



From Idea to Enterprise

STARTING AND GROWING YOUR BUSINESS IN GHANA

The complete roadmap to building and sustaining
a successful SME in Ghana's booming \$75 billion economy



Empowering SMEs Across Africa

Built Financial Technologies is the leading all-in-one finance platform for Small and Medium-sized Enterprises across Ghana. Trusted by over 18,000 businesses, Built provides comprehensive solutions for invoicing, payments, payroll, and accounting—all designed to help African entrepreneurs focus on what they do best: building their businesses.

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Our Vision: To democratize prosperity for SMEs

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Executive Summary

Ghana's Small and Medium Enterprises (SMEs) are the backbone of the national economy, contributing over 70% to GDP and accounting for a majority of registered businesses. However, these vital enterprises face a number of systemic and operational challenges that can hinder their growth and long-term sustainability.

This report, *From Idea to Enterprise: Starting and Growing Your Business in Ghana*, is designed to provide SMEs in Ghana with a comprehensive guide to successfully start, manage, and expand their businesses.

The report begins by outlining the essential steps on how to start a business in Ghana, detailing the foundational considerations necessary to launch a viable enterprise. It then addresses the common challenges Ghanaian SMEs face, including regulatory hurdles, access to capital, and market competition, to help entrepreneurs anticipate and navigate obstacles.

Key practical guidance is provided on registering a business in Ghana, explaining the procedures and requirements needed to legally formalize a business. Following this, the report highlights the critical importance of filing taxes properly and offers a step-by-step approach to complying with Ghana Revenue Authority (GRA) regulations.

Recognizing that financial discipline underpins business success, the section on getting your books right emphasizes effective accounting practices and record-keeping strategies. In addition, the report covers best practices for hiring and paying employees, ensuring compliance with Ghana labour laws while fostering a motivated workforce.

SMEs will also find guidance on opening their first bank account, facilitating smoother financial transactions and better cash flow management. The report further explores avenues for raising funding and getting support, including access to financial institutions, investors, and government programs designed to support SME growth.

Finally, a set of recommendations for SMEs synthesizes key lessons from the report, encouraging entrepreneurs to embrace innovation, compliance, and sound business practices to enhance sustainability and competitiveness in the Ghanaian market.

This report seeks to be an indispensable resource for aspiring and existing Ghanaian entrepreneurs, providing a clear roadmap from the initial business idea to a thriving enterprise poised for growth.

Section 1

How to start your business in Ghana



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How to start your Business in Ghana

Overview

Ghana's entrepreneurial ecosystem is experiencing unprecedented growth. With projected economic expansion of 4.4% in 2025 and declining inflation to 11.5%, conditions are optimal for new business ventures.

Why Ghana? Why Now?

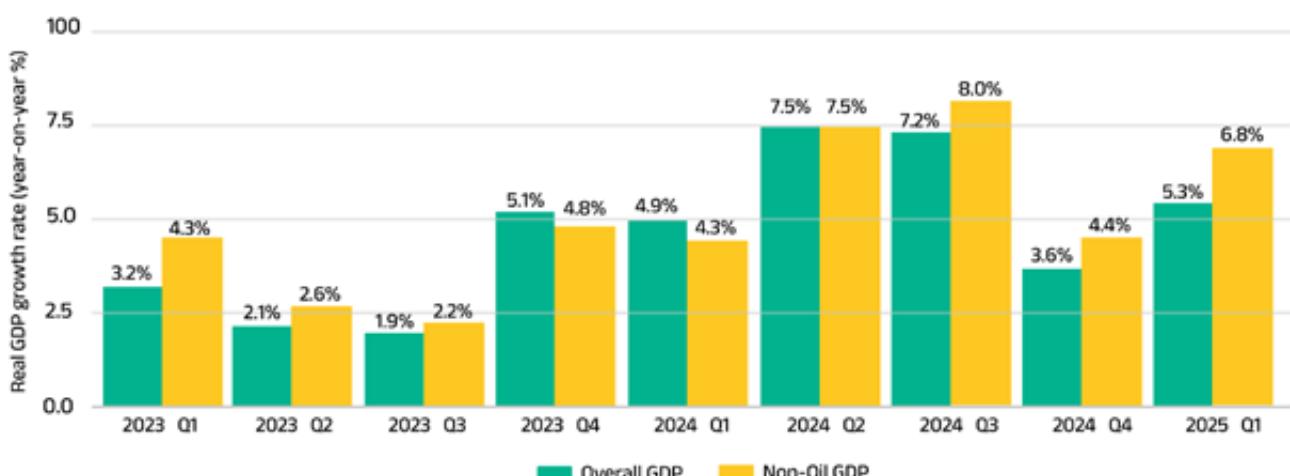
Economic Momentum: Ghana's business environment ranks among West Africa's best, supported by strong governance reforms and investor confidence restoration. Recent debt restructuring success and improved credit ratings have enhanced the country's attractiveness to both local and international investors.

Capital Availability: 2024 remittances reached USD 4.7 billion (approximately 5% of GDP), far exceeding foreign direct investment and creating substantial capital pools for ambitious entrepreneurs. This diaspora capital, combined with increasing local investment, provides diverse funding opportunities.

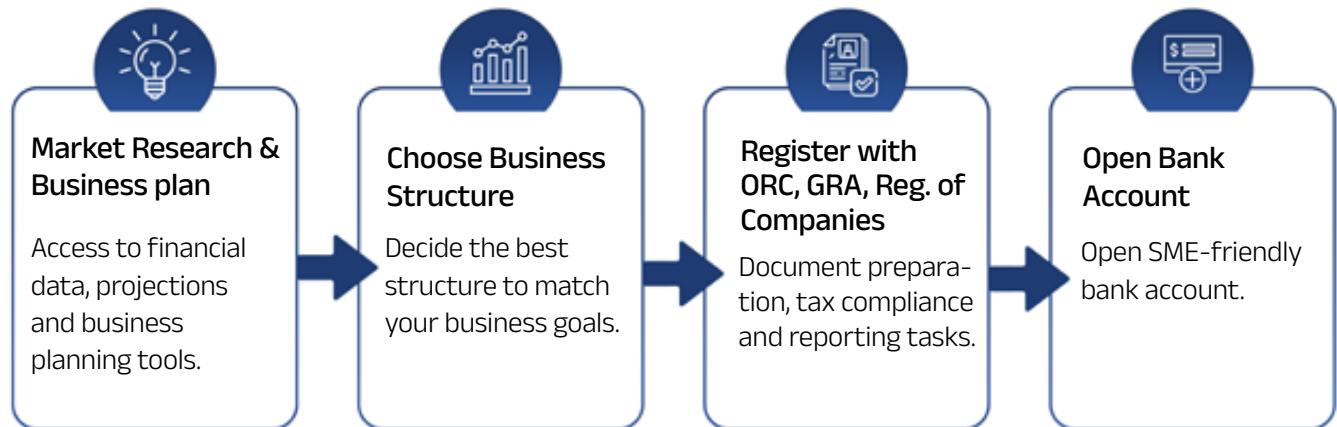
SME Market Opportunity: With SMEs representing over 92% of Ghana's business landscape while contributing 70% of GDP, the sector offers immense room for strategic growth and market capture. The government's focus on SME development through various support programs creates additional opportunities for new entrants.

