



Annual Report 2020/2021

Positively Connecting Communities

OrangeSky

— Aotearoa —

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Acknowledgement to Country

Orange Sky acknowledges Māori as tangata whenua and Treaty of Waitangi partners in Aotearoa New Zealand.

Orange Sky New Zealand | PO Box 75-111, Manurewa Auckland 2243 | +64 9 887 0566 | CC55443 | IRD: 126-242-964

Our kaupapa is to positively connect communities.

A key focus for the last financial year was the development of our people promise; 'We want to be EPIC', which is brought to life in four key areas **through Orange Sky's values.**

Energy & Drive

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

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.

Co-Founder & CEO Report

At the end of every financial year, we look back on the past 12 months at Orange Sky. It's always interesting to reflect on all that's happened and how far we've come. Normally, I'd be telling you about the key milestones we hit, new communities we're supporting, or vans that we've built – but this last financial year looked a little different. What wasn't different though was the ongoing connection forged on orange chairs around the country.

One of those connections I experienced first hand was on shift at a community centre in Auckland (during one of the brief border bubbles!). Orange Sky volunteer, Moses shared his experience after being made redundant from the airline he had worked at for many years. He talked about how over the past 14 months, his whole world had changed. The only constant throughout that time was his Monday morning shift with Orange Sky – and he absolutely loved it every single week.

Moses then told me that he had just got a new job working for the Ministry of Housing and Urban Development, and part of his role involved calling people to let them know they'd been placed in housing. He reflected that without Orange Sky, he never would have discovered such a passion and he was so happy to be supporting more and more friends through his new line of work.

Over the last 12 months, Orange Sky has supported more than 1,996 people through 5,025 loads of laundry, 2,753 showers and 7,636 hours of genuine conversation (delivered across 883 shifts).

One big moment during the year was finalising and launching our five year strategy, with plans for how Orange Sky will positively connect communities from now through to 2025. The key goal that we're working towards is for Orange Sky to support more than 40,000 people – 4,500 of whom will be in Aotearoa – tripling our current impact and doing it twice as efficiently. This means more people helped, more volunteers engaged, more conversations with friends and more incredible supporters enabling this to happen.

This year forced us to pause, reflect and focus on what is most important – that opportunity to sit down on an orange chair and connect over a load of washing. We're proud that we've been able to continue supporting friends during what's been a tough time for everyone.

Looking ahead to the 21/22 financial year, we want to continue working across

each of our key departments (outlined in more detail throughout this report) with a focus on increasing our impact, investing in our people, continuing to innovate, and growing our brand and revenue to support all of this to happen sustainably.

We've also introduced a new initiative called 'Orange is the New Green', which is about improving Orange Sky's standing from an environmental, sustainability and governance perspective. This includes the appointment of a new chairperson for the Orange Sky New Zealand Board, building and reviewing our environmental policies, determining our long term investment strategy and establishing Orange Sky as a leader in this space for other not-for-profits.

When launching our first service in Auckland back in 2018, there were a lot of unknowns; is there a big enough need across the community, will volunteers connect with our service, can we engage enough supporters to fund our operations, and what tweaks will we need to make to ensure we can help as many Kiwis doing it tough as possible?

A few years on, Auckland has become the busiest service across our entire Australia and New Zealand fleet. The demand for Orange Sky's service is a constant reminder of just how many New Zealanders are in need of support. With a small light at the end of this pandemic-tunnel in view, we are planning and hoping to expand further in the upcoming financial year. This includes providing an additional three services across Aotearoa, welcoming some new faces – including local board members and a fundraising manager, and tweaking our five year strategy to focus on our impact in New Zealand.

We're incredibly excited for what the next 12 months has in store for Orange Sky. Even though the COVID-19 pandemic continues to impact all our lives, we're grateful for the opportunity to be out there connecting with friends through genuine and non-judgemental conversation.

Strategic Priorities



FRIENDS

Positively connect more than 40,000 people across Australia and New Zealand in 2025 – assisting friends where and when it is most needed.



PEOPLE

Empower Orange Sky people (staff and volunteers) to work on the right things at the right time to drive the greatest impact and double our social return by 2025.



SUPPORTERS

Build a foundation of sustainable and resilient revenue streams and incorporate new revenue opportunities.



IMAGINATION & INNOVATION

Develop and deliver market opportunities and products that support, strengthen and amplify Orange Sky's social impact (SI), social return (SR) and revenue generation, whilst also uplifting the broader not-for-profit sector.



Finally I would like to extend a massive thanks to everyone in the Orange Sky community for their ongoing support – be it a volunteer who looks after our bright orange van, the donor who supports us with \$10 or \$10,000, or the friend who trusts us with their only possessions in the world. I also want to say a massive thanks to the people who helped to make it all happen – our incredible staff (led by an amazing leadership team of Nic, Mel, Laura and Mike), and in particular, Eddie, whose passion, hard work and dedication to supporting our friends has helped steer us through another challenging, yet rewarding year.

We look forward to welcoming our incoming Chair of the Board, Alan Brame, who has agreed to join us in the 21/22 financial year to help guide the next phase of Orange Sky New Zealand.

