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ASIAN OUTREACH CAMBODIA

BI-ANNUAL REPORT. JULY-DECEMBER 2015.



DIRECTOR'S UPDATE

NEW BEGINNINGS



“ Behold, I am doing a new thing; now it springs forth, do you not perceive it? I will make a way in the wilderness and rivers in the desert. ”
Isaiah 43:19

Dear Friends:
Greetings, in the name of our Lord Jesus. I hope you and your family had a blessed Christmas, encouraged by the great love and mercy of our Lord Jesus Christ.

In close partnership and collaboration with local churches in the villages AOC works in, we facilitated two Christmas outreaches in Kandal and Stung Treng provinces. It was extremely well attended by 1,000 people with nearly half taking steps of faith to receive Christ. The Gospel messages were delivered by Pastor Prey Sokhun, the Program Manager for the Evangelical Fellowship of Cambodia and Pastor Mam Barnabas, the Asian Regional Director for Ambassador for Christ International. The Holy Spirit was powerfully at work as we reaped some of the fruit of the relationships built over the past year with the various churches, but the best is yet to come! It is just the beginning as we equip and exhort the leaders and pastors to disciple these new believers to maturity.

Since the inception of AOC, we moved from being a relief organization to one of development. We have been recognized by the government as a significant contributor to fulfilling its plan to improve education, water and sanitation and agriculture. But we believe the best is yet to come! As we begin 2016, we are taking bigger and bolder

steps towards sustainable transformational development by learning from past mistakes and successes and making necessary changes and employing new strategies. Last year, we worked hard to formulate a three-year strategic plan for 2016 to 2018 as a blueprint to operate from. Many of the goals adhere with the United Nations' Sustainable Development Goals 2030. We will focus on holistic sustainable community-based development with the local churches as the primary agents of change.

The Asian Integration Beyond 2015 promises greater economic advancements and job creation. We, therefore, wait expectantly for better prospects for our nation. But no matter what the future holds, AOC will continue to faithfully serve and contribute to the hope and dignity of our people.

I wish you a spirit-filled and joyous 2016!

Best Regards,

Thong Romanea
National Director
Asian Outreach Cambodia

ORGANIZATIONAL UPDATE

PERSONNEL UPDATE

Soeurn Navy, who worked in the Community Hope Development project and a staff member for eight years, resigned in November. He completed a degree in Business Administration and is pursuing a career in this field. We thank him for his service and wish him God's blessings.

In December Sam Darby, from New Zealand, and Kai Salminen, from Canada, arrived at our doorstep in December. Sam will be working in Stung Treng for one year to develop a business strategy for the Business Farm. Kai is trained in IT and will focus on computer and English training for our youth in Kandal and Prey Veng for three months, as well as assists us to assess the gaps within our existing computer system.



VISITORS/TEAMS UPDATE

The last half of 2015 began with visits from Peter and Joanne Chandra and Naomi Birkett from Australia. Peter is a board member for AO Australia and is working hard to build and strengthen the partnership with AOC to support our work. Naomi helped shape the curriculum for the English classes for the youth.

Patrick Elaschuk represented our Canadian partner, Hope for the Nations, with his visit to the ACTS project in Stung Treng and offered us valuable feedback from his evaluation. Patrick and his daughters also visited and were impressed with the Stars of Peace project in Prek Ho.

Bruce and Dianne Taylor, from New Zealand, hit the ground running when they landed in September! Bruce, the chair of the AOC board, filled his schedule with meetings with the leadership team and board members and project site visits. Dianne's primary focus was on training the staff of Stars of Peace.

Horsham Downs Community Church served with us in Stung Treng for just short of two weeks. Some donated, prepared and installed a drip irrigation system at the Model Farm and built two new chicken coops to expand our capacity. They also worked very hard weeding and planting!

We thank all of our visitors and short-term staff members for your heart to serve this nation!



OPERATIONS UPDATE

MONITORING

The Non-Governmental Organization Code Compliance Committee officially certified AOC as a role model for strengthening others in the NGO sector as recognized by the NGO Governance and Professional Practice (GPP) since 2011 under the Cooperation Committee for Cambodia.