Infrastructure Development: Ongoing improvements in digital infrastructure, transportation networks, and financial services are reducing traditional barriers to business entry and expansion.

Figure 1: Real GDP growth rate (Year-on-year %)



Step-by-Step Business Launch Process



Step 1 | Conduct Comprehensive Market Research

Timeline: 2-4 weeks

Outcome: Validated business concept with clear customer demand evidence

Key Activities:

- Informal surveys and focus groups to quantify customer needs and preferences.
- Analyze competitor pricing, service gaps, and market positioning strategies.
- Assess local purchasing power and preferred payment methods.
- Document findings to support future funding applications and strategic decisions
- Identify potential suppliers, distributors, and strategic partners.

Tools and Methods:

- Online surveys using free platforms like Google Forms.
- Face-to-face interviews in target markets.
- Social media polls and engagement analysis.
- Industry association reports and government statistics.
- Competitor website and social media analysis.

Step 2 | Develop a Simple Business Plan

Timeline: 3-6 weeks

Outcome: Clear operational roadmap with defined objectives and resource requirements.

Essential Components:

- Executive summary with clear value proposition.
- Market analysis and competitive landscape assessment.
- Marketing and sales strategy aligned with local customer behaviors.
- Operational plan including supply chain and staffing requirements.
- Financial projections with startup budget and revenue forecasts.
- Risk assessment and mitigation strategies.

Financial Planning Considerations:

- Startup costs including registration, licenses, and initial inventory
- Working capital requirements for first 6-12 months.
- Equipment and technology investments.
- Marketing and promotional budgets.
- Contingency funds for unexpected expenses.

Step 3 | Select Optimal Business Structure and Register

Timeline: 2-4 weeks

Outcome: Legal business entity with appropriate liability protection and operational flexibility.

Structure Selection Criteria:

- Growth ambitions and funding requirements.
- Liability protection needs.
- Tax implications and compliance burden.
- Ownership structure and profit-sharing arrangements.
- Industry-specific regulatory requirements.

Registration Process:

- Choose between Sole Proprietorship, Partnership, or Company.
- Complete ORC registration process (detailed in Section 3).
- Obtain necessary licenses and permits for your industry sector.
- Secure Taxpayer Identification Number (TIN) for compliance.
- Register for Social Security and National Insurance Trust (SSNIT) if hiring employees.

Step 4 | Secure Startup and Strategic Location

Timeline: 2-8 weeks

Outcome: Adequate funding and optimal business location for sustainable operations.

Funding Sources

- Personal savings and family contributions.
- Traditional susu groups and rotating credit associations.
- Microfinance institutions with SME-focused products.
- Government SME programs and grants.
- Angel investors and venture capital (for high-growth ventures).

Location Strategy:

- Balance customer accessibility with operational costs.
- Consider foot traffic patterns for retail businesses.
- Evaluate logistics and supply chain requirements.
- Assess future expansion possibilities.
- Review zoning regulations and permit requirements.

Step 5 | Launch with Scale-Ready Systems

Timeline: 2-4 weeks

Outcome: Operational business with growth-supporting processes and strategic networks.

Launch Essentials:

- Begin with focused product/service offering to minimize risk.
- Implement basic financial tracking and customer relationship systems.
- Establish digital presence using social media and online platforms.
- Build strategic networks through industry associations and trade events.
- Create feedback mechanisms to gather customer insights for improvement.

Pro Tip: Documentation is Key

From day one, maintain detailed records of all business activities, decisions, and transactions. This documentation will prove invaluable when:

- » Applying for business registration and licenses.
- » Seeking funding from investors or lenders.
- » Filing tax returns and regulatory compliance.
- » Scaling operations and bringing on partners.
- » Resolving disputes or legal issues.

Consider using cloud-based storage solutions to ensure your records are secure, accessible, and backed up automatically.

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Section 2

Challenges Ghanaian SMEs Face



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Understanding the SME Landscape

Despite Ghana's favorable business environment, SMEs face a unique set of challenges that can significantly impact their growth trajectory and long-term sustainability. Understanding these obstacles is the first step toward developing effective strategies to overcome them and build resilient businesses.

Research indicates that while Ghana has one of the most supportive SME ecosystems in West Africa, success rates vary significantly based on how well entrepreneurs prepare for and address common challenges. The businesses that thrive are those that anticipate these hurdles and implement systematic approaches to manage them.

The Five Critical Challenge Areas

Based on extensive research and feedback from thousands of Ghanaian SMEs, five primary challenge areas consistently emerge as the most significant barriers to business success:

- 1. Access to Finance** - Limited availability of affordable capital for startup and growth.
- 2. Regulatory Compliance** - Complex and evolving legal and tax requirements.
- 3. Financial Management** - Inadequate bookkeeping and cash flow control systems.
- 4. Infrastructure Limitations** - Power, internet, and transportation constraints.
- 5. Skills and Capacity Gaps** - Limited access to business management training and expertise.

Challenge Analysis and Strategic Solutions

1. Access to Finance

The Challenge: Traditional financial institutions often view SMEs as high-risk borrowers, leading to high interest rates (40-85% per annum), stringent collateral requirements, and lengthy

approval processes. Many SMEs lack the financial documentation and credit history necessary to qualify for conventional loans.

Strategic Solutions:

- » Maintain meticulous financial records from day one to build credibility with lenders.
- » Explore government-backed funding programs with more favorable terms.
- » Consider microfinance institutions and peer-to-peer lending alternatives.
- » Build business credit history through consistent supplier payments and utility bills.
- » Develop relationships with multiple financial institutions to increase options.

2. Regulatory Compliance

The Challenge: Ghana's regulatory environment, while improving, involves multiple agencies with different requirements. SMEs must navigate business registration, tax obligations, labor laws, and industry-specific regulations, often with limited guidance and frequent policy changes.

Strategic Solutions:

- » Partner with experienced accounting and legal professionals familiar with Ghanaian regulations.
- » Establish relationships with Ghana Revenue Authority (GRA) representatives for guidance.
- » Join industry associations for regulatory updates and collective advocacy.
- » Implement compliance calendars to track deadlines and requirements systematically.
- » Invest in training to understand key legal obligations and avoid costly mistakes.

3. Financial Management

The Challenge: Many SMEs struggle with basic financial management practices, including accurate record-keeping, cash flow forecasting, and separation of personal and business finances. This leads to poor decision-making, tax compliance issues, and reduced attractiveness to investors.