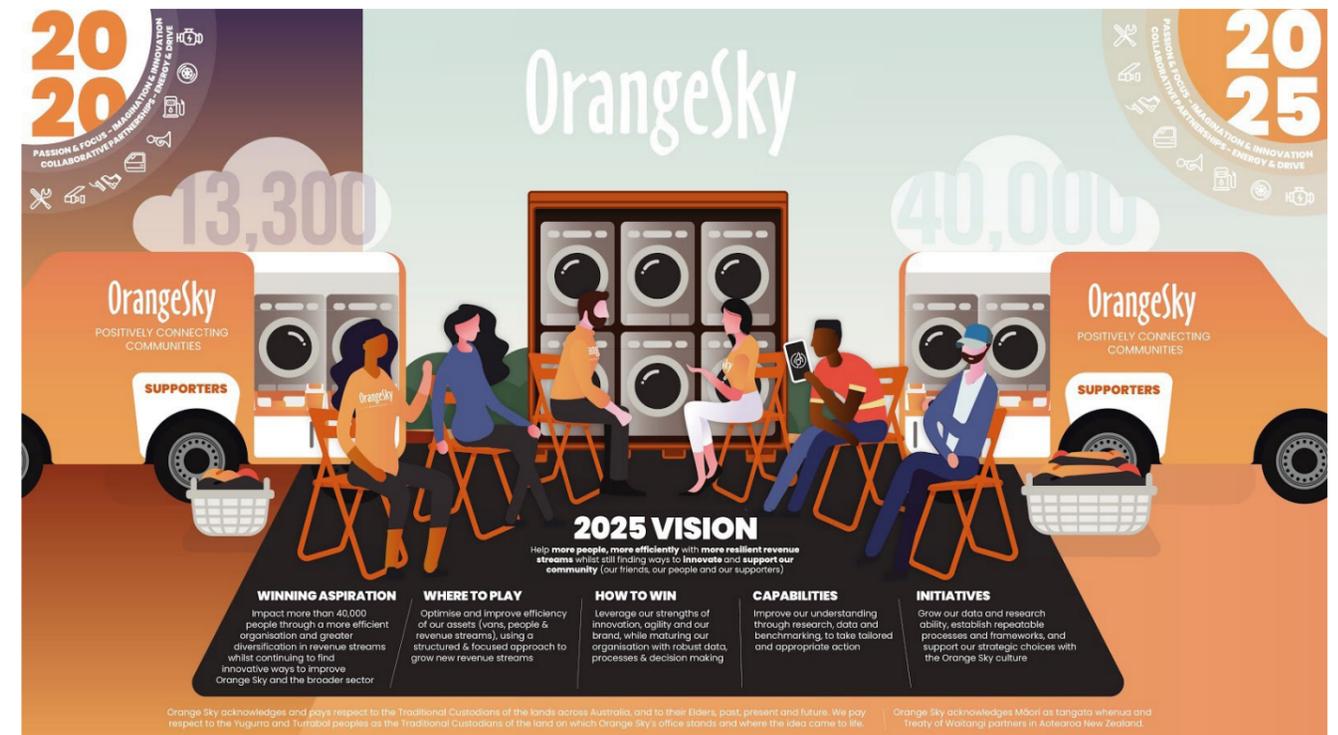
Thanks to everyone who helped make the year so memorable, and set us up for an even bigger and more impactful year ahead!



Lucas Patchett OAM
Co-Founder and Chief Executive Officer

Our Vision

Orange Sky's **2025 vision** is to help more people, more efficiently, with more resilient revenue streams whilst still finding ways to innovate and support our communities (our friends, our people and our supporters).



**CLICK TO VIEW
ORANGE SKY'S FULL 2025 VISION**

Strategic Priorities

Friends

Our Impact

Orange Sky offers an immediate and practical solution for people experiencing homelessness to access clean laundry, warm showers, and genuine, non-judgemental conversation. Through our regular and reliable mobile service, we not only provide access to essential services, but a safe and welcoming place for people to connect, build relationships and feel part of a community.

Through every wash, shower and conversation that is provided by our volunteers, Orange Sky is able to measure our impact in the community and determine if there's more we can be doing to better support those doing it tough.

We measure this via a rigorous and robust Social Impact Framework that was developed by Deloitte Access Economics.

The framework utilises data captured at every Orange Sky shift and is used to assess and quantify the impact delivered through Orange Sky's operations.

The two key metrics measured are our **social impact** and **social return**, which are explained in more detail below:

Social impact quantifies the impact of Orange Sky's service on the well-being of the wider community. We measure all of our outputs, including washes, showers, conversation hours and the number of friends referred externally. An economic and social value is then assigned to each of these outputs to calculate our social impact.

Social return is a ratio of our social impact compared to our relevant expenses. 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.



"You can have a shower, come out with a robe on and your clothes are getting washed... and then you put clean clothes back on. Something simple like that you take for granted when you're living in a house, but when you're out here [experiencing homelessness], it's amazing."

- Andrew, Orange Sky Friend

Across New Zealand in the 20/21 financial year:



1,996

people positively connected



\$1.1 million

delivered in social impact



3.0

social return



883

shifts



2

services



5,009

loads of laundry



7,636

hours of conversation



2,753

showers



163

volunteers



Meet Nicola

“I work at the Auckland City Hospital and have been volunteering with Orange Sky for nearly three years. Initially, I was helping out at Everybody Eats around the corner. While I was volunteering there, I heard about Orange Sky and thought why not do something new?”

I like to give back to the community and giving time is what I can afford. I can't always give financial help, so being able to give time to help out Orange Sky is important to me.

For someone considering volunteering for Orange Sky, it's a good chance to build confidence.

Speaking to other people in the community, being open to what they have to say, their opinions and what they identify with. The key is to understand another human and be able to accept someone without any judgement.”



Our Reach



Looking Ahead

With 1 in 5 Kiwis advising they have experienced homelessness*, we know there's more we can do to help people doing it tough in Aotearoa.

So we're thinking big, with plans to launch three new services in the 21/22 financial year.

*YouGov research commissioned by Orange Sky (2021)

Our Services

A message from Chief Operations Officer, Mike Duggan

In the world of service delivery and operations, there is one thing you can always count on; that things will never go exactly the way you planned them. The uncertainty that the early-2020 pandemic brought continued throughout the year and into 2021, challenging our planned delivery of impact.

Thanks to the support of our incredible community of volunteers and service provider partners, we were able to deliver more impact this financial year than ever before, including March being our most impactful month on record with 90 shifts going out across Auckland and Wellington. This holds us in good stead on the way to our target of 150 shifts per month by the end of the 21/22 financial year.

I've never experienced anything like the last financial year in my time in leadership; nor have I witnessed the unwavering passion and purpose of the Orange Sky community to find innovative ways to help more friends. I'm even more proud of those I worked alongside everyday to tirelessly climb back up the COVID-19 cliff and to new heights of service delivery.



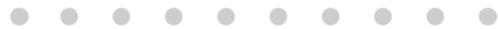
86.2%

of planned shifts delivered across New Zealand



5,009

loads of laundry provided



18

service providers partnered with Orange Sky on shifts across New Zealand



A message from Manager of Service Operations, Eddie Uini

Every volunteer, supporter and friend has helped to make the Orange Sky community stronger than ever over the past 12 months - and I couldn't be more proud to be part of the team. Despite lockdowns, restrictions and temporary shift pauses, our services in Auckland and Wellington have continued to thrive.

