

An Post Summary Regulatory Financial Statements 2021



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Group Financial Review

Group Profitability

In 2021, as the country slowly emerged from the Covid-19 pandemic and its associated economic impact, An Post once again put the the national requirements at the forefront of its actions. The Company focused on delivering its services in a challenging economic environment. The Company continues in its objective to transform into a modern postal network while retaining focus on our core values.

An Post has achieved a €16.2m profit before depreciation and amortisation, one off items, net finance income and taxation (a loss of €33.4m after depreciation and amortisation). The lifting of lockdown over the year had an impact on domestic parcel and packet volumes as the retail sector reopened. In addition, inbound volumes were impacted by the implementation of EU Customs tariffs and taxes and Brexit.

Group revenue in the year was €890.6m, a 2.7% decline on prior year. In the context of continuing core letter mail decline this result represents a very solid performance. The price adjustment originally planned for 2020 was delayed in the national interest and was finally implemented in May 2021.

	2021 €m	2020 €m
Revenue	890.6	915.5
Profit before depreciation and amortisation, one off items, net finance income/(costs) and taxation	16.2	32.5
Depreciation and amortisation	(49.6)	(43.2)
(Loss) before one off items, net finance income/(costs) and taxation	(33.4)	(10.7)
Exceptional costs (including transformation costs)	(11.6)	(27.3)
Other Gains	1.3	6.0
(Loss) before net finance income/costs and taxation	(43.7)	(32.0)
Balance Sheet Net assets (before pension asset/liability)	194.2	278.7

Revenue

Group revenue at €890.6m for the year is very satisfactory given the disruption brought about by both the pandemic and the impact of Customs and Brexit. Activity in the Mails and Parcels sector continues to change. E-commerce generated volume has grown by over 100% since 2019. There is an underlying growth trajectory in the industry and An Post is well positioned to deal with ever-growing volumes, while ensuring top quality of service for incoming and outgoing parcels - whether from personal customers, SMEs or large e-commerce retailers.

The pattern of growth has been irregular, ramping up rapidly during Covid lockdown periods when non-essential stores closed, and settling down once this sector re-opened, but always with a steadily growing trajectory. Brexit and recent EU Customs changes have greatly impacted international trade.

Traditional mail volumes continued to decline during the year, though at a lower rate than in the prior year. The full year rate of decline in 2021 was 4.8% as against 7.1% in 2020. Similar rates of decline are being recorded across the postal sector internationally. Business letter mailings, which reduced during the period when businesses were in lockdown, have been slow to recover. The pandemic and emergence of the working from home culture may have accelerated the substitution of traditional mails for email. While domestic volumes overall held steady in 2021, there was a decline in both inbound and outbound mail volumes. Once again An Post maintained the service offering throughout the year which assisted greatly with maintaining volume and reinforcing our customer relationships.

Costs

Group operating costs before depreciation and exceptional costs were €874.4m. This is a decrease from €883m in 2020. The decrease in costs reflects the efforts of the business to control costs following the prior year experience where unexpected volume growth had resulted in increased cost. The number of Full Time Equivalents (FTE) staff at Group level was held at the 2020 level during 2021, despite the continued challenges posed by the pandemic throughout the year. The investment in electric vehicles for the Company's fleet continued in 2021 with a further 640 vehicles being brought into service. As a result, the Company has the largest e-fleet in Ireland which reflects the Company's continued focus on delivering on its core values.

Outlook

The financial results for 2021 should be viewed in the context of the unprecedented challenges faced by the Company in the past two years. Green Light, An Post's progressive strategy for recovery, will empower our people, grow our business and help protect our planet. It will both meet and help shape customer demand for services by embracing technology, while ensuring sustainability for the long term. Designed to achieve the Company's core values, the strategy will see:

- Increased profitability through a new logistics network to meet demand, and a new sustainable mail delivery service,
- A transformed and sustainable Post Office network that will become an even more vital service for consumers and communities,
- The development of an advanced digital platform to make e-commerce easy and accessible for everyone, especially out-of-home as consumers return to offices,
- Growth in An Post Commerce to enable businesses to trade domestically and across the globe and expand into new supply chains,
- A new expert and lean Corporate Centre with new ways of working.

Financial Summary and Business Review

Income Statement for Universal Service and Mails Business Segment

Mails

	USO		Non USO		Total Mails	
	2021 '000	2020 '000	2021 '000	2020 '000	2021 '000	2020 '000
Volumes ('000)	266,916	266,347	155,892	188,178	422,808	454,525
	2021 €'000	2020 €'000	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Revenue	389,426	383,228	258,261	288,693	647,687	671,921
Expenditure	409,856	391,717	283,392	297,039	693,248	688,756
(Loss)/Profit	(20,430)	(8,489)	(25,131)	(8,346)	(45,561)	(16,835)

The Mails business had revenue of €647.7m in 2021 compared with €671.9m in 2020. There was continued growth in parcels and packets, however, maintaining the volumes of business mailings was more challenging. It should be noted that 2020 income included election income of €20.3m.

The overall Mails result was a loss of €45.6m for 2021 compared to a loss of €16.8m in 2020. The Mails Business Segment continued to be impacted by the disturbance from the pandemic in a number of ways. These included the loss of volume owing to ongoing business shutdown in the first half of 2021 and continued working from home, the additional costs to operate safely including personal protective equipment and labour costs to facilitate social distancing and Covid-19 related absences. In addition, there were significant cost increases in transport and conveyance which were outside the Company's control and were a feature of the global business environment in 2021. A price increase which had been planned for 2020 was delayed until mid 2021 to assist in the national economic recovery. The Company's operations succeeded in delivering the Universal Service Obligation throughout the period and USO volumes have held at their 2020 level.

Overall, the Company continues its strategy to establish a sustainable business with the capacity to service the economy and fulfil the obligations of the Universal Service Obligation (USO). The movement to profitability pre-pandemic represents a very positive development for the Company. While 2021 showed a continued deviation from this trend, senior management remain satisfied that the strategic direction of the Company offers the best opportunity to secure its long-term future as a sustainable mails delivery service.

USO Performance

An Post is designated as the national postal Universal Service Provider. This involves the obligation to fulfil an every working day mail service to every household in the country which places unavoidable cost obligations on the Company.

In 2021, the USO segment recorded a loss of €20.4m, following on from the loss of €8.5m in 2020. This reflected the additional costs incurred by the company to maintain the USO service during the pandemic. This additional cost included personal protective equipment for staff, additional cleaning costs and the increased staff absences which had to be covered. The Company incurred additional transport costs of €10m in 2021.

When the external environment is normalised the Company intends to re-focus transforming the business and returning to profits through cost efficiencies, strategic pricing and a new targeted operating model. The USO performance is supported by revenue from other income streams.

USO Volumes and Revenues

Domestic and International Outbound stamped and metered volumes are derived from revenue based on a Sampling Plan. This plan was designed by PricewaterhouseCoopers in accordance with the relevant standard (IS:EN 13850:2012).

USO Mails revenue in 2021 is 1.6% higher than 2020, reflecting maintenance of USO volumes and the impact of 2021 price movements. The 2021 result reflects increasing volumes of parcels and packets and overall USO volumes were maintained at 2020 levels. Traditional stamped letter volumes continued to decline in 2021. This is in line with the experience of other postal operators.

In 2021, there was a 4.9% decline in domestic metered letter mail income following a 23.3% decline in this income category in 2020. Domestic business reply income in 2021 remained at the 2020 level following a decline of 17.9% in 2020. These volume declines reflect the reduction in business activity during lockdown. While the Company expected these trends to reverse as lockdown eased, it may be that the process of e-substitution has been accelerated by extended working from home.

In 2020, there had been noticeable increases in packets (12.4%) and parcels (93.5%) volumes across all segments. However, for 2021 these volume increases were packets (13.2%) and parcels (21.3%) reflecting the re-opening of the retail sector. The overall USO volume trend was to maintain 2020 volumes with the decline in letters and flats offsetting the increase in packets and parcels.

In 2021 there was no re-classification of products into or out of the USO.

Price

The basic letter stamp price had remained at €1 since 2017, as a price adjustment planned for March 2020 was postponed in the national interest following the emergence of Covid-19. In May 2021, this postponed increase was eventually implemented. The standard domestic letter stamp price was increased from €1 to €1.10 (except for Christmas stamps sold in booklets of 20 stamps) and the standard international letter stamp price was increased from €1.70 to €2.00. There were no increases in the prices of domestic flats, packets or registered items in 2021.

The increase in the base domestic stamp price to €1.10 brought it closer to the EU average. The increases were necessary to offset the higher costs the Company was experiencing as a result of declining traditional mail volumes and to enable continued investment in the business.

In 2020 the Company launched an SME support scheme which included substantial discounts on letters and parcels to help smaller businesses. This scheme continued in 2021 and remains in place offering significant benefits to SMEs. The Company remains committed to rationalising and simplifying its pricing structure so that its prices are as cost reflective as possible.

Bulk Mail Pricing

As part of the price adjustment in May 2021, bulk mail prices increased by €0.05 and meter mail prices increased by €0.10. Customers continue to receive discounts for high volume postings.

Industry Trends

Overall the core mail index (revenue derived) declined by 4.8%. Global trends in volume decline, which have been a feature of the industry for many years, continued in 2021.

Domestic

Domestic USO meter mail continued to decline but at a slower rate than in the prior year, reflecting the reduction of business mailing during lockdown which persisted in the first half of 2021. Overall domestic mail volumes in An Post fell by 7.7% in 2021.