Strategic Solutions:

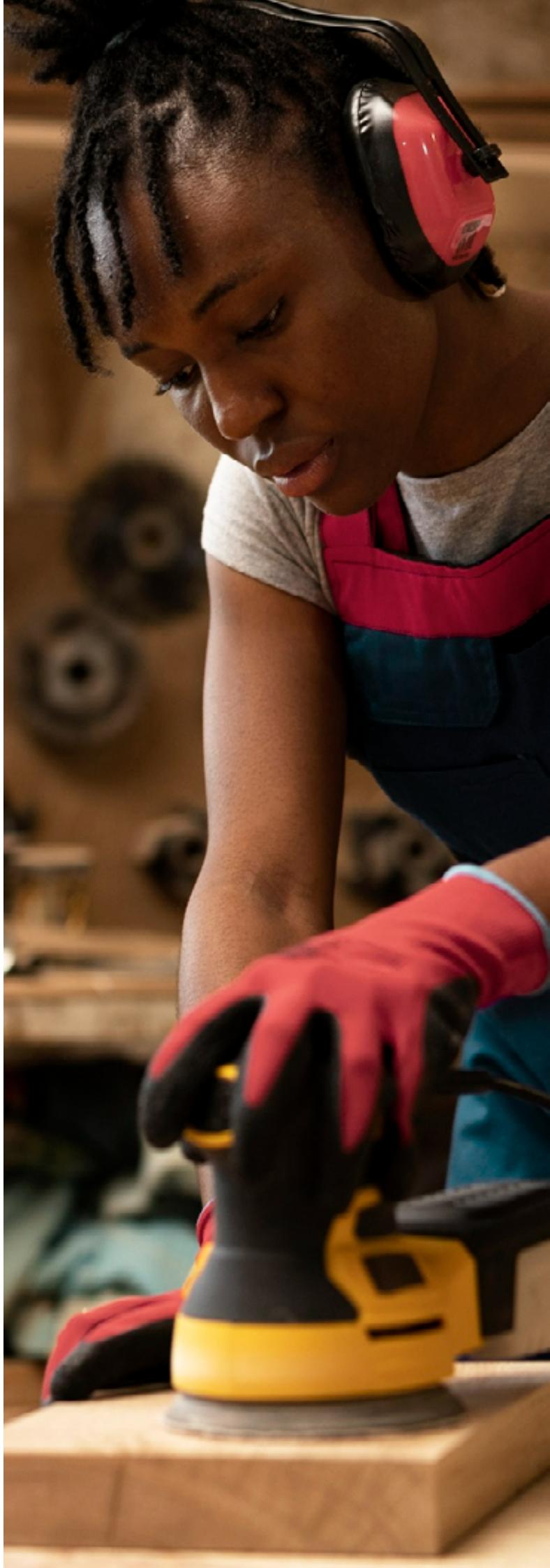
- » Implement professional accounting systems from business inception. Separate personal and business finances completely with dedicated accounts.
- » Establish monthly financial review processes to monitor performance.
- » Create realistic budgets and cash flow projections for planning purposes
- » Seek training in basic financial management principles and practices.

4. Infrastructure Limitations

The Challenge: Inconsistent power supply, limited internet connectivity, and poor transportation networks increase operational costs and reduce productivity. These infrastructure gaps particularly affect manufacturing, technology, and distribution businesses.

Strategic Solutions:

- » Factor infrastructure costs into pricing and operational planning from the start.
- » Invest in backup power solutions and alternative internet connectivity options.
- » Explore shared logistics and co-location opportunities to reduce individual costs.
- » Prioritize locations with reliable infrastructure for initial operations.
- » Build infrastructure contingencies into business continuity planning.

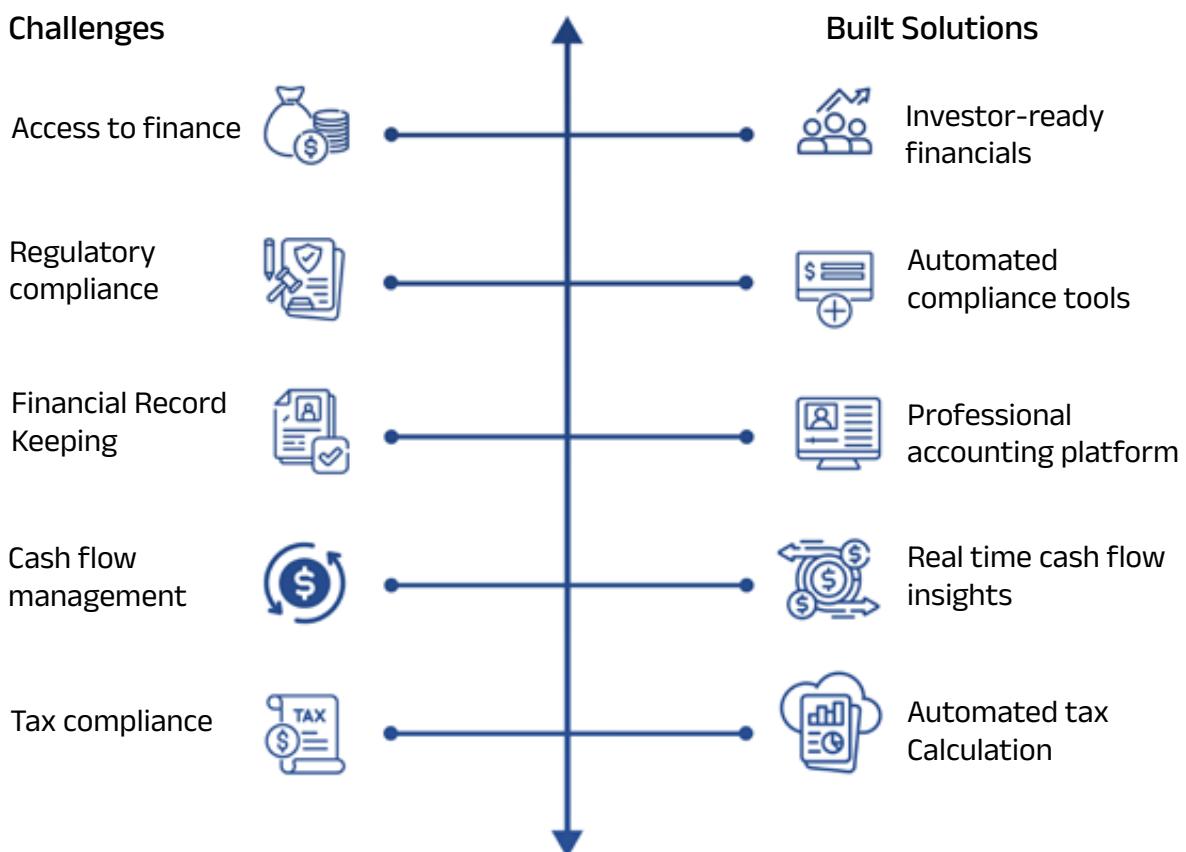


5. Skills and Capacity Gaps

The Challenge: Many SME owners lack formal business training in areas such as financial planning, marketing, human resources, and strategic management. This knowledge gap limits growth potential and increases the risk of costly mistakes.

Strategic Solutions:

- » Participate in business development programs offered by government and private organizations.
- » Seek mentorship through established entrepreneur networks and industry associations.
- » Invest in continuous learning through online courses, workshops, and professional development.
- » Build advisory relationships with experienced business leaders and professionals Consider hiring or partnering with individuals who possess complementary skills.



Section 3

Registering a Business in Ghana



Key Requirements for starting a business in Ghana

Business registration with the Office of Registrar of Companies (ORC) provides the legal foundation for your enterprise, establishing credibility with customers, suppliers, and financial institutions while unlocking access to funding opportunities and government support programs.

The ORC, established under Companies Act 2019 (Act 992), serves as Ghana's central business registration authority. The registration process has been significantly streamlined in recent years, with both online and in-person options available to accommodate different preferences and technical capabilities.

Business Entity Types and Selection

Choosing the right business structure is one of the most important decisions you'll make as an entrepreneur. Each entity type offers different advantages and obligations that will impact your liability, taxation, and operational flexibility.

