



2025 Asia Pacific Financial  
Services Tax Conference  
Tax operating model transformation



# Speakers



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# **Tax Operating Model Transformation**

Defining your future tax function

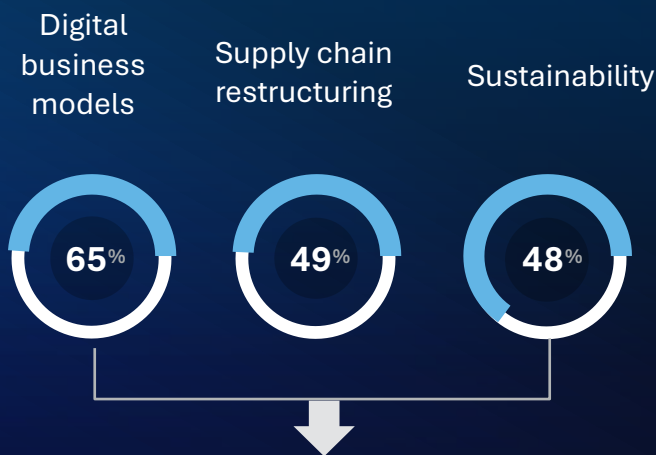


# Tax Operating Model Assessment

	Level 1 (LAGGING)	Level 2 (BASIC)	Level 3 (DEVELOPING)	Level 4 (MATURE)	Level 5 (ADVANCED)
 <b>Data</b>	Tax is an unknown and unimportant consumer of business data with limited transparency to detailed data	Tax has some say in data architecture and access but uses it inconsistently	Access and use of data expanding in cooperation with business with basic analytical application	Tax is at heart of business data strategy contributing insight through analytics	Latest innovations in predictive analytics and tax data management deployed to unlock unseen value from tax data
 <b>Process</b>	Limited consideration or formalization of tax processes or integration with business	Some process formalization but limited understanding and integration with business	Tax processes formalized and updated periodically with some staff training on leading practices	Tax processes formalized and standardized from source and continuously monitored and tested	Tax process formalization core to delivery with value stream mapping and continuous improvement
 <b>People</b>	Limited consideration of capability and capacity gaps and needs for tax	Some consideration of resourcing but shortages in skills and capacity exist	Resource planning in place with scope for harmonizing low and high value activities into correct teams	Capacity and capability fully mapped with limited inefficiencies in practice	Forward looking agile resource plan enhances business value and limits cost of delivery
 <b>Technology</b>	Limited use and no plan to deploy technology for tax data management and reporting	Technology adoption noted as gap and deployment starting to increase	Technology tools deployed to address localized areas of risk and complexity	Deployment of process automation enhanced and managed to eliminate cost	Business aligned technology strategy drives tax value leveraging automation wherever possible
 <b>Governance</b>	Limited business engagement and no visibility into key issues for tax	Tax issues are reactively identified and escalated to management	Business is engaged in tax matters with some, but not formalized management reporting	Business engaged in tax with visibility of KPIs and risks proactively reported	C-Suite oversight and real time visibility of tax KPIs allow instant escalation and decision making

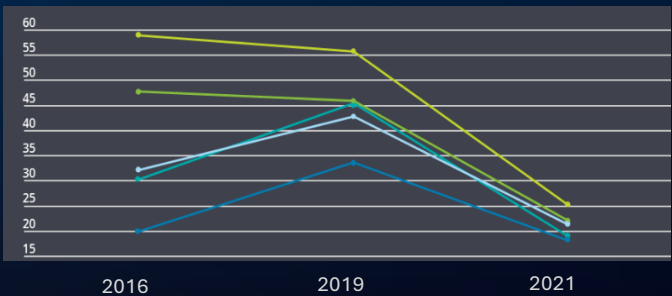
# Operations in focus

Aspirations for **tax to add more strategic value** must be realized faster as companies **accelerate business model transformation**



Areas where Tax leaders said their teams must have the resources and skills to give deeper advisory support over the next two years.

Many compliance activities are **no longer being resourced within the group tax department**



- Global tax provision
- Transfer pricing documentation
- Corporate income tax return & payments
- Indirect tax returns & payments
- Statutory accounts

Percentage of respondents resourcing different compliance activities usually supported in the group tax department.