Financial Summary and Business Review continued

Inbound

In 2021, overall inbound volumes remained at the 2020 level but with noticeable changes in the volumes of different mail formats. Letters and large envelope volumes declined but the volumes of packets and parcels increased. Overall income from the inbound sector decreased by 4.8% reflecting a change in the inbound product mix and a decline in packet traffic from China and to a lesser extent from the UK.

Britain left the EU at the end of January 2021. In terms of the Regulatory Accounts in 2021, the inbound mail from the UK has moved from being reported in the "International Inbound Intra EU" tables to being included in the "International Inbound Rest of World" tables. As a result, the EU element of the inbound segment has seen volumes decline significantly.

Customs 2020 is an EU Governmental programme to harmonise and improve the administration of customs charges in the EU. An Post collects customs charges on inbound packets and parcels on behalf of the Irish Revenue Commissioners. With the UK now outside the EU from early 2021, there was a very significant increase in the amount of customs charges which An Post collected on behalf of the Irish Revenue Commissioners with the amount increasing from €4m in 2020 to €90m in 2021.

Outbound

In relation to the outbound segment in 2021, there was a decline in volume of 14.4% and a decline in income of 6.2%. The price adjustments in outbound prices in May 2021 reflected the increases in costs, such that losses remained at the same level as in 2020. Costs in this segment only declined by 4.9%, which resulted in an overall loss in this segment of €14.6m which is at the same level as in 2020. The cost increases during the pandemic years were caused by spiralling air-freight charges due to the very constrained supply of air-freight capacity. In addition, during 2021, there were ongoing increases in transport and energy costs. This particularly impacted the costs of sending items to countries outside of Europe.

KPI's

KPI	Performance in 2021	Performance in 2020
Operating Result		
Profit before depreciation and amortisation, one off items, net finance income/(costs) and taxation as a percentage of revenue	1.8%	3.6%
Staff costs as a percentage of total operating costs	61.5%	61.3%
Postmasters' costs as a percentage of total operating costs	6.5%	7.0%
Cash at bank and in hand	€36.8m	€69.0m
Other operating costs as a percentage of total operating costs	32.0%	31.7%
Staff - Average Full Time Equivalentents (FTE)		
Company	9,767	9,730
Subsidiaries	654	681
Group	10,421	10,411
Mails and Parcels Business		
Mails and Parcels Revenue Excluding Elections and Referenda	€621.9m	€635.5m
Core Mail Volumes Decline	(4.8%)	(7.1%)
Customer Service		
Written Complaints/Enquiries	56,309	48,706
Telephone Enquiries	640,257	786,150

Cash at Bank and in Hand

Company cash at bank and in hand was €36.8m at 31 December 2021, a reduction from €69.0m in 2020. The cash position reflects the additional costs incurred by the Company in maintaining service levels during the pandemic and the higher transport and conveyance costs incurred in the year. The Company continued to invest in expanding the e-fleet and enhanced the packets and parcels sorting machines to facilitate the collection of EU customs charges. It is integral to the Company's strategy that additional cash balances are used for investing in the future of An Post, further consolidating the future viability of the Company.

Customer Service, Written and Telephone Enquiries

The large number of written and telephone queries reflects the impact of the significant parcel and packet volumes, while lockdown closed retail outlets and the disturbance from changes arising from Brexit and other VAT and customs changes in the year. We increased resources dedicated to customer services to mitigate the impact for customers and invested in systems and processes to implement the required changes.

USO Performance

	Total USO 2021	Total USO 2020
Volumes ('000s)	266,916	266,347
	€'000	€'000
Revenue	389,426	383,228
Total Expenditure	409,856	391,717
(Loss)/Profit for the year	(20,430)	(8,489)

USO Performance

Across all segments the USO made a loss of €20.4m in 2021, compared to a loss of €8.5m in 2020. Domestic USO made a reduced profit of €5.5m in 2021 compared to a profit of €18.4m in 2020. USO losses experienced on the delivery of inbound international traffic continued in 2021. The USO losses experienced on the processing of outbound international mail also continued in 2021.

Overall USO volumes increased marginally in 2021 owing to increased packet and parcel volumes. The ongoing decline continued in letters, particularly metered letters, where volumes fell by 8% in 2021. Volumes held steady in USO domestic letter mail with declines in stamped and metered offset by an increase in USO bulk mail.

The international outbound USO volume declined by 16.4% continuing the trend of prior years. The inbound USO volume in 2021 increased by 7.6% from the 2020 level. Following the recategorisation of the UK, non-EEA countries inbound USO volumes increased by 195.3% with volumes from EEA countries declining by 73.2%. It was necessary to recategorise the UK into the non-EEA category following Brexit.

The domestic mail proportion of USO traffic has decreased, from 78% in 2014 to 75.5% in 2021, with International Inbound accounting for 19.4% and the remaining 5.1% being International Outbound.

USO revenues across all segments increased by €6.2m (1.6%) in 2021. This was due to an increase of €6.2m (2.5%) in domestic USO revenue, a €6.3m (8.7%) increase in inbound international revenue and a €6.3m (10.5%) decrease in outbound international revenue. The domestic and international outbound revenues benefited from the price adjustments implemented in May 2021. However, there were further volume declines in international outbound in line with the ongoing trend in this segment. The inbound USO income benefited from a change in product mix with more USO packets offsetting the decline in letters and flats.

Letter volumes account for 80% of USO mail volumes. As is the experience of other postal operators, significant decline in core letter volumes is an ongoing challenge. In 2021, USO letter volumes decreased by 1.7m items or 0.8%, which is in line with expectations and is expected to continue in the future.

Registered volumes increased marginally by 0.03m items (0.4%) in 2021. This was owing to the recovery in business activity as pandemic restrictions eased. International inbound volumes increased by 7.6% and revenue increased by 8.6%.

Price

The planned 2020 price adjustment, which was delayed in the national interest, was implemented in May 2021. The first price point on the domestic letter service increased to €1.10 from €1.00. This was the first increase in the national letter stamp price in 4 years. The first price point on the international outbound letter service increased to €2.00 from €1.70 to enable An Post to recover some of the additional costs being incurred in processing this mail.

Cost

USO costs increased by €18.1m (4.6%) in 2021. This increase was caused by additional costs incurred due to the pandemic, increased conveyance costs on outbound mail and increased transport costs for all segments. Staff numbers in 2021 were held at the 2020 level despite the increased absence levels caused by the pandemic. Owing to the increase in parcel and packet volumes in recent years, bicycle routes (mainly in urban areas) were replaced by electric vehicles. The Company further increased its electric fleet in 2021.

Capex

In 2021 there was significant investment in digital assets as part of the overall Group strategy.

USO Profit/(Loss) by Market Segment

Profit/(Loss) €'000	Total USO 2021	Total USO 2020
Domestic	5,542	18,416
Inbound International	(16,673)	(18,813)
Intra-Community	(2,517)	(7,680)
Rest of World	(14,158)	(11,133)
Outbound International	(9,299)	(8,093)
(Loss)	(20,430)	(8,489)

Statement of Directors' Responsibilities

The Board of An Post is responsible for the preparation of Regulatory Financial Statements as required by the Communications Regulation (Postal Services) Act, 2011 ('the Act'), and the Accounting Direction issued by ComReg ('the Direction'). These Regulatory Financial Statements have been prepared in accordance with the Regulatory Accounting Principles and Basis of Preparation set out on pages 13 to 16.

The Directors acknowledge their responsibility for compliance with the accounting provisions of the Act and the following describes how An Post applied the relevant provisions of the Act and the Direction in preparing the Regulatory Financial Statements:

- Financial Records and Accounting Systems - These records maintained by An Post contain sufficient detail to enable management to ensure that they comply with the accounting provisions of the Direction. Separate accounts are maintained for each of the services within the Universal Service Obligation.
- Separated Accounts - Segmental profit and loss accounts and statements of net assets have been prepared for submission to ComReg for the year ended 31 December 2021. In compliance with the Direction, a competent body has reviewed these accounts and issued an opinion on their compliance with the Direction.
- Accounting Manual - A detailed accounting manual has been prepared showing the range and scope of data to be collected for the purpose of complying with the Direction and the basis on which the data is to be allocated/apportioned between services.
- The Regulatory Financial Statements are based on the financial records of the business and have been reconciled to the audited An Post Statutory Accounts.

Based on the above steps and actions, the Directors believe that An Post has complied with the relevant provisions of the Act and with the Direction of ComReg in relation to the Accounting Systems of An Post for the year ended 31 December 2021.

Signed on behalf of the Board of An Post



Carol Bolger, Director



David McRedmond, Director

23 June 2022

Independent auditors' report to the directors of An Post ("the Company") and the Commission for Communications Regulation ("ComReg", "the Regulator")

Report on the Summary Regulatory Financial Statements

Opinion

In our opinion, the Summary Regulatory Financial Statements are consistent, in all material respects, with the audited Regulatory Financial Statements, and in accordance with the Basis of Preparation.

The Summary Regulatory Financial Statements, which are derived from the audited Regulatory Financial Statements of the Company for the year ended 31 December 2021, comprise:

- Income statement for Universal Service and Mails Business Segment;
- Income statement for each Business Segment;
- Statement of per unit revenue, cost and profit/(loss) details for each USO service;
- Balance sheet for each Business Segment;
- Summary Income Statement for Mails Business Segment;
- Summary Income Statement for each Universal Service; and
- The notes to the Regulatory Financial Statements on pages 31 to 33

The Summary Regulatory Financial Statements are derived from the audited Regulatory Financial Statements which have been prepared by the directors of the Company based on the Regulatory Accounting Principles and Basis of Preparation set out on pages 13 to 16 to the Summary Regulatory Financial Statements, which are designed to meet the requirements of the Communications Regulation (Postal Services) Act 2011 and the 2017 Accounting Direction issued by ComReg ("the Basis of Preparation").

