch its second remote service on Palm Island, an Aboriginal community 70 kilometres off the coast of Townsville, Queensland. For this community of nearly 3,000 people, a new type of vehicle was designed to incorporate features such as three high-capacity hot water washing machines and three high-capacity dryers. The sides of the vehicle provide important shade from the summer sun. Employment and training opportunities have been provided for two local people to operate the service for their own community. Not only has this been an important contribution to our social impact, but also, it has also ensured our service is provided appropriately by trusted and reliable local staff. The service also provided important support for people in the community during heavy rain and flooding in February 2019.

The Lockhart River service experienced some successes and some challenges this year, but ended on a strong note with local employees providing consistent laundry facilities and a good yarn for the Lockhart River community.

We have received a number of requests for support from other remote communities across Australia and are excited about our ability to meet their needs. Moving forward, and in line with Orange Sky's focus on collaborative partnerships, we are working towards developing partnerships with local community organisations to provide a sustainable, appropriate and relevant service.



Campfire

Over the past four years, Orange Sky has learned a lot about using technology to deliver exceptional services.

During the 2018/19 financial year, Orange Sky commenced developing Campfire; a purpose-built software solution specifically designed to help volunteer-led organisations amplify their impact. Campfire streamlines the full volunteer lifecycle and the management of operations, providing a better experience, improved data capture and greater insight into social impact.

With Campfire, Orange Sky is taking purpose-built technology solutions and industry how-to and sharing it with the market. In doing so, Orange Sky is creating a revenue stream for ourselves, while also amplifying social impact by enabling other not-for-profit organisations to operate and measure their impact more effectively.

Orange Sky has signed on our first partners and we are excited about establishing many more partnerships in the future.

Disaster Relief

Over the past few years, Orange Sky has been able to respond to a number of major weather events and help people temporarily experiencing homelessness. In the last 12 months, we were able to support people affected by the Baffle Creek bushfires (November 2018) and the Townsville floods (February 2019), washing more than five tonnes of laundry for locals doing it tough. It's been amazing how something as simple as laundry - during such a crazy time - can bring a sense of normality back to people's lives.



Tash's Story

"It's been pretty tough. I've been looking for work for quite a few years now. I didn't do very well at school so I didn't think about the consequences when I got older - about the job opportunities and that kind of stuff.

I've got qualifications but you've got to have the right ones for certain jobs these days. I've tried to start a dog walking business, but there's lots of kids charging like five dollars so I couldn't compete with that an hour.

My washing machine's broken down and I'm trying to save up for a new one. I've been coming here to get my clothes washed and I help with the bread run at the church when it's finished. I love talking to the volunteers. I've made a few friends, you get to know each other quite personally and it's very nice, I like the atmosphere.

It can be very tough, but do the best you can and something might happen. I wasn't expecting anything and all of a sudden, I was nominated for a job and things are looking around. If I can do it, you can too.

In this world, it can be tough but if we can all help each other, then it would make it a better place."

Meet The Board



Nicholas Miller

Non-Executive Director and Acting Chair

Nick has been an Orange Sky Board member since January 2018, and has been involved with Orange Sky since first volunteering in 2015. He is also currently a Non-Executive Director for Origo Education, AQUILA, Digital Lifecycle Group, Shopper Media Group and Active Adventures New Zealand. Nick has a Bachelor of Engineering (1st Class Honors) and a Bachelor of Commerce from the University of Queensland, and an MBA from the London Business School.



Lucas Patchett

Executive Director

Lucas has been foundational to the development of Orange Sky's strategic goals and the organisation's objectives. He has driven research and development across the organisation. Lucas has been a Board Member since the organisation was founded, Chairperson since the second year of operation, and has played a critical role in the strategic direction and culture of Orange Sky. Nic & Lucas were awarded the 2016 Young Australians of the Year and the 2017 Ernst & Young Social Entrepreneur of the Year (Northern Region) for their work at Orange Sky.



