

Factory Audit Report

Client		QCL Report#	FA-20160910-009
Supplier	Chengde Plastic Manufacturing Limited.	Auditor	
Factory	Chengde Plastic Manufacturing Limited.	Audit Date	Sep 10, 2016

General Overview of the Audit's findings

Fields	Score / 5	Weight /5	Weighted Score
WorkFlow and Organization Charts	3	1	3
Production lines - Capacity	3	1	3
Factory facilities - machinery conditions	3	1	3
Quality Assurance System	1	1	1
Social accountability	1	1	1
Supply	2	1	2
R&D – Sampling capacity	0	0	0
Hygiene - Security	0	1	0
Environment	3	1	3
RoHS Standards	0	0	0
Special Feature 1:	0	0	0
Special feature 2 :	0	0	0
Special feature 3 :	0	0	0
total		8	16

Overall Score

4/10

Important remarks

1 The factory is mainly engaged in producing plastic toys, its weekly capacity can reach about 25000pcs per week, the factory representative said most of procedures were made by hand, so they can improve the capacity by recruiting more workers in peak season

2 The factory's QC system is very poor:

(1) without formal quality manual used in this factory

(2) The factory's representative said that there is 1 QC to spot-checking the raw materials, but inspection instruction not documented, without any relevant records maintained. And no IQC was found during auditing.

(3) There are 2 IPQC to spot-checking the semi-products, and inspection instruction was documented, relevant records maintained, but the rejected items were not clearly identified, nor segregated with acceptable items.

(4) The factory's representative said that there is 1 FQC to spot-checking the finished products, but inspection instruction not documented, without any relevant records maintained and there is no rejective products control procedure. And no FQC was found during auditing.

(5) did not obtain ISO9000 accreditation yet

3 social accountability

(1) over time regulation: the factory pay to workers: 150%times for working days;

150%times for weekend 150%times for national holiday, *Violated to the PRC labor law—it should be:150%times for working days;*

200%times for weekend;

300%times for national holiday

(2) Sometimes there is no 1 day off in seven days, *Violated to the PRC labor law—at least 1day off every 7days*

(3) the minimum wage is RMB750/month, *Violated to SHEN ZHEN local payroll requirement—at least RMB900 per month*

(4) Without any first aid kits in workshop, there was no trained first aid personal available in the factory.

(5) Fire protect;

A. no emergency lights installed above the emergency exit.

B. all the extinguishers/hose were not checked monthly

C. without any evacuation drills

(6) It was noted that workers who handling molds were not provided with steel-toed shoes in the injecting section

Content :

General Overview of the Audit's findings	错误!未定义书签。
Important remarks	错误!未定义书签。
Content :	错误!未定义书签。
Part 1	错误!未定义书签。
Factory profile	错误!未定义书签。
General information	错误!未定义书签。
Communication infrastructures	错误!未定义书签。
Products / Markets	错误!未定义书签。
Recommendations / credentials	错误!未定义书签。
Related pictures:	错误!未定义书签。
Related pictures:	错误!未定义书签。
Related pictures:	错误!未定义书签。
Part 2	错误!未定义书签。
Factory Organization and Production process	错误!未定义书签。
Factory Organization chart	错误!未定义书签。
Production workflow chart	错误!未定义书签。
Part 3	错误!未定义书签。
Production lines / Capacity	错误!未定义书签。
Part 4	错误!未定义书签。
Factory Facilities / Machinery Conditions	错误!未定义书签。
Machines for production	错误!未定义书签。
Machines for production	错误!未定义书签。
Warehouse condition	错误!未定义书签。
Sample room condition-24	错误!未定义书签。
Public power supply	错误!未定义书签。
Shipment capabilities	错误!未定义书签。
Part 5	错误!未定义书签。
Quality Assurance System & Related Certificates (optional)	错误!未定义书签。
Export license	错误!未定义书签。
Quality system management	错误!未定义书签。
Quality system management	错误!未定义书签。
Inspection track record by client	错误!未定义书签。
QC	错误!未定义书签。
Part 6	错误!未定义书签。
Social Accountability (optional)	错误!未定义书签。
Labor	错误!未定义书签。
Certificates	错误!未定义书签。
Part 7	错误!未定义书签。
Procurement Conditions (optional)	错误!未定义书签。
Part 8	错误!未定义书签。