Business Type	Ownership	Liability	Registration Fee	Annual renewal/ returns fees	Best For
Sole Proprietorship	Ghanaian citizens only, 18+ years	Unlimited personal liability	GHS 120	GHS 70	Small service businesses, freelancers, consultants
Partnership	2+ partners, formal agreement required	Joint and several liability	GHS 290	GHS 70	Professional services, joint ventures, family businesses
Limited Company by Shares	Ghanaians and foreigners	Limited to share capital	GHS 510 + 1% stamp duty	GHS 100	Growth-oriented businesses, investor funding
Company Limited by Guarantee	Members with guarantee obligations	Limited to guarantee amount	GHS 490	GHS 100	Non-profit organizations, associations, clubs

ORC Registration Process

The Office of Registrar of Companies offers multiple registration channels to accommodate different needs and preferences:

Online Registration Process

- 1. Visit ORC Portal:** Navigate to orc.gov.gh business registration section.
- 2. Name Search:** Use "Name Search" function to verify availability of proposed business names.

- 3. Document Preparation:** Download and complete appropriate registration forms.
- 4. Upload Documents:** Scan and upload all required documentation through the portal.
- 5. Payment Processing:** Complete online payment using mobile money or bank transfer.
- 6. Certificate Issuance:** Receive digital registration certificate upon approval.

Manual Registration Process

- 1. ORC Office Visit:** Visit nearest ORC office with required documentation.
- 2. Name Verification:** Submit three preferred business names for availability check.
- 3. Form Completion:** Complete registration forms with ORC staff assistance if needed.
- 4. Document Submission:** Provide original documents for verification and copies for records.
- 5. Payment:** Make payment at designated bank.
- 6. Certificate Collection:** Return to collect physical registration certificate.

Typically takes 2-4 weeks and collection date is usually determined on the day of submission

Required Documentation

- » Ghana Card (National ID) for all Shareholders, Directors, Secretaries and Beneficial owners.
- » Taxpayer Identification Number (TIN).
- » Provide Ghana Post GPS Address.
- » Completed registration forms with accurate information.
- » Introductory letter from accounting firm and a statutory declaration from a commissioner of oath.



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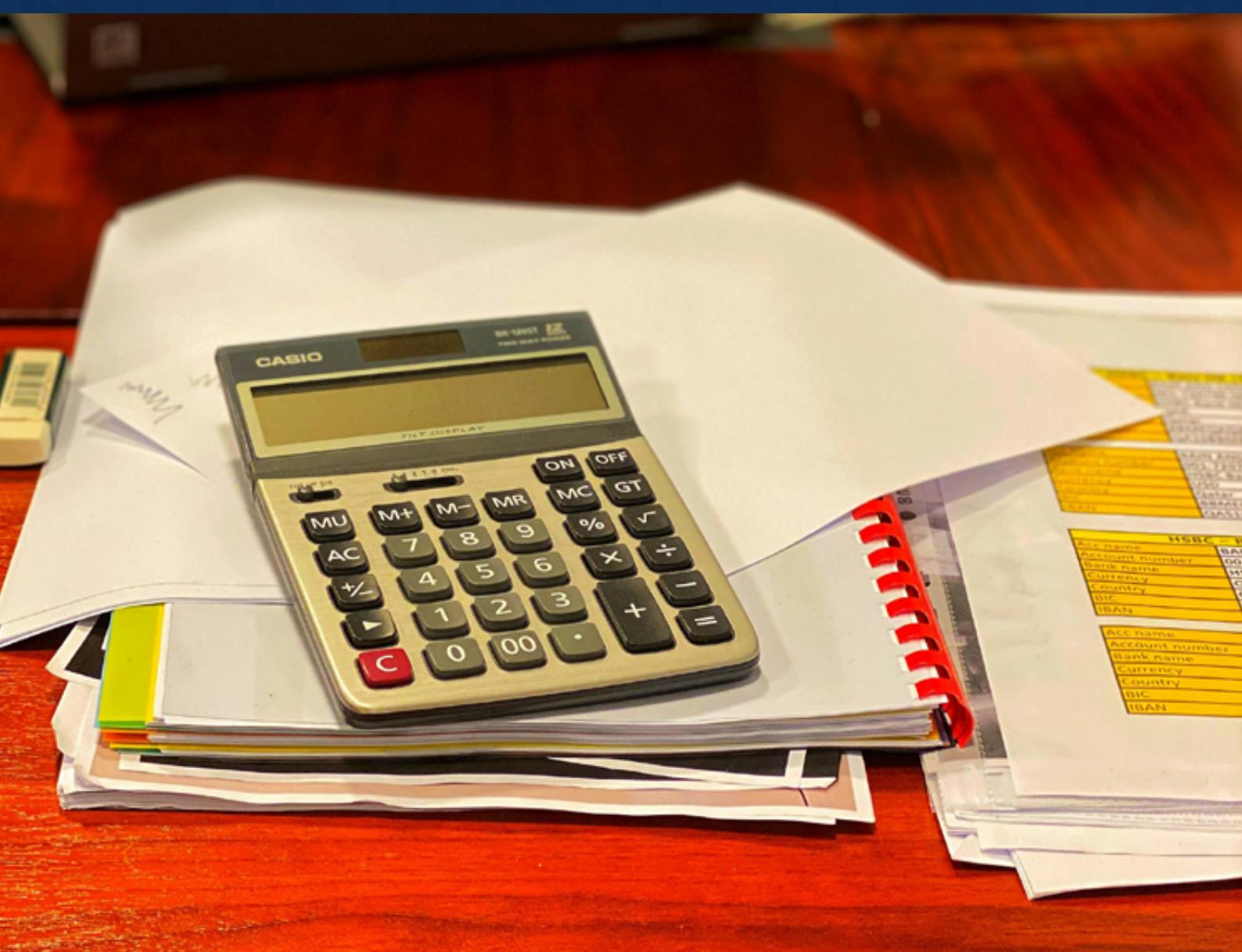


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Section 4

Filing Your Taxes in Ghana



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The Foundation of Business Success

Tax compliance is a fundamental responsibility for all businesses operating in Ghana. The Ghana Revenue Authority (GRA) oversees tax administration and has implemented significant reforms to simplify processes and improve compliance rates. Understanding your tax obligations and maintaining accurate records is essential for ensuring compliance and business credibility.

Ghana operates a self-assessment tax system, meaning businesses are responsible for calculating, declaring, and paying their taxes accurately and on time. This system rewards compliant taxpayers with streamlined processes while imposing significant penalties for non-compliance.

Key Tax Obligations for SMEs

Pay-As-You-Earn (PAYE)

Applicability: All businesses with employees earning above the tax-free threshold.

Rate Structure: Progressive rates from 0% to 30% based on annual income levels Filing.

Frequency: Monthly returns due by 15th of following month.

Payment Deadline: Same as filing deadline.

Annual Income Range (GHS)	Monthly Income Range (GHS)	Tax Rate	Monthly Tax (GHS)
0 - 5,880	0 - 490	0%	0
5,881 - 7,200	491 - 600	5%	0 - 5.5
7,201 - 8,760	601 - 730	10%	5.6 - 13
8,761 - 46,760	731 - 3,897	17.5%	14 - 554
47,761 - 238,760	3,898 - 19,897	25%	555 - 4,000
238,760 - 605,000	19,897 - 50,417	30%	4,001 - 9,156
Exceeding 600,000	Exceeding 50,000	35%	

Tax Registration Processes

- Locate Taxpayer Service Centre:** Find nearest TSC at gra.gov.gh.
- Submit Registration Documents:** Business registration certificates, director CVs and ID cards.
- Complete Tax Forms:** Register for Corporate Income Tax, Withholding Tax and Employee Tax.
- Obtain Additional Registrations:** VAT registration based on business type and projected turnover.
- Receive Provisional Assessment:** Annual tax liability estimate divided into quarterly payments.

