

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Kin Chiew Furniture Sdn. Bhd. (822952-K)	<b>Reference #</b>	GFSSBH 004-580
<b>Contact Person</b>	Ng Lee Shong (Director)	<b>Audit Date</b>	23/11/2023
<b>Office Address</b>	No.12671, Jalan Sg. Tajong, Batu 3, Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	No.12671, Jalan Sg. Tajong, Batu 3, Tawau, Sabah, Malaysia.	<b>Telephone</b>	+6012 817 8689
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 173 WTP		
<b>Issuance Date</b>	27 November 2023	<b>Expiration Date</b>	26 November 2024

### Assessment Details

<b>Company Type</b>	Moulding mill
<b>Scope of Assessment</b>	Sabah TLAS P5-6: JP(T)TW001/10(M01)
<b>Product Group</b>	Moulded timber and doors
<b>Source of Material</b>	Sabah, Malaysia.
<b>Species</b>	<i>Drybalanops</i> spp. (Kapur), <i>Dipterocarp</i> spp. (Keruing), <i>Koompassia malaccensis</i> (Impas), <i>Parashorea</i> spp. (White seraya), <i>Shorea</i> spp. (Red seraya, Yellow seraya, Melapi), <i>Heritiera simplicifolia</i> (Kembang), <i>Sapotaceae</i> spp. (Nyatoh), <i>Neolamarckia cadamba</i> (Laran), <i>Duabanga moluccana</i> (Magas), <i>Octomeles sumatrana</i> (Binuang), <i>Alstonia</i> spp. (Pulai), <i>Annonaceae</i> spp. (Karai), <i>Eugenia</i> spp. (Obah), <i>Sindora beccariana</i> (Sepetir), Lauraceae (Medang), <i>Planchonia valida</i> (Putat), <i>Terminalia subspatulata</i> (Talisai), Myristicaceae (Darah-darah), <i>Dillenia</i> spp. (Simpor), <i>Cotylelobium</i> spp. (Resak batu), <i>Cratoxylum arborescens</i> (Serungan), <i>Pentace</i> spp. (Takalis), <i>Hopea sangal</i> (Gagil), <i>Calophyllum obliquinervium</i> (Bintangor), <i>Macaranga</i> spp. (Sedaman), <i>Prerospermum</i> (Bayor), <i>Dyera</i> spp. (Jelutong), <i>Dialium indum</i> (KerANJI), <i>Azadirachta excels</i> (Bawang-bawang), <i>Magnolia candollii</i> (Chempaka)
<b>Lead Assessor</b>	Brandon James
<b>Assessor(s)</b>	Glory Linggou, Tommy Olui, Vanessa Abin
<b>FDS Staff</b>	Abdul Suhaimi Abdul Manap (PPD Tawau)

### Terms of Assessment

The scope of the evaluation is to verify compliance of Kin Chiew 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:**

Kin Chiew Furniture Sdn. Bhd. (Kin Chiew Furniture) is registered in Tawau, Malaysia, with registration # 822952-K. Kin Chiew Furniture produces moulding products and doors for the local market.

The previous assessment was conducted in November 2023 that resulted in 1 gap(s) and 1 observation(s) (Report #: GFSSBH 004-433).

**Associated Organizations & Subcontractors:**

Kin Chiew Furniture does not engage other companies as their subcontractors to provide or manufacture products.

**Description of the Supply Chain:**

From October 2022 to October 2023, Kin Chiew Furniture purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Soonlinmas Sdn. Bhd.	FDS(KK)(S)003/2021	Blockboard	Kota Kinabalu	GFS 261 WTP (26/02/2024)	Low
Gold Rank Sdn. Bhd.	JP(T)TW001/10(X04)	Sawn timber	Tawau	GFS 010 WTP (25/06/2024)	Low
Yun Seng Enterprise	PG/SDK01/2017	Plywood	Sandakan	-	High
YC Supplies Sdn. Bhd.	PG/SDK 01/2018	Plywood	Sandakan	-	High
Sherwood Timber Processing Sdn. Bhd.	JP(T)TW004/00(X02) R	Lumber core	Tawau	GFS 042 WTP (21/05/2024)	Low
Hap Seng Property Investment Sdn. Bhd (Chuan Huan Trading Sdn. Bhd.)	JP(T)TW002/05(B01)	Sawn timber	Tawau	GFS 216 WTP (27/08/2024)	Low

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

**Summary Results:**

(Major gap = 0, Minor gap = 0, Observation = 1)

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
001/2021	minor	5.2.3	Closed	<p><b>November 2021:</b> Inconsistency in identification of the correct Sabah TLAS status for suppliers in the arrival book.</p> <p><b>November 2022:</b> Kin Chiew Furniture identified the Sabah TLAS status correctly for suppliers except for Majestic Goldtree in the arrival book.</p> <p><b>November 2023:</b> Kin Chiew Furniture has identified the Sabah TLAS status correctly for all suppliers in the arrival book.</p>

\*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2022 Addressed	5.3.7	<p><b>November 2022:</b> Records of safety training were incomplete.</p> <p><b>November 2023:</b> Kin Chiew Furniture has included agenda and attendance records as part of training records.</p>
001-2023	5.1.2	<p><b>November 2023:</b> Kin Chiew Furniture did not record sawn timber carry forward stock in online submission for Appendix 7 from October 2022 to October 2023.</p>

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

**Recommendations**

**Kin Chiew Furniture Sdn. Bhd.** 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.

Gap(s)/Observation(s) identified in this assessment should be addressed before the next surveillance visit. Action required to close the gap(s)/observation(s) include:

**Observation 001-2023 – Checklist 5.1.2:** Kin Chiew Furniture shall record the sawn timber carry forward stock in Appendix 7 online submission.

The next surveillance visit is scheduled for November 2024.

**End of Summary Report**