R & D / Sampling capacity (optional)	错误!未定义书签。
R & D facilities	错误!未定义书签。
Part 9	错误!未定义书签。
Hygiene / Security (optional)	错误!未定义书签。
Facilities	错误!未定义书签。
Trainings	错误!未定义书签。
Part 10	错误!未定义书签。
Environment (optional)	错误!未定义书签。
Environment management	错误!未定义书签。
Control track record	错误!未定义书签。
Preventive / corrective actions	错误!未定义书签。
(Please check Sewage, Smokes, Noise, Waste, and any other applicable)	错误!未定义书签。
Part 11	错误!未定义书签。
RoHS Standards (optional)	错误!未定义书签。
Knowledge & Awareness	错误!未定义书签。
RoHS Products	错误!未定义书签。
Management of RoHS and Non-RoHS Products & Components	错误!未定义书签。
Part 12	错误!未定义书签。
Specific Instructions from Client (optional)	错误!未定义书签。
Specific Instructions	错误!未定义书签。
Part 13	错误!未定义书签。
Synopsis of major facts and problems found	错误!未定义书签。
Capacity of manufacturing client's product:	错误!未定义书签。
Production conditions:	错误!未定义书签。
Social accountability conditions:	错误!未定义书签。
Factory behavior during audit:	错误!未定义书签。
Part 12 Synopsis of major facts and problems found	错误!未定义书签。

Part 1

Factory profile

General information		
1	Date of foundation	2008-6-6
2	Legal status	Private(H.K)
3	Location	Industrial Estate, G... ..,
4	Area	3500 square meter
5	Number of office staff	9
6	Total number of workers	80
7	Factory Manager	1
8	Main products	Plastic toys
9	Main market	EU/Japan
10	Business license	Certificate No.: 4... ..10... ..2
11	Annual turnover for the past 3 years	N/A N/A

Communication infrastructures		
12	Telephone sets	2
	Fax machines	2
	Computers	7
	Internet Access type	ADSL Band
	Digital camera	3

Products / Markets

Product type	Major customer name	Market location	Monthly Order Qty
Plastic toys	playmobil	Germany	N/A

Recommendations / credentials

Company name	Country	Contract	Products	Details
N/A	N/A	N/A	N/A	N/A

Related pictures:

Building



Gate of Factory



Factory exterior view



Office



Computer room

Related pictures:

Production lines



Production line view—mold making



Production line view—injecting



Production line view—Assembling components



Production line view—Assembling components



Production line view—Assembling components



Production line view—packing

Related pictures:

Managing staff



The factory representative said sales dept in Hong Kong office

Factory manager – Mr Li

Sales



Workers

Workers

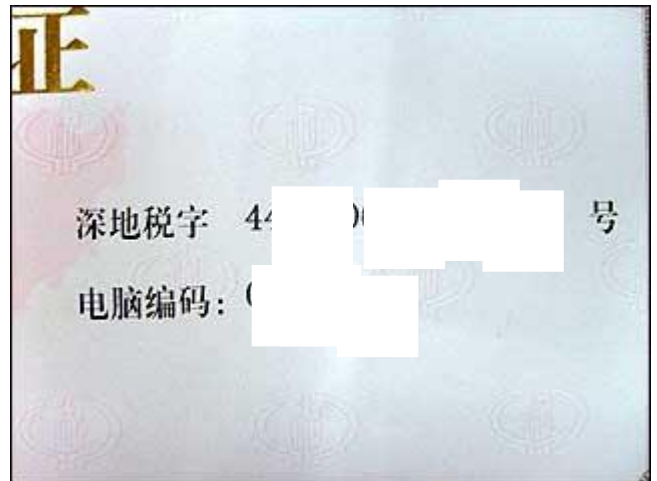
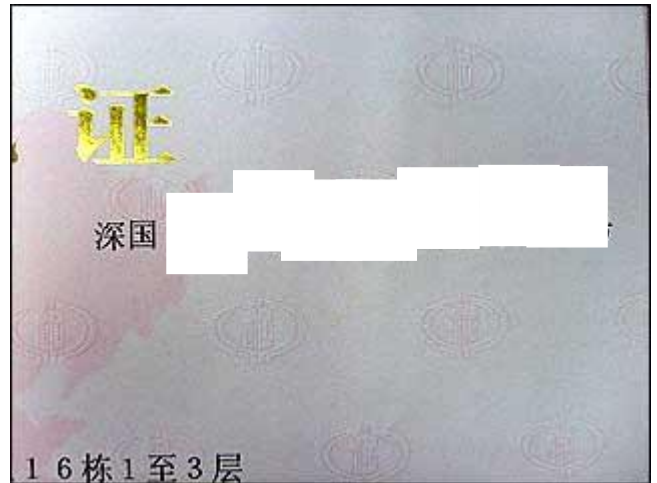