Nic Marchesi

Executive Director

Nic previously worked as a camera operator and editor for the Australian Broadcasting Corporation and for the Seven Network. In these roles, he developed a passion for sharing people's stories as a way of getting people to better relate to and connect with one another. Nic has been a Board Member since the organisation was founded and has played a critical role in the strategic direction of Orange Sky. Nic & Lucas were awarded the 2016 Young Australians of the Year and the 2017 Ernst & Young Social Entrepreneur of the Year (Northern Region) for their work at Orange Sky.



Catherine O'Sullivan

Non-Executive Director

Catherine is an experienced senior executive who has made significant contributions to organisations and communities with a strong focus in the education sector. As a recognised leader and innovator, she has been at the forefront of many collaborations and negotiations at all levels of government, business, industry and the broader community, instituting systemic change and a transformational program of business improvement and policy innovation in Indigenous affairs. Catherine's professional recognition in the wider community includes many awards, along with a significant record of success on various boards and a wide range of contacts in all sectors, making her an obvious choice as a Board Member for Orange Sky.



Lachlan Mitchell

Company Secretary (from January 2019)

Lachlan is a principal at Talbot Sayer and practices in corporate law, with a particular focus on mergers and acquisitions, joint ventures and corporate advisory matters. In his role at Talbot Sayer, Lachlan acts for private equity funds, founders, SMEs, large corporations and institutional investors across a broad range of sectors. Lachlan has been company secretary for Orange Sky since February 2019 and has previously provided strategic pro-bono legal advice to Youngcare and acted as the co-ordinator of the Roma House Homeless Persons' Legal Clinic. Lachlan holds a Bachelor of Arts and Bachelors of Laws (Honours) from the University of Queensland.

We would like to thank Jo Westh, Rob Tully and Claire Marchesi, who stepped down from the Board throughout the course of the financial year, for their service to Orange Sky.

Senior Leadership Team



Lucas Patchett

Co-Founder & Managing Director

How long have you worked at Orange Sky?
Officially since July 2017, but was around for the first wash!

Roles and responsibilities?
I support the Brand and Communications, Fundraising, Finance, Admin and HR teams, with a focus on supporting the viability and sustainability of our organisation through our strategy, building great relationships with supporters and growing our brand.

Why Orange Sky?
I have always loved learning new things and helping people. Orange Sky lets me bring those two passions together every day.



Nic Marchesi

Co-Founder & Managing Director

How long have you worked at Orange Sky?
Since our first ever wash in October 2014.

Roles and responsibilities?
My focus is on supporting the operations, projects and technology streams at Orange Sky - working directly with our Chief Operating Officer and Chief Innovation Officer. I also help to share the Orange Sky story through speaking engagements and meetings with our supporters to keep stabilising and sustaining Orange Sky.

Why Orange Sky?
Growing up, I learned that there were 1 in 200 people disconnected from the community and I wanted to find a small way to help. I love Orange Sky for its mission of positive connection.



Emma Young

Chief Financial Officer

How long have you worked at Orange Sky?
I've been employed for almost as long as we've had staff, but was volunteering for a year before that. All up it's been about four years!

Roles and responsibilities?
I am lucky enough to lead the Finance, Admin and HR teams. My focus is on maximising our social return through effective use of funding. I care about creating an environment where people come to work feeling connected, motivated and supported.

Why Orange Sky?
Orange Sky gives me the opportunity to combine my passion for social inclusion with my skills and education in business.



Mike Duggan

Chief Operating Officer

How long have you worked at Orange Sky?
Since the 1st of April 2019.

Roles and responsibilities?
Ensuring our operations team and volunteers have the direction, resources and capacity to deliver social impact across Australia and New Zealand.

Why Orange Sky?
After years working in and managing for-profit enterprises, I wanted to transition into a purpose-driven organisation. I spend time outside of work volunteering for other organisations and wanted to connect my commercial experience with my passion for volunteering in non-profits.



David Tubb

Chief Innovation Officer

How long have you worked at Orange Sky?
Full-time from December 2016, but a volunteer since October 2014

Roles and responsibilities?
Leading the Technology and Innovation team to support Orange Sky's tech needs and launch Campfire.

Why Orange Sky?
It's a privilege to solve problems every day that are meaningfully contributing to the community. To do this surrounded by a group of talented and energetic colleagues is an absolute pleasure.



