

Resources and Waste Advisory Group Limited

Annual Report.
February 2014



resources and waste
advisory group

The journey so far

Since we established RWA, we have had some great successes and interesting challenges. When our four small environmental consulting companies joined together in 2009, the initial goal was to work as a team together on international projects that were of interest to us professionally, but retain an independence to work under our 'home brands' within our home markets.

We couldn't have expected what would happen in the following four years. Our first contract 'Waste Governance' still remains our largest to date. We worked as a team across seven countries of the former Soviet Union, preparing regional waste management strategies from southern Moldova to Moscow region! We successfully completed the Waste Governance project in 2013, a massive effort that has helped our teams grow, and provided a foundation for a pipeline of subsequent projects.

In 2012 our concern was about heavy reliance on a single client/partner organisation, at the same time as being eternally grateful for their supporting in allowing us to get established. Whilst we had hit a rich vein of form in bidding for and winning contracts together, we decided it was time to diversify our client base. In 2013 we managed to diversify our client base significantly, to the extent that no single client was responsible for more than 20% of our revenue. This is a great success, and the foundation for a sustainable consulting business.

We set out not to become a 'body shop' consultancy. We are too interested in our work, and too dependent on our reputation to leave things in the hands of people we don't know and trust. There have been times when we have had to hire freelancers we do not already know, but these occasions are now very few, and the stability of our teams has become a great strength our services. In 2013, our core team worked in different combinations across many different projects; we have come together well as experts, and we are continually finding new combinations of expertise amongst our network of trusted friends and colleagues.

Underpinning all this has been our management systems development. It was a bit of a surprise to break into the international market so quickly, and so profoundly, and in 2012 we committed to strengthening our

management and financial reporting systems. The way we structure our projects is unique, and an important part of our approach. It helps us keep our overheads low and be very competitive in the market. In 2013 we developed our management capacity and tools, and continued to enhance the quality of our products.

But, at the end of the day it is about winning! There is no point in having a great team if we don't win projects. In 2013 we won new projects in Belarus, Ukraine, Moldova, Romania, Bulgaria, Albania, Kyrgyzstan, Egypt, Ethiopia, South Africa and Australia. We have stretched out from our home bases across the world, and have a growing network of partners. This is truly a fantastic achievement.

RECENT CLIENTS VIEW ON OUR WORK

After our extremely successful ToT and final presentation with the Minister last week, I wanted to thank you for all your efforts and flexibility you invested into [this project]. The Ministry has already started to think about implementation of the [project] and is trying to secure funds for it. As you know the Minister, he is thinking big! I am sure that there will be many ways for a future cooperation for us. I will keep you posted.

[FEBRUARY 19TH 2014]

We wish to register our thanks to you and the rest of the consultancy team for a job well done. As we have all noted throughout the process, the topic has been a complex and challenging one. The team's patience and flexibility in responding to comments and resolving issues as they have arisen has been greatly appreciated – as has your contribution to the various steering committee, stakeholder and Board meetings.

[FEBRUARY 20TH 2014]

I would also like to thank you for your great effort in bringing this complicated piece of work together... in a manner that has earned you and your team a great deal of respect for a job well done!

[FEBRUARY 20TH 2014]

Where are we going?

It makes us all proud that after only four years of business RWA has become a well-run and financially sustainable niche consulting business. We have developed our company from zero bank borrowing, and with zero overdraft limit, and now have had consolidated turnover above Euro 1 million for over three years in a row, and a lot of happy clients and partners in the process. We have cash in the bank to fuel our next stage of development, and it would seem no shortage of ideas about what to do!

What seems to set us apart from our competitors is our flexibility. This is not just a catch phrase for us - it means extra dedication, extra listening, extra creativity, and very often extra working hours. But we are used to being the 'workers' on projects, and that will not change. It is always the extra effort that pays dividends in the quality of our products.

Our willingness to put the in 'extra' comes from our natural interest in the projects we work on. It is the 'interest' factor that makes an RWA person tick. So we will continue to go where the work is interesting, challenging, rewarding and meaningful, so long as it contributes to our future goals and the long-term financial sustainability of our company.

We are now able to candidate for projects on a stand-alone basis when the need arises, and to work as either senior or junior partner in a consortium. No job is too large or too small for RWA! We will remain independent, mobile and opportunistic, because you have to be if you want to work in international development.

Our ability to read where the market is going and our network of friends and colleague across the world are our strengths. We will continue to develop our core team, bringing the younger team members into projects, and gradually adding new characters and skills to our core-team.

We are eager to see what 2014 will have in store for RWA. On the evidence of the last few years it is going to be a busy year. There are a lot of projects under contract, and some to win. RWA will bid for only those projects which we believe will further the practice of integrated sustainable waste management, resource efficiency, circular economy, social justice, environmental protection, policy, governance, professional competence, and sustainable financing.

In the first month of 2014, we completed the ISWM Operator Models publication, which we prepared for GIZ in partnership with ERM. The book is set for launch and we hope will be used widely by waste management practitioners around the world to design their ISWM systems.

About RWA

Resources and Waste Advisory Group is a UK registered company founded in 2009 by four small environmental companies/organisations, Wasteaware (UK), Green Partners (Romania), Regional Environmental Center (Bulgaria) and EPC-Koc (Bulgaria).

As of January 2014 we have welcomed one more partner company into the Group, CDM Engineering (Ukraine). Each member company assigns one Director to the Board. The Company is run in accordance and compliance with UK law, and works in a range of specialised niche segments of the international environment and development consultancy business.

We have a decentralised structure that enhances our ability to remain lean and competitive in the international consultancy business.

The staff of RWA are contracted both within the RWA Group company, and within the RWA partner companies. Our structure evolves organically in accordance with our areas of core business success, and our teams are tailored to specific projects.

As with any consulting business, the value of the company is in its members and staff. The RWA Group team includes currently 20 professionals with different specialisations as pointed out in the below diagram.

THE RWA TEAM

(d) = Director; (p) = part time

Andrew Whiteman

Policy and strategy (d)

Réka Soós

Sustainable financing (d)

Borislav Mourdzhev

Planning and infrastructure (d)

Nicola Doychinov

Environmental engineering (d)

Daniel Aspleaf

Business development (d)

Sonya Yankova

Economics and finance

Kristina Doychinova

Project coordinator

Mark Whiteman

Company secretary

Cosmin Briciu

Waste management

Ciprian Popovici

Social and environmental

Michael Cowing

Waste management & capacity building (p)

Peter Faircloth

Policy economics (p)

Brian McCarthy

Municipal governance & capacity building

Kancho Kostadinov

Planning and stakeholder consultation

Mihail Staynov

Waste management

Flaviu Petean

Social and financial

Sanjay Gupta

Policy and entrepreneurship (p)

Cristina Rus

Environmental and social assessment

Beth Baylay

Incentives and data (p)

Flaviu Pop

Planning and engineering

Financial performance

The RWA Group continued to experience strong growth during 2013 with global revenues rising by approximately 15% over 2012 with a commensurate increase in net profits before tax to 9.5% of turnover. This has been achieved through the increased utilisation of expertise within RWA's partner companies, and by maintaining a competitive rate structure in the market that has resulted in RWA continuing to secure projects in existing markets in addition to winning projects in new markets as outlined in this report.

RWA Group Consolidated Turnover 2010 - 2013

Year	Turnover	Net Profit / (Loss)
2010	€ 611,618.00	€ 86,697.00
2011	€ 1,074,299.00	€ 34,267.00
2012	€ 1,208,662.00	€ 103,541.00
2013*	€ 1,392,862.00	€ 132,332.00



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