Although the pandemic impacted shift delivery and expansion plans, we took the opportunity to review our existing shifts and partnerships, improve our processes and ways of working, build new service provider partnerships, and find locations to operate where we can better support our friends through wrap-around community services.

A massive thank you to our service provider partners, local councils and the many other organisations that provided their special mahi alongside Orange Sky and contributed towards greater impact across the community.

Volunteers are the heart of Orange Sky, and we simply could not create the impact we do across our communities without their support. Our mission at Orange Sky is to positively connect communities, and our volunteers help to make this a reality every day by heading out on shift, providing access to free laundry and shower services, and engaging in genuine and non-judgemental conversation with our friends experiencing homelessness.

Looking ahead and aligning with our 2025 vision, we are excited to welcome many new volunteers out on shift

and support them with additional training, resources, and development opportunities. We know there are still many loads of washing to spin through our machines and many friends to support.

A special shout out must go to our volunteer leaders in Wellington and Auckland, who go above and beyond to ensure that our services operate smoothly, and our vans are out there doing what they do best - supporting the community.





JULY 2020

Launched our five-year strategy, outlining how Orange Sky will positively connect communities through to 2025.



OCTOBER 2020

Kiwibank named a room after Eddie at their Takanini Branch.



JULY 2020

Continued to rebuild operations in the wake of a global pandemic and ongoing lockdowns across the country.



OCTOBER 2020

Celebrated our 1st birthday in Wellington and 2nd birthday in Auckland.

JANUARY 2021

Officially launched an Imagination and Innovation team to find more efficient ways to help more people.



DECEMBER 2020

Thanks to support from our community, we delivered an incredible number of shifts (78) over the holiday period to help people doing it tough.



MARCH 2021

Recorded our busiest month on record with 90 shifts delivered across Auckland and Wellington to support post-lockdown demand.



JUNE 2021

Implemented operational efficiencies to reach a new high of 1,000 shifts per month across Australia and New Zealand.



Strategic Priorities

Our Supporters

Every year, our supporters allow us to continue positively connecting communities by helping us provide the basic human needs of clean clothes, a warm shower and genuine connection. Through their generosity, we are able to continue helping our friends experiencing homelessness or those disconnected in our community.

One of our goals as an organisation is to build a foundation of sustainable and resilient revenue streams, incorporate new revenue opportunities and increase the value and connection of supporters to the Orange Sky brand. We're proud to have been able to progress this goal across the past 12 months.

Our financial results showcase Orange Sky New Zealand's performance, resulting in \$462,936 in revenue this financial year to support us to deliver on our mission.

The koha of everyday New Zealanders continues to astound us, especially in times of crisis and uncertainty. Our message and mission have continued to resonate, with with a total of 717 people donating to Orange Sky, collectively contributing \$167,083 to our hapori.



613

individuals made a donation



104

were part of our regular giving community



\$167,083

was donated to Orange Sky by everyday Kiwis



Three corporate partners have also supported our New Zealand operations in the 20/21 financial year. Our Principal Partner; QBE, our new partner; Adairs, and media partner; oOh! Media, have supported our efforts to raise awareness and funding across the community. These partners have played a critical role in helping us deliver on our outcomes this financial year.

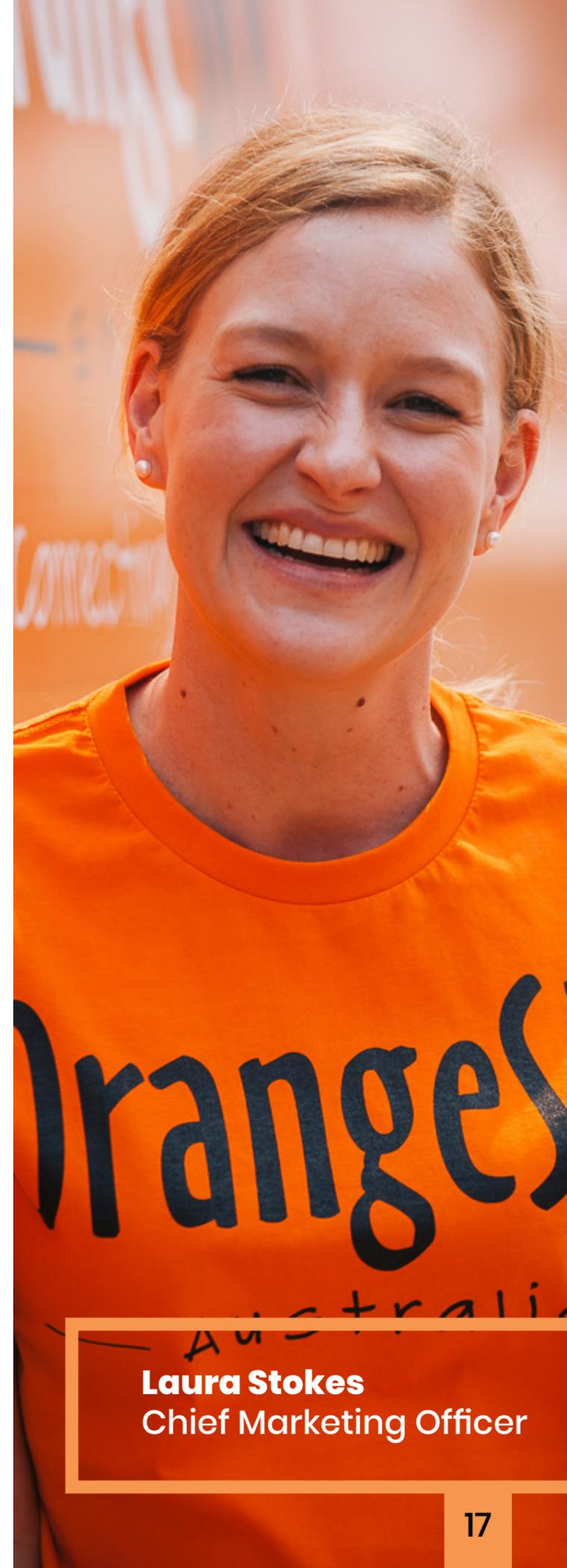
Since the inception of our 2025 Strategy, we've been on a transformation journey to help us deliver the best experience possible for a broad range of audiences. This has included:

- Reassessing our team capabilities;
- Utilising data to better inform our campaigns and decision making;
- Bringing in external expertise to enhance our ability to deliver; and
- Investing in the technology that will allow us to meet our 2025 goals and aspirations.