The Summary Regulatory Financial Statements are prepared to assist the Company to meet the regulatory reporting requirements of ComReg. As a result, the Summary Regulatory Financial Statements may not be suitable for another purpose. Our report is intended solely for the Company and ComReg and should not be distributed to or used by parties other than the Company or ComReg. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and ComReg, for this report, or for the opinions we have formed.

Summary Regulatory Financial Statements

The Summary Regulatory Financial Statements do not contain all the disclosures required by the financial reporting framework. Reading the Summary Regulatory Financial Statements and the auditor's report thereon, therefore, is not a substitute for reading the audited Regulatory Financial Statements and the auditor's report thereon.

The Audited Regulatory Financial Statements and Our Report

We expressed an unmodified audit opinion on the audited Regulatory Financial Statements in our report dated 27 June 2022.

Directors' Responsibility for the Summary Regulatory Financial Statements

The directors are responsible for the preparation and fair presentation of the Summary Regulatory Financial Statements in accordance with the Basis of Preparation and for such internal control as management determines is necessary to enable the preparation of Summary Regulatory Financial Statements that are free from material misstatement, whether due to fraud or error.

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Independent auditors' report to the directors of An Post ("the Company") and the Commission for Communications Regulation ("ComReg", "the Regulator")

Auditors' Responsibility

Our responsibility is to express an opinion as to whether the Summary Regulatory Financial Statements are consistent in all material respects with the audited Regulatory Financial Statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), "Engagements to Report on Summary Financial Statements".



Emer O'Shaughnessy
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

Date: 11 July 2022

Regulatory Accounting Principles and Basis of Preparation

Obligation to produce the Regulatory Financial Statements

The legal background to the accounting requirements placed on An Post as a Universal Services Provider is contained in the following two documents:

- Section 31 of the Communications Regulation (Postal Services) Act, 2011 ('the Act')
- Direction on the Accounting systems of An Post issued by ComReg on 20 January 2017 (the 'Direction')

General

The Regulatory Financial Statements are based on the financial records of the business and are reconciled to the operating profit and the Balance Sheet as reported in the An Post Statutory Accounts on which the Auditors have expressed an unqualified opinion. The Regulatory Financial Statements have been prepared in accordance with the accounting policies as set out on pages 50 to 58 of the An Post Statutory Accounts 2021 unless otherwise stated.

The Regulatory Accounts have been prepared adopting the following principles:

- Policies as documented in the Accounting Manual, which reflects the requirements of the Direction
- Accounting Policies for the Income Statements are consistent with EU IFRS as applied in the An Post Statutory Accounts

In cases of conflict the principles as documented in the Accounting Manual prevail.

Accounting Manual

An Post prepares and submits an Accounting Manual to ComReg on an annual basis in line with the requirements set down by ComReg in the Direction.

Under the Direction, An Post is required to:

- document in an Accounting Manual the procedures and policies being used in the preparation of its Regulatory Financial Statements,
- document in the Accounting Manual the procedures undertaken to establish the processes used to identify revenues and mail volumes, by service,
- review the Accounting Manual annually,
- make the Accounting Manual subject to review by a competent body as and when required by ComReg.

Accounting Records

Processes have been developed and estimates have been applied in determining the assignment of costs and revenues to products. The records are not those that would exist if each of the services was carried on by a separate business.

This is consistent with the records supporting the production of previous Regulatory Financial Statements.

General Principles

Income Statements by product have been prepared by applying activity based costing methods and principles to the financial records of the business to assign costs. The resulting statements present the fully allocated costs of products.

Costs have been directly assigned to products as far as practicable. Common operational costs that cannot be directly assigned are attributed to products using appropriate cost drivers in line with the Direction. Where no appropriate driver is identified, costs are allocated to products using a general allocator. As with any activity based costing methodology, estimates and judgements are required and have been applied in order to comply with the requirements of the Direction.

The Regulatory Financial Statements have been prepared on a consistent basis from year to year.

Regulatory Accounting Principles and Basis of Preparation continued

Income Statements

Revenue is made up of external income plus internally recognised income for core services (supplied within the Company). Revenue is assigned directly to the appropriate product, with the exception of stamp and meter revenue. Stamp and meter revenue is assigned to An Post products by applying a statistical analysis of mail stream characteristics. The revenue from value added products is calculated from the volumes recorded by the Track and Trace system.

Postage income is recognised as sales are made, with an adjustment for stamps sold and unused, and balances in postage meter machines unused at the year end.

Adjustments in production of the Regulatory Accounts

2021 revenue in the Regulatory Financial Statements has been adjusted to exclude prior year terminal dues settlements of -€0.7m (2020: €2.8m).

Volumes

Volumes are a key driver in the allocation of costs.

Revenue derived traffic methodology, based on reported revenues and sampling, have been used as the basis for measuring domestic and outbound international stamped and metered traffic volumes. The Sampling Plan is designed to meet the requirements of the Accounting Direction. Results for the year October 2020 to September 2021 Real Mail Study (RMS) have been applied in the production of these accounts. The results of the 2021 RMS statistical sample (single piece) are accurate to +/-0.70% at the 95% Confidence Level.

Non stamped and metered traffic (namely account traffic volumes) are primarily sourced from the billing or track and trace systems.

Inbound international traffic volumes are determined by applying a statistically derived items per kilo (IPK) to the weight of mail received from international destinations.

Operating Costs

For the purposes of the Regulatory Financial Statements, pay and non pay costs are separately identified and within each heading are further categorised between Revenue Collection, Collection, Outward Sorting, Transport, Inward Sorting and Preparation and Delivery.

Activity Analysis

The hours worked by operational staff in performing their daily duties are recorded by work activity in a database that reconciles to the payroll system. This facilitates Pay costs to be assigned to activities based on the time spent by staff working on these specific activities. Other costs have been assigned to activities by the use of appropriate drivers.

Changes in Accounting Policies, Methodologies and Estimation Techniques

The changes in accounting policies incorporated in the 2021 Group Statutory Financial Statements have no impact on the 2021 Regulatory Financial Statements.

ComReg requires that where the figures for the previous financial year are not comparable (because, for example, of some change in accounting policy or some other reason (as may be applicable)), the figures for the preceding financial year shall be adjusted with full details provided on any adjustment.

The preparation of these accounts requires a certain level of estimation, based on available data, of revenue transfers between predefined products and services to accurately reflect volumes and revenue.

Counter Automation

In preparing the 2018 Regulatory Financial Statements, an assessment of the revenue and volumes derived from customers purchasing mail products at the Counter using stamps printed from the An Post Counter Automation system was undertaken. This review highlighted instances where customers affix a stamp or a meter frank on an item, in part payment for a service, and then purchase a top up at the counter for the remaining amount due. An element of stamped revenue should therefore be allocated to those products and this has been done for 2021 and 2020 as it was in 2019 and 2018, as it more accurately reflects the substance of the transaction at the Counter.

A similar issue was identified with respect to registered items, fully or partly paid with stamped or metered indicia before being handed in at a post office counter and recorded on the Counter Automation system. The 2021 and 2020 Regulatory Financial Statements have been prepared using this up to date information as were the 2019 and 2018 Regulatory Financial Statements.

Internal Trading and Transfer Charging

An Post operates in different businesses and internal trading occurs where one business makes use of another's services. Transfer charges are raised for internal trading and eliminated on consolidation. Charges made for core services provided by the Mails business to other parts of the Company are accounted for within revenue, whilst charges incurred by An Post Mails business for other services are accounted for within other operating charges. Inter-company transactions between An Post and its subsidiaries are all accounted for on an arms-length basis. Where the mails business provides a mails service to An Post subsidiary, the charge is based on the appropriate published tariff.

Property, Plant and Equipment

Recognition and measurement

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment, other than land, less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

	Years
Freehold & long leasehold buildings	20-50 or lease term if shorter
Motor vehicles	5
Operating & computer equipment	3-10

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Regulatory Accounting Principles and Basis of Preparation continued

Disposal of Property, Plant and Equipment

Profits and losses on the sale of properties and assets will be assigned to non-letters services (i.e. excluded from the Regulatory Financial Statements total).

Excluded Items

Items below "(Loss)/Profit before one off items, net finance income/(costs) and taxation" are excluded from the Regulatory Financial Statements. These items include:

- Exceptional items as noted in the Statutory Accounts. In 2021 the following items are included in the Regulatory Accounts which are exceptional in the Statutory Accounts:
 - Covid-19 Incremental Costs
 - Transformation Costs
- Taxation

In addition, items included in the Operating profit/loss - Continuing Operations in the An Post Statutory Accounts are excluded from the Regulatory Accounts if they are not relevant to the accounting period. Where items relating to the immediately preceding year are excluded from the current year, the prior year comparatives will not be re-stated.

Other items may be excluded, following a case by case review, in order to ensure that the Regulatory Financial Statements are in compliance with the Direction. These items will be explained in the Notes to the Accounts.

Comparatives

The restatement of comparative figures is only required in the event of a material error or a material change in accounting policy, as is the case with the Statutory Financial Statements.

Regulatory Accounts by their nature make use of estimation and sampling techniques. Improvements continue to be made in these areas resulting in more robust financial data. Comparatives are not restated as a result of changes in these techniques, except in the case of a material error.