In July 2015 GPP sent a team to conduct the first compliance monitoring of AOC. They checked for ongoing compliance against 21 selected standards, then offered some helpful recommendations. As a result, AOC has improved its governance, transparency, accountability and policies.

GPP appreciates the efforts of AOC and encourages us to keep implementing good practices and comply with GPP standards to become a role model NGO in Cambodia. The full GPP report is available upon request.

AOC BOARD MEETING

The second board meeting of 2015 was held in September. Discussions centred on plans to address present and future operational needs and leadership. The outcome is a document outlining 10 key issues the core leadership team was asked to evaluate and address by the end of the first quarter of 2016.

3 YEARS STRATEGIC PLAN

Led by our Program Operations Director, Edith Watt, our Project Managers spent almost 8 months formulating and writing a three-year strategic plan. The goal for 2016 to 2018 is "To increase the integration between AOC projects and work through the Church to bring sustainable holistic transformation to poor communities in Cambodia". We have done so to an extent in the past, but we endeavour to be much more intentional in bringing it to fuller realisation in the next three years.

The Three-Year Strategic Plan is available upon request.

NATIONAL DIRECTOR'S TRIP TO NZ

AOC's National Director, Romanea Thong, and his family visited New Zealand in November. They visited many beautiful sites and worked with the AONZ team to promote the work of AOC. It finally gave many the opportunity to meet Romanea and hear about his amazing life story.

Upon his return, Romanea commented that the biggest impact for him personally was seeing the tremendous disparity in the quality of life between New Zealanders and Cambodians, but is encouraged by how God is using him to help his own people.

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RETREAT & FAREWELL

In August, the entire AOC team from both the Phnom Penh and Stung Treng offices went to Sihanoukville for the annual staff retreat to rest and get to know each other outside of work. Prior to leaving, two days were in Phnom Penh reviewing and sharing successes and challenges in each of our projects.

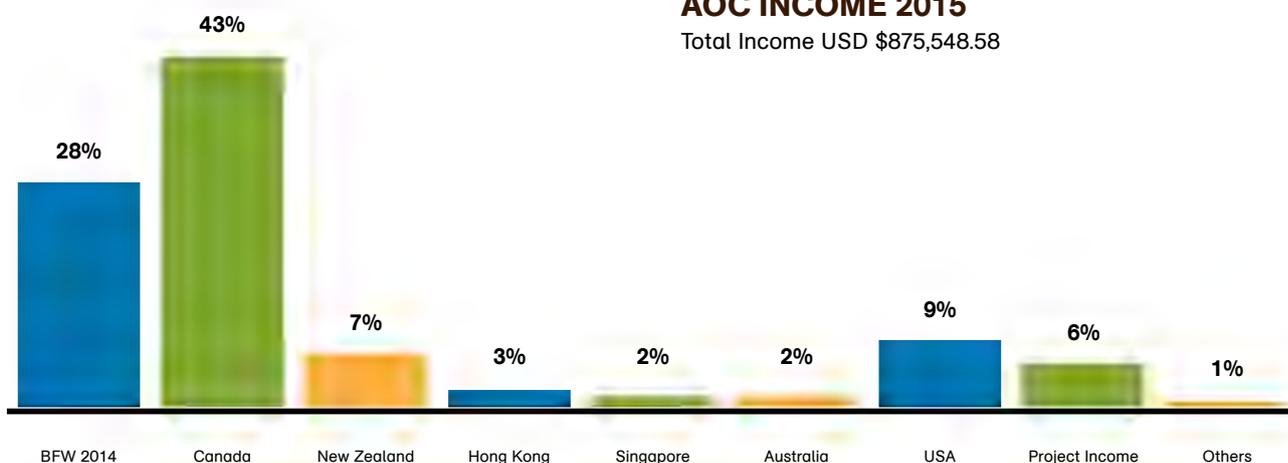
We also celebrated the Dyer family, who are returning to New Zealand, for faithfully serving in Cambodia for 11 years.