Workers

Workers

Related pictures:

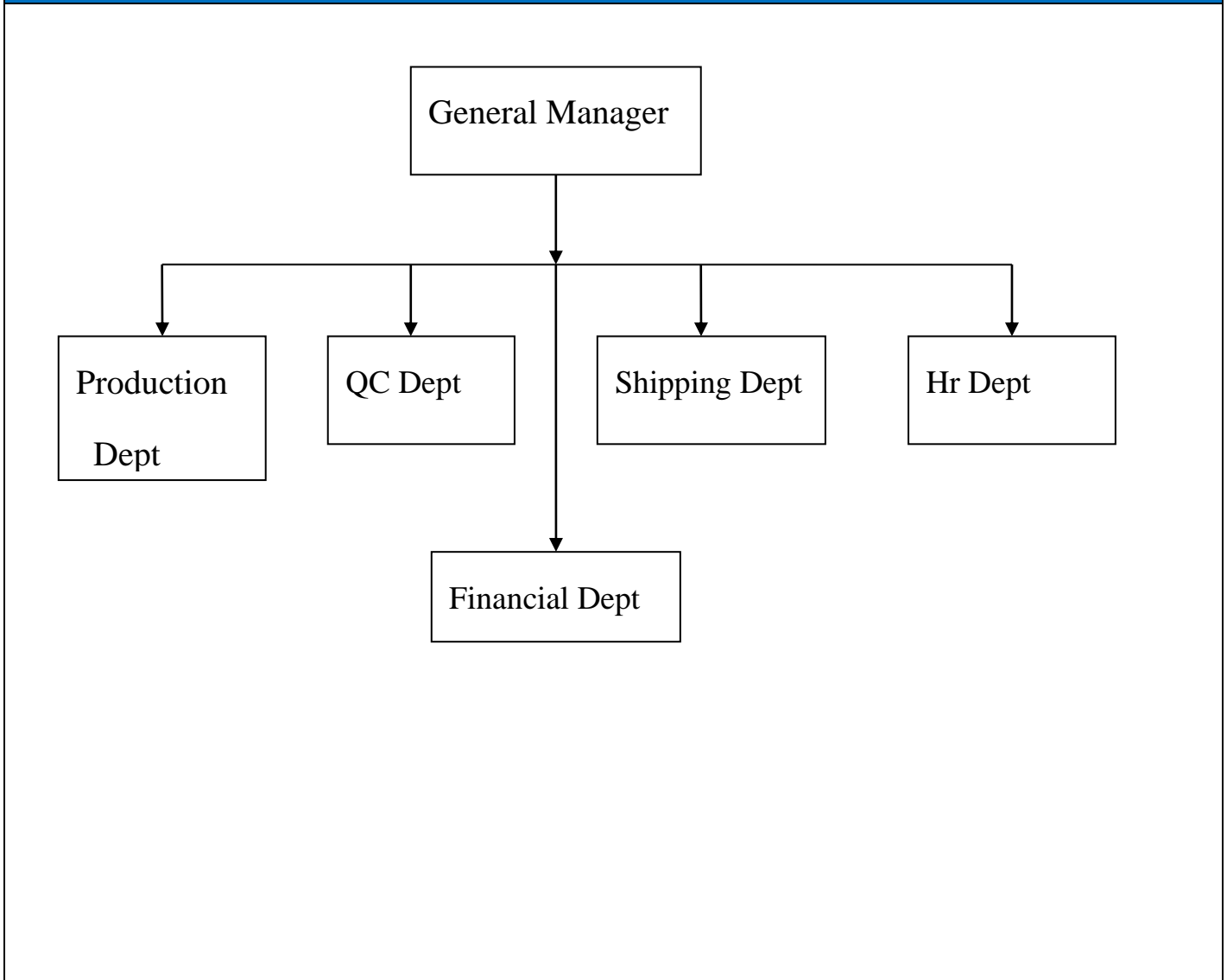
Factory overview



Part 2

Factory Organization and Production process


Factory Organization chart






Production workflow chart

products workflow chart



Step Name



 Nb of machines

 Nb of workers

Mold Making		6
		10

injecting		9
		18

Assembling components		NO
		30

Packaging & Entering Warehouse		NO
		10

QC staff		NO
		4

Score :

0

1

2

3

4

5

Part 3

Production lines / Capacity

Production Process						
Operation Name	Machine / Device Name (if no, "NO")	Machine count	Nb of Workers for this step	Nb of Workers / Machine	Nb pcs / Hour / Machine (1 Pc = 1 Final Unit Product)	Total Step Capacity (Pcs per week)
Mold Making	Milling machine	6	10	1	N/A	N/A
Injecting	Injecting machine	9	18	2	300	108000
Assembling	NO	0	30	N/A	N/A	25000
Packaging	NO	0	10	N/A	N/A	30000
OVERALL CAPACITY = Minimum Step Capacity (Pcs per week):				The factory is mainly engaged in producing plastic toys, its weekly capacity can reach about 25000pcs per week, the factory representative said most of procedures were made by hand, so they can improve the capacity by recruiting more workers in peak season		
Daily output check (first check when arriving in factory – last check when leaving):						
Is there a running production in the factory during the Audit?	YES			Description of the product: Plastic toys		

Picture(s)



Lead times for client's production:

According to	Factory	Auditor check
Raw material supply capacity:	About 7-14 days	N/A
Production weekly capacity:	25000pcs per week	

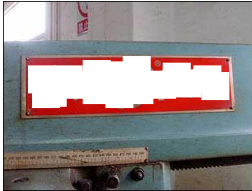



General comments from auditor about production process