Withholding Tax (WHT)

Purpose: Advance collection of income tax on specific payments.

Responsibility: Payer must withhold and remit tax to GRA.

Frequency: Monthly returns due by 15th of following month.

Payment Deadline: Same as filing deadline.

Common WHT Rates:

Service/Supply Type	WHT Rate
Supply of Goods	3%
Works (construction, engineering, electricals)	5%
Services (legal, accounting, consulting, etc)	7.5%
Rent (for commercial usage) payments	15%
Commission (e.g. sales commissions)	10%
Director & board members fees	20%

Corporate Income Tax (CIT)

Standard Rate: 25% of chargeable income.

Flat Rate: 3% (in addition to COVID-Levy 1%)

Filing Deadline: 4 months after financial year-end.

Payment Schedule: Quarterly provisional payments plus final settlement.

Special Rates:

- » Hotels and restaurants: 22%
- » Rural banks: 20%
- » Mining companies: 35%
- » Petroleum companies: 35%

Value Added Tax (VAT)

Standard Rate: 15% (after applying GETFUND 2.5%, NHIL 2.5% & COVID-Levy 1%)

Registration Threshold: Exceeding GHS 200,000 annual turnover.

Filing Frequency: Monthly returns due the last working day of following month.

VAT-Exempt Supplies: Exports, basic food items, medical supplies, educational services, transportation

Compliance Calendar

Monthly:

- » PAYE returns and payments (15th).
- » WHT returns and payments (15th).
- » VAT returns and payments (last day of the month).

- » Employee social security contributions (14th).

Quarterly:

- » Provisional Corporate Income Tax payments.

Annually:

- » Corporate Income Tax returns (4 months after year-end).
- » Annual employment returns.
- » Audited financial statements (for companies).
- » Business operating permit renewals.

Common Tax Compliance Mistakes to Avoid**1. Poor Record-Keeping**

Implement systematic record-keeping from day one with digital tools and regular reconciliation.

2. Missing Filing Deadlines

Use compliance calendars and automated reminders to track all deadlines.

3. Incorrect Tax Calculations

Use automated calculation tools and professional verification for complex scenarios.

4. Mixing Personal and Business Expenses

Maintain completely separate personal and business financial accounts and records.

5. Ignoring WHT Obligations

Understand WHT requirements and implement systematic withholding procedures.

Pro Tip: Create a Tax Compliance System

Establish a systematic approach to tax management:

Monthly Routine: Set aside the same day each month for tax preparation and filing.

Digital Organization: Use cloud storage such as Built Accounting software to organize receipts, invoices, and tax documents.

Backup Documentation: Keep both digital and physical copies of critical tax records.

Professional Relationships: Build relationships with GRA officers and qualified tax professionals.

Continuous Learning: Stay updated on tax law changes through GRA newsletters and workshops.

Early Preparation: Start preparing annual returns at least 2 months before deadlines.

Remember: Good tax compliance is not just about avoiding penalties—it builds credibility with banks, investors, and business partners.

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Section 5

Getting Your Books Right



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I The Foundation of Business Success

Accurate financial record-keeping is the cornerstone of successful business management. It provides the visibility needed for informed decision-making, ensures compliance with regulatory requirements, and builds the credibility necessary to attract investors and secure funding. Many SME failures can be traced back to poor financial management practices that could have been prevented with proper systems and discipline.

Professional bookkeeping goes beyond simple income and expense tracking. It involves creating a comprehensive financial management system that provides real time insights into business performance, cash flow patterns, and growth opportunities. This systematic approach separates thriving businesses from those that struggle to survive and scale.

Essential Financial Records and Systems

Core Financial Statements:

Every business, regardless of size, should maintain four fundamental financial statements.

Income Statement (Profit & Loss):

Revenue from all sources with detailed categorization and operating expenses organized.

Balance Sheet:

- » Assets including cash, inventory, equipment, and receivables.
- » Liabilities covering loans, payables, and accrued expenses.
- » Owner's equity reflecting investment and retained earnings.
- » Financial position snapshot at specific points in time.

Cash Flow Statement:

- » Operating activities showing cash from core business operations.
- » Investing activities including equipment purchases and asset sales.



Cash Flow Statement:

- » Financing activities covering loans, investments, and distributions.
- » Net cash flow and ending cash position.

Statement of Changes in Equity:

- » Owner contributions and withdrawals.
- » Retained earnings from business operations.
- » Share capital changes for incorporated businesses.
- » Comprehensive view of ownership stake evolution.

Daily Transaction Management

Sales and Revenue Tracking:

- » Invoice generation with sequential numbering and customer details.
- » Payment receipt recording with method and date information.
- » Accounts receivable aging to monitor outstanding customer balances.
- » Revenue recognition following appropriate accounting principles.

Expense Documentation:

- » Purchase order creation and approval workflows.
- » Receipt and invoice collection with digital storage.
- » Expense categorization for tax and management reporting.
- » Accounts payable tracking with payment scheduling.

Inventory Management:

- » Stock level monitoring with automated reorder points.
- » Cost of goods sold calculation using appropriate methods.
- » Inventory valuation and periodic physical counts.
- » Supplier performance tracking and relationship management.

Monthly Financial Management Checklist

Week 1: Transaction Processing

- » Ensure all sales invoices and customer payments are entered.
- » Ensure all business expenses with proper categorization.
- » Crosscheck inventory levels and cost calculations.

Week 2: Account Reconciliation

- » Reconcile all bank accounts with accounting records.
- » Review and update accounts receivable records.
- » Verify accounts payable balances with supplier statements.

Week 3: Analysis and Review

- » Generate and analyze monthly financial statements.
- » Review key performance indicators and business metrics.
- » Identify unusual transactions or variances requiring investigation.

Week 4: Planning and Compliance

- » Prepare tax returns and compliance filings.
- » Process payroll and employee-related expenses.
- » Review and adjust budgets based on actual performance.
- » Plan for upcoming major expenses or investments.

Separation of Business and Personal Finances

One of the most critical principles of sound financial management is maintaining complete separation between business and personal finances. This separation is not just a best practice, it's essential for legal protection, tax compliance, and business credibility.

Legal Protection:

- » Maintains corporate veil for limited liability companies.
- » Protects personal assets from business creditors.
- » Ensures clear ownership and control structures.
- » Supports legal standing in disputes and contracts.

Tax Compliance:

- » Enables accurate business expense deductions.
- » Prevents disallowed personal expense claims.
- » Simplifies audit processes and documentation.
- » Reduces risk of tax penalties and interest charges.

Business Credibility:

- » Demonstrates professional management to lenders and investors.
- » Provides clear financial statements for due diligence.
- » Shows commitment to proper governance and controls.
- » Enhances ability to secure business credit and funding.

Practical Implementation:

- » Open dedicated business bank and mobile money accounts for all transactions.
- » Use business cards exclusively for company expenses.
- » Pay yourself a regular salary rather than taking random withdrawals.
- » Maintain separate accounting systems and financial records.
- » Document any legitimate business use of personal assets.

