

PAN-AFRICAN PEACE COMMISSION FORENSIC REPORT

EXHIBIT B

ARCHITECTED COMPREHENSIVE FORENSIC ANALYSIS MAPPING CONTROLS, BREACHES, PARTIES AND SUSPICIOUS TRANSACTIONS.

The strongest fraud indicator in this report is: **R995,931.16 was paid in excess of invoices actually on file (para 8.6), and multiple invoices were paid with no tax invoice at the school at all (MBHM, Kagisano, Joyabi). Over-payment against non-existent documents is a hard fraud indicator.**

S&M's report under-charges a multi-official, multi-supplier scheme as a single-officer disciplinary matter. Its recommendations (para 9.1–9.4) name **only Lieutenant Colonel Munzhedzi**, cite **only PFMA s45 + Constitution s217 + the DoD ACQ policy**, and ask **only** for discipline and irregular-expenditure recording. It then declines (para 8.8) to recommend any control reform because "the DoD now utilizes the e-procurement system." That is a forensic under-delivery: it stops at maladministration and never crosses into the criminal frame (PRECCA, common-law fraud) that the facts it itself records plainly raise.

Two serving DoD officials who were themselves suppliers: **Ms P.S. Molatlhegi** and (via spouse) **Mr S.M. Makhutle**: are documented in the findings (7.3.6, 7.4) but appear **nowhere** in the conclusions or recommendations. The report finds the conflict and then drops it. So does the **Mashila cluster** (Munzhedzi's ex-wife's maiden name), which **S&M** raises at 7.3 and abandons.

Method note: DOC910.PDF is a 74-page **scanned DoD** report and the fraudulent transactions are flagged hereunder.

A. Internal controls that exist: breach and breacher

#	Control that should have operated	Basis	How it was breached	Organisation / Person / Title responsible
A1	Government Order (GO) before work — no service without an authorised order	DoD JDP ACQ 00003/2004; TR 16A	GOs dated 12–17 Dec 2014 against invoices dated 2013 ; work done and invoiced first, order manufactured afterward. R2,712,334.82 paid with no GO at all (5.6.3)	DoD School of Catering — Lt Col H. Munzhedzi , Acting Officer Commanding (AOC)
A2	Three competitive quotations per requirement	JDP ACQ ch.4; PPPFA	7.5.4: "at least three quotations were not obtained." Suppliers called individually by the AOC/procurement	DoD Procurement Section — Munzhedzi; Maj/Capt H. Madingwana; Cpl Mooke
A3	Declaration of interest signed by requester and approver on each comparative schedule	JDP ACQ clauses 22 & 4	7.5.6 / 7.6: never signed. Madingwana confirms he "never signed the declaration of undertaking and interest"	DoD Procurement — Madingwana; Munzhedzi
A4	R30,000 financial-authority ceiling — anything above → open tender	Confirmed by Lt Col Shaik-Latiff (7.6.3)	Deliberate splitting of single jobs into sub-R30k GOs on Munzhedzi's verbal instruction (7.6.2)	DoD — Munzhedzi (instruction); Madingwana (execution)
A5	Emergency-procurement gate — genuine emergency, marked "emergency," PQs regularised after (JDP ch.3, clause 26)	JDP ACQ	7.5.10: invoices/GOs were not marked "emergency," contradicting Munzhedzi's claim (7.5.9). Emergency route used to bypass, not to respond	DoD — Munzhedzi
A6	Budget authority / commitment control before spend	PFMA s45; TR 8	R3,995,404.29 committed with no approved maintenance budget (Shaik-Latiff, 7.5.7: "there was never a budget");	DoD Finance — Ms N. Wesi (Budget Manager); Ms M. Fivas (Finance Manager) [both departed, un-