The strength and growth of our brand plays a critical role in our ability as a not-for-profit to differentiate ourselves amongst the 28,000 other charities in New Zealand and stay relevant to our supporters.

Storytelling is at the heart of what we do, and the ongoing evolution of the Orange Sky brand will continue to support this.

We're passionate about the phases of transformation that are yet to take place and are committed to finding ways to showcase the key differentiators across the brand, from our innovation and imagination, to authentic and real storytelling. We will continue to ensure that Orange Sky can work towards delivering on its mission to support 4,500 people in Aotearoa experiencing homelessness by 2025.



Laura Stokes
Chief Marketing Officer

Strategic Priorities

Imagination & Innovation

Innovation runs through everything we do at Orange Sky; it has and always should be part of our DNA. From building our very first van 'Sudsy' in a Brisbane garage, to upgrading our laundry vans to include shower capability, and the launch of Volaby (our volunteer management platform) – we are constantly looking for ways to innovate and help more people in our community.

When Lucas and I first started Orange Sky, we had no idea about budgets, impact or scalability, but we sure are thankful that we gave it a go anyway. Earlier this year, we launched an exciting initiative that supports that very idea of 'giving things a crack'. 'Team Delta' (meaning an alternative form of change) is about leaning into our capacity to innovate, and giving things a go that have potential to make a difference.



E hara taku toa i te toa takitahi, engari he toa takimano, takitini.

Success is not the work of one, but the work of many.

With strong and simple principles, vision and methodology, we are excited to discover the next positive connection that we can make.

One of our values at Orange Sky, 'Imagination and Innovation,' has helped us get to where we are today – a place where we've gained trust in our community and can work alongside them to overcome complex challenges with community-led solutions.

My belief is that everyone at Orange Sky can be an innovator. Ideas can come from anywhere, and for us, the key to moving forward is how to take an idea into action, and give it the time and space to grow and mature to drive impact.



Nicholas Marchesi OAM
Co-Founder & Chief
Delta Officer

Meet John



"I've been homeless for a while now. Several years ago I got sick; I was a line haul driver and [my employer] took me off the road. It's really hard living, but I like living hard, I've always lived on the street.

Orange Sky was a blessing to me. Back in the day, a shower was a good wash on the beach. When Orange Sky came along, that opened my whole world up. The hassle of having to wash my clothes and the hassle of being clean every day – those are the rudiment rules that you need to survive on the street.

All of [the Orange Sky volunteers] should be given badges; badges of honour. They're dedicated to what they do. If people are on hard times, they'll know that at least they can get clean and they give you the social security of not being left out."



Meet the Board

Lucas Patchett OAM

(Executive Director)



Lucas is the Co-Founder and Chief Executive Officer of Orange Sky. Lucas plays a critical role in all areas of Orange Sky from the strategic direction to managing key relationships with our supporters. Lucas was awarded 2016 Young Australian of the Year and in 2020 an Order of Australia medal. Lucas commenced as a board member for Queensland Health's Gold Coast Hospital and Health Service in May 2021.

Nicholas Marchesi OAM

(Executive Director)



Nic is the Co-Founder and Chief Delta Officer (CDO) of Orange Sky. Awarded the 2016 Young Australian of the Year and 2020 Order of Australia Medalist, Nic is an entrepreneur, innovator and storyteller. He is passionate and committed to solving problems, innovating and making a difference. This was recognised through his selection as an inaugural Global Leader for the 2019 Obama Foundation Leaders Program. As CDO, Nic plays a key role in ensuring that innovation is at the forefront of our evolution, leads our technical function, is a key player in our supporter strategy and plays a critical role in managing our strategic direction as a member of the Senior Leadership Team.

Emma Young

(Company Secretary)



After starting out as a volunteer with Orange Sky Australia in early 2016, Emma quickly transitioned into the role of Chief Financial Officer and played a pivotal part in setting up Orange Sky New Zealand. In May 2020, Emma moved on to a new role, however, still contributes to Orange Sky as a volunteer. Emma is currently a Non-Executive Director at Give for Good (Domino's registered charity), holds a Bachelor of Commerce (Accounting), is a Graduate of the Australian Institute of Company Directors and is a member of CPA Australia.



Meet the Senior Leadership Team



Lucas Patchett OAM

Co-Founder and Chief Executive Officer

I've worked at Orange Sky...

Officially as a staff member for 4 years, but was lucky enough to have been at the first wash back in 2014!

I look after...

A variety of things! I shifted into the role of Orange Sky CEO in January, meaning I get to spend time across each of our teams, as well as work closely with our Board and some of our supporters.

To me, impact means...

Something different to everyone - which is the beauty of starting with a conversation and going from there, you can choose your own adventure!



Nicholas Marchesi OAM

Co-Founder and Chief Delta Officer

I've worked at Orange Sky...

Ever since our first load of washing in 2014.

I look after...

Our Innovation & Imagination Department (known as Team Delta), which actively finds ways for us to create change with our variables to deliver our mission.

To me, impact means...

Having the trust of the community, showing up and connecting.



Laura Stokes

Chief Marketing Officer

I've worked at Orange Sky...

For 2 years.

I look after...

The incredible Marketing, Fundraising and Partnerships (MFP) Team. We're responsible for building a foundation of sustainable and resilient revenue streams, and increasing connection of people to the Orange Sky brand. We aim to inspire them to act through giving their time, money or trust in our services.

To me, impact means...

Delivering positive tangible and intangible change that makes society a better place.



Melanie Woodward

Chief Financial Officer

I've worked at Orange Sky...

Since May 2020.

I look after...

A wonderful group of people who cover all things finance, people and engagement, workplace health and safety, risk, governance and office management at Orange Sky.

To me, impact means...

Helping as many friends as we can in the most efficient, effective and sustainable way.



Mike Duggan

Chief Operations Officer

I've worked at Orange Sky...

Over 2 and a half years - I started my journey with Orange Sky on April 1st, 2019.

I look after...