The factory is mainly engaged in producing plastic toys, its weekly capacity can reach about 25000pcs per week, the factory representative said most of procedures were made by hand, so they can improve the capacity by recruiting more workers in peak season

Score :	0	1	2	3	4	5
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Part 4

Factory Facilities / Machinery Conditions

Machines for production			
Machine Name, Brand, Country of Origin	Picture	Count	Comments (machines conditions and age, location in the factory,...)
milling machine Brand: J J Made in TAI WAN 		6	About 4-6 years In good condition
Injecting machine Brand: F Made in Hong Kong 		9	About 4-6 years In good condition

Warehouse condition

Picture(s) **Comment(s)** / please pay attention to the cartons in the warehouse (Quantity, product, client...)



Raw material warehouse



Products warehouse



Estimated warehouse capacity: **40' containerx3pcs**

Sample room condition-24

Picture(s) **Comment(s)**

JUST SEVERAL KINDS OF PLASTIC TOYS DISPLAYED IN SAMPLE ROOM



Public power supply	
Connected ? YES	Frequent Power Outage in the area? (Ask several people: workers & management) NO
Electric Power Generator Count:	0
Picture(s)	Comment(s)
	THERE IS NO Electric Power Generator IN THIS FACTORY

Shipment capabilities	
Picture(s)	Comment(s)
	Only 1pc 40' container can be loaded at the same time

Delivery / Loading conditions	FOB HK(Delivery to HK port-1 and half hours)	
Nearest port / airport	3 hours to HK port / HK airport	

Score :	0	1	2	3	4	5
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Part 5

Quality Assurance System & Related Certificates (optional)

Export license	
Date of the license:	N/A
	Comments:
	Without export license

Quality system management		
ISO9000 series:	NO	Comment: did not obtain ISO9000 accreditation yet
Others: _____	NO	Comment:
None: <input checked="" type="checkbox"/>		