Reconciliation to Statutory Accounts

As certain items are excluded from the Regulatory Financial Statements, a reconciliation of both Revenue and Profit/Loss to the Statutory Accounts is prepared.

Statement of Net Assets

Assets and Liabilities specifically related to one Business Segment are recorded in the Statement of Net Assets of that Business Segment. Assets and Liabilities not wholly and exclusively related to one particular Business Segment are divided between Business Segments based on usage.

Inter company debtors and creditors, netted off in preparing the Statutory Accounts are shown gross in the Statement of Net Assets.

Certain items are not divided between Business Segments, but rather, are shown as reconciling items between the Statement of Net Assets and the Balance Sheet included in the Statutory Accounts. The excluded items are goodwill, investment in joint venture, cash, provision for charges, the pension liability (IAS 19) and other items specifically excluded from the Regulatory Financial Statements. Similarly, the inter company debtors and creditors shown gross in the Statement of Net Assets are excluded to reconcile to the Statutory Accounts.

Cash Flow Statement

A Cash Flow Statement is not included with these Accounts as there is no requirement to do so within the Direction.

Income Statement for Universal Service and Mails Business Segment

	Year Ended 31 December 2021			Year Ended 31 December 2020		
	Total USO	Non USO	Total Mails	Total USO	Non USO	Total Mails
Volumes ('000s)	266,916	155,892	422,808	266,347	188,178	454,525
	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	389,426	258,261	647,687	383,228	288,693	671,921
Payroll Costs	275,960	198,992	474,952	269,834	208,357	478,191
Non Payroll Costs	133,896	84,400	218,296	121,883	88,682	210,565
Total Expenditure	409,856	283,392	693,248	391,717	297,039	688,756
	(20,430)	(25,131)	(45,561)	(8,489)	(8,346)	(16,835)
Total Operating (Loss)						

Note - Volumes stated refer to addressed volumes.

Income Statement for each Business Segment

	Notes	Mails		Retail		Subsidiaries & Other Activities		Inter-Segment Transactions		Adjustments between Regulated & Statutory Financial Accounts		Group Operating Results - continuing operations (as per An Post's Statutory Financial Accounts)	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
External Revenue	1	627,108	653,322	154,592	150,980	114,367	110,320	-	-	(5,467)	882	890,600	915,503
Inter-segment revenue		20,578	18,599	30,576	30,251	100,687	107,531	(151,841)	(156,381)	-	-	-	-
Segment Revenue		647,687	671,921	185,168	181,231	215,054	217,850	-	-	-	-	-	-
Expenditure													
Operating Costs:													
External costs	2	600,082	586,454	142,545	149,727	186,163	191,693	-	-	(4,766)	(1,918)	924,023	925,956
Inter-segment costs		93,166	102,302	47,372	44,217	11,303	9,863	(151,841)	(156,382)	-	-	-	-
Total Expenditure		693,248	688,756	189,917	193,944	197,465	201,556	-	-	-	-	-	-
Net Segment Operating Profit / (Loss)	3	(45,562)	(16,835)	(4,749)	(12,713)	17,589	16,295	-	-	(701)	2,800	(33,423)	(10,453)

Per Unit Revenue, Cost and Profit/(Loss) Details for each USO Service

	Letters		Flats		Packets		Parcels		Registered		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue per unit	€0.91	€0.89	€1.99	€1.94	€3.11	€3.48	€9.16	€8.67	€6.35	€7.21	€1.46	€1.44
Total Cost per unit	€1.02	€0.92	€1.74	€1.65	€3.51	€4.27	€9.52	€7.80	€5.65	€6.72	€1.54	€1.47
Profit/(Loss) per Unit	(€0.11)	(€0.04)	€0.25	€0.29	(€0.39)	(€0.79)	(€0.36)	€0.87	€0.70	€0.50	(€0.08)	(€0.03)

Balance Sheet

	Notes	Mails		Other and Excluded Items		Consolidation Adjustments		Group Balance Sheet (as per An Post's Statutory Financial Accounts)	
		2021 €'000	2020 €'000	2021 €'000	2020 €'000	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Statement of Net Assets									
Non-current assets	4	254,789	260,582	629,689	222,322	-	-	884,478	482,904
Trade and other receivables	5	92,029	103,816	145,803	146,624	(92,043)	(90,231)	145,789	160,209
Assets classified as held for sale		-	-	-	-	-	-	-	-
Cash		-	-	529,279	671,178	-	-	529,279	671,178
Creditors (<1 year)	6	(170,717)	(126,762)	(676,201)	(761,569)	92,043	90,231	(754,875)	(798,100)
Liabilities classified as held for sale		-	-	-	-	-	-	-	-
Net Current (Liabilities)/Assets		(78,689)	(22,946)	(1,119)	56,233	-	-	(79,808)	33,287
Creditors (>1 year)	7	(65,996)	(82,755)	(34,892)	(41,792)	-	-	(100,888)	(124,547)
Provisions for charges		-	-	(10,699)	(10,416)	-	-	(10,699)	(10,416)
Pension liability		-	-	(12,899)	(13,434)	-	-	(12,899)	(13,434)
Net Assets		110,104	154,881	570,080	212,913	-	-	680,184	367,794
Reconciliation to Equity and Reserves									
Called-up share capital		-	-	68,239	68,239	-	-	68,239	68,239
Other capital reserves		-	-	(14)	(1,374)	-	-	(14)	(1,374)
Retained earnings & Non-controlling interests		-	-	611,959	300,929	-	-	611,959	300,929
Total Equity		-	-	680,184	367,794	-	-	680,184	367,794

Summary Income Statement for Mails Business Segment - USO

All Geographical Segments	Universal Services												Total USO	
	Letters		Flats		Pockets		Parcels		Registered		Note 1 - Other USO Services		2020	2021
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	
Volume ('000s)	212,895	214,564	20,666	21,813	22,518	19,878	4,075	3,360	6,761	6,732	-	-	266,916	266,347
Year-on-Year % Change in Volumes	(1%)		(5%)		13%		21%		0%				0%	
Revenue	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Directly Attributable	70,442	64,893	11,180	11,176	22,938	27,604	37,333	29,138	36,009	34,730	3,873	3,618	181,775	171,160
Allocated using Sampling	123,297	125,288	29,942	31,178	47,173	41,536	-	-	5,718	12,522	-	-	206,131	210,524
Total Segment Revenue	193,740	190,182	41,122	42,354	70,111	69,140	37,333	29,138	41,728	47,252	3,873	3,618	387,906	381,684
Inter-segment revenue	287	228	-	-	-	-	-	-	1,233	1,316	-	-	1,520	1,544
Service Revenue	194,026	190,409	41,122	42,354	70,111	69,140	37,333	29,138	42,960	48,568	3,873	3,618	389,426	383,228
Year-on-Year % Change in Revenue	2%		(3%)		1%		28%		(12%)		7%		2%	
Total Direct Costs	14,042	14,628	1,728	2,114	12,949	14,387	7,909	4,918	14,032	14,817	674	713	51,334	51,577
Total Indirect Costs	145,424	131,442	24,678	24,452	45,333	48,371	22,873	16,556	14,117	18,566	97	36	252,523	239,423
Total Common Costs	57,251	52,080	9,454	9,448	20,695	22,146	8,008	4,740	10,045	11,827	545	476	105,999	100,717
Service Expenditure	216,717	198,150	35,860	36,014	78,978	84,904	38,790	26,214	38,194	45,210	1,316	1,225	409,856	391,717
Year-on-Year % Change in Expenditure	(9%)		0%		7%		(48%)		16%		(7%)		(5%)	
Net Segment Profit/(Loss)	(22,691)	(7,741)	5,262	6,340	(8,867)	(15,764)	(1,457)	2,924	4,766	3,358	2,556	2,393	(20,430)	(8,489)

Note 1 - Other Services include Redirections, Mail/Minder & PO Boxes.

Summary Income Statement for Mails Business Segment - Non USO

All Geographical Segments	Total Non USO		Mails Results	
	2021	2020	2021	2020
Volume ('000s)	155,892	188,178	422,808	454,525
Revenue	€'000	€'000	€'000	€'000
Directly Attributable	239,202	271,638	420,978	442,797
Allocated using Sampling	-	-	206,131	210,524
Total Segment Revenue	239,202	271,638	627,108	653,322
Inter-segment revenue	19,059	17,056	20,578	18,599
Service Revenue	258,261	288,693	647,687	671,921
Total Direct Costs	32,658	42,634	83,992	94,211
Total Indirect Costs	180,870	185,276	433,393	424,699
Total Common Costs	69,864	69,129	175,864	169,846
Service Expenditure	283,392	297,039	693,248	688,756
Net Segment Profit/(Loss)	(25,131)	(8,346)	(45,561)	(16,835)

Summary Income Statement for Mails Business Segment continued – USO

All Geographical Segments	Domestic		International Inbound		International Outbound		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	201,602	202,001	51,654	48,016	13,660	16,330	266,916	266,347
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue								
Directly Attributable	133,189	121,862	12,647	9,149	35,939	40,148	181,775	171,160
Allocated using Sampling	121,962	127,057	66,250	63,467	17,919	20,001	206,131	210,524
Total Segment Revenue	255,151	248,919	78,898	72,616	53,858	60,149	387,906	381,684
Inter-segment revenue	1,520	1,544	-	-	-	-	1,520	1,544
Service Revenue	256,670	250,463	78,898	72,616	53,858	60,149	389,426	383,228
Total Direct Costs	20,328	16,463	2,674	3,883	28,332	31,230	51,334	51,577
Total Indirect Costs	164,763	154,954	68,382	64,128	19,379	20,341	252,523	239,423
Total Common Costs	66,038	60,629	24,515	23,418	15,447	16,670	105,999	100,717
Service Expenditure	251,128	232,046	95,571	91,429	63,157	68,242	409,856	391,717
Net Segment Profit/(Loss)	5,542	18,416	(16,673)	(18,813)	(9,299)	(8,093)	(20,430)	(8,489)

