

Purchasing & Supplier Control

Purchasing

Purpose and Scope

To plan, determine, review and communicate all purchasing activities, including supplier evaluation.

Responsibility

The management team ensure this procedure is implemented and maintained.

References / Forms

- Accounting software

Procedure

General

Purchases for consumables, parts and services are placed and managed by the relevant manager.

Supplier Evaluation

All new suppliers and sub-contractors are assessed for a particular product or service prior to placing them on the Approved Suppliers list.

All suppliers and sub-contractors are then continuously monitored in all areas. Including performance, delivery and cost, with files kept on each sub-contract/supplier. Their rating is re-evaluated based on this assessment. Where performance is unsuitable they are taken off the Approved Supplier List.

Any quality problem which is not promptly and suitably rectified can also be reason for removal from the Approved Supplier List in accordance with the Procedure Corrective Action & Continual Improvement

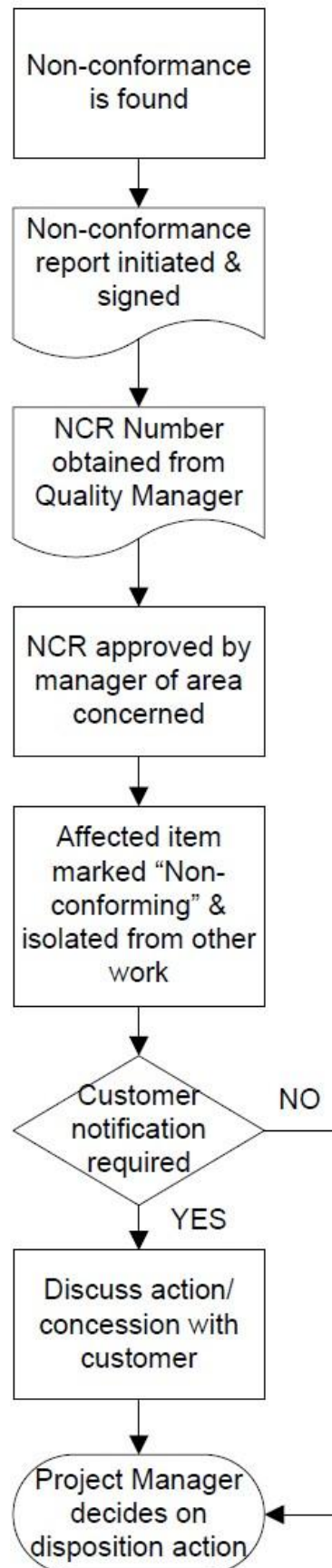
Items purchased from those not on the approved list takes place with signed approval from the Managing Director on the purchase order. This is only done on a case by case basis and in exceptional circumstances.

Where the customer provides a list of approved suppliers only those suppliers are engaged for those specified supplies.

a) Acceptance of Materials: Where the supplier is Quality Assured, reliance is based on the supplier's quality system and materials coming in are checked only for damage, and the correct identification. Where the supplier is not Quality Assured our inwards inspection & verification is required. The Inspection & Test Plan Procedure is invoked, and at the direction of the Quality Manager, to quantify adherence to standard.

b) Acceptance from Customer nominated suppliers: Where particular items are specified to be purchased from nominated suppliers in the contract document, or the customer arranges supply of materials directly to our contracted works, our customers are normally given the right to check for themselves, that the purchased item conforms to requirements.

Receiving



Records

All relevant supplied data and documents are maintained by the Accounting software.