Quality system management	
List of certificates available (with certification company details and dates)	NO

Inspection track record by client	
How often is it updated?	N/A
Last inspection by QC company (date)	N/A

	Comments: NO inspection by QC company
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QC

QC staff count	4 QC staffs
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	Comments:
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	<p>The factory's QC system is very poor:</p> <p>(1) without formal quality manual used in this factory</p> <p>(2) The factory's representative said that there is 1 IQC to spot-checking the raw materials, but inspection instruction not documented, without any relevant records maintained. And no IQC was found during auditing.</p> <p>(3) There are 2 IPQC to spot-checking the semi-products in assembling line, and inspection instruction was documented, relevant records maintained, but the rejected items were not clearly identified, nor segregated with acceptable items.</p> <p>(4) The factory's representative said that there is 1 FQC to spot-checking the finished products, but inspection instruction not documented, without any relevant records maintained and there is no rejective products control procedure. And no FQC was found during auditing.</p> <p>(5) did not obtain ISO9000 accreditation yet</p>
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In line QC																																																																																																																																																													
Is there In-line QC?	YES																																																																																																																																																												
List of testing equipment	NO																																																																																																																																																												
Record / reports available?	YES																																																																																																																																																												
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	<div style="text-align: center;"> <p>深圳市奥达塑胶制品有限公司 啤机部生成及IQC稽核报告</p> </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>产品名称</th> <th>规格</th> <th>物料型号</th> <th>不良率</th> <th>不良内容</th> <th>跟进结果</th> <th>时间</th> <th>稽核</th> <th>稽核数</th> <th>不良率</th> <th>不良内容</th> <th>跟进结果</th> </tr> </thead> <tbody> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>20:00-21:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>21:00-22:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>22:00-23:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>24:00-01:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>01:00-02:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>02:00-03:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>03:00-04:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>04:00-05:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.800-1.800</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td>05:00-06:00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>合计稽核</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>实际产量</td> <td>1.800</td> <td>1.800</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="12">稽核员: 孙国栋</td> </tr> </tbody> </table>	产品名称	规格	物料型号	不良率	不良内容	跟进结果	时间	稽核	稽核数	不良率	不良内容	跟进结果	1.800-1.800	1.800	1.800				20:00-21:00						1.800-1.800	1.800	1.800				21:00-22:00						1.800-1.800	1.800	1.800				22:00-23:00						1.800-1.800	1.800	1.800				24:00-01:00						1.800-1.800	1.800	1.800				01:00-02:00						1.800-1.800	1.800	1.800				02:00-03:00						1.800-1.800	1.800	1.800				03:00-04:00						1.800-1.800	1.800	1.800				04:00-05:00						1.800-1.800	1.800	1.800				05:00-06:00						合计稽核	1.800	1.800										实际产量	1.800	1.800										稽核员: 孙国栋											
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Final QC	
Is there Final QC?	YES
List of testing equipment	NO
Record / reports available?	Without any record
Last results / record	N/A
	The factory's representative said that there is 1 FQC to spot-checking the finished products, but inspection instruction not documented, without any relevant records maintained and there is no rejective products control procedure. And no FQC was found during auditing.

Incoming QC	
Is there an Incoming QC?	YES
List of testing equipment	NO
Record / reports available?	Without any record
	The factory's representative said that there is 1 IQC to spot-checking the raw materials, but inspection instruction not documented, without any relevant records maintained. And no IQC was found during auditing.

Score :	0	1	2	3	4	5
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Part 6

Social Accountability (optional)

Labor

According to:		Manager	Employees	Visual check
1	Child labor	NO	NO	NO
	<i>Standard :</i>	PRC labor law;		
	<i>Result - Comments :</i>	No violation found;		
2	Forced labor	NO	NO	NO
	<i>Standard :</i>	PRC labor law;		
	<i>Result - Comments :</i>	No violation found;		
3	Base Salary / compensation	750RMB per month;	750RMB per month;	750RMB per month;
	<i>Standard :</i>	SHEN ZHEN local payroll requirement		
	<i>Result - Comments :</i>	<i>Violated to SHEN ZHEN local payroll requirement—at least RMB900 per month</i>		