Summary Income Statement for Mails Business Segment continued – USO

Domestic Segment	Universal Services												Total USO	
	Letters (Note 1)		Flats (Note 1)		Packets (Note 1)		Parcels		Registered		Other USO Services (Note 2)		2021	2020
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	181,289	181,267	12,679	12,760	2,982	3,868	1,165	1,203	3,487	2,904	-	-	201,602	202,001
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue														
Directly Attributable	69,126	62,303	7,843	7,405	11,141	12,695	12,548	12,598	28,659	23,244	3,873	3,618	133,189	121,862
Allocated using Sampling	95,841	98,237	20,059	20,209	6,062	8,611	-	-	-	-	-	-	121,962	127,057
Total Segment Revenue	164,967	160,540	27,902	27,614	17,202	21,306	12,548	12,598	28,659	23,244	3,873	3,618	255,151	248,919
Inter-segment revenue	287	228	-	-	-	-	-	-	1,233	1,316	-	-	1,520	1,544
Service Revenue	165,254	160,767	27,902	27,614	17,202	21,306	12,548	12,598	29,891	24,560	3,873	3,618	256,670	250,463
Total Direct Costs	5,952	5,486	568	632	1,543	1,139	4,203	2,306	7,387	6,186	674	713	20,328	16,463
Total Indirect Costs	126,672	113,457	16,222	15,369	8,133	11,913	6,102	5,428	7,537	8,751	97	36	164,763	154,954
Total Common Costs	47,792	42,619	6,048	5,732	3,484	4,687	2,789	1,761	5,379	5,354	545	476	66,038	60,629
Service Expenditure	180,417	161,562	22,838	21,733	13,160	17,739	13,093	9,495	20,304	20,292	1,316	1,225	251,128	232,046
Net Segment Profit/(Loss)	(15,163)	(795)	5,064	5,880	4,043	3,566	(545)	3,103	9,587	4,269	2,556	2,393	5,542	18,416

Note 1 - Free postal service for blind and partially sighted persons, Sending books abroad etc. are included under the appropriate category (i.e. letters, flats, packets) above.

Note 2 - Other Services include Redirections, MailMinder & PO Boxes.

Summary Income Statement for Mails Business Segment continued – Non USO

Domestic Segment	Total Non USO		Total Domestic Segment	
	2021	2020	2021	2020
Volume ('000s)	149,618	178,432	351,220	380,434
	€'000	€'000	€'000	€'000
Revenue				
Directly Attributable	210,107	233,297	343,296	355,160
Allocated using Sampling	-	-	121,962	127,057
Total Segment Revenue	210,107	233,297	465,257	482,216
Inter-segment revenue	19,059	17,056	20,578	18,599
Service Revenue	229,165	250,353	485,836	500,816
Total Direct Costs	23,514	27,882	43,841	44,345
Total Indirect Costs	167,085	159,829	331,848	314,783
Total Common Costs	62,141	55,565	128,179	116,194
Service Expenditure	252,740	243,276	503,868	475,322
Net Segment Profit/(Loss)	(23,574)	7,077	(18,032)	25,494

* Includes Other Services e.g. Firms Collections, Passport Express, Publisher Services.

Summary Income Statement for Mails Business Segment continued - USO

International (Inbound) Segment - Total	Universal Services										Total USO	
	Letters		Flats		Pockets		Parcels		Registered		2021	2020
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	21,799 €'000	22,132 €'000	6,230 €'000	6,982 €'000	18,216 €'000	13,938 €'000	2,644 €'000	1,946 €'000	2,765 €'000	3,018 €'000	51,654 €'000	48,016 €'000
Revenue												
Directly Attributable	-	-	-	-	-	-	12,647	9,149	-	-	12,647	9,149
Allocated using Sampling	12,949	13,030	7,874	8,635	39,709	29,280	-	-	5,718	12,522	66,250	63,467
Total Segment Revenue	12,949	13,030	7,874	8,635	39,709	29,280	12,647	9,149	5,718	12,522	78,898	72,616
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
Service Revenue	12,949	13,030	7,874	8,635	39,709	29,280	12,647	9,149	5,718	12,522	78,898	72,616
Total Direct Costs	32	103	55	99	417	408	134	135	2,035	3,138	2,674	3,883
Total Indirect Costs	14,224	13,359	6,085	6,881	30,975	28,322	11,843	7,431	5,255	8,135	68,382	64,128
Total Common Costs	5,136	4,822	2,212	2,500	11,298	10,334	3,243	1,724	2,626	4,038	24,515	23,418
Service Expenditure	19,391	18,285	8,352	9,480	42,691	39,063	15,220	9,290	9,916	15,311	95,571	91,429
Net Segment Profit/(Loss)	(6,442)	(5,254)	(478)	(845)	(2,982)	(9,784)	(2,573)	(141)	(4,198)	(2,789)	(16,673)	(18,813)

Summary Income Statement for Mails Business Segment continued - Non USO

International (Inbound) Segment - Total	Total Non USO		Total International (Inbound) Segment	
	2021	2020	2021	2020
	2021	2020	2021	2020
Volume ('000s)	2,905 €'000	6,178 €'000	54,559 €'000	54,193 €'000
Revenue				
Directly Attributable	12,451	23,309	25,098	32,458
Allocated using Sampling	-	-	66,250	63,467
Total Segment Revenue	12,451	23,309	91,348	95,925
Inter-segment revenue	-	-	-	-
Service Revenue	12,451	23,309	91,348	95,925
Total Direct Costs	2,142	6,585	4,817	10,468
Total Indirect Costs	3,618	16,839	72,000	80,967
Total Common Costs	2,999	9,115	27,514	32,533
Service Expenditure	8,760	32,540	104,331	123,969
Net Segment Profit/(Loss)	3,691	(9,231)	(12,982)	(28,044)

*Includes Other Services e.g. AddressPal.

Summary Income Statement for Mails Business Segment continued - USO

International (Inbound) Segment - Intra EU	Universal Services												Total USO	
	Letters		Flats		Packets		Parcels		Registered		Registered		2021	2020
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	2,895	16,924	1,302	5,252	1,282	7,722	2,541	1,835	968	1,834	1,834	968	1,834	33,567
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue														
Directly Attributable	-	-	-	-	-	-	12,152	8,628	-	-	-	-	-	8,628
Allocated using Sampling	2,048	10,027	1,762	6,794	4,229	19,349	-	-	2,717	8,340	8,340	2,717	10,756	
Total Segment Revenue	2,048	10,027	1,762	6,794	4,229	19,349	12,152	8,628	2,717	8,340	8,340	2,717	22,908	53,138
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Revenue	2,048	10,027	1,762	6,794	4,229	19,349	12,152	8,628	2,717	8,340	8,340	2,717	22,908	53,138
Total Direct Costs	4	79	12	75	29	226	129	127	712	1,908	1,908	712	886	2,415
Total Indirect Costs	1,889	10,216	1,272	5,176	2,180	15,686	11,381	7,007	1,840	4,944	4,944	1,840	18,562	43,029
Total Common Costs	682	3,688	462	1,881	795	5,725	3,117	1,626	921	2,454	2,454	921	5,977	15,374
Service Expenditure	2,575	13,983	1,746	7,132	3,004	21,637	14,627	8,760	3,473	9,306	9,306	3,473	25,425	60,818
Net Segment Profit/(Loss)	(527)	(3,956)	16	(338)	1,225	(2,288)	(2,475)	(132)	(756)	(966)	(966)	(756)	(2,517)	(7,680)

Summary Income Statement for Mails Business Segment continued - Non USO

International (Inbound) - Intra EU	Total Non USO		Total International (Inbound) - Intra EU	
	2021	2020	2021	2020
Volume ('000s)	1,825	4,489	10,813	38,056
	€'000	€'000	€'000	€'000
Revenue				
Directly Attributable	6,208	16,189	18,360	24,817
Allocated using Sampling	-	-	10,756	44,510
Total Segment Revenue	6,208	16,189	29,116	69,327
Inter-segment revenue	-	-	-	-
Service Revenue	6,208	16,189	29,116	69,327
Total Direct Costs	407	4,597	1,293	7,012
Total Indirect Costs	1,124	12,111	19,686	55,140
Total Common Costs	524	6,453	6,501	21,827
Service Expenditure	2,055	23,161	27,480	83,979
Net Segment Profit/(Loss)	4,153	(6,972)	1,636	(14,652)