BUDGET UPDATE

For 2015, we received \$632,172.98 USD from our partners, together with \$243,375.60 USD carried over from 2014 for unfinished projects for a total of \$875,548.58 for the year to implement all of our projects. It has allowed us to impact 37,200 people from 6,200 families in 224 villages, 31 communes in three provinces.

Thank you for your partnership!

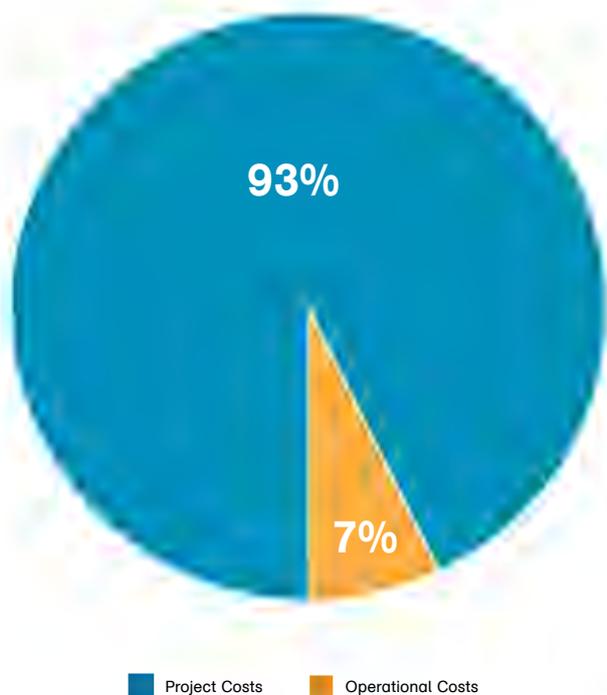
2015 FINANCIAL INFORMATION



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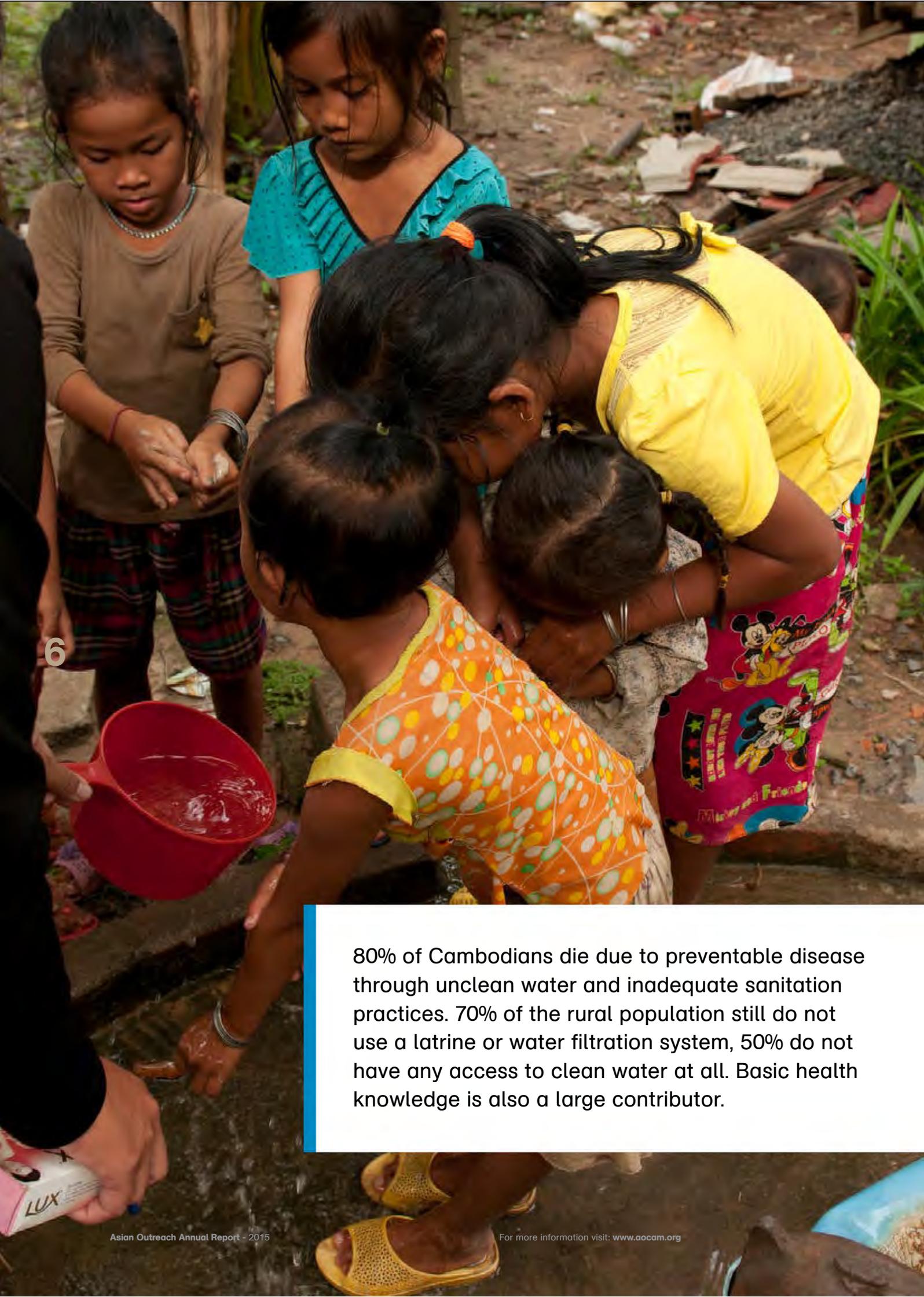
AOC EXPENSES 2015