Technology and Automation in Financial Management

Modern SMEs have access to powerful financial management tools that were previously available only to large corporations. Cloud-based accounting systems, mobile applications, and integrated payment platforms can dramatically improve accuracy, efficiency, and insight generation.

Key Technology Benefits:

- » Automated transaction recording and categorization.
- » Real-time financial reporting and dashboard analytics.
- » Integration with banking and payment systems.
- » Mobile access for on-the-go financial management.
- » Automated backup and security protocols.

Selection Criteria for Financial Management Systems:

- » Ease of use for non-accounting professionals.
- » Integration capabilities with banks and other business systems.
- » Scalability to grow with your business needs.
- » Local compliance features for Ghanaian tax and regulatory requirements.
- » Customer support and training resources.

Essential Financial Management Tools:

- » Cloud-based accounting software with mobile access.
- » Digital receipt capture and storage system.
- » Professional invoice templates with payment links.
- » Cash flow forecasting and budget tracking tools.



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Section 6

Hiring & Paying Employees in Ghana



Understanding Employment Law in Ghana

Employee management in Ghana is governed by the Labour Act 2003 (Act 651), which establishes a comprehensive legal framework that protects both the employer and employee. It sets out the rights, duties and obligations of each party in the employment relationship. Compliance with these regulations is essential for avoiding legal disputes, maintaining positive workplace culture, and building sustainable business operations.

The Labour Act, 2003 (Act 651) covers various aspects of employment including employment contracts, working conditions, wages, rest periods, termination, dispute resolutions, trade unions. Businesses are advised to stay updated on any future amendments to the Labour Act to ensure full compliance and reduce the risk of legal challenges.

Key Elements of an Employment Contract under Labour Act 2003 (Act 651)

When starting a business in Ghana, it is essential to formalize your employment relationships in line with the Labour Act, 2003 (Act 651). A proper employment contract protects both the employer and employee, clarifies expectations, and ensures compliance.

1. Written Agreement

Employers must provide a written contract of employment within two months of the employee starting work. The contract should be in a language the employee understands.

2. Basic Information to Include

- Name, address, and location of the employer and employee.
- Job title or description of duties.
- Commencement date (and end date if fixed-term).
- Working hours and rest periods (Maximum 8 hours per day and 40 hours per week).
- Wage or salary, method and frequency of payment.
- Applicable benefits (e.g., allowances, bonuses, insurance).
- Conditions for termination, notice period, and redundancy (if relevant).
- Reference to any applicable collective agreements or company policies.

3. Leave Entitlements

The Labour Act 2003 (Act 651) provides for:

- Annual Leave: At least 15 working days of paid leave after completing 12 months of continuous service.
- Sick Leave: With medical certification, employees are entitled to sick leave with pay.
- Maternity Leave: At least 12 weeks (with the possibility of extension in specific circumstances), with full pay.
- Public Holidays: Employees are entitled to all statutory public holidays with pay.

4. Probationary Periods

The Act allows probationary periods where an employer may assess an employee's suitability. During probation, both parties are still protected by the Labour Act, but termination conditions may be more flexible if agreed upon in the contract. The duration should be reasonable and clearly stated.

5. Termination & Notice

Notice periods must comply with the Act and depend on the length of service, ranging from one day (for under three months' service) to one month (for service of three years or more).

SSNIT Registration and Compliance

All employers must register with the Social Security and National Insurance Trust (SSNIT) within 30 days of commencing operations or hiring their first employee.

Registration Requirements:

- Business registration certificate from ORC.
- Director identification and contact information.
- Business address verification and operational details.
- Employee information and employment start dates.

Three-Tier Pension System:

Tier	Contribution Rate	Management	Mandatory/Voluntary
Tier 1 (SSNIT)	13.5% of total 18.5%	Government (SSNIT)	Mandatory
Tier 2 (Private)	5% of total 18.5%	Licensed private Providers such as People's Pension Trust	Mandatory
Tier 3	Additional contributions	Individual choice	Voluntary

Employer Responsibilities:

- Calculate and deduct employee contributions (5.5% of basic salary).
- Add employer contributions (13% of basic salary).
- Remit total contributions by prescribed deadlines.
- Maintain accurate employee records and contribution histories.

Payroll Processing and Tax Compliance

Monthly Payroll Obligations

SSNIT Contribution Processing	Recordkeeping requirements
Calculate employee contribution based on employee salaries.	Employee files with contracts and identification.
Prepare and submit contribution schedules on time and upload on the self-service portal or in-person.	Payroll sheets with detailed calculation breakdown.
Process payment and collect receipt.	Payment receipts of tax and social security contributions.
File payment receipts and records for audits	Leave and attendance records.
	Performance and disciplinary action documentation.

Monthly Payroll Obligations

Monthly tasks	Quarterly tasks	Annual tasks
Process payroll with accurate PAYE and social security contributions.	Submit quarterly employment returns.	Prepare annual employment returns and statistical reports.
Generate and distribute employee payslips.	Conduct performance evaluations and provide feedback.	Review and update employee handbook and policies.
File and Pay employee taxes and social security contributions.	Update compensation structures based on performance and market rates	Plan for salary reviews and budget adjustments

Talent Acquisition and Retention Strategies

Effective Recruitment Channels

Digital Platforms:

- Recruitment platforms such as: Vacancies in Ghana, Jobberman, Excelhr Consult etc.
- LinkedIn for executive and specialized positions.
- Facebook and Instagram for customer-facing roles.
- Company website career pages for brand-aligned candidates.

Traditional Platforms:

- Newspaper advertisements in Daily Graphic and other publications.
- University partnerships for graduate recruitment programs.
- Employee referral programs with incentive structures.

Professional Networks:

- Industry association job boards and networking events.
- Professional development workshops and training programs.
- Alumni networks from universities and training institutions.
- Mentorship programs connecting experienced and emerging professionals.

Employee Retention Best Practices

- Competitive compensation aligned with market rates and performance.
- Clear career development pathways with training and advancement opportunities.
- Positive workplace culture emphasizing respect, collaboration, and recognition.
- Regular feedback and performance management with constructive guidance.

Essential Payroll Documents:

- Employee contracts with clear compensation terms.
- PAYE and SSNIT calculation worksheets.
- Monthly payroll registers with detailed breakdowns.
- Remittance receipts from GRA and SSNIT.

People's Pension is building a future where every Ghanaian, from traders to teachers to students, can save confidently and live with dignity.