Summary Income Statement for Mails Business Segment continued – USO

International (Inbound) Segment - Rest of World	Universal Services										Total USO	
	Letters		Flats		Packets		Parcels		Registered		2021	2020
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	€'000	€'000
Volume ('000s)	18,904	5,208	4,928	1,729	16,934	6,216	103	111	1,797	1,184	42,666	14,448
Revenue												
Directly Attributable	-	-	-	-	-	-	495	521	-	-	495	521
Allocated using Sampling	10,901	3,003	6,112	1,841	35,480	9,931	-	-	3,001	4,182	55,494	18,957
Total Segment Revenue	10,901	3,003	6,112	1,841	35,480	9,931	495	521	3,001	4,182	55,989	19,478
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
Service Revenue	10,901	3,003	6,112	1,841	35,480	9,931	495	521	3,001	4,182	55,989	19,478
Total Direct Costs	28	24	43	25	389	182	5	8	1,324	1,230	1,789	1,469
Total Indirect Costs	12,335	3,144	4,813	1,705	28,796	12,632	461	425	3,415	3,191	49,820	21,097
Total Common Costs	4,453	1,134	1,750	619	10,503	4,609	126	99	1,706	1,584	18,538	8,045
Service Expenditure	16,816	4,302	6,606	2,349	39,688	17,423	592	532	6,445	6,005	70,147	30,611
Net Segment Profit/(Loss)	(5,915)	(1,299)	(494)	(508)	(4,208)	(7,492)	(97)	(11)	(3,444)	(1,823)	(14,158)	(11,133)

Summary Income Statement for Mails Business Segment continued – Non USO

International (Inbound) - Rest of World	Total Non USO		Total International (Inbound) - Rest of World	
	2021	2020	2021	2020
Volume ('000s)	1,079	1,688	43,745	16,136
Revenue				
Directly Attributable	6,243	7,120	6,738	7,641
Allocated using Sampling	-	-	55,494	18,957
Total Segment Revenue	6,243	7,120	62,232	26,598
Inter-segment revenue	-	-	-	-
Service Revenue	6,243	7,120	62,232	26,598
Total Direct Costs	1,733	1,989	3,522	3,458
Total Indirect Costs	2,493	4,728	52,313	25,825
Total Common Costs	2,475	2,662	21,013	10,707
Service Expenditure	6,701	9,379	76,848	39,990
Net Segment Profit/(Loss)	(458)	(2,259)	(14,616)	(13,392)

Summary Income Statement for Mails Business Segment continued - USO

International (Outbound) Segment	Universal Services										Total USO	
	Letters (Note 1)		Flats (Note 1)		Pockets (Note 1)		Parcels		Registered		2021	2020
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	9,806	11,166	1,758	2,072	1,320	2,072	266	211	510	810	13,660	16,330
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue												
Directly Attributable	1,317	2,591	3,336	3,771	11,797	14,909	12,138	7,391	7,351	11,486	35,939	40,148
Allocated using Sampling	14,507	14,021	2,009	2,334	1,402	3,645	-	-	-	-	17,919	20,001
Total Segment Revenue	15,824	16,612	5,346	6,105	13,200	18,554	12,138	7,391	7,351	11,486	53,858	60,149
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
Service Revenue	15,824	16,612	5,346	6,105	13,200	18,554	12,138	7,391	7,351	11,486	53,858	60,149
Total Direct Costs	8,057	9,039	1,104	1,382	10,989	12,840	3,572	2,476	4,610	5,493	28,332	31,230
Total Indirect Costs	4,528	4,627	2,372	2,202	6,225	8,136	4,929	3,697	1,325	1,680	19,379	20,341
Total Common Costs	4,324	4,638	1,194	1,217	5,913	7,126	1,976	1,255	2,039	2,435	15,447	16,670
Service Expenditure	16,909	18,303	4,670	4,801	23,127	28,101	10,477	7,428	7,974	9,608	63,157	68,242
Net Segment Profit/(Loss)	(1,085)	(1,692)	675	1,305	(9,928)	(9,547)	1,661	(37)	(623)	1,878	(9,299)	(8,093)

Note 1 - Free postal service for blind and partially sighted persons, Sending books abroad etc. are included under the appropriate category (i.e. letters, flats, packets) above.

Summary Income Statement for Mails Business Segment continued - Non USO

International (Outbound) Segment	Total Non USO		Total International (Outbound) Segment	
	2021	2020	2021	2020
Volume ('000s)	3,369	3,568	17,029	19,898
	€'000	€'000	€'000	€'000
Revenue				
Directly Attributable	16,645	15,032	52,584	55,180
Allocated using Sampling	-	-	17,919	20,001
Total Segment Revenue	16,645	15,032	70,503	75,181
Inter-segment revenue	-	-	-	-
Service Revenue	16,645	15,032	70,503	75,181
Total Direct Costs	7,002	8,168	35,333	39,398
Total Indirect Costs	10,167	8,608	29,545	28,949
Total Common Costs	4,724	4,449	20,171	21,119
Service Expenditure	21,893	21,224	85,049	89,466
Net Segment Profit/(Loss)	(5,248)	(6,192)	(14,547)	(14,285)

Note 1- Bulk Mail Including IBMS Extra and IBMS DSA.

Summary Income Statement for each Universal Service - USO

Domestic Letter Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Freepost/Business Reply Mail		Total - Fully Paid	
	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	52,477	53,667	41,759	45,417	4,566	4,969	98,802	104,053
Revenue								
Directly Attributable	65	76	-	-	4,745	4,807	4,810	4,884
Allocated using Sampling	54,344	54,593	41,497	43,644	-	-	95,841	98,237
Total Segment Revenue	54,409	54,669	41,497	43,644	4,745	4,807	100,651	103,121
Inter-segment revenue	-	-	10	10	277	218	287	228
Service Revenue	54,409	54,669	41,507	43,654	5,022	5,025	100,938	103,348
Total Direct Costs	5,187	4,708	411	480	84	51	5,683	5,239
Total Indirect Costs	44,239	40,995	30,161	30,091	3,316	3,253	77,717	74,339
Total Common Costs	17,805	16,370	11,013	10,950	1,225	1,184	30,044	28,504
Service Expenditure	67,231	62,073	41,586	41,521	4,626	4,488	113,444	108,081
Net Segment Profit/(Loss)	(12,822)	(7,404)	(79)	2,133	396	537	(12,506)	(4,733)

Summary Income Statement for each Universal Service continued - USO

Domestic Letter Services continued	Bulk Deferred Delivery		Bulk Delivery Only		Other Discount Bulk		Total USO Domestic Letter Services	
	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	46,077	42,983	-	-	36,410	34,231	181,289	181,267
Revenue								
Directly Attributable	34,664	30,752	-	-	29,651	26,667	69,126	62,303
Allocated using Sampling	-	-	-	-	-	-	95,841	98,237
Total Segment Revenue	34,664	30,752	-	-	29,651	26,667	164,967	160,540
Inter-segment revenue	-	-	-	-	-	-	287	228
Service Revenue	34,664	30,752	-	-	29,651	26,667	165,254	160,767
Total Direct Costs	149	138	-	-	120	110	5,952	5,486
Total Indirect Costs	25,887	20,545	-	-	23,068	18,573	126,672	113,457
Total Common Costs	9,388	7,416	-	-	8,361	6,699	47,792	42,619
Service Expenditure	35,424	28,099	-	-	31,549	25,382	180,417	161,562
Net Segment Profit/(Loss)	(760)	2,654	-	-	(1,898)	1,285	(15,163)	(795)

Summary Income Statement for each Universal Service continued - USO

Domestic Flats Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Freepost/Business Reply Mail		Total - Fully Paid	
	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	5,845	5,871	4,458	4,962	485	399	10,788	11,232
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue								
Directly Attributable	3,155	3,612	-	-	1,048	869	4,203	4,481
Allocated using Sampling	9,962	9,435	10,097	10,774	-	-	20,059	20,209
Total Segment Revenue	13,117	13,047	10,097	10,774	1,048	869	24,262	24,690
Inter-segment revenue	-	-	-	-	-	-	-	-
Service Revenue	13,117	13,047	10,097	10,774	1,048	869	24,262	24,690
Total Direct Costs	456	492	78	111	9	6	542	609
Total Indirect Costs	8,526	7,961	5,499	5,693	607	412	14,632	14,066
Total Common Costs	3,236	3,028	2,009	2,079	222	150	5,466	5,256
Service Expenditure	12,218	11,480	7,585	7,883	837	567	20,640	19,931
Net Segment Profit/(Loss)	900	1,566	2,512	2,891	211	302	3,622	4,759

Summary Income Statement for each Universal Service continued - USO

Domestic Flats Services continued	Bulk Deferred Delivery		Bulk Delivery Only		Other Discount Bulk		Total USO Domestic Flats Services	
	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	720	601	-	-	1,170	927	12,679	12,760
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue								
Directly Attributable	1,383	1,171	-	-	2,257	1,752	7,843	7,405
Allocated using Sampling	-	-	-	-	-	-	20,059	20,209
Total Segment Revenue	1,383	1,171	-	-	2,257	1,752	27,902	27,614
Inter-segment revenue	-	-	-	-	-	-	-	-
Service Revenue	1,383	1,171	-	-	2,257	1,752	27,902	27,614
Total Direct Costs	9	9	-	-	17	14	568	632
Total Indirect Costs	577	501	-	-	1,013	803	16,222	15,369
Total Common Costs	211	183	-	-	371	293	6,048	5,732
Service Expenditure	796	693	-	-	1,402	1,110	22,838	21,733
Net Segment Profit/(Loss)	586	479	-	-	856	642	5,064	5,880

