

INTRODUCING A **VAT FREE** SOLUTION FROM ONEPOST



For those organisations who can't reclaim VAT, including charities, financial and educational establishments, using Royal Mail Retail Business rates can be prohibitive as the costs are fully vatable. For example Royal Mail 2nd class CBC comprises 20.91p + 20% = 25.09p. However, ONEPOST have a direct relationship with Royal Mail Wholesale which enables them to dramatically reduce the overall postal costs for those who can't reclaim VAT.

Our prices are comprised of the Royal Mail Wholesale final delivery cost with no VAT plus the ONEPOST logistic element which does attract VAT. However, the majority of the postal cost is the Wholesale element. As we pass this wholesale element onto our customers as a disbursement this doesn't attract VAT. The logistics element does attract VAT but it is a very small percentage of the overall cost.

Example: Royal Mail Retail Ad Mail CBC 2nd class on less than 20,000 items:

Direct from Royal Mail

20.91p
+ 20% VAT

= 25.09p final price

Agency agreement from ONEPOST:

16.248p (Wholesale rate, treated as a disbursement)
+ 3.7p (for our logistics)
+ 20% (of the 3.7p logistic cost)

= 20.688p final price

This gives an overall saving of 4.402p per item, which on a large mailing is an excellent saving

What is an Agency Agreement?

This is a contractual arrangement between Royal Mail and ONEPOST as the licence holder and the third party charity, financial or educational establishment. This enables us to treat the Royal Mail wholesale element of any mailing as a disbursement and pass this cost directly onto our customers without any VAT attributable.

Who can benefit from an Agency Agreement?

An agency agreement is available to organisations that cannot reclaim VAT for example: charities, education establishments and financial institutions.*

* Minimum annual postage spend on Agency Accounts of £5,500 applies.

How can you access an Agency Agreement?

An agreement would be completed and sent to ONEPOST and then Royal Mail for approval. This process can take up to 6 weeks.

Many ONEPOST customers have benefitted from accessing the Agency Agreement and have been delighted with the consistent cost savings which it offers including:

GREENPEACE



BritishRedCross



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Save on the things you send.

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