#	Control that should have operated	Basis	How it was breached	Organisation / Person / Title responsible
			Munzhedzi "over-committed the DoD" (7.1.4)	interviewed]; Munzhedzi
A7	Independent certification of receipt of goods/services (separate from requester and approver)	TR 16A; DoD	7.6.4: Monehi signed invoices already certified , handed to her by Munzhedzi — no independent verification	DoD Procurement — " Colonel/Cpl " Monehi; Munzhedzi
A8	Supplier-master / conflict-of-interest vetting (no serving official, no related party, no single-owner duplicate bidders)	TR 16A.8; DoD financial-disclosure rules	Serving officials owned suppliers (Molatlhegi, Makhutle-spouse); single directors ran duplicate bidders (Mashishi, Madume); ex-wife-surname cluster favoured	DoD SCM / vetting failure — enabled by Munzhedzi ; database sourced from JSB Garrison (7.2.5)
A9	Bank-detail change control (dual authorisation, audit trail)	TR 16A; DoD Finance	Overdriver paid to a different FNB account than on invoice (5.8, 7.7.5); who changed it is untraceable because Wesi/Fivas gone	DoD Finance — Wesi / Fivas locus
A10	Payment ≤ supported invoice value (matching control)	PFMA s38/45; TR 8	R995,931.16 paid over and above invoices on file; several payments with no invoice at all	DoD Finance + Munzhedzi as certifier

B. Parties — designated role vs actual role, and self-benefit

Party / Title / Division	Designated legitimate role	Role actually played	Flag
Lt Col H. Munzhedzi — AOC, School of	Command the unit; approve only ≤R30k; ensure procurement compliance; refer >R30k to tender	Sourced/called suppliers; ordered fund-splitting ; used emergency budget with	Unauthorised + irregular + potentially corrupt. Self-benefit: indirect/indicated —

Party / Title / Division	Designated legitimate role	Role actually played	Flag
Catering (from 05 Dec 2012)		no approval; approved/certified work he sourced; caused 43 irregular appointments	largest allocations went to Mashila-surname entities (his ex-wife's maiden name); direct gratification not proven in report
Lt Col Shaik-Latiff — substantive Officer Commanding	Accountable OC; R30k authority; refer above to tender	Absent on ~1-yr Zimbabwe training; confirms no maintenance budget existed; command/handover controls not examined by S&M	Remit gap — residual command accountability un-investigated. No self-benefit indicated
Maj/Capt H. Madingwana — Procurement Section (rank stated inconsistently; also "Candidate Officer")	Run PQ process; obtain 3 quotes; compile schedule; sign declaration of interest	Called suppliers on instruction; executed the split-funds instruction; never signed declaration; states he had no procurement training/knowledge	Outside remit + irregular. Executor of structuring. No self-benefit indicated
"Colonel"/Cpl Monehi — Procurement Section (<i>rank conflict: 7.6.4 "Colonel" vs abbrev. list "Cpl B.A Monehi, former Private — verify</i>)	Independent certification of receipt before payment	Signed pre-certified invoices handed over by Munzhedzi — rubber-stamp, not verification	Breach of dual control / independent certification
Cpl Mooke — Procurement Section	Follow lawful procurement instructions	Called suppliers on instruction of Madingwana & Munzhedzi; confirms	Witness; instructed actor

Party / Title / Division	Designated legitimate role	Role actually played	Flag
		GOs issued after work + after invoices	
Ms N. Wesi (Nomsa) — Budget Manager, Finance	Budget control, commitment authorisation	Locus of budget/commitment failure and possible bank-detail change; departed, un-interviewed	Evidence gap — priority trace
Ms M. Fivas — Finance Manager, Finance	Payment control, matching, banking integrity	Locus of payment-without-invoice and bank-change failures; departed, un-interviewed	Evidence gap — priority trace
Maj Rirhandu Louisa Munzhedzi (née Mashila) — School of Catering	Ordinary member	AOC's ex-wife, employed at the school; nexus to Mashila supplier cluster; claims separation by 2012 and no relation to the directors	Conflict nexus — indicated, not proven. Self-benefit unproven
Ms P.S. Molatlhegi — serving DoD official (since 12 May 2012) and director, Molatlhegi Mktg + Patmola (+cell-linked Kagisano)	Public official — prohibited from doing business with own dept without disclosure/approval	Supplied the school while employed by it; claims Military-Veteran exemption	Direct conflict of interest + self-benefit ≈R138,133 (R37,567.50 + R100,565.71). Exemption claim requires legal test
Mr S.M. Makhutle — serving DoD official (since 25 Aug 2009)	Public official	Spouse (Melissa Makhutle) directs Melissa Construction (R86,830); shared [REDACTED]	Indirect self-benefit via spouse

Party / Title / Division	Designated legitimate role	Role actually played	Flag
Chief Lieutenant Nkonyana / Brig Gen Majolo (Log Support Fmn) / Lt Col Zondo	Appointment/authorisation chain for the AOC role	Nkonyana signed Munzhedzi's AOC letter; Majolo removed Zondo; chain not fully vouched (Munzhedzi first said no letter, later produced one)	Authorisation-chain integrity — verify the letter

