

## eThekweni Informal Economy Support Programme (IESP) - Jobs Fund and eThekweni Municipality Co-funded

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### Makholeka Trading cc

#### Enterprise description:

The enterprise is solely owned by Ntombizethu Meyiwa. She runs and manages the business on a full-time basis. The office premises are situated in Hammersdale Township.

Makholeka Trading focuses on road verge maintenance and primarily deals with grass cutting, working along the N2 south and N3 Freeways, on a sub-contract to the South African National Roads Agency Limited (SANRAL).



#### Job creation:

Since PPT commenced support, 37 new permanent jobs have been created. There is still potential for additional job creation of approximately 35 provided that the enterprise can access finance in order to purchase the urgently-needed brush cutters as well as additional rakes and caution flags, bailer, tractor-rake. Additional jobs can be created in the longer term when the enterprise is able to purchase vehicles. Contract with SANRAL was revised to include cleaning alongside the road.

#### Achievements:

- The entrepreneur has created an additional 37 new jobs following the assistance from PPT.
- The enterprise purchased ten new brush cutters in 2015 following the commencement of PPT assistance. PPT advised the entrepreneur to approach SANRAL to purchase 10 brush cutters on behalf of Makholeka Trading. The two parties finalised a repayment agreement however the equipment belongs to SANRAL until full repayment has been achieved by Makholeka Trading. This resulted in the creation of 10 jobs.
- PPT assisted the entrepreneur with a savings plan and the entrepreneur was able to purchase 2 brush cutters in 2015.

- Before PPT commenced assistance the enterprise did not have a business plan and did not see the value in it. Through numerous mentoring sessions, a business plan has been prepared for the enterprise and the value of the business plan has been realized.

### Way forward:

- Assist the entrepreneur to manage savings and purchase brush cutters.
- Facilitate financial assistance to purchase bailer on hire-purchase.
- Get SARS clearance certificate after which the PPT specialist will assist with SEFA loan application.
- Assist with finalisation and submission of application for finance to SEFA including business plan in SEFA format and cash flow.
- Purchase fax-photocopier-scanner combo and laptop for mobile office use.
- Assist the entrepreneur in identifying any further training needs necessary to take the enterprise forward.

### Learning

- Initially cooperation and participation was limited, however after the entrepreneur was informed about the SEFA, the enthusiasm was ignited and participation increased significantly. Access to finance is often perceived as the greatest value offered by PPT, with other value offered sometimes not recognised to the same degree.
- The growth plans for this business require considerable capital investment for the equipment and machinery.
- It is always important to give an entrepreneur a listening ear and support in areas that may not relate directly to the business. This strengthens then relationship between the enterprise and PPT mentor. It also encourages and motivates the entrepreneur. Sometimes a listening ear is valuable in and of itself.



Picture 1 & 2: Makholeka Trading employees cutting grass along the N2 freeway

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