**The rapid shift toward digital tax administration** is adding further urgency to operational transformation

92%

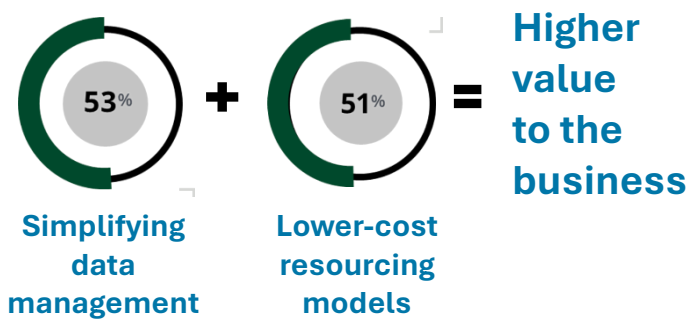
Nine in 10 (92%) respondents say shifting revenue authority demands on digital tax administration will have a moderate or high impact on tax operations and resources over the next five years—and several heads of tax say the trend is moving faster than expected.



# Operations in focus

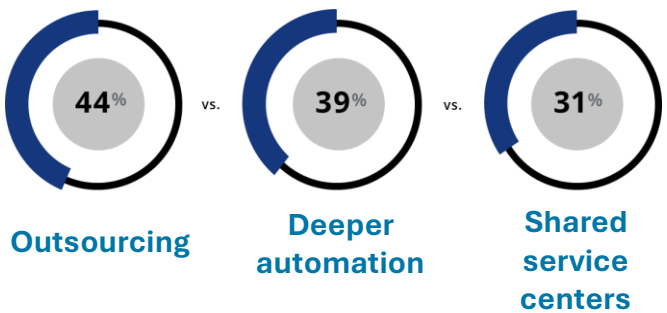
Tax leaders are prioritizing **data simplification** and **lower-cost resourcing** as a foundation for their future vision

Top priorities over the next two years for respondents who resource compliance and reporting activities primarily in group tax to become more proactive in delivering strategic insights to the business.



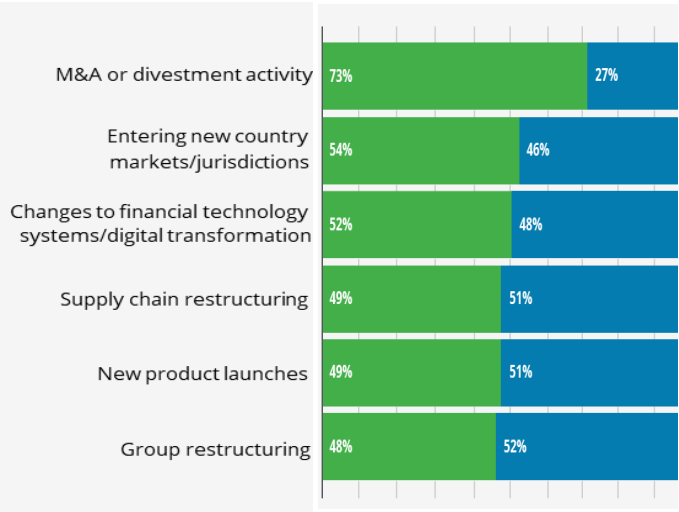
**Harvard Business Review's:**  
Why CFOs and their tax and finance teams are playing an increasingly strategic role

C-suite respondents see outsourcing as the most important strategy for a lower-cost resourcing model.



Alternatively, (47%) of tax leaders said migrating more activities into the finance group and other internal teams will be the most important solution.

The tax function is typically engaged early for M&A, but results are mixed for other strategic moves



When the tax function is typically engaged on different business initiatives.



# **Operating Model**

Private funds operations

# What does a fund administrator cover?



## Fund administration

- Maintenance of books and records
- Fund bookkeeping services
- Investor allocation, management fee, and waterfall calculations
- Capital call and distribution calculations
- Payment services

## Investor relations

- Maintenance of all investor records
- Capital call and distribution notice issuance
- KYC and AML checks
- Investors enquiries and communications

## Reporting services

- Financial statements and audit assistance
- Investor Capital Account Statement
- FATCA and CRS reporting
- Regulatory reporting (e.g., FAR and annual due diligence questionnaire)

## Regulatory compliance

- AML transaction monitoring on the funds
- Ongoing KYC/AML periodic review (both GPs and LPs)
- Investigating and filing reports on suspicious activity