Supplier-side conflicts (fronting / fake competition):

I.H. Mashishi directs *both* Blackstone Edge and Mega Works;

A.T. Madume directs *both* Chinyere and Perfect Chika;

E.M. Singo-Mashila directs Ndivho + Labeni + Abbilicious (+ former Knowledge);

D. Mashila links Labeni (former) and Dzili. One hand submitting "competing" quotes!

C. Audit-assertion & control-principle breaches → regulations → liability

Primary audit assertions failed: *Occurrence/Validity* (payments with no invoice; GOs post-dating work), *Authorisation* (no approval, no budget, split to evade ceiling), *Completeness/Accuracy* (R995,931.16 over-payment vs invoices), *Existence of consideration* (services unverifiable for absent-invoice payments).

Control principle	How breached	Regulation breached	Civil liability	Criminal liability
Conflict of interest	Serving officials as suppliers (Molatlhegi, Makhutle-spouse); ex-wife-surname cluster; no declarations signed	Constitution s217; PFMA s45; TR 16A.8; PPPFA 5/2000; DoD financial-disclosure & JDP declaration	Recovery of tainted payments; delictual claim vs officials	PRECCA 12/2004 s3, s4, s17 (conflict/corruption by public officer); common-law fraud ; possible Defence Act / Military Discipline Code offences
Separation of duties	Munzhedzi sourced + approved + certified the same transactions	PFMA s45; TR 16A	Irregular expenditure recoverable	PRECCA s3; fraud (misrepresentation of a compliant process)
Dual controls	Monehi signed invoices pre-certified by Munzhedzi; single-owner duplicate bidders faked competition	JDP ACQ ch.4; TR 16A	Recovery; joint-and-several vs officials	PRECCA; collusive tendering exposure
Authority levels	Job-splitting to sit under R30k OC ceiling; spend with no budget	PFMA s45(a)–(c) (unauthorised/irregular/fruitless & wasteful expenditure); TR 8	s45 personal-liability recovery of R3.99m as irregular expenditure	PRECCA; fraud; POCA 121/1998 money-laundering exposure if proceeds traced
Documentary integrity	GOs manufactured a year after invoices; "emergency" claim contradicted by unmarked docs	JDP ACQ ch.3; PFMA s40 (record-keeping)	Recovery; adverse inference	Fraud / forgery & uttering (back-dated instruments)

S&M pleaded **only PFMA s45**. On these facts the defensible charge set is wider: **PRECCA ss 3, 4, 17, 34; common-law fraud; POCA; Companies Act fronting/false-information**

provisions; plus military-discipline and financial-disclosure breaches for the serving-official suppliers.

D. Suppliers operating in apparent "co-operation" with Lt Col Munzhedzi

Ranked by tightness of the co-operation signal. ("The Lieutenant Colonel" = **Munzhedzi**);

Cluster / Supplier(s)	Basis for "co-operation"	Amount (OCR — verify)	Tightness
Mashila cluster — Ndivho, Labeni, Abbilicious, Knowledge, Dzili	Directors share Munzhedzi's ex-wife's maiden name (Mashila) ; she worked at the school; cluster got the largest allocations (Ndivho alone R785,606.73)	Ndivho R785,606.73; Abbilicious R175,664.80; +Laben/Knowledge/Dzili	Highest — nepotism nexus + disproportionate spend
Molatlhegi entities — Molatlhegi Mktg, Patmola, (cell-linked) Kagisano	Owned by a serving DoD official ; dealt directly with Munzhedzi (7.9.4: "urgent," called by him)	≈R138,133 + Kagisano	High — insider self-dealing
Blackstone Edge + Mega Works (Mashishi)	One director, two "competing" entities → fabricated competition	R69,998 combined region	High — collusive quoting
Chinyere + Perfect Chika (Madume)	One director, two entities; classic sub-R30k splits (R27k/28k/29k)	≈R169,850 combined	High — collusive + structured
Melissa Construction (Makhutle spouse)	DoD official's spouse	R86,830	Medium-high
Direct-contact-only suppliers — Lonfin, Ditebogo, Knowledge, Overdriver, ML Nkosi	Each named Munzhedzi personally as their sole point of contact (7.9.x)	Various	Medium — sole-conduit pattern

E. Suspicious-transaction analysis (your two-fold model)

Limb 1 — Full payment, structured under R30,000 (threshold evasion). [certain] Confirmed by witness admission (Madingwana, 7.6.2) and by the invoice population.