Total Expenses USD \$662,793.29



Areas of Expenses	Total
Personnel	\$186,505.82
Office Rentals	\$15,029.95
Building Maintenance	\$2,420.24
Utilities	\$5,007.59
Communication	\$6,177.85
Equipment and Furniture	\$22,651.83
Material and Supplies	\$2,693.04
Membership Registration	\$926.30
Auditing Fee	\$1,340.50
Bank Charge Fees	\$1,278.59
Hospitalities	\$8,961.65
Staff Development	\$9,121.59
Organizational Development	\$3,261.67
Transportation	\$24,627.87
Translation fees	\$639.50
Constructions (TTC/Wat-San)	\$278,104.09
Educations (Schools)	\$12,445.56
Community Trainings	\$22,964.90
Resources	\$1,445.00
Special Events	\$3,475.62
Income Generation	\$36,149.54
Monitoring/Evaluation	\$704.49
Emergency Relief	\$635.14
Miscellaneous	\$767.13
Health Promotion	\$150.00
Workers Uniforms	\$594.25
Per Diem	\$4,541.52
Agronomy	\$602.49
Livestock on Farm	\$9,569.51
Total	\$662,793.29

With a total income of \$875,548.58 in 2015 and total expense of \$662,793.29, the excess balance of \$212,755.29 is designated project funds that will be carried over to 2016.



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80% of Cambodians die due to preventable disease through unclean water and inadequate sanitation practices. 70% of the rural population still do not use a latrine or water filtration system, 50% do not have any access to clean water at all. Basic health knowledge is also a large contributor.

WATER & SANITATION

PREY VENG & STUNG TRENG

Anlung Svay is a village situated along the Mekong River in Stung Treng province with a population of 820 people. Due to its locale, residents have access to plenty of water all year round.

Mr. Khachon is the principal of a school in Anlung Svay, as well as the pastor. His family was the first to become Christians. He shared with AOC's Water and Sanitation team that the water during the rainy season is full of rubbish which caused his family to suffer from frequent diarrhea and worms. But since this household received a bio-sand filter and latrine, Mr. Khachon quickly noticed a change.

For those living in developed countries, clean drinking water can easily be taken for granted. They simply turn on the tap on, fill the cup and drink without thinking twice about it. And proper toileting facilities are a norm in every home. But for many Cambodians living in rural areas, a bio-sand filter and latrine give a family a new beginning. It means a healthier life free from waterborne diseases.

The Water and Sanitation Team constructed and installed bio-sand filters and latrines for 185 families in Stung Treng in the last six months of 2015. In addition, we monitored to ensure that 775 filters are properly used and maintained.

