

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Inspiration Furniture Sdn. Bhd. (506354-K)	<b>Reference #</b>	GFSSBH 004-493
<b>Contact Person</b>	David Wong Jacqueline Wong (Business Manager)	<b>Audit Date</b>	20/04/2023
<b>Office Address</b>	Bond BBQ Buffet Steamboat Sdn. Bhd., P.O. Box 14487, 88851 Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Audit Statement #	GFS 198 WTP		
Issuance Date	24 April 2023	Expiration Date	23 April 2024

### Assessment Details

Company Type	Exporter and Importer
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)076/2019
Product Group	Sawn timber, Plywood
Source of Material	Sabah, Malaysia and Vietnam.
Species	<i>Dialium indum</i> (KerANJI), OT (Other Timber)
Lead Assessor	Glory Linggou
Assessor(s)	Asraf Mahmud
FDS Staff	-

### Terms of Assessment

The scope of the evaluation is to verify compliance of Inspiration Furniture Sdn. Bhd. to the criteria within the Sabah Timber Legality Assurance System (TLAS) Principle 5 - Mill Operations and Principle 6 - Trade and Customs standards. Compliance is defined when the organization demonstrates that there is no non-compliance to any applicable criteria. Non-compliance to the Sabah Legality Standard occurs when the organization does not comply with 1 or more criteria. Non-compliance must be formally addressed prior to certification or within 2 months following a surveillance assessment.

### Limitations of Assessment

The information presented in this report is based on documentation and other information presented by the client and observations made during the field verification under the assessment. Auditor's reporting of information presented by the client are taken as accurate, unless evaluated differently through the observations made during the assessment. All information presented in the report is accurate and complete to the best of knowledge of GFS.

### Background Information:

Inspiration Furniture Sdn. Bhd. (Inspiration Furniture) is registered in Kota Kinabalu, Malaysia, with registration # 506354-K. Inspiration Furniture stopped operating the warehouse located at KKIP from January 2023 onwards. Inspiration Furniture sold off all the materials at the previous warehouse.

The previous assessment was conducted in April 2022 that resulted in 2 gap(s) and 2 observation(s) (Report #: GFSSBH 004-337).

### Associated Organizations & Subcontractors:

Inspiration Furniture does not engage any other subcontractors to provide or manufacture products.

**Description of the Supply Chain:**

From April 2022 to March 2023, Inspiration Furniture purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Ke Go Company Ltd.	-	Plywood	Vietnam	-	High

Note: \*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) material & products.

**Summary Results:**

(Major gap = 0, Minor gap = 0, Observation = 0)

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
003/2021	Minor	6.2.4	Closed	<p><b>April 2022:</b> Incorrect Risk assessment for imported material from May 2021 to March 2022.</p> <p><b>April 2023:</b> Inspiration Furniture has conducted a risk assessment for the imported materials correctly.</p>
001/2022	Minor	5.3.2 5.3.7	Closed	<p><b>April 2022:</b> No evidence that training was conducted for safety fire prevention or chain of custody system for the warehouse workers.</p> <p><b>April 2023:</b> Inspiration Furniture no longer operates a warehouse; thus, the training on safety fire prevention or chain of custody system for warehouse workers is not applicable.</p>

\*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2022 Addressed	5.2.4	<p><b>April 2022:</b> The COC system includes production processing which is not according to the scope of the company license as a trading company with only warehousing operations and material handling.</p> <p><b>April 2023:</b> Inspiration Furniture revised the COC system in accordance with their scope of trading activities.</p>
002-2022 Addressed	5.3.8	<p><b>April 2022:</b> A fire extinguisher observed at the water pump house expired in 2019.</p> <p><b>April 2023:</b> Inspiration Furniture no longer operates a warehouse.</p>

Highlights of Close-Out Visit (if applicable)	Date: -
Not applicable	

Recommendations
<p><b>Inspiration Furniture Sdn. Bhd.</b> has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Statement of Compliance and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) from SFD.</p> <p>The next surveillance visit is scheduled for April 2024.</p>

## End of Summary Report