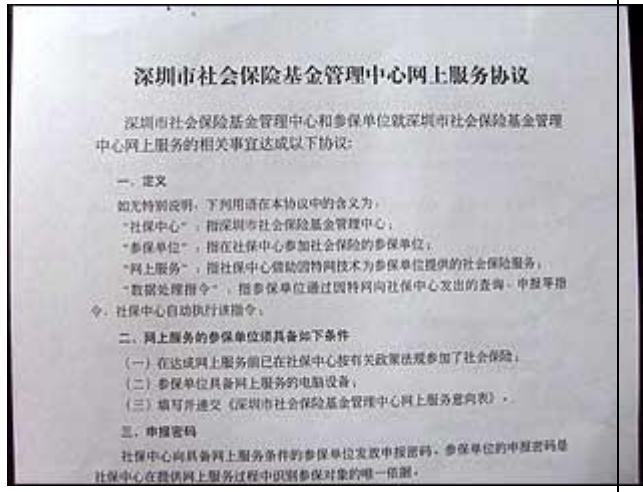
According to:		Manager	Employees	Visual check
4	Working Hours	8H per day; 40H per week;	8H per day; 40H per week;	Sometimes there is no 1 day off in seven days
	<i>Standard :</i>	PRC labor law;		
	<i>Result - Comments :</i>	Violated to the PRC labor law—at least 1day off every 7days		
5	Overtime Regulations	150%times for working days; 150%times for weekend; 150%times for national holiday;	150%times for working days; 150%times for weekend; 150%times for national holiday;	150%times for working days; 150%times for weekend; 150%times for national holiday;
	<i>Standard :</i>	PRC labor law;		
	<i>Result - Comments :</i>	Violated to the PRC labor law—it should be:150%times for working days; 200%times for weekend; 300%times for national holiday		
6	Association / Discrimination / Coercion	No, but There is no problem with it and employee's right is respected	No, but There is no problem with it and employee's right is respected	No, but There is no problem with it and employee's right is respected
	<i>Standard :</i>	PRC labor law		
	<i>Result - Comments :</i>	<i>No violation found;</i>		

Interviewed Workers Pictures	
	



Certificates

The factory provided social insurance to all workers,



	Comments	Pictures
Canteen/Drinking/Kitchen facilities	No kitchen	
Emergency medical	Without any first aid kits in workshop, there was no trained first aid personal available in the factory.	

Dormitory conditions

6-8 person per room



Safety conditions / fire prevention

A no emergency lights installed above the emergency exit.
B all the extinguishers/hose were not checked monthly
C without any evacuation drills



Score :	0	1	2	3	4	5
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Part 7

Procurement condition(optional)

The factory representative said their quality supervisor conducts suppliers assessment on quality issues. The assessment is conducted monthly by on site assessment. Only those suppliers passing the assessment could be considered as qualified suppliers , but no assessment report maintained..

Score :	0	1	2	3	4	5
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Part 9

Hygiene / Security (optional)

Facilities		
First aid supply	Without any first aid kits in workshop, there was no trained first aid personal available in the factory.	
Trainings		
First aid training	NO	Comment: without any training
Fire evacuation drills	NO	Comment: without any drills