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Story of Change

Pong Tek is a village in the Thala Borivat district which sits along the Mekong River in Stung Treng province, 10 km from the capital city.

Mrs. Sarun Sophy, wife of Mr. Kung Kieng, is one of the project's beneficiaries who lives in Pong Tek village. The couple has six children. They were the first family to install and reap the benefits of the bio-sand filter and latrine. As a result, Mrs. Sarun Sophy has become an advocate for AOC to address the concerns of other villagers who fear the cement from the filters will seep into the water. They also did not trust the flow rate which is much faster than the ceramic filters they have been using. But since her family has been drinking the bio-sand filtered water, they rarely suffer from diarrhea anymore and time is not wasted on boiling the water. Now many more villagers have installed the filters and are happily using them!

Villagers are generally afraid to share about the injustices they face on a daily basis, but Mrs. Sarun Sophy has spoken out on behalf of her community. Local authorities now keep a careful eye on her family which may pose some challenges for ministry work in Pong Tek. Mrs. Sarun Sophy has heard the gospel. She has not accepted Jesus into her life yet, but she is very open. AOC staff will continue to follow up with her and her family and pray for favour with the village chief. She would like to personally thank AOC for helping her family and the people.

COMMUNITY HOPE DEVELOPMENT

KANDAL, PREY VENG & STUNG TRENG



The last six months of 2015 were fruitful and busy ones for the CHD team with new beginnings in the form of cooperation between church denominations and provinces, as well as witnessing many come to Christ.

8 In July, we invited 17 rural churches from three districts in Stung Treng and five from Ratanakiri province to a training on church planting, networking and partnerships. The five main denominations represented each shared their vision and goals to mobilize prayer support for one another.

For the first time, leaders and pastors from Prey Veng and Kandal provinces traveled to Stung Treng to visit their counterparts for the purpose of having a round table discussion on the challenges and realities of church work in rural villages. The 21 participants openly shared their hardships and difficulties with each other as well as helpful solutions and advice. The group now wants to meet every two months.

The year ended joyously when a total of 1000 unbelievers attended the two Christmas outreach events facilitated by the Stung Treng, Prey Veng and Kandal churches and AOC. Close to half accepted Christ. New beginnings!

Story of Change

Mrs. Chinda and her husband, Chhiv Kimtong, are long standing believers from Sam Ang commune in Stung Treng province. She raises pigs and he is a motorbike mechanic; they have three children. They are the only Christian family living in the midst of a strong animist people, but they have persisted, despite heavy persecution, to share their faith by openly caring for those in their community over the years. The fruit is that a house church has been planted.

The AOC Community Hope Development team heard about this couple and began to visit them. This has refreshed and encouraged them greatly to have people who truly care enough to listen and support their ministry. They no longer feel isolated and alone, but part of a greater network of believers.

This is Mrs. Chinda response when we gave her church some bibles and hymnbooks: "We thank God for these blessings. Now my church members have their own personal bibles and we no longer have to pass one hymnbook around". And Mr. Chhiv Kimtong commented, "Since AOC donated the bibles, it has made it much easier for me to preach because every member can follow along".



34% of Cambodians live on less than \$1 per day. The average household makes \$70 per month. At least 12% of poor people are landless, with no way of making an income. Due to lack of income and food security, many children have to work the fields rather than go to school.



AGRICULTURE & LIVELIHOODS

PREY VENG & STUNG TRENG

A very exciting new beginning took place for 80 farmers in two communes in Prey Veng province during the last half of 2015. AOC, in partnership with The Cambodian Centre for Study and Development in Agriculture (CEDAC), established three Agricultural Cooperatives which strive to maximize the benefits for their members. A Cooperative enables its participants to realize economic benefits that they could not otherwise achieve alone by improving their bargaining power in the marketplace and reduce costs by pooling capital and resources. It allows farmers to address common problems more effectively and develop new market opportunities; therefore, significantly increasing the financial situation of 80 families which will overflow into their communities.

In order for the Cooperatives to function independently from AOC, our Agricultural Livelihood team with CEDAC delivered extensive training on the management and operational practices. In addition, as part of the program, three Savings Groups were set up with a contribution of 6,500,000 Riels (\$1,615 USD) from the members along with a healthy amount from AOC to augment the initial seed money.