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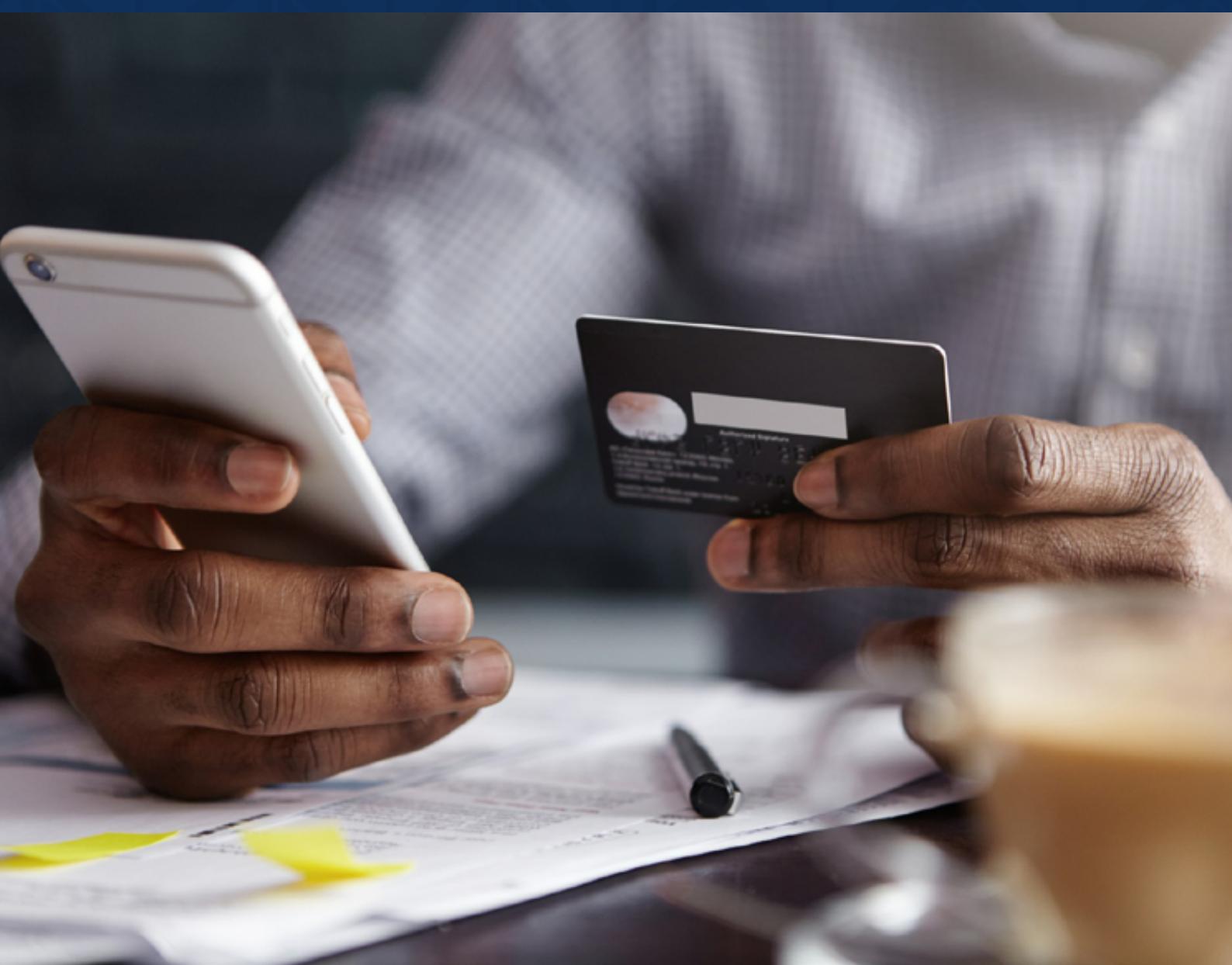


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Section 7

Opening Your First Bank Account



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The Importance of Business Banking

Opening a dedicated business bank account is a critical milestone that establishes financial credibility, enables proper bookkeeping, and provides access to business specific financial services. This separation between personal and business finances is not just a best practice—it's essential for legal protection, tax compliance, and professional growth.

A business bank account serves as the foundation for all financial operations, from receiving customer payments to paying suppliers and employees. It provides the documentation trail necessary for tax compliance, loan applications, and investor due diligence while demonstrating your commitment to professional business management.

Step-by-Step Account Opening Process

Phase 1: Preparation and Documentation

Required Documents:

- All ORC Business Registration documents.
- Ghana Cards for all directors and authorized signatories.
- Taxpayer Identification Number (TIN).
- Business and Directors Address verification (utility bill or lease agreement).
- Operating licenses where applicable to your industry.
- Initial deposit funds (varies by bank and account type).
- Board resolution authorizing account and specifying the mandate.
- Introductory Letter from an auditor or a legal practitioner.

Phase 2: Bank Selection and Application

Research and Compare:

- Monthly maintenance fees and transaction charges
- Digital banking capabilities and mobile app functionality.
- Branch network accessibility for cash deposits and services.
- Business-specific services like payroll processing and merchant accounts.
- Credit facility availability for future financing needs.

Application Process:

1. Schedule appointment with business banking representative.
2. Complete account opening forms with accurate business information.
3. Submit all required documentation with certified copies.
4. Make initial deposit to meet minimum balance requirements.
5. Set up online and mobile banking access credentials.

Phase 3: Account Activation and Integration

Account Setup:

- Receive account number, debit cards, and chequebooks.
- Activate online banking and mobile app access.
- Set up automatic payment arrangements for utilities and loans.
- Configure account alerts and notification preferences.

Business Integration:

- Inform customers and suppliers of new payment information.
- Integrate account with accounting and payroll systems
- Establish cash management and reconciliation procedures.

Section 8

Raising Funding & Getting Support



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Understanding Ghana's Funding Ecosystem

Ghana's entrepreneurial funding landscape has evolved significantly, offering diverse opportunities for businesses at different stages of development. Success in securing funding requires understanding available options, meeting eligibility criteria, and presenting compelling business cases that demonstrate growth potential and management capability.

The funding ecosystem includes government programs focused on job creation and economic development, private sector initiatives targeting high-growth ventures, and traditional financial institutions offering various credit products. Each funding source has specific requirements, timelines, and expectations that entrepreneurs must understand and prepare for.

Government Programs and Grants		
Institution / Programme	What they fund	Typical / Max Amount
Ghana Enterprises Agency (GEA) SME High Growth Programme	Growth grants for small & medium enterprises	Avg - US\$25k; up to US\$50k (small), US\$70k (medium)
GEA – YouStart (GJSP)	Startup/early growth support; ongoing grant disbursements in phases	Varies by cohort; historically - GH₵10k–GH₵100k per beneficiary
CTVET – Ghana Skills Development Fund (GSDF)	Skills/technology upgrading grants for firms (formal & informal)	Up to GH₵1.1m (formal window); up to GH₵121k (informal-associations); up to GH₵110k (informal-SMEs)
NEIP – Presidential Pitch / Adwumawura & related	Startup/early-stage grants via NEIP competitions	GH₵10k–GH₵100k per winner (varies by season)

Private institutions, hubs & accelerators

Institution / Programme	What they fund	Typical / Max Amount
MEST Africa Challenge	Equity funding	\$50,000
Tony Elumelu Foundation (TEF)	Non-refundable seed for African entrepreneurs	US\$5,000 (grant)
Kosmos Innovation Center (KIC) – AgriTech Challenge Pro	Agri-SME seed funding after incubation	Typically US\$5k-US\$25k; up to - US\$50k for top teams
Orange Corners Ghana – Orange Corners Innovation Fund (managed by Fidelity Bank)	Startup seed (mix of grant + low-interest loan) after programme completion	Up to €50,000 (partial grant + loan @ -2-year term)
Fidelity Bank – GreenTech Innovation Challenge (grant fund)	Green/agri innovation by startups/SMEs	>GH₵1,000,000 total grant pool; per-award varies by year
UNDP Ghana – MSME Grants (women & youth-led)	Small growth grants via UNDP MSME support	Pot of US\$70,000 shared across winners (per-firm varies)
MTN SME Support Program	Early and growth stage	GHS 10,000 and above
Tullow AgriVentures Program	Early and growth stage	over GHS 1 million
develoPPP Ventures	Growth-stage, impact-driven startups (especially women-led or gender-equality-focused)	Up to €100,000 (grant)
Young Africa Works – Absa MSME Program	MSMEs & smallholder farmers	US \$15.48M total disbursed; uncollateralized loans (individual amounts vary)
Mastercard Foundation EdTech Fellowship (via MEST Africa)	Early-stage EdTech startups	Seed funding + mentorship (cohort-based; undisclosed per firm, but covers growth runway)
Scholars Entrepreneurship Fund (SEF – KNUST)	Mastercard Scholars & alumni with ventures	Grants (cash/in-kind) + incubation; amounts vary (often seed-level, -US\$5k-US\$25k equivalent)
Fund for Resilience & Prosperity	High-growth SMEs (Agribusiness, Digital Economy, Climate)	US \$500k – US \$2.5M per SME over 3 years + technical assistance