Operations across Australia and New Zealand including leading our awesome team of program managers, subject matter experts, project managers and support officers in the metro, regional and remote spaces.

To me, impact means...

Making and leading purposeful change that has a lasting and tangible positive impact.

Orange Juicers

At Orange Sky, we are fortunate to have a community of partners who are eager to support our mission. In 2020, we created a program called 'Orange Juicers' for a team of highly engaged ambassadors across Aotearoa to give back, help us solve challenges and support our leadership team with advice and mentorship.

The Orange Juicers program consists of a cohort of four people who passionately engage each month. Due to various COVID-19 restrictions, our meetings have been 100% virtual, but we look forward to bringing all our Juicers together post-lockdowns! Some of the outcomes and highlights from the past year have included:

- Connections across Aotearoa for growth and support in building out proposals;
- Advice and mentorship on strategy;
- Collaboration on fundraising opportunities;
- Connection to service provider partners in region;
- Program-specific engagement; and
- Community advocacy.

Our sincere thanks to all of our Orange Juicers for their contribution over the past 12 months:

- | | |
|-----------------------|--|
| Alison Adams | CEO, ChristchurchNZ |
| Chris Payne | Head of International Relations, New Zealand Film Commission |
| Dawn Baggaley | Group Sustainability Manager, New Zealand Post |
| Glenys Talivai | CEO, Public Trust New Zealand |



Fiona Hodges
Strategic Partnerships
Manager



Our Partners

We are grateful to each and every one of our amazing partners for their generosity and belief in our mission. Our thanks go to:

Principal Partner



Partners & Donors

- Adairs
- Hugo Charitable Trust
- NZ Post
- oOh! Media
- Renaye Huia of Ray White Leaders
- Society of Mary New Zealand



Our Financials

Overview

Like many organisations across New Zealand and the world, the pandemic forced us to stop, reset and reimagine how we operate. The 20/21 financial year saw our focus on continuing to deliver the greatest impact and support for our friends doing it tough. Thanks to prudent financial management by the Orange Sky Board and Senior Leadership Team, we have been able to successfully navigate through the uncertainty of COVID-19 whilst finding innovative ways to improve and deliver on our strategic goals and mission as an organisation.

The end of the financial year saw Orange Sky New Zealand achieve a surplus of \$93,000. We recognise how fortunate we are to have finished the financial year in this position, considering the uncertainty the world is experiencing.

Orange Sky New Zealand is a wholly-owned subsidiary of Orange Sky Australia. All funds raised in New Zealand go towards furthering New Zealand's purpose, 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 includes operations management, health and safety, marketing, fundraising, finance, human resources and other support. The New Zealand and Australian boards review this fee annually to ensure it accurately reflects the services provided.

The fee was reduced in the 20/21 financial year, and will reduce again in the 21/22 financial year.

In extraordinary times, we are truly thankful to all of our supporters. Their generosity means we can continue to support people at a time when those who are at risk of or experiencing homelessness need us more than ever before.

Revenue

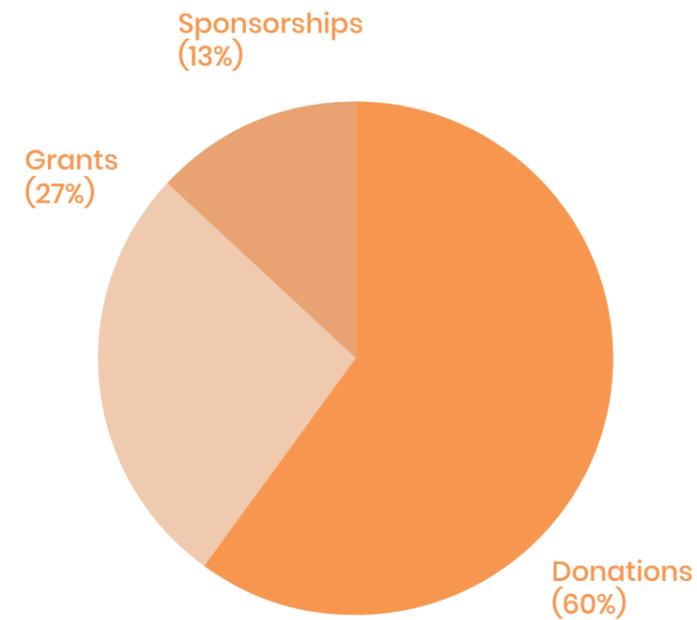


\$462,936

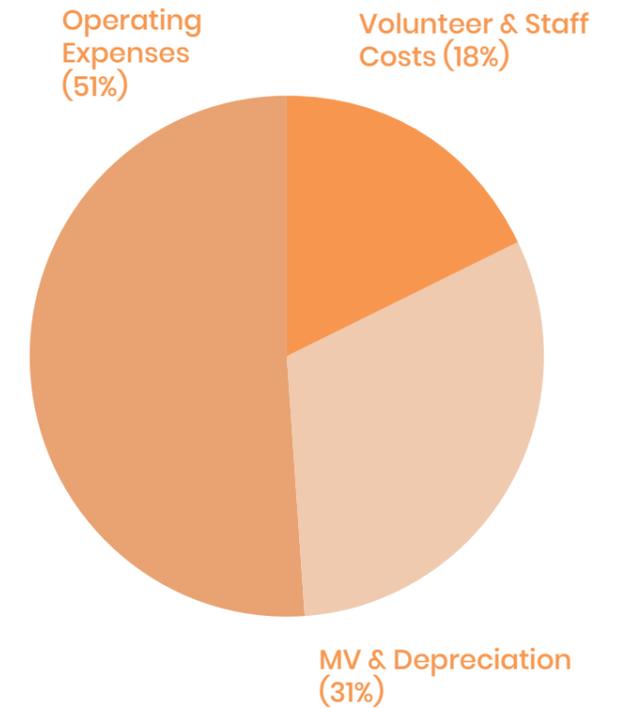
Throughout the pandemic, we have been blown away by the commitment and support of our hapori, which enabled us to continue operating with confidence during an uncertain time and set the foundation for growth heading into next financial year.

Orange Sky's revenue reduced slightly over this financial year due to our grant arrangement with the Ministry of Housing & Urban Development coming to a close in October 2021.

