



# Finding the key to unlock trust

## KPMG client story

### About our client

**Client:** Global leader in alternative asset management

**Industry:** Real estate

Global asset manager with a long history of successful investments in such industries as real estate, infrastructure, renewable power, and private equity.

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### Project at a glance

**Build a strategy to manage and monitor regulatory and tax compliance for a complex portfolio of assets located in multiple geographies.**

KPMG helped the company address these challenges with controls and monitoring practices designed to work with the governing rules in each geography where the company and its assets are located. This was paramount in building trust with stakeholders and preserving asset value.

### Challenges

The holdings of this leader in alternative asset management—valued at more than \$600 billion—span across real estate, infrastructure, renewable energy, private equity, and credit products. While based in Canada, the company operates from the U.S. to manage its portfolio of global assets. This creates a complex operating and audit environment. It must comply with U.S. laws requiring all legal entities to use generally accepted accounting principles (GAAP), while at the same time adhering to Canadian regulations and tax rules.

Adding to this complexity is the constantly evolving portfolio. Assets and new properties are constantly being purchased and integrated. The business needed to develop and put into place a workable solution to ensure all new and existing assets complied with the rules governing their physical locations, as well as with U.S. and Canadian requirements. They turned to KPMG.

### KPMG initiatives

KPMG helped the client build a strategy to navigate its complex tax and regulatory environment so that greater trust could be established with internal and external stakeholders. KPMG helped them:

- Develop and implement legal entity accounting policies to ensure compliance with U.S., Canadian, and local regulations
- Reinvent workflows and processes to accommodate the rapid shift to a fully remote workforce during the pandemic



- Map processes and controls to drive compliance across the organization and the real estate portfolio
- Align the work of the firm's finance, tax, legal, internal audit, and risk teams with sustainable systems and controls, along with annual monitoring performed by KPMG, to build long-term compliance
- Build greater trust and assurance between internal and external stakeholders by enhancing reporting capabilities.

## Business impact

KPMG and the client brought together 50 management teams from around the globe—and hundreds of legal entities—to assess, design, implement, and monitor its real estate assets for compliance. As a result, the company can:

- Document and show compliance with U.S. GAAP and Canadian Tax Authority guidelines
- Improve governance and accountability across the 50 management teams globally
- Communicate more effectively across U.S. and Canadian business units
- Manage a repeatable process to apply legal entity accounting policies as new properties are added to the portfolio of assets under management
- Use a mix of enhanced assurance, risk insights, and business improvements to prioritize emerging risks.

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## Why KPMG?

### Move audit from problem finding to problem solving

KPMG taps into a team of specialists with experience in accounting, tax, technology, and transformation delivery to help clients meet and improve challenging and complex environments. We enable companies to use innovation and leading business practices, enhancing, prioritizing and building value metrics.

### Build stakeholder trust

KPMG nurtures strong relationships across organizations to set controls and rapidly reach a compliant environment. This helps to build greater trust between internal and external teams.

### Future-proof controls practices

KPMG works with experienced transformation delivery teams to help our clients' internal teams prepare for what comes next. We help them remove unnecessary complexity and streamline controls processes, giving them room to anticipate emerging needs.

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## Contact us

### Shruti Shah

Principal, Private Equity

T: 908-531-4621

E: [skshah@kpmg.com](mailto:skshah@kpmg.com)

### Ric Kimball

Principal, Internal Audit & Enterprise Risk

T: 904-994-4994

E: [ekimball@kpmg.com](mailto:ekimball@kpmg.com)

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