

UAE Ministerial Decision 84: Audited Financial Statement Requirements

UAE • April 2025

To (inside your company): CFO • Head of Tax • Financial Reporting • External Auditors • Controllers

Executive takeaways

- This decision updates the audited financial statement requirements for Corporate Tax purposes, replacing Ministerial Decision 82 of 2023.
- It requires audited statements for entities with revenue exceeding AED 50 million and for all Qualifying Free Zone Persons.
- A new requirement for special-purpose audited financial statements for Tax Groups has been introduced, which must be prepared according to FTA specifications.
- The decision is effective for tax periods starting on or after 1 January 2025.

What changed & why it matters

- **Simplified Revenue Threshold** — The decision maintains the AED 50 million revenue threshold and clarifies that for non-resident persons, only UAE-source income is used for this calculation. *Why it matters:* This provides clearer guidance for multinational enterprises on when UAE audited statements are required based on local activity levels.
- **Mandatory Free Zone Audits** — All Qualifying Free Zone Persons must now maintain audited financial statements, regardless of their revenue level. *Why it matters:* This ensures robust documentation is available to support eligibility for the 0% Corporate Tax rate, providing an audit trail for qualifying activities and income.
- **Tax Group Special Requirements** — Audited special-purpose financial statements are now required for Tax Groups. *Why it matters:* This enables consolidated reporting while maintaining separate audit requirements, ensuring transparency for group tax calculations and eliminations.

Action checklist

- Review annual revenue to determine if the AED 50 million threshold triggers the audit requirement for regular entities.
- Ensure all Free Zone Persons have audited financial statements prepared, regardless of their revenue level.
- Engage with the FTA to understand the special-purpose audit requirements for Tax Groups.
- For non-resident persons, calculate the revenue threshold using only UAE-source income.
- Implement any additional FTA procedures required for Free Zone distribution activities.
- Update audit engagement letters to reflect these new Corporate Tax-specific requirements.

Take Away

MD 84 streamlines audited financial statement requirements while maintaining robust oversight for Corporate Tax compliance. The mandatory audit requirement for all Free Zone Persons reflects the importance of documentation for tax exemption eligibility, while special-purpose statements for Tax Groups enable proper consolidated reporting. Companies must ensure compliance with entity-specific requirements and engage qualified auditors familiar with UAE Corporate Tax implications.

Impact matrix

Compliance	H
Systems/ERP	M
Finance/Cash	H
Operations	M
Documentation	H
Training/Change	H

Timeline

Now — assess audit requirements & engage auditors

30 days — implement FTA procedures for qualifying entities

Financial year-end — complete audits per new requirements