Jo Westh

Chief Executive Officer (Finished April 2019)

How long have you worked at Orange Sky?
I was one of Orange Sky's founding Board members and officially started full-time in June 2016.

Roles and responsibilities?
Leading and supporting the growth of Orange Sky across all departments and people.

Why Orange Sky?
Orange Sky allowed me to bring my years of business experience and my passion for helping people together at the perfect time in my career.

Our Story So Far

OCTOBER 2014



First ever load of washing

JULY 2015



First interstate van launched in Melbourne CBD

MARCH 2016



First staff member

JULY 2016



10 vans in operation across Australia

AUGUST 2016



First shower

FEBRUARY 2017



250,000 kg of laundry

FEBRUARY 2017



1000 Orange Sky volunteers

MAY 2017



50,000 hours of conversation

OCTOBER 2017



Hybrid laundry and shower van launch

NOVEMBER 2017



Launch of Orange Sky Remote Services

JANUARY 2018



500,000 kg of laundry

MARCH 2018



20 vans in operation across Australia

MAY 2018



100,000 hours of conversation

JULY 2018



Darwin Launch; we're now operating in every Australian state and territory

OCTOBER 2018



First international van in Auckland, New Zealand

MARCH 2019



1,500 Orange Sky volunteers

MAY 2019



1 million kg of laundry

The Year Ahead

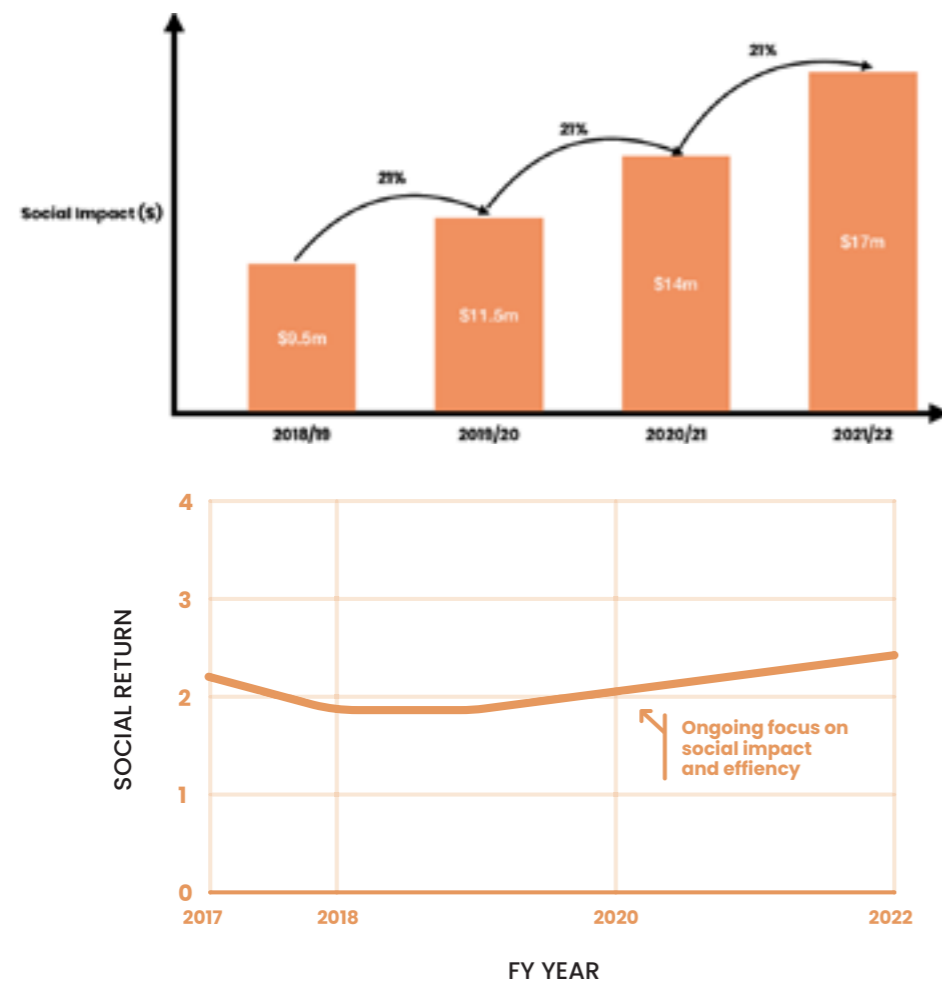
After five years of tremendous growth, we now have a solid understanding of what success looks like at Orange Sky and how we can measure that success in years to come. As growth in new vans slows down, we will continue to look at our impact, efficiency and sustainability. Our future key organisational objectives will focus on social impact, revenue raised and social return.