Score :	0	1	2	3	4	5
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Part 10

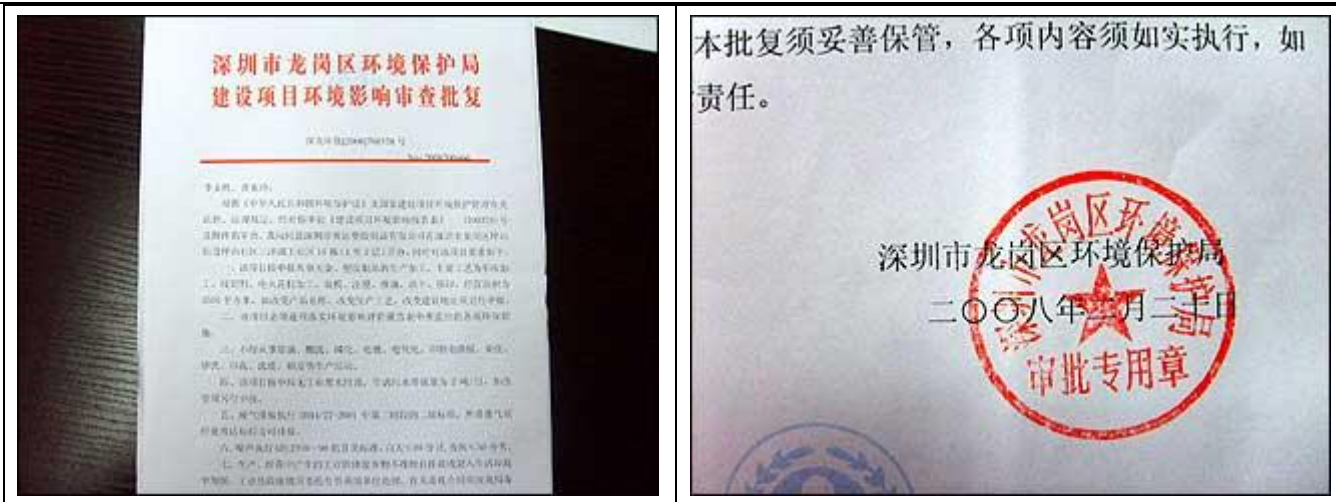
Environment (optional)

Environment management		
ISO14000 series:	NO	Comment:
Environment Policy Available	NO	Description:
No certification : <input checked="" type="checkbox"/>		
List of certificates available	NO	
Staff in charge (name and mission)	NO	

Control track record	
How often is it updated?	N/A

Item checked	Last control date	Findings	Standard
N/A	N/A	N/A	N/A

Preventive / corrective actions (Please check Sewage, Smokes, Noise, Waste, and any other applicable)	
Description of the action	Comments
	The factory did not generate any emissions, without any rubbish or unsafe chemical waste released directly to environment. And approved by local bureau. the management showed good wills to reduce environment impact



Score :	0	1	2	3	4	5
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Part 13

Synopsis of major facts and problems found

Capacity of manufacturing client's product:

Very bad	Bad	Average	Good	Very good
<p>Comments:</p> <p>The factory is mainly engaged in producing plastic toys, its weekly capacity can reach about 25000pcs per week, the factory representative said most of procedures were made by hand, so they can improve the capacity by recruiting more workers in peak season</p>				

**Production conditions:
(machines, building, employees training, internal quality control)**

Very bad	Bad	Average	Good	Very good
<p>Comments:</p> <p>The factory's QC system is very poor: (1) without formal quality manual used in this factory (2) The factory's representative said that there is 1 QC to spot-checking the raw materials, but inspection instruction not documented, without any relevant records maintained. And no IQC was found during</p>				

auditing.

(3) There are 2 IPQC to spot-checking the semi-products, and inspection instruction was documented, relevant records maintained, but the rejected items were not clearly identified, nor segregated with acceptable items.

(4) The factory's representative said that there is 1 FQC to spot-checking the finished products, but inspection instruction not documented, without any relevant records maintained and there is no rejective products control procedure. And no FQC was found during auditing.

(5) did not obtain ISO9000 accreditation yet

Social accountability conditions:

Very bad	Bad	Average	Good	Very good
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Comments:

(1) over time regulation: the factory pay to workers: 150%times for working days; 150%times for weekend 150%times for national holiday, *Violated to the PRC labor law—it should be:150%times for working days;*

200%times for weekend;

300%times for national holiday

(2) Sometimes there is no 1 day off in seven days, *Violated to the PRC labor law—at least 1day off every 7days*

(3) the minimum wage is RMB750/month, *Violated to SHEN ZHEN local payroll requirement—at least RMB900 per month*

(4) Without any first aid kits in workshop, there was no trained first aid personal available in the factory.

(5) Fire protect:

A no emergency lights installed above the emergency exit.

B all the extinguishers/hose were not checked monthly

C without any evacuation drills

(6) It was noted that workers who handling molds were not provided with steel-toed shoes in the injecting section

Factory behavior during audit:

Very bad	Bad	Average	Good	Very good
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Comments:

END