

inBrief

**Dubai Development Authority – Filing of audited financial statements**

By Bashir Ahmed, Saurbh Kothari and Dimple Soni | 24 August 2022

All entities (free zone limited liability companies and branch offices) registered under the jurisdiction of Dubai Development Authority (DDA) are required to file their most recent audited financial statements along with a summary sheet (to be generated through their AXS portal account) on or before 31 October 2022. Entities are required to make these filings through their respective AXS portal accounts.

The following notification can be seen on the AXS portal accounts of entities:¹

“In compliance with the Private Companies Regulations of 2016, FZLLCs and branch offices are required to submit their most recent Audited Financial Statement along with the summary sheet (as per the DDA template) by or before 31st October 2022.”

Free zone limited liability companies incorporated under the jurisdiction of the DDA are required to maintain audited financial statements. As per our discussions with DDA representatives, branches of foreign companies may not be required to maintain separate audited financial statements if the accounts of such branches have been included in their parent companies' audited financial statements.

As per the Private Companies Regulations of 2016, free zone limited liability companies were always required to file, with the DDA Registrar of Companies, audited financial statements. Branches of foreign companies were required to file annual returns which were filed in the jurisdiction of incorporation of the parent companies. The DDA, however, has only recently started to enforce these requirements.

Certain free zones of the UAE such as Jebel Ali Free Zone and Dubai Multi Commodities Centre already require entities established in such free zones to file their audited financial statements.

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¹ We expect the DDA to circulate guidance/clarification on the requirements and/or changes to the deadlines in coming weeks. The DDA may send specific notification to entities depending on their financial year end.

With the introduction of corporate tax and other laws to closely monitor the activities of entities established in the UAE, it is likely that other free zones in the UAE as well as UAE mainland licensing authorities will start requiring the filing of audited financial statements on an annual basis. ■



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