Summary Income Statement for each Universal Service continued - USO

Domestic Packets Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Freepost/Business Reply Mail		Other Discount Bulk		Total USO Domestic Packets	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	2,417	3,045	418	679	135	132	12	12	2,982	3,868
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue										
Directly Attributable	10,434	12,001	-	-	628	632	78	61	11,141	12,695
Allocated using Sampling	3,368	4,754	2,693	3,857	-	-	-	-	6,062	8,611
Total Segment Revenue	13,803	16,755	2,693	3,857	628	632	78	61	17,202	21,306
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Service Revenue	13,803	16,755	2,693	3,857	628	632	78	61	17,202	21,306
Total Direct Costs	1,265	925	194	170	63	30	21	13	1,543	1,139
Total Indirect Costs	6,777	9,664	1,022	1,912	315	319	19	18	8,133	11,913
Total Common Costs	2,896	3,802	438	748	136	126	14	11	3,484	4,687
Service Expenditure	10,938	14,391	1,653	2,830	515	475	53	43	13,160	17,739
Net Segment Profit/(Loss)	2,864	2,364	1,040	1,027	114	157	25	18	4,043	3,566

Summary Income Statement for each Universal Service continued - USO

Domestic Parcel Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Total - Fully Paid	
	2021	2020	2021	2020	2021	2020
Volume ('000s)	853	1,022	312	181	1,165	1,203
	€'000	€'000	€'000	€'000	€'000	€'000
Revenue						
Directly Attributable	7,861	10,708	4,687	1,890	12,548	12,598
Allocated using Sampling	-	-	-	-	-	-
Total Segment Revenue	7,861	10,708	4,687	1,890	12,548	12,598
Inter-segment revenue	-	-	-	-	-	-
Service Revenue	7,861	10,708	4,687	1,890	12,548	12,598
Total Direct Costs	3,665	2,089	539	217	4,204	2,306
Total Indirect Costs	4,571	4,688	1,530	740	6,101	5,428
Total Common Costs	2,246	1,497	543	264	2,789	1,761
Service Expenditure	10,482	8,274	2,612	1,221	13,094	9,495
Net Segment Profit/(Loss)	(2,621)	2,434	2,075	669	(546)	3,103

Summary Income Statement for each Universal Service continued - USO

International (Outbound) Letter Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Total Fully Paid		IBMS Standard		Total USO Letters	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	7,479	7,238	1,305	1,660	8,784	8,898	1,022	2,267	9,806	11,166
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	69	68	-	-	69	68	1,248	2,522	1,317	2,591
Directly Attributable	12,479	11,674	2,028	2,347	14,507	14,021	-	-	14,507	14,021
Allocated using Sampling	12,548	11,742	2,028	2,347	14,576	14,089	1,248	2,522	15,824	16,612
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Service Revenue	12,548	11,742	2,028	2,347	14,576	14,089	1,248	2,522	15,824	16,612
Total Direct Costs	5,089	5,622	1,576	1,859	6,665	7,480	1,392	1,558	8,057	9,039
Total Indirect Costs	3,798	3,554	464	641	4,262	4,195	266	432	4,528	4,627
Total Common Costs	3,053	3,114	701	848	3,754	3,963	570	675	4,324	4,638
Service Expenditure	11,940	12,290	2,741	3,348	14,681	15,638	2,228	2,665	16,909	18,303
Net Segment Profit/(Loss)	608	(548)	(712)	(1,001)	(105)	(1,549)	(980)	(143)	(1,085)	(1,692)

Summary Income Statement for each Universal Service continued - USO

International (Outbound) Flats Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Total Fully Paid		IBMS Standard		Total USO Flats	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)	972	1,133	190	265	1,163	1,398	596	674	1,758	2,072
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	2,204	2,572	-	-	2,204	2,572	1,133	1,200	3,336	3,771
Directly Attributable	1,375	1,490	634	844	2,009	2,334	-	-	2,009	2,334
Allocated using Sampling	3,579	4,062	634	844	4,213	4,906	1,133	1,200	5,346	6,105
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Service Revenue	3,579	4,062	634	844	4,213	4,906	1,133	1,200	5,346	6,105
Total Direct Costs	726	927	193	249	918	1,176	186	207	1,104	1,382
Total Indirect Costs	1,716	1,590	265	278	1,981	1,868	391	334	2,372	2,202
Total Common Costs	839	854	157	179	996	1,033	198	184	1,194	1,217
Service Expenditure	3,280	3,371	615	705	3,895	4,076	776	724	4,670	4,801
Net Segment Profit/(Loss)	299	691	19	139	318	829	357	475	675	1,305

Summary Income Statement for each Universal Service continued - USO

International (Outbound) Packets Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Total Fully Paid		IBMS Standard		Total USO Packets	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Volume ('000s)										
	1,112	1,720	40	78	1,153	1,797	167	275	1,320	2,072
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue										
Directly Attributable	10,992	13,794	-	-	10,992	13,794	805	1,115	11,797	14,909
Allocated using Sampling	1,086	3,044	316	602	1,402	3,645	-	-	1,402	3,645
Total Segment Revenue	12,078	16,838	316	602	12,394	17,439	805	1,115	13,200	18,554
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Service Revenue	12,078	16,838	316	602	12,394	17,439	805	1,115	13,200	18,554
Total Direct Costs	9,321	10,942	402	483	9,723	11,425	1,266	1,414	10,989	12,840
Total Indirect Costs	5,490	7,130	162	278	5,652	7,407	573	729	6,225	8,136
Total Common Costs	5,088	6,139	194	258	5,282	6,398	632	728	5,913	7,126
Service Expenditure	19,900	24,211	758	1,019	20,657	25,230	2,470	2,871	23,127	28,101
Net Segment Profit/(Loss)	(7,821)	(7,373)	(441)	(418)	(8,263)	(7,791)	(1,665)	(1,756)	(9,928)	(9,547)

Summary Income Statement for each Universal Service continued - USO

International (Outbound) Parcel Services	Fully Paid - Stamped and Labels		Fully Paid - Metered		Total Fully Paid	
	2021	2020	2021	2020	2021	2020
Volume ('000s)						
	172	179	94	32	266	211
	€'000	€'000	€'000	€'000	€'000	€'000
Revenue						
Directly Attributable	7,482	6,283	4,656	1,108	12,138	7,391
Allocated using Sampling	-	-	-	-	-	-
Total Segment Revenue	7,482	6,283	4,656	1,108	12,138	7,391
Inter-segment revenue	-	-	-	-	-	-
Service Revenue	7,482	6,283	4,656	1,108	12,138	7,391
Total Direct Costs	2,392	2,117	1,180	359	3,572	2,476
Total Indirect Costs	3,319	3,186	1,611	511	4,930	3,697
Total Common Costs	1,350	1,067	626	188	1,976	1,255
Service Expenditure	7,061	6,370	3,417	1,058	10,478	7,428
Net Segment Profit/(Loss)	421	(87)	1,239	50	1,660	(37)

Notes to the Regulatory Financial Statements

1. Reconciliation of Revenue to the Statutory Accounts

	2021 €m	2020 €m
Mails USO	389.4	383.2
Mails Non USO	258.3	288.7
Consolidation Adjustments	(20.6)	(18.6)
Regulatory Accounts Adjustments*	(5.5)	0.9
Postage: Letters & Parcels	621.6	654.2
Retail	154.6	151.0
Interest Income & Other Services	114.4	110.3
Revenue Per Statutory Accounts	890.6	915.5
*Regulatory Accounts Adjustments		
Stamp Retailing Commission etc.	(4.8)	(1.9)
Terminal Dues	(0.7)	2.8
Total	(5.5)	0.9

2. Reconciliation of Operating Costs to the Statutory Accounts

	2021 €m	2020 €m
Mails USO Per Regulatory Accounts	409.9	391.7
Mails Non USO	283.4	297.0
Regulatory Accounts Adjustments*	(4.8)	(1.9)
Retail	142.5	149.7
Corporate/Subsidiaries etc.	93.0	89.4
Operating Costs Per Statutory Accounts	924.0	926.0
*Regulatory Accounts Adjustments		
Stamp Retailing Commission etc.	(4.8)	(1.9)
Total	(4.8)	(1.9)

3. Reconciliation of Profit/(Loss) to the Statutory Accounts

	2021 €m	2020 €m
Mails USO Per Regulatory Accounts	(20.4)	(8.5)
Mails Non USO	(25.1)	(8.3)
Retail	(4.7)	(12.7)
Regulatory Accounts Adjustments*	(0.7)	2.8
Corporate/Subsidiaries etc.	17.6	16.2
Operating Profit/(Loss) - Continuing Operations	(33.4)	(10.5)
*Regulatory Accounts Adjustments		
Revenue	5.5	(0.9)
Expenditure	(4.8)	(1.9)
Total	0.7	(2.8)

Notes to the Regulatory Financial Statements continued

4. Non Current Assets

	Land & Buildings €m	Motor Vehicles €m	Computer & Other Equipment €m	Total €m
Net Book Values as at 31/12/2020	152.7	4.6	103.3	260.6
Additions/Disposals/Other	1.1	2.2	29.9	33.2
Depreciation	(5.6)	(1.7)	(31.8)	(39.1)
Net Book Values as at 31/12/2021	148.3	5.1	101.4	254.8

5. Trade and other receivables

	2021 €m	2020 €m
Trade Debtors	84.8	78.9
Inter Group Debtors	1.5	4.4
Prepayments & Accrued Income	5.7	20.5
Total	92.0	103.8

6. Creditors (Amounts falling due within 1 year)

	2021 €m	2020 €m
Trade Creditors	15.3	19.7
Inter Group & Other Creditors	15.7	10.6
Taxation and Social Welfare	59.5	19.8
Accruals	33.5	49.0
Right of Use Asset Lease liability	35.2	17.1
Deferred Income - Capital Grants	0.1	0.1
Deferred Postage Income	11.4	10.4
Total	170.7	126.7

7. Creditors (Amounts falling due after 1 year)

	2021	2020
	€m	€m
Right of Use Asset Lease liability	48.6	65.2
Government Loan	15.0	15.0
Deferred Income - Capital Grants	2.4	2.5
Total	66.0	82.7

8. Payroll Costs by Cost Type

	2021	2020
	€'000	€'000
The aggregate payroll costs and postmasters' costs were as follows:		
Wages and salaries	441,016	446,465
Postmasters: Engaged as Agents	57,037	61,597
Social Insurance Costs	43,453	43,263
Pension costs	52,997	51,506
Total Payroll and Postmasters' Costs	594,503	602,831

Universal Service

The Communications Regulation (Postal Services) Act 2011 ('the Act') was enacted in August 2011.