Supplier	Splitting pattern (OCR — verify)
MBHM Engineering	Single "baking-oven repair" job split into repeated GOs at R29,868 / R29,982 / R29,982
Ndivho	Dozens of invoices clustered R26k–R29,990 (e.g., 29,990; 29,990; 28,933.20; 28,933.20; 28,933.00)
Chinyere (Madume)	27,000 / 28,000 / 28,200 / 29,000 — sequential, one job
Blackstone Edge	29,999.20 (R0.80 under the line)
Mega Works (Mashishi)	29,998.80
Condralesa	29,993.40
Perfect Chika (Madume)	29,950
La Hlabala Hlwele	29,930 x2
Striving Minds	29,900 x2
Lonfin / Abbilicious	29,990 / 29,580 / 29,979

The R29,999.20 and R29,993.40 values are the signal: no honest quote lands 80c under a control ceiling by chance.

2 Non-/under-payment and over-payment (inflation / fictitious).

Over-payment vs invoices on file: R995,931.16 (para 8.6): the strongest fictitious/inflation signal.

- **Paid with *no* tax invoice at the school:**

MBHM, Kagisano, Joyabi and others (7.9.8, 7.9.10, 7.9.15): payment without a validating document.

- **Under-paid / not pursued:**

ML Nkosi (**R25,096 outstanding**, one unpaid invoice, confirmed by director);

Kagisano (owed, "written off," not chased): **corroborates a conduit pattern where the nominal payee was not truly out-of-pocket.**

- **Bank-detail switch:**

Overdriver paid to an FNB account differing from the invoice (7.7.5): divert-and-explain risk; untraceable because Wesi/Fivas departed.

Consolidated verdict

Finding	Named responsible	Severity
Fund-splitting to evade R30k ceiling (admitted)	Munzhedzi (instruction), Madingwana (execution)	Critical
Spend of R3.99m with no budget / no approval	Munzhedzi	Critical
GOs manufactured after invoices; "emergency" fabricated	Munzhedzi	Critical
Serving officials as suppliers, undeclared	Molatlhegi; Makhutle (spouse)	Critical
Nepotism cluster (Mashila) taking largest spend	Munzhedzi nexus; Maj R.L. Munzhedzi	High
Collapse of separation of duties / dual control	Munzhedzi; Monehi	High
Fake competition (single-owner duplicate bidders)	Mashishi; Madume	High
R995,931.16 paid over invoices; payments with no invoice	Munzhedzi; Finance (Wesi/Fivas)	High
Bank-detail change untraceable	Wesi/Fivas	Medium-High

Prioritised recommendations

1. Re-characterise beyond PFMA s45 - brief the criminal set (PRECCA ss3/4/17/34; fraud; POCA).
2. **Trace Munzhedzi → beneficiary flow.** The nepotism and conduit patterns are *indicators*; you need bank tracing on the Mashila cluster, Overtaxer's second account, and any inflow to Munzhedzi/associates to convert indicator into prima-facie.

3. **Prosecute the two serving-official conflicts now** (Molatlhegi, Makhutle): self-contained, documented, and test the Military-Veteran exemption claim in writing.
4. **Locate Wesi and Fivas.** They are the payment-and-banking control point S&M never reached; **they are the highest-value missing witnesses.**
5. **Quantify the split jobs as single requirements** and re-compute what the tender threshold *should* have captured; this makes the "structuring" charge concrete.
6. **Vouch the AOC appointment letter** (Nkonyana's signature): the authorisation chain has a contradiction (Munzhedzi first said NO letter).
7. **Refer for irregular-expenditure recovery** against Munzhedzi under PFMA s45, and expand the recovery net to the conflicted officials.

A chargeable finding is pairing it with three things the report shows were absent or checkable:

1. **No technical/capability evaluation.** The JDP ACQ ch.4 process requires a technical evaluation confirming the supplier can meet the requirement (report pp.38–40). With no three quotes and no comparative schedule, no one ever tested whether a comms or marketing company could actually do plumbing or bakery repairs. The mismatch is the *proof* that capability was never assessed.
2. **CIDB grading.** Construction and repair work at this scale engages the Construction Industry Development Board Act 38 of 2000: contractors must be CIDB-registered and graded for the class/value of work. A "Marketing" or "Communication" entity almost certainly holds no relevant CIDB grade. That is a concrete, documentary breach one can prove from the CIDB register.
3. **Fronting / fictitious-work corroboration.** If the entity had no plumbing/construction capacity, then either it subcontracted (and the invoice carries an unearned mark-up - inflation) or the work was not done as invoiced (fictitious). The scope mismatch feeds straight into the two-fold suspicious-transaction thesis.