Social impact quantifies the impact of Orange Sky's service on the well-being of the wider community. We measure all of our outputs, namely; washes (metro, regional and remote), showers, conversation hours, employment hours (metro and remote) and friends referred externally; and economic and social value is then assigned to each of these outputs to calculate our social impact.

Revenue raised is the total revenue required to generate this social impact.

Social return is a ratio of our social impact compared to our relevant expenses (excluding New Zealand and Campfire as these programs are measured separately). The social return ratio is an indicator of how effectively we are generating our impact and allows us to compare year on year how we are tracking.

For the year ahead, we are looking to deliver \$11.5m in social impact, generate \$7m in revenue and deliver a social return of 2.06. The graph below depicts the projected growth in the coming years.



Here are some of our key objectives in the 2019/20 FY:

- The introduction of two new service locations in Australia;
- Expansion of two new New Zealand services;
- First release of Campfire, our volunteer management software, to market; and
- Implementing our Social Impact Washing program into one new location

Additionally, we are currently recruiting a number of key directors for our Board, including a new Chairperson. As Orange Sky continues to grow, we've recognised our need for strong mentors and business leaders to support and help us achieve our mission.

Sustainability has become a key focus from both an operational and fundraising perspective. This year, we will secure a number of partners and sponsors for each of the 29 vans around Australia. In the future, we are working towards being partially self-revenue generating. We see tremendous strategic value in Campfire helping us to achieve at least some of this goal, and this year we will be exploring other alternate revenue streams (outside of traditional fundraising methods).

Orange Sky New Zealand launched in Auckland on World Homeless Day, 10 October 2018, and has been a key focus over the last financial year.

Orange Sky New Zealand is a wholly-owned subsidiary of Orange Sky Australia with its own Board of Directors. All funds raised in New Zealand go towards furthering New Zealand's purpose, and likewise here in Australia, however financials are consolidated for financial reporting purposes. A management support fee is paid by Orange Sky New Zealand to Orange Sky Australia to manage its shared services, which include operations management, health & safety, marketing, fundraising, finance, human resources and administration.

We were lucky enough to find the amazing Eddie, who joined the team on a full time basis supporting Orange Sky to deliver positive social impact in New Zealand.



Financials

Overview

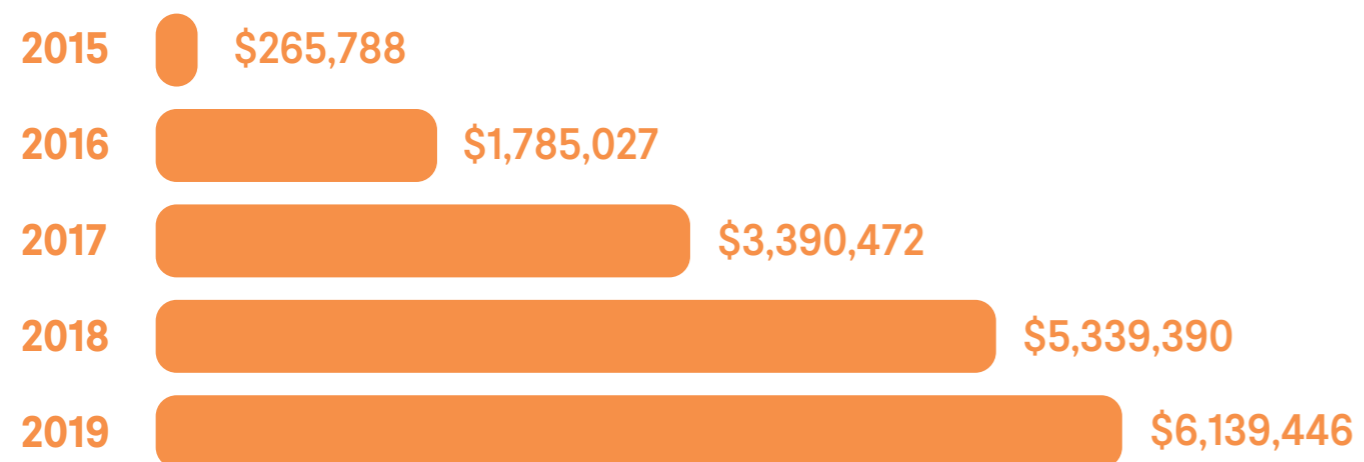
The 2018/19 financial year saw Orange Sky exceed \$6 million in revenue, with a surplus of \$597,701.