The AOC Agricultural Livelihood team in Stung Treng trained 22 farmers on new farming techniques and successfully collected a majority of the loans given out to each. Since this project is closely linked to the Model Farm (page 11), there will be new opportunities developed in husbandry in 2016 which can be applied to the local farmer living in the rural areas of Stung Treng.

Story of Change

With 24 members, the Prey Sneat Samakie Agricultural Cooperative in Prey Veng was formed in September under the coordination of AOC. They elected and established a Co-op Committee made up of three people. Internal rules and regulations were agreed upon and formulated by the members. It meets once a month.

The Cooperative started with a savings program requiring each member to commit to giving at least \$7 USD/month to the pot. The members decide on how to utilize the funds - for business ventures or to serve as microloans to individual farmers.

Mr. Lang Key, who was selected to be the Chief of the Co-op, says, "I am fully committed to leading this Cooperative. I want to it to be a strong influence in our communities when others see the lives of its members improve".

Ms. Eav Savorn, the Treasurer, told us, "By December, the Co-op already has \$2,500 USD. We decided to provide loans to its members to invest in their farms. This will, in turn, increase the amounts saved by each one which will go back into pot, giving many a bright future. She thanks AOC for coordinating this project which belongs to the community".

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MODEL FARM

STUNG TRENG

The Model Farm continues to develop the infrastructure required to benefit the AOC Agricultural Livelihood project beneficiaries. We completed the construction of a pig farrowing pen which will enable us to have better quality control of the pigs and piglets we raise to give to our farmers. This, in combination with our new feed processing machine, reduces our input costs.

We also began the construction of the 'White Mushroom House'. The aim is to introduce a healthy source of income to our farmers besides traditional crops.

A short-term team from New Zealand donated and built the drip irrigation model on the Model Farm to trial. Irrigation is a major problem during the dry season; therefore, we hope it will become an effective water source in the villages which will increase the number of harvests each year.

As we look forward to 2016, it presents us with new alternatives to explore forage and fodder crops for livestock to improve animal nutrition throughout the dry season. This, in turn, allows farmers to deliver better quality animals to the market. We also have new opportunities to explore inputs and cost reduction practices across our current projects which can be passed onto our Agricultural project beneficiaries.



