

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Sentosa Serimas Sdn. Bhd. (1085996-M)	<b>Reference #</b>	GFSSBH 004-030
<b>Contact Person</b>	Lieu Kim Fa (Manager)	<b>Assessment Date</b>	16/04/2019
<b>Office Address</b>	2-2, Lot 33, Block E, Lintas Square, Jalan Lintas, 88300 Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	PT.2007130858 (SLDB), Kg. Sinua, Sook, Keningau, Sabah, Malaysia.	<b>Telephone</b>	+6088 250 771
<b>Email</b>	tajukmajusb@gmail.com ganda.runlong@yahoo.com	<b>Fax</b>	+6088 222 350 +6017 862 1711 (Mill Manager)
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 164 WTP		
<b>Issuance Date</b>	01 May 2019	<b>Expiration Date</b>	30 April 2020

### Assessment Details

<b>Company Type</b>	Sawmill, Chip mill & Wood Pellets
<b>Scope of Assessment</b>	JP (N) SO 001/15 (X62), FDS(SO)(S)034/2019(M), FDS(SO)(E)302/2018(M)
<b>Product Group</b>	Sawn timber, moulding, finger joint and lamination
<b>Source of Material</b>	Sabah, Malaysia.
<b>Species</b>	<i>Shorea spp.</i> (Red seraya, Yellow seraya), <i>Sapotaceae spp.</i> (Nyatoh), <i>Alstonia spp.</i> (Pulai), Lauraceae (Medang), <i>Lithocarpus &amp; Quercus</i> (Mempening), <i>Myristicaceae</i> (Darah-darah), <i>Dillenia spp.</i> (Simpor), <i>Cotylelobium spp.</i> (Resak batu), <i>Pentace spp.</i> (Takalis), <i>Castanopsis motleyana</i> (Berangan), <i>Camptosperma auriculatum</i> (Terentang), <i>Neolarmakia cadamba</i> (Laran), <i>Eugenia spp.</i> (Obah), <i>Lithocarpus &amp; Quercus</i> (Mempening), Annonaceae (Pisang-pisang), <i>Magnolia candollii</i> (Chempaka), <i>Octomeles sumatrana</i> (Binuang), <i>Duabanga moluccana</i> (Magas), <i>Syzygium spp.</i> (Jambu – jambu),
<b>Lead Assessor</b>	Cynthia D. John
<b>Assessor(s)</b>	Franklin Emang, Prieria Bagang, Walter Marcus
<b>FDS Staff</b>	PH Majilin Samad (PPM Sook)

### Terms of Assessment

The scope of the evaluation is to verify compliance of the Sentosa Serimas 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.

**Background Information:**

Sentosa Serimas Sdn. Bhd. (Sentosa Serimas) is registered in Kuala Lumpur, Malaysia on 24<sup>th</sup> March 2014 with registration # 1085996-M. The company purchases raw material locally, produces / trades sawn timber and wood pellets for local market only.

The previous assessment was conducted in January 2018 that resulted in 1 gap(s) and 0 observation(s) (report #: G162-384b).

**Associated Organizations & Subcontractors:**

Sentosa Serimas does not engage other companies as their subcontractors to provide or manufacture products.

**Description of the Supply Chain:**

In 2018, Sentosa Serimas purchased raw materials only from one supplier as below:

Supplier	License	Raw Material	Location	FDS TLAS-CC (Expiry Date)	GFS Audit Statement # (Expiry Date)
SLDB (Tajuk Maju Sdn. Bhd.)	JP(NSO)008/2014(F1)	Round logs	Sook	Non-Compliance	Non-Compliance

**Summary Results:**

(Major gap = 0, Minor gap = 2, Observation = 0)

GAPs:				
GAP #	Type	Checklist	Status	Description
004/2018	Minor	5.3.3 5.3.6	Closed	<p><b>January 2018:</b> According to the company, they have followed up on the status of registration. However, no evidence (follow-up letter) was available during the assessment.</p> <p><b>April 2019:</b> Sentosa Serimas has registered with DOSH, approval number (SB/19/01/134002). Payment receipt (SB/RE/19/5528) was made available and DOSH inspection has been carried out on 22/01/2019.</p>
005/2019	Minor	5.1.2	New	<p><b>April 2019:</b> Recovery reported in Appendix 1 for sawn timber was constant average 60% (January 2018 to December 2018). Hence, the data on log input and output for sawn timber does not appear to be according to the actual volumes.</p>
006/2019	Minor	5.2.5	New	<p><b>April 2019:</b> Inconsistency labelling of Work in Progress (WIP) was observed for one lot of loose bundle of sawn timber in the crosscut section. The WIP was without batch number identification for traceability.</p>

\*Major = Non-Compliance

Obs #	Checklist	Description

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

**Recommendations**

**Sentosa Serimas Sdn. Bhd.** has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Audit Statement and STCC from FDS.

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

**Gap 005/2019 (Minor) – Checklist 5.1.2:** Sentosa Serimas must record the actual log received, log C/F stock, log input and sawn timber output against the actual volumes received.

**Gap 006/2019 (Minor) – Checklist 5.2.5:** All WIP in the production line shall be identified with batch number.

The next surveillance visit will be scheduled in February 2020.

**End of Summary Report**