This surplus allows us to not only expand our operations, but grow our impact within our current services. It also puts us in a strong position to undertake research and development for new projects and capitalise on our potential to use innovation to help more people in unique and imaginative ways.

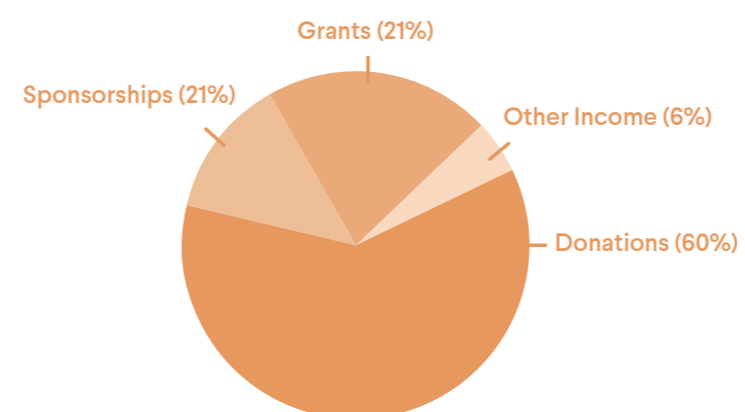
We are proud to be a profit-for-purpose organisation and our surplus targets help us build a sustainable organisation to ensure we can continue providing a consistent and reliable service for our friends.

Orange Sky's Revenue

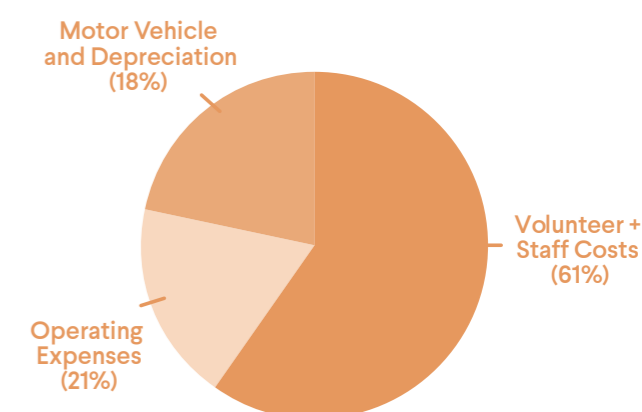
2015 - 2019 Financial Years



Income



Expenses



Our Impact



Orange Sky's social impact



Value of quality of life gained by friends



Value of quality of life gained by volunteers in services provided



Value of quality of life gained by volunteers

Our Supporters

National Partners



Van Partners

Judith Neilson	Jenour Foundation
Portland House Foundation	Lyone Foundation
Thyne Reid Foundation	Canberra Southern Cross Club
Sydney Water	Roche Australia
Sportsbet	Icon Water
Graf Family Foundation	SA Water
Jelley Family Foundation	Queensland Urban Utilities
Water Corporation	CMV Group
Queensland Government - Department of Housing and Public Works	Calvert Jones Foundation
	Dyson Bequest
JMQ Foundation	

Supporting Partners

Ashurst | Programmed | Symbio | Deloitte | Ernst & Young | QIC | Harcourts Foundation
Australian Institute of Company Directors