Requirements of the Universal Service Obligation ('USO')

Under Section 17 of the Act, An Post is designated as the Universal Postal Service Provider for a period until August 2023.

Under Section 16 of the Act, "Universal Postal Service" means that on every working day, except in such circumstances or geographical conditions deemed exceptional by ComReg, there is at least:

- (i) one clearance, and
- (ii) one delivery to the home or premises of every person in the State or, as ComReg considers appropriate, under such conditions as it may determine from time to time, to appropriate installations.

The following services are provided:

- (a) the clearance, sorting, transport and distribution of postal packets up to 2kgs in weight;
- (b) the clearance, sorting, transport and distribution of postal parcels to a weight limit to be specified by order of ComReg. ComReg used its power to change the maximum weight limit to 10kg in 2019;
- (c) the sorting, transportation and distribution of parcels from other Member States of the European Union up to 20kg in weight;
- (d) a registered items service;
- (e) an insured items service within the State and to and from all countries which, as signatories to the Universal Postal Convention of the Universal Postal Union, declare their willingness to admit such items whether reciprocally or in one direction only; and
- (f) postal services free of charge to blind and partially sighted persons

As required by Section 16(9) of the Act, in July 2012 ComReg made regulations specifying the services to be provided by An Post relating to the provision of the universal postal service. The Communication Regulation (Universal Postal Services) Regulations, S.I. 280 of 2012 which sets out these services is available on www.irishstatutebook.ie or www.comreg.ie.

The terms and conditions of Universal Services are available on www.anpost.com.

Access to Universal Services

An Post provides access to its services through its network of 45 Company post offices and 894 Contract post offices. In addition, some 1,167 retail premises are licensed to sell postage stamps, as active licensed agents. To facilitate physical access to the service, 5,684 post boxes, including Meter Post Boxes and those located in Delivery Service Units, are distributed widely throughout the State. There are 43 designated acceptance points for bulk mail services.

Tariffs

The following is a summary of the prices for standard services weighing up to 100g which are applicable since 27 May 2021.

Ireland & NI	Letters (up to C5)	Large Envelopes	Packets	Parcels
Standard Post	€1.10 €1.05 if item bears a franking impression	€2.00 €1.95 if item bears a franking impression	€3.80 €3.70 if item bears a franking impression	€9.00
Registered Post*	€8.00	€8.20	€8.20	€13.00

*The fee payable for the basic registered service covers compensation up to a maximum of €320. Further compensation (non Universal Service) up to a limit of €1,500 is available for €4.50 and up to a limit of €2,000 for €5.50 based on declared value at time of posting.

International destinations	Letters (up to C5)	Large Envelopes	Packets	Parcels
			GB (Great Britain) EUR (Europe) ROW (Rest of World)	GB (Great Britain) EUR (Europe) ROW (Rest of World)
Standard Post	€2.00	€2.90	GB €6.00 EUR €6.00 ROW €8.00	GB €21.00 EUR €28.00 ROW €36.00
Registered Post*	€8.70	€9.90	GB €12.50 EUR €13.00 ROW €15.00	GB €28.00 EUR €35.00 ROW €43.00

*Availability of service dependent on postal administration in destination country. Compensation up to €320 in GB; €150 in Europe; €100 for parcels and €35 for letters outside Europe. A full list of current USO tariffs is available in the Guide to Postal Rates (see www.anpost.com).

Note: The Communications Regulation (Postal Services)(Amendment) Act 2017¹ was passed by the Houses of the Oireachtas on 15 March 2017, this legislation repeals the price cap mechanism set out under Section 30 of the 2011 Act.

Quality of Service

International

The quality performance standard for the delivery of intra-Community cross-border mail was laid down in the Postal Directives (97/67/EC as amended) and is included in Schedule 3 of the Act. The quality standard for postal items of the fastest standard category is as follows:

D+3: 85% of items; D+5: 97% of items, where D refers to the day of posting.

Domestic

The Act requires ComReg to set quality-of-service standards for domestic universal service mail which must be compatible with those for intra-Community cross-border services. ComReg have set a quality-of-service target for domestic single piece priority mail as follows:

D+1: 94% D+3: 99.5%, where D refers to the day of posting.

¹www.irishstatutebook.ie/eli/2017/act/3/enacted/en/print.html

Universal Service continued

Customer Complaints

An Post is required to maintain records of customer complaints taking into account the relevant European standard IS: EN 14012:2003. The table provides, in relation to mail, a breakdown of written complaints received from customers during 2021. The total continues to represent a minute fraction of the entire mail traffic handled during the year.

Written complaints received from customers	2021	2020
Items lost or substantially delayed	45,584	39,446
Items damaged	1,922	1,673
Items arriving late	1,171	3
Mail collection or delivery:	8	-
- Failure to make daily delivery to home or premises	-	28
- Collection times/Collection failures	-	1
Mis-delivery	2,863	2,590
Access to Customer Service Information	-	-
Tariffs for single piece mail/discount schemes and conditions	-	-
Change of Address (Redirections)	1,234	650
Behaviour and competence of postal personnel	16	16
Underpaid mail	2	6
How complaints are treated	-	-
Others (not included in the above)	3,509	3,663
Total	56,309	48,076

Included in the total figure are complaints about registered items, which number 15,555 (2020: 8,774).

In 2021, there were 640,257 telephone calls, (2020: 786,150) made to An Post Customer Services. Most of these were routine or general enquiries rather than complaints. In 2021, there was a total of 114,174 Web Chats answered for the year (2020: 155,337).

There were 19,064 contacts regarding Customs queries with 2,044 call complaints in 2021 (2020: N/A) and similarly 10,882 contacts with 1,872 call complaints regarding An Post Mobile (2020: N/A).

ComReg has issued Guidelines for Postal Service Providers on Complaints and Redress Procedures (see ComReg document 14/06 on www.comreg.ie). An Post Complaint and Dispute Resolution Procedures are set out in 'Getting it Sorted', which is available on our website, in retail outlets, and from our Customer Services Centre.

We also have a Customer Charter, containing specific pledges to customers regarding our services, which is also available on our website; <https://www.anpost.com>.

Further Information

Additional information in relation to services provided by An Post is available at www.anpost.com/Help-Support, by phoning An Post Customer Services on 01-705 7600, by email at www.anpost.com/contactus, by completing an online enquiry form at <https://forms.anpost.ie/enquiry>, by writing to An Post Customer Services, General Post Office, O'Connell Street Lower, Freepost, Dublin 1, F01 F5P2 or by calling into any Post Office..

Glossary and Explanation of Terms

2021

Year ended 31 December 2021

2020

Year ended 31 December 2020

Accounting Manual

The An Post Accounting Manual for the Accounting period commencing 1 January 2021.

Act

Communications Regulation (Postal Services) Act, 2011 (transposing the Directive (as amended)).

Activity Based Costing (ABC)

Activity based costing is a widely used and accepted method of costing products and services based upon the cost of the activities required to produce these outputs. Activity costs are assigned to outputs based upon pre-defined cost drivers. These cost-drivers provide a measure of the intensity or frequency of an activity demanded by a product or service and reflect a cause and effect relationship.

APBI

An Post Business Intelligence

ComReg

Commission for Communications Regulation, designated as the National Regulatory Authority under the Regulations.

Direction

Direction on the accounting systems of An Post (issued by ComReg on 20 January 2017 for accounting periods commencing on or after 1 January 2017).

Directive

EC directive 97/67/EC as amended by 2002/39/EC and 2008/6/EC.

Fully Allocated Cost (FAC)

The summation of direct and indirect costs for products or services such that no costs are left unallocated.

IFRS (EU IFRS)

International Financial Reporting Standards, as adopted by the EU.

IPC

International Post Corporation

Pipeline

The sequence of operational processes that is followed by an item of mail. The full pipeline is: Revenue Collection, Collection, Outward Sortation, Transport, Inward Sortation and Preparation and Delivery.

Postal Services

A collective term for USO and other Mails products.

Price Cap Mechanism

Price Cap Mechanism as set out in Section 30 of the Act.

Products and Services Offered to Customers

For a full list of products refer to <https://www.anpost.com>.

Regulatory Financial Statements (Regulatory Accounts)

The statements, accounts and reports which specifically refer to the year ended 31 December 2021.

Revenue Derived Traffic

Stamped and Metered volumes derived from reported revenue the results of sampling – a survey of mail formats and profiles.

RRSM

Revenue Recognition Sales Model

Sampling Plan

The Sampling Plan designed by PricewaterhouseCoopers in accordance with the relevant standard (IS:EN 13850:2012).

Standard Fill

The average number of mail items by format per container type (e.g. number of letters per tray, number of packets per cage) used in operational volumes counting.

UPU

Universal Postal Union (Inter Governmental Agreement governing international rates)

USP

Universal Service Provider

USO

Universal Service Obligation

Volumes

Volumes refer to addressed mail.