TRAINING CENTRE

STUNG TRENG

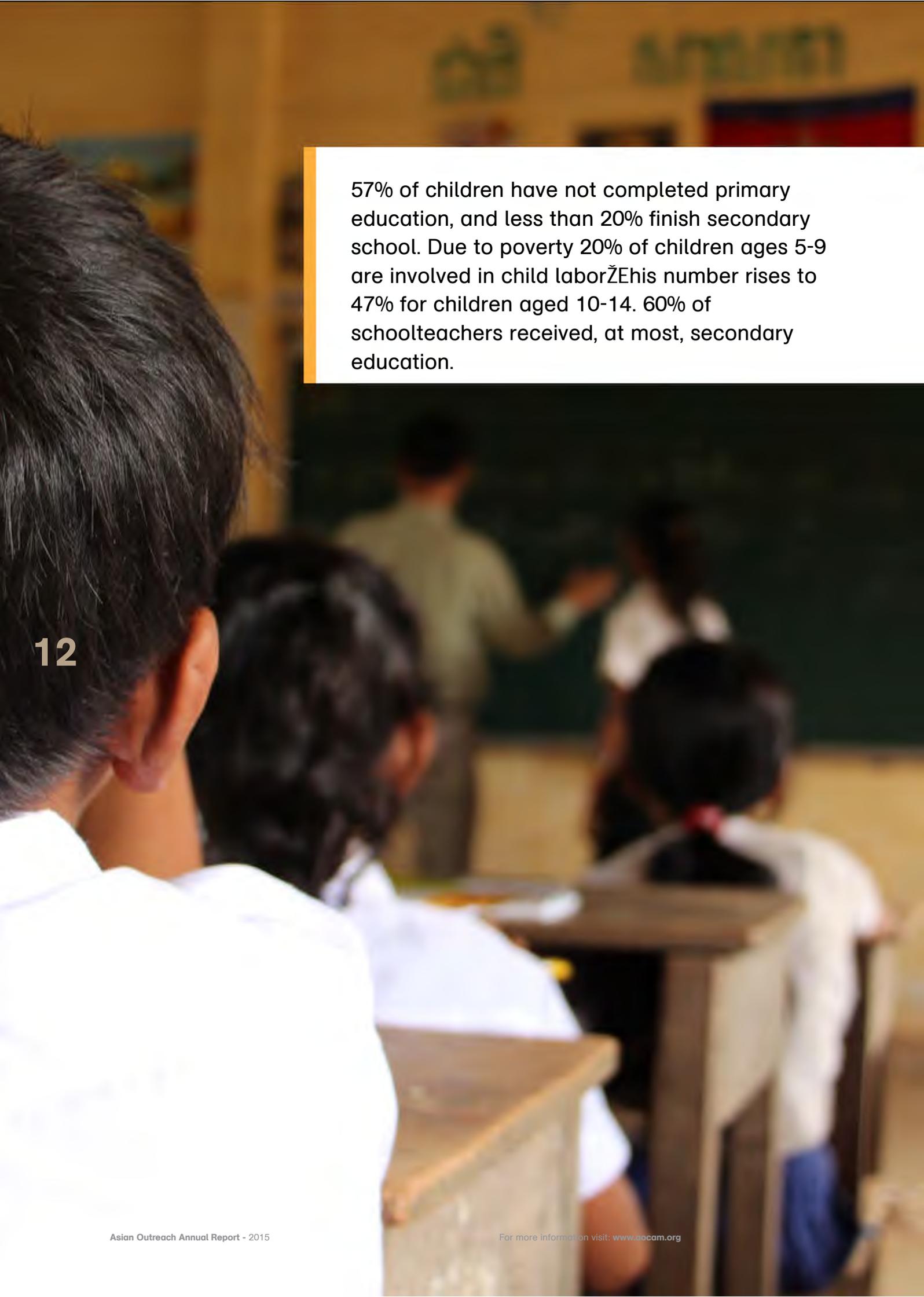
This report's theme of "New Beginnings" fits perfectly for the Stung Treng Training Centre which officially started the first phase of construction in August. Therefore, it has been a busy time with concrete mixers operating, trucks driving in and out, and various supplies being delivered. It is a very exciting time for us as we watch the building rise up and take shape, praying and believing together for God's provision for each phase.

As we go into the 2016 we are finalising plans and costings for filling the interior space. We are praying for an additional \$80,000 to complete the building by the end of 2016. Our hope is for teams with specific skills to come and volunteer their time and resources from all around the world.

Our strategic plans for the next three years gives a great picture of where we need to go from here. In addition to facilitating the completion of the construction, we have to recruit staff and research and locate suitable curriculum for the context we are working in.

The Training Centre formally opens at the beginning of October 2016. We are privileged to be a part of one of God's new beginnings!





57% of children have not completed primary education, and less than 20% finish secondary school. Due to poverty 20% of children ages 5-9 are involved in child labor. This number rises to 47% for children aged 10-14. 60% of schoolteachers received, at most, secondary education.

ASSISTING CHILDREN TO SCHOOL

KANDAL, PREY VENG & STUNG TRENG

ACTS began a Happy Children's Club in a new commune in Lvea Aem district in Kandal province. Forty-five children are now given an opportunity to hear about Christ and belong to a community outside of school.

We, in our pursuit to place the local churches as the centre of all AOC project activities, recruited and hire Site Workers from the congregations in Por Rieng district in Prey Veng province. We trained them to manage and operate the ACTS program in that locale. In the near future as we expand into new territories, we will look to the churches in the communities first to find suitable staff for the project.

One of the very real threats the children in ACTS face is to be withdrawn from school prematurely because they are required to help make an income for their families. It is sometimes a necessity but it is also the mindset of parents who do not place a high value on education for their children's future. Eighteen suffered this fate in the last six months of 2015.