Income % Breakdown



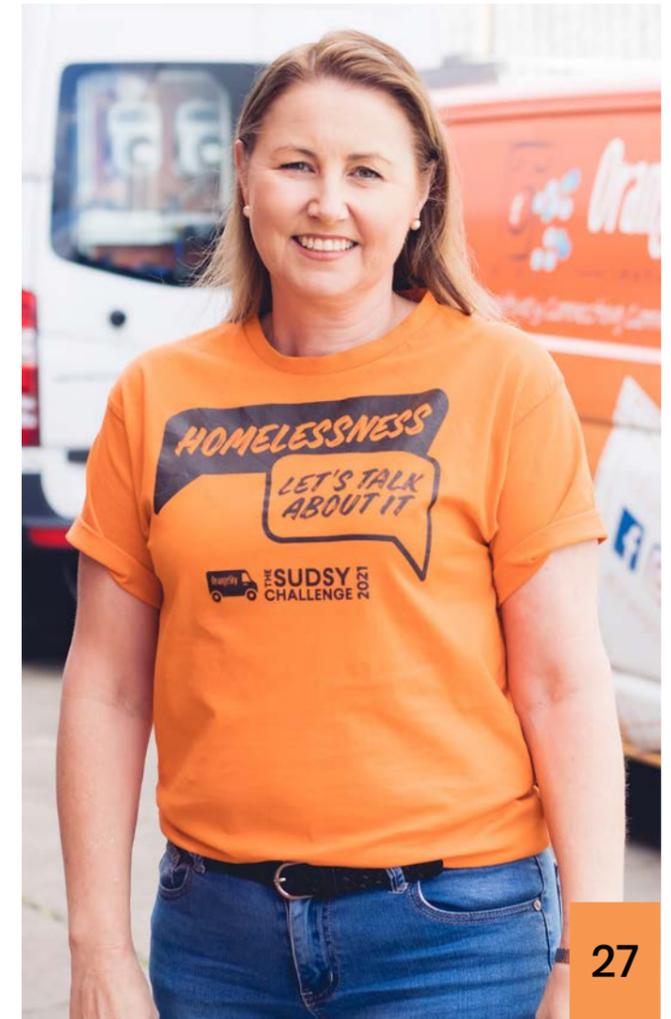
Expenses % Breakdown



This grant was intended to support Orange Sky to establish in Auckland and Wellington, and transition to other fundraising streams - similar to Orange Sky Australia as a majority privately-funded organisation.

Our economic outlook is very healthy for a young organisation, with strong working capital and no debt. The balance sheet reflects a positive cashflow from operating activities, and we remain committed to managing the funds entrusted to us effectively and efficiently.

Melanie Woodward
Chief Financial Officer





Orange Sky
Positively Connecting Communities

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@ORANGESKY



L19785

Orange Sky New Zealand Limited

PERFORMANCE REPORT

for the year ended 30 June 2021

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ENTITY INFORMATION

Legal Name of Entity:	Orange Sky New Zealand Limited
Type of Entity and Legal Basis:	NZ Limited Company and Registered Charity
Registration Number:	Company number: 6830278 Charity registration number: CC55443
Directors:	Nicholas Marchesi Lucas Patchett

Subsequent to reporting date, Orange Sky New Zealand appointed Alan Brame as a Director (24 September 2021).

Entity's Purpose or Mission:

Orange Sky is a not-for-profit organisation providing free mobile laundry and shower services for people experiencing homelessness.

Each week, more than 130 volunteers across Auckland and Wellington give their time to help positively connect some of the 41,000 New Zealanders who are doing it tough. The focus is on creating a safe, positive and supportive environment for people who are too often ignored or feel disconnected from the community.

We carry out our mission to **positively connect communities** by providing access to free mobile laundry and shower services, as well as the opportunity for connection and genuine conversation on our six orange chairs.

ENTITY INFORMATION (CONTINUED)**Main Source of the Entity's Cash and Resources:**

The majority of Orange Sky's income is comprised of donations and grants from both government and non-government organisations and charities. In addition, a small amount of income is raised through donations from individuals and businesses.

Main Methods Used by the Entity to Raise Funds:

Orange Sky is active in applying for grants from both government and non-government organisations, as well as seeking donations from charities and sponsorships from businesses. In addition, a small amount of fundraising is undertaken through the organisation's website and social media channels.

Entity's Reliance on Volunteers and Donated Goods or Services:

Orange Sky relies significantly on volunteers to operate the vans on a day-to-day basis. There are various levels of responsibility from general volunteering for 2-4 hours per week/fortnight through to maintaining the vehicle or leading the service which involves a larger time commitment.

Contact Details:

Physical & Postal Address:

17-31 Dover Street

Albion, Queensland

Australia 4010

Email/Website:

<https://orangesky.org.nz/>

Facebook:

<https://www.facebook.com/OrangeSkyNZ/>

Instagram:

<https://www.instagram.com/orangeskynz/>

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The Directors present their Annual Report including Performance Report of the Company for the year ended 30 June 2021.

Section 211 of the Companies Act 1993 requires the following disclosures:

The business of the Company is the provision of a free mobile laundry and shower service to people experiencing homelessness. The nature of the Company's business has not changed during the year.

The persons listed below held office as director during the year, their remuneration is also disclosed:

Director	\$
Nicholas Marchesi	-
Lucas Patchett	-
	<hr style="width: 100%;"/>
	-

The Register of Interests was updated to include the interests of any new directors appointed during the year.

No other persons held the office of director at any time during the year. No Director acquired or disposed of any interest in shares in the Company.

Subsequent to reporting date, Orange Sky New Zealand appointed Alan Brame as a Director (24 September 2021).

Information on Directors of the Company

The Board of Directors received no notices from Directors wishing to use company information received in their capacity as Directors which would not have ordinarily been available.

State of Affairs

The Directors are of the opinion that the state of affairs of the Company is satisfactory.

Performance Report

The Performance Report for the year ended 30 June 2021 is attached to this report.

Auditors

No auditor has been appointed.

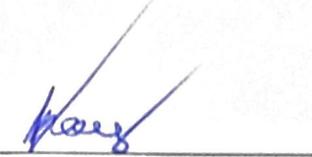
Donations

No donations were made by the Company during the year.

