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# Barnardo's Corporate Policy

## Purchase Order Policy

<b>Risk Owner:</b>	Head of Transactional Finance
<b>Supported by:</b>	Finance Manager – Processing & Controls
<b>Date Approved:</b>	11 <sup>th</sup> March 2024
<b>Date for Review:</b>	March 2026
<b>Distribution</b>	Internal & External

### 1. Purpose

Barnardo's operates a 'No Purchase Order, No Pay' policy.

This means that Barnardo's will not pay Suppliers unless a valid Purchase Order number is quoted on an invoice.

This policy aims to strengthen financial controls and increase compliance. It further aids the automation of invoice processing which supports our objective to pay Suppliers to agreed terms.

### 2. Policy

Under this Policy a Purchase Order (PO) must be obtained from the business contact at Barnardo's who is placing the order to purchase goods or services on behalf of Barnardo's. The PO must be obtained prior to Suppliers providing any goods or services to Barnardo's.

In the absence of receiving a purchase order Suppliers must contact the person who procured the goods and services and ask for it to be sent again along with confirmation of the Purchase Order number.

The Purchase Order number must be quoted on the invoice which can then be emailed to Barnardo's in PDF format to [apinvoices@barnardos.org.uk](mailto:apinvoices@barnardos.org.uk) to process for payment.

Please refer to [Appendix 1](#) which explains the important information required on a Supplier invoice for it to be processed. If any of this information is missing, the invoice will be sent back to the Supplier.

### 3. Scope

The policy applies to all Barnardo's (and its subsidiaries) suppliers who provide goods or services to the Charity.

Purchase Orders remain important in ensuring that all financial commitments are correctly recorded within the finance system, as this enables budgetary controls to be maintained by the charity.

While it is possible to raise a Purchase Order for all requirements, and in best practice this would be adhered to across all categories of spend, this policy accepts that in certain situations a particular item or category of expenditure will be considered to be exempt.

### Exceptions List:

#### Property

- Property Rents
- Property Rates (including service charges)

\*Please note property contractors are provided with a PO created from our property management system.

#### HMRC

- VAT Payments made directly to HMRC

#### Other

- Mobile telephone and communications call and line rental payments (not equipment or hardware)
- Utility services – Water, Energy, Electricity, Gas
- Return of Funds to local authorities
- Duplicate payment refunds to Customers
- Confidential services as requested from time to time by our Directorate
- Purchases made via Corporate Credit Card

The exceptions list applies to specific suppliers only. Suppliers must always check with their Barnardo's contact if they are unsure at the time of taking an order for goods and services whether it is required to quote a PO on the invoice.

This Policy must be shared with all current suppliers and any new suppliers Barnardo's engages with.

## 4. Roles and Responsibilities

Risk Owner and Support

Ultimately accountable for ensuring the risk is managed appropriately and responsibilities

All Managers	include ensuring this policy remains fit for purpose, ensuring training is delivered, risk reporting is undertaken, and the risk register is kept current.
All Trustees, Staff, and Volunteers	Directly responsible for implementing the Policy within their operational areas and for adherence by colleagues they line manage.
All Suppliers	Must assist in ensuring compliance with this Policy and engage in any relevant training at appropriate intervals.
	Must ensure compliance with this Policy.

## 5. Associated Legislation, Guidance, References and Documents

The requirements in this policy should be considered alongside the requirements of other Barnardo's policies and in particular the **Responsible Procurement Policy** and **Credit Card Policy**. They are both available to Barnardo's staff on Inside Barnardo's.

## 6. Definitions and Concepts

- **Purchase Order** - a legal document that is created by a buyer and sent to a Supplier to confirm their intention to purchase goods and/or services.
- **Invoice** - An invoice is a commercial document issued by a Supplier to a buyer relating to a sale transaction and indicating the products, quantities, and agreed upon prices for the goods and/or services the Supplier had provided the buyer.

## 7. Compliance and Oversight

In addition to the compliance and oversight arrangements set out under Roles and Responsibilities, the following applies:

- **The Risk Owner** will ensure that management information demonstrating adherence to and compliance with this Policy is produced and provided to relevant parties as required and on request complete a business self-assessment.
- **The Audit and Assurance Team** will periodically and independently review adherence to and compliance with this Policy and associated procedures and processes across the Charity in line with their approved audit and inspection plans.

## 8. Key Contacts

If Suppliers need to speak to Accounts Payable (AP) about a payment to their invoice, they can send an email or speak to our team on the phone:

- Payment queries and Account Statements email: [Accounts.Payable@barnardos.org.uk](mailto:Accounts.Payable@barnardos.org.uk)

- AP Telephone number: 020 8498 7700 (Select Option 1)
- Invoices to be emailed to: [apinvoices@barnardos.org.uk](mailto:apinvoices@barnardos.org.uk) only. This is not a monitored mailbox and is for receipt of invoices only.

If the details are wrong or Suppliers do not understand the information on their Purchase Order, they will need to contact the person who placed the original order.

### 9. Document History

Version	Date	Author	Comments	Approval
1	5/02/2024	Meena Sapal	1 <sup>st</sup> Edition of Policy	

### 10. Distribution

This Policy is published on Inside Barnardo's for internal staff and distributed to all Suppliers.

## APPENDIX 1 – THE INVOICE

Please see the [Barnardo's Supplier Invoice Guide and Instructions](#) for more information.