The sharpest mismatches in the IG Report:

Supplier	Name / implied line of business	Work actually invoiced	Read
Molatlhegi Marketing (Pty) Ltd	Marketing	Materials; supply & repair of ladies' toilets (7.9.4)	Marketing shell doing building repairs - and owned by a serving DoD official
Blackstone Edge Communication CC	Communications	Maintenance & repair (7.9.16)	Comms firm doing building work; owner (Mashishi) also runs Mega Works "Trading"
Abbilicious Supply and Trading	Supply / trading	Plumbing	A licensed wet trade invoiced by a generic supply entity (Singo-Mashila cluster)
0001 Konsultante / Konsultant Beperk	Consultancy	Suspended ceilings, painting, notice boards (7.9.5)	Consultancy invoicing physical construction
M.L. Nkosi Electrical CC	Electrical	Cupboards, paintwork, window tinting film, alarm system (7.9.2)	Electrical CC ranging well beyond electrical scope
Mega Works Trading Enterprise	Generic trading	Repairs	Cosmetic branding; second Mashishi shell

The pattern underneath: the "diversity" of trading names is decorative duplicity. A single owner runs a "Communication" and a "Trading" entity (Mashishi), or a "Marketing" and a "Projects" entity (Molatlhegi), and points both at the same construction work - which clearly indicate **the entities were selected as conduits**, not for capability. The name mismatch and the single-owner-multiple-shell finding are the same fraud viewed from two angles.

The load-bearing point for the **7 HARD/SCOPE-CREEP** entities are evident:

Entity	Named line of business	Invoiced	Compounding factor
Molatlhegi Marketing	Marketing	Toilet supply & repair	Serving DoD official (COI)
Blackstone Edge Communication	Communications/ICT	Building maintenance	Single owner also runs Mega Works
Abbilicious Supply & Trading	Supply/trading	Plumbing (regulated trade)	Singo-Mashila cluster
Ditebogo Holdings	Investment holding	Site repairs	
MBHM Engineering & IT Services	IT services	Toilet/bakery repairs	Single job → 12 GOs
0001 Konsultante	Consultancy	Ceilings, painting	
M.L. Nkosi Electrical	Electrical	Cupboards, tinting, alarms	Scope-creep beyond trade

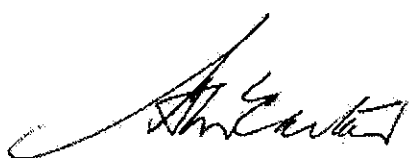
A stronger finding surfaced from the variance table than the structuring itself: payments made with no invoice on file at all:

Koketso Waka	R 32,894.00
Knowledge Solutions	R140,265.56
SBB Delivery	R 54,587.20
Perfect Chika R29,950	R257,696.76

Payment against absent invoices is a cleaner fraud/fictitious-expenditure, more than threshold-splitting, and Knowledge Solutions (former Singo-Mashila entity) and Perfect Chika (Madume, the second Chinyere shell) ties it straight back to the conflict clusters.

The author recommends that persons whose conduct may have implicated them in the transactions under investigation should urgently consider seeking a **s204 plea arrangement**, rather than waiting to be identified solely as suspects. Their cooperation may place them in a materially more favourable position by allowing them to make a full and truthful disclosure, provide evidence against those principally responsible, assist in tracing

and recovering public funds, and demonstrate genuine cooperation and accountability. In appropriate circumstances, such cooperation may substantially mitigate their individual criminal exposure and may enable the prosecution to resolve their position on more favourable terms than would otherwise be available. It also provides an opportunity for them to place their own role, knowledge, instructions received and degree of participation before the prosecuting authority in a structured and legally protected process, rather than having their conduct characterised solely on the basis of the forensic and documentary evidence gathered against them.

A handwritten signature in black ink, appearing to read 'H. McCarter', with a stylized flourish extending from the top left.

Henry William McCarter

Pan-African Peace Commission Sandton South Africa 7th September 2026