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Story of Change

Koam Sreymey is 15 years old. She studies at Beoung Krom High School and lives with her aunt, uncle and grandmother. Her parents are divorced when she was young. Her father is a construction worker in Thailand and mother a garment factory worker in Phnom Penh. Sreymey has no relationship with her father because he is an absentee dad. She states, "When I am at school some friends don't like to talk with me after finding out that my parents are divorced. Sometimes I feel ashamed."

Sreymey goes on to tell us, "I remembered when I was in grade seven, my grandmother wanted me to leave school to look for a job to support the family. I was so sad because I love studying so I told her that I want to continue so that I can have a good future which will enable me to support my family. She thankfully agreed. I was very happy and promised to study hard to become successful in my life".

Sreymey's living situation is very difficult because her family is extremely poor. At the end the year 2013, Sreymey faced a huge challenge when her mother became ill. She was again in danger of losing the opportunity to go to school in order to help support the family financially. As a result, she felt hopeless and sad because, so she asked her grandmother to approach AOC for support.

Now, after two years under the care of ACTS, Sreymey is doing very well with outstanding marks. She has also become a Christian and is a youth group member of the Beoung Krom Church. She also teaches Sunday School.

STARS OF PEACE

KANDAL

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Stars of Peace, in collaboration with the ACTS project, gave eight children new beginnings in grade one in the local public school. All were graduates of the SoP preschool. Most of the parents wanted to wait until they are seven or eight before enrolling because the children are needed to look after the younger siblings, the cost is unaffordable and they believe they are too young to learn. However, with increased support and encouragement to the parents and additional academic preparation for the children in the afternoons two days a week, they changed their minds! This is a positive message to the community that things can change, that education is a priority and vital to a child.

One of the challenges that SoP faced was the departure of the head teacher in July. A replacement was hired but did not turn out to be a good fit. This created a critical situation which could have been detrimental to the project, but the rest of the staff, especially our two local community workers, rose up to meet the difficulty by performing beyond our expectations. We learned that, when confronted with obstacles, we are given unique opportunities to see people's potential, what they are made of! We saw new beginnings for these two women as they are themselves surprised by their own capabilities. We want to continue to develop their knowledge and skills in the years to come.

Another challenge SoP deals with is the inability to meet the monthly operational costs. We ask for your prayers as we persevere to trust God to provide for the needs of Prek Ho.



Story of Change

Sima started to come to our community preschool in 2014. He is raised by a 71 year old grandmother, Ms. Kim Lont. He is very smart, brave and obedient and loves to build with blocks.

Both parents left him in his grandmother's care since he was a baby. Sima is one of four young grandchildren living with Ms. Kim Lont. She works very hard to raise her five grandchildren as a self-taught tailor. She often repairs people's old clothes and also makes most of her grandchildren's clothes. In order to make ends meet, one of Ms. Kim Lont's granddaughters, who is only 15 years old, volunteered to leave school to work in the garment factory.

After witnessing the family's desperate financial situation, the AOC's ACTS project supports two of the older children to go to the state school this year.

During home visits, the team noticed that Sima had a cut in between his private area which became swollen and badly infected. We urged Ms. Kim Lont to bring him to a reputable children's hospital with free services in Phnom Penh. At first, she was very hesitant since there would be no adult at home to look after her other grandchildren and cannot afford the cost of transport. Also, during this time, Sima's father came home with a serious mental illness.

After much support and encouragement, Ms. Kim Lont agreed to take Sima to the hospital. The doctor said it was almost too late as the infection was severe. The project supported the family providing funds for the transport, food for both Sima and his grandmother during the hospital stay, as well as for the other grandchildren at home. After two operations and 10 days at the hospital, Sima was sent home well again.

Ms. Kim Lont thanked the project for helping Sima, "I have no words which can describe how much your support and help saved Sima's life. Thank you for your help. I would not know how to help him if I didn't follow your advice and instruction to bring him to the hospital on time; it would've been too late. I have no way of paying you back for the support you gave to Sima and I. Thank you for saving my grandchild's life".

Thank you so much to all supporters. The project would not be able to help Sima and his family without your all support and partnership. Thank you.