Grains for Growth (with IDH)	Agri-SMEs & smallholder farmers in maize, rice, millet, fonio, sorghum	One SME reported US \$23k + US \$47k in contracts; broader financing and market linkage support
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Preparing for Funding Success

Building Investor Readiness

Financial Documentation:

- Professional financial statements prepared by qualified accountants.
- Cash flow projections with realistic assumptions and scenarios.
- Management accounts showing monthly performance trends.
- Tax compliance certificates and regulatory approvals.

Business Plan Excellence:

- Clear value proposition and competitive advantage analysis.
- Market size quantification with addressable market segments.
- Revenue model validation with customer traction evidence .
- Growth strategy with specific milestones and resource requirements.

Management Team Strength:

- Relevant industry experience and track record of success.
- Complementary skills covering key business functions.
- Advisory board with industry expertise and networks.
- Commitment demonstration through personal investment and full-time dedication.

Funding Application Strategy:

- Start with smaller amounts to build track record.
- Apply to multiple sources simultaneously.
- Tailor applications to each funder's specific criteria.
- Follow up professionally and persistently.
- Learn from rejections and improve your approach.
- Maintain relationships even after unsuccessful applications.

Section 9

Recommendations for SMEs



Ten Strategic Recommendations for Sustainable Growth

Based on extensive research and analysis of successful Ghanaian SMEs, the following recommendations provide a roadmap for building resilient, scalable businesses that contribute meaningfully to Ghana's economic development.

1. Embrace Digital Transformation Early

Ghanaian SMEs must leverage technology to compete effectively in both local and global markets. Digital adoption should be viewed as an investment in competitiveness rather than an optional expense.

Key Actions:

- » Establish professional online presence through websites and social media.
- » Implement digital payment systems to improve cash flow and customer convenience.
- » Use cloud-based tools for accounting, customer management, and operations. Invest in digital marketing to reach broader audiences cost-effectively.

2. Maintain Rigorous Financial Discipline

Financial management excellence separates successful businesses from those that struggle or fail. Professional financial practices should be implemented from day one, not after problems arise.

Key Actions:

- » Separate business and personal finances completely with dedicated accounts.
- » Implement professional accounting systems with regular reconciliation.
- » Create realistic budgets and monitor performance against projections.
- » Maintain emergency cash reserves for unexpected challenges or opportunities.

3. Prioritize Regulatory Compliance

Proactive compliance management reduces risk, builds credibility, and positions businesses for growth opportunities that require clean legal standing.

Key Actions:

- » Understand all applicable laws and regulations affecting your business.
- » Establish compliance calendars with automated reminders for key deadlines.
- » Maintain relationships with qualified legal and accounting professionals.
- » Document all compliance activities for audit and verification purposes.

4. Invest in Human Capital Development

Your team is your most valuable asset. Investing in employee development creates competitive advantages while building organizational capability for growth.

Key Actions:

- » Provide regular training and professional development opportunities.
- » Implement fair compensation and performance management systems.
- » Create positive workplace culture that attracts and retains talent.
- » Develop succession planning for key positions and critical knowledge.

5. Build Strategic Partnerships

Collaboration and strategic alliances can provide access to resources, markets, and capabilities that would be expensive or impossible to develop independently.

Key Actions:

- » Join relevant industry associations and business networks.
- » Develop supplier relationships based on mutual benefit and reliability.
- » Explore partnership opportunities with complementary businesses.
- » Participate in government and private sector business development programs.

6. Focus on Customer Value Creation

Sustainable businesses are built on delivering genuine value to customers. Understanding and exceeding customer expectations drives growth and profitability.

Key Actions:

- » Conduct regular customer feedback collection and analysis.
- » Continuously improve products and services based on market needs.
- » Implement customer service excellence as a competitive differentiator.
- » Build long-term customer relationships rather than focusing solely on transactions.

7. Diversify Revenue Streams Strategically

Multiple revenue sources provide stability and growth opportunities while reducing dependence on single customers or market segments.

Key Actions:

- » Analyze core competencies and identify expansion opportunities.
- » Test new products or services with existing customers first.
- » Explore geographic expansion within Ghana and regionally.
- » Consider digital channels to reach new market segments.

8. Plan for Scalability from the Beginning

Businesses that achieve significant growth are those that build scalable systems and processes from early stages rather than trying to retrofit later.

Key Actions:

- » Document all key business processes and procedures.
- » Implement systems that can handle increased transaction volumes.
- » Build management structures that can support larger organizations.
- » Plan for capital requirements associated with growth phases.

9. Maintain Innovation and Adaptability

Markets, technologies, and customer preferences evolve continuously. Successful businesses anticipate and adapt to change rather than simply reacting to it.

Key Actions:

- » Monitor industry trends and emerging technologies regularly.
- » Encourage innovation and experimentation within your organization.
- » Maintain flexibility in business models and operational approaches.
- » Invest in research and development appropriate to your industry and size.

10. Contribute to Community Development

Businesses that contribute positively to their communities build stronger stakeholder relationships and create sustainable competitive advantages.

Key Actions:

- » Source locally when quality and cost considerations permit.
- » Provide employment and training opportunities for community members.
- » Support local educational and development initiatives.
- » Practice environmental responsibility and sustainable business methods.

Success Metrics to Track:

- » Revenue growth rate (month-over-month and year-over-year).
- » Customer acquisition cost and lifetime value.
- » Cash flow stability and working capital management.
- » Employee productivity and satisfaction scores.
- » Market share and competitive positioning.

Implementation Framework

Phase 1: Foundation Building (Months 1-6)

- » Establish legal structure and regulatory compliance.
- » Implement professional financial management systems.
- » Build core team and operational processes.
- » Develop initial customer base and revenue streams.

Phase 2: Growth Preparation (Months 7-18)

- » Strengthen financial controls and reporting capabilities.
- » Expand market reach through digital and traditional channels.
- » Build strategic partnerships and supplier relationships.
- » Prepare for external funding if required for expansion.

Phase 3: Scale and Expansion (Months 19+)

- » Execute growth strategies with measured risk management.
- » Diversify revenue streams and geographic presence.
- » Develop advanced management and governance structures.
- » Contribute to industry development and community growth.

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This comprehensive guide represents the collective knowledge and experience of Built Financial Technologies in supporting Ghanaian SMEs. For additional resources, updates, and support, visit built.africa or contact our business development team.



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