For and on behalf of the Board of Directors:

Director 

Dated: 3 NOVEMBER 2021

Director 

3/11/21

STATEMENT OF SERVICE PERFORMANCE**Description of the Entity's Outcomes:**

For the financial year ended 30 June 2021, Orange Sky aimed to do the following:

- Rebuild operations in Auckland and Wellington in response to the COVID-19 pandemic and support more people doing it tough in NZ;
- Recruit and onboard more volunteers to support more shifts across Auckland and Wellington; and
- Lay the foundation for further expansion in future financial years.

Description and Quantification of the Entity's Outputs:

	Actual 2021	Actual 2020
Conversation Hours	7,621	3,483
Loads of Laundry	5,009	2,378
Showers	2,749	1,870
Volunteers	173	112

Additional Output Measures:

Orange Sky carries a focus on Social Impact. Deloitte was engaged by Orange Sky Australia to build a framework of measurement. Based on the Australian method of calculation and converted to NZD, the Social Impact for the financial year ended 30 June 2021 was \$873,345 (2020: \$558,000). This is made up of the value in services provided by volunteers, quality of life gained by friends and volunteers through connection and the value of health benefits gained by friends.

Additional Information:

Orange Sky Australia has developed software that Orange Sky New Zealand uses to collect real time data. Orange Sky Australia also provides shared services to New Zealand including health and safety, marketing, fundraising, finance, human resources and administration which means only one staff member was employed by Orange Sky New Zealand during the financial year.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021 \$	2020 \$
Revenue			
Donations, fundraising and other similar revenue	2	462,936	560,680
Interest, dividends and other investment revenue		88	148
Other revenue	3	-	7,179
Total Revenue		463,024	568,007
Expenses			
Volunteer and employee related costs	4	71,188	99,648
Costs related to providing goods or services	5	112,677	116,250
Other expenses	6	184,488	231,508
Total Expenses		368,353	447,406
Surplus/(deficit) for the year		94,671	120,601

The accompanying notes form part of these financial statements and should be read in conjunction with them.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 \$	2020 \$
ASSETS			
Current assets			
Bank accounts and cash		210,134	145,624
Debtors and prepayments		3,751	6,163
GST recoverable		-	827
Total current assets		213,885	152,614
Non-current assets			
Property, plant and equipment	7	152,851	239,875
Total non-current assets		152,851	239,875
TOTAL ASSETS		366,736	392,489
LIABILITIES			
Current liabilities			
Creditors and accrued expenses	8	15,705	10,113
GST payable		1,280	-
Related party borrowings	17	93,352	95,648
Unused donations and grants with conditions	9	-	125,000
Total current liabilities		110,337	230,761
TOTAL LIABILITIES		110,337	230,761
NET ASSETS		256,399	161,728
Share capital	10	100	100
Accumulated surpluses	11	256,299	161,628
TOTAL ACCUMULATED FUNDS		256,399	161,728

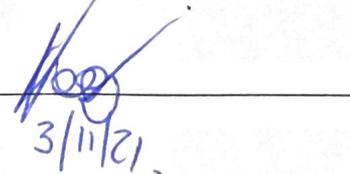
This Performance Report has been approved by the Board of Directors, for and on behalf of Orange Sky New Zealand Limited:

Director



Dated: 3 NOVEMBER 2021

Director



The accompanying notes form part of these financial statements and should be read in conjunction with them.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021	2020
		\$	\$
Cash flows from operating activities			
Cash received from donations, fundraising and other similar receipts		341,430	618,726
Cash received from interest, dividends and other investment receipts		88	148
Cash received from other revenue		-	7,179
Goods and services tax (net)		2,110	(5,227)
Payments to suppliers and employees		(157,948)	(243,073)
Payment of management fee to related entity		(121,170)	(150,357)
Net cash flows from operating activities		<u>64,510</u>	<u>227,396</u>
Cash flows from investing and financing activities			
Payments to acquire property, plant and equipment		-	(170,448)
Capital contributed from owners		-	-
Net cash flows used in investing and financing activities		<u>-</u>	<u>(170,448)</u>
Net Increase/(decrease) in bank accounts and cash		64,510	56,948
Bank accounts and cash at the beginning of the period		145,624	88,676
Bank accounts and cash at the end of the period		<u>210,134</u>	<u>145,624</u>

The accompanying notes form part of these financial statements and should be read in conjunction with them.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

Orange Sky New Zealand Limited has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported under the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The primary objective of the Company is to positively connect communities through genuine conversation and the provision of access to free mobile laundry and shower services.

The Company is a fully owned subsidiary of Orange Sky Australia Limited.

The financial statements were authorized by the Board of Directors on 3 November, 2021.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Company have been applied consistently to all periods presented in this Performance Report.

The significant accounting policies used in the preparation of the Performance Report are summarized below:

Revenue

Revenue is accounted for as follows:

Grants and Donations

Grants and donations are accounted for depending on whether they have been provided with a “use of return” condition attached or not. Where no use or return conditions are attached to the grant or donation, associated amounts are recognised as income when cash is received. Where grants or donations include a use or return condition, the donation is initially recorded as a liability on receipt. The grant or donation is subsequently recognised within the Statement of Financial Performance as the performance obligations are met.

Other Revenue

Other Income has been recognised based on the reimbursement amount following acceptance of motor vehicle damage claim with the Insurance provider and agreement reached with assessors.

Interest Income

Interest income is recognised on an accruals basis.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Trade Debtors

Debtors are stated at their estimated realizable value after providing for amounts not considered recoverable.

Property, Plant and Equipment

Property, plant and equipment consist of the following asset classes: motor vehicles and other equipment and computer costs.

Items of property, plant and equipment are measured at cost, less accumulated depreciation.

Where material parts of an item of property, plant and equipment has different useful lives, they are accounted for as separate items of property, plant and equipment.

Additions and subsequent costs

Subsequent costs and the cost of replacing parts of an item or property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Disposals

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits or service potential are expected from its use or disposal.

When an item of property, plant and equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on a straight line basis over the estimated useful life of the asset. The depreciation rates used in the preparation of these statements are as follows:

Motor vehicles	25%
Other assets (equipment and computer costs)	50% - 100%

The residual value, useful life and depreciation methods of property, plant and equipment is reassessed annually.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2021****1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)****Trade Creditors**

Short-term creditors and the other short-term payables are recorded at their face value.

