



**CLASSIFICATION OF COMPANIES FOR EXEMPTIONS AND WAIVERS UNDER
THE COMPANIES ACT, 2019 (ACT 992)
DIRECTIVE # 5
NOTICE TO THE PUBLIC
[FOR IMMEDIATE RELEASE]**

The Office of the Registrar of Companies per Section 353 of the Companies Act, 2019 (Act 992) (the **Companies Act**) is established to register and regulate all types of businesses in conformity with the Act and other relevant enactments.

1. Classification of Companies

Section 381(1) of the Companies Act provides that the Minister for Justice may make Regulations for the efficient and effective implementations of the provisions of the Companies Act. The Regulations shall include regulations for classifying companies as large, medium or small to grant waivers and exemptions under the Companies Act.

Regulation 51 (2) of the Companies Regulations, 2023 (L.I. 2473) (**Companies Regulations**) provides that the classification of the companies shall be based on

- (a) the turnover of the company; or
- (b) any variable determined by the Registrar in consultation with the Board.

The Third Schedule of the Companies Regulations in accordance with Regulation 51(1) sets out the classification of companies into small, medium and large as set out below.

COMPANY CATEGORIES	REVENUE*	ASSETS*
Small	GHS 0-GHS 400,000	GHS – 400,000
Medium	GHS 400,001 – GHS 10,000,000	GHS 400,001 – GHS 10,000,000
Large	Above GHS 10,000,000	Above GHS 10,000,000

*whichever is higher

2. Exemption from filing full version of annual returns

Under Regulation 52 of the Companies Regulations, companies classified as small or medium in accordance with Regulation 51 of Companies Regulations, are exempted from the requirement to file annual returns in the form required under Section 126 of the Companies Act. Such companies will only be required to confirm the accuracy of the information of the company contained in the Register.

3. Waiver of requirement for audit and auditor's report

- (a) The requirement for audit of financial statements by an auditor and the publication of a report by the auditors in accordance with Section 137 of Companies Act, is waived for a company classified as a small company in accordance with Regulation 51.
- (b) A small company will be subjected to an auditor review by the company's auditors in accordance with:
 - i. the International Standards on Review Engagements; and
 - ii. any other standards issued by the International Audit and Assurance Standards Board applicable to the audit of less complex entities adopted by the Institute of Chartered Accountants, Ghana.

(c) A report of auditors required under Section 137 of Companies Act in respect of a company classified as a small company shall only contain a brief report on the financial statement of the company prepared by the internal auditor of the company.

Kindly contact the office on 0302-666-081 or WhatsApp/Telegram 059-952-5774 or follow us on social media **@ORC Ghana for answers to any queries.**

ORC – A Trusted Partner for Business

Dated on January 22, 2025 at the Office of the Registrar of Companies.

**SIGNED
JEMIMA MAMAA OWARE(MRS)
REGISTRAR OF COMPANIES**