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Share capital
- Accumulated surpluses

Goods and Services Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for trade debtors and trade creditors that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Where applicable, any commitments and contingencies are disclosed exclusive of GST.

Taxation

No provision for Income Tax has been made as the Company is exempt from taxation under section CW 41(1) of the Income Tax Act 2007.

2 DONATIONS, FUNDRAISING AND OTHER SIMILAR REVENUE

	<i>2021</i>	<i>2020</i>
	\$	\$
Government grants	125,000	437,500
Sponsorship	58,642	35,762
Other grants	-	10,000
General donations	279,294	77,418
Total	462,936	560,680

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

3 OTHER REVENUE

	2021 \$	2020 \$
Insurance proceeds	-	7,179
Total	-	7,179

4 VOLUNTEER AND EMPLOYEE RELATED COSTS

	2021 \$	2020 \$
Contractor & consultancy fees	2,429	34,658
Volunteer costs	3,747	3,047
Wages & salaries	65,012	61,943
Total	71,188	99,648

5 COSTS RELATED TO PROVIDING GOODS OR SERVICES

	2021 \$	2020 \$
Depreciation – motor vehicle	86,568	75,507
Motor vehicle costs	26,109	40,743
Total	112,677	116,250

6 OTHER EXPENSES

	2021 \$	2020 \$
Accounting fees	3,775	3,504
Advertising and promotion costs	29,284	6,684
Bank fees & charges	5,030	1,160
Computer expenses	2,554	1,297
Depreciation – other assets	456	-
Insurance	3,864	5,876
Management support fee	119,392	159,485
Other expenses	1,310	5,442
Printing, postage & stationery	2,345	7,488
Telephone & internet	3,892	2,796
Travel & accommodation	12,586	36,734
Loss on sale or disposal of assets	-	1,042
Total	184,488	231,508

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

7 PROPERTY, PLANT AND EQUIPMENT

2021	<i>Motor Vehicles</i>	<i>Other Assets</i>	<i>Total</i>
	\$	\$	\$
Cost	346,287	4,448	350,735
Accumulated depreciation	(193,590)	(4,294)	(197,884)
Closing balance	152,697	154	152,851
Opening balance	239,265	610	239,875
Additions	-	-	-
Disposals	-	-	-
Depreciation	(86,568)	(456)	(87,024)
Closing balance	152,697	154	152,851
2020	<i>Motor Vehicles</i>	<i>Other Assets</i>	<i>Total</i>
	\$	\$	\$
Cost	346,287	3,406	349,693
Accumulated depreciation	(107,022)	(2,796)	(109,818)
Closing balance	239,265	610	239,875
Opening balance	143,433	1,501	144,934
Additions	171,339	1,877	173,216
Disposals	-	(1,042)	(1,042)
Depreciation	(75,507)	(1,726)	(77,233)
Closing balance	239,265	610	239,875

There are no restrictions over the title of the Company's property, plant and equipment assets, nor is any property, plant and equipment assets pledged as security for liabilities.

8 CREDITORS AND ACCRUED EXPENSES

	2021	2020
	\$	\$
Trade creditors	12,882	8,013
Payroll liability	(126)	1,223
Credit card liability	2,949	877
Total	15,705	10,113

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

9 UNUSED DONATIONS AND GRANTS WITH CONDITIONS

	2021 \$	2020 \$
Government grants	-	125,000
Total	-	125,000

10 SHARE CAPITAL

	2021 \$	2020 \$
100 shares authorised and fully paid	100	100
Total	100	100

11 ACCUMULATED SURPLUSES

	2021 \$	2020 \$
Balance at beginning of period	161,628	41,027
Surplus/(deficit) for the period	94,671	120,601
Balance at end of period	256,299	161,628

12 COMMITMENTS AND CONTINGENCIES

Capital Commitments

There are no capital commitments at balance sheet date (2020: nil).

Contingencies

There are no contingent liabilities or guarantees at balance sheet date (2020: nil).

13 SIGNIFICANT GRANTS AND DONATIONS WITH CONDITIONS

There are no significant grants and donations with conditions which have not been recorded as a liability (2020: nil).

14 GOODS OR SERVICES PROVIDED TO THE ENTITY IN KIND

Consistent with prior years, Orange Sky had a number of businesses that donated goods and services in kind. These goods and services are recognised, in line with other applicable accounting standards, at the value of consideration that the entity would otherwise pay. Orange Sky relies on the time provided by its unpaid volunteers. The fair value of this time is not reflected in these financial statement as it cannot be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2021****15 ASSETS USED AS SECURITIES FOR LIABILITIES**

There are no assets owned by the Company that have been used as securities for liabilities (2020: nil).

16 ASSETS HELD ON BEHALF OF OTHERS

There are no assets owned by the Company on behalf of others (2020: nil).

17 RELATED PARTY TRANSACTIONS

A management support fee is paid by the Company to Orange Sky Australia Limited to manage its shared services. These shared services include operations management, health & safety, marketing, fundraising, finance, human resources and administration. A total of \$119,392 was charged during the period (2020: \$159,485).

As at the year end, the outstanding balance owing to Orange Sky Australia in trade creditors was \$8,365 (2020: \$10,143)

In addition, \$22,565 of costs (2020: \$9,128) were paid directly by Orange Sky Australia Limited to be reimbursed by Orange Sky New Zealand Limited. As at the year end, the outstanding balance was \$95,352 (2020: \$95,648) which relates to the current and prior period expenses still to be reimbursed.

18 EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events after balance date that have not otherwise been disclosed in these notes to the financial statements.

19 GOING CONCERN

As at 30 June 2021, the Company's current assets exceed its current liabilities. The Directors believe the Company has the ability to meet its debts and obligations as and when they fall due.

20 CORONAVIRUS (COVID-19) PANDEMIC

Judgement has been exercised in considering the financial impacts that the COVID-19 pandemic has had. This consideration extends to the nature of the services offered, customers, staffing and geographic regions in which the Company operates. There does not currently appear to be either any significant financial impact upon the Company or any significant financial uncertainties with respect to events or conditions which may impact the Company unfavorably as at the reporting date or subsequently as a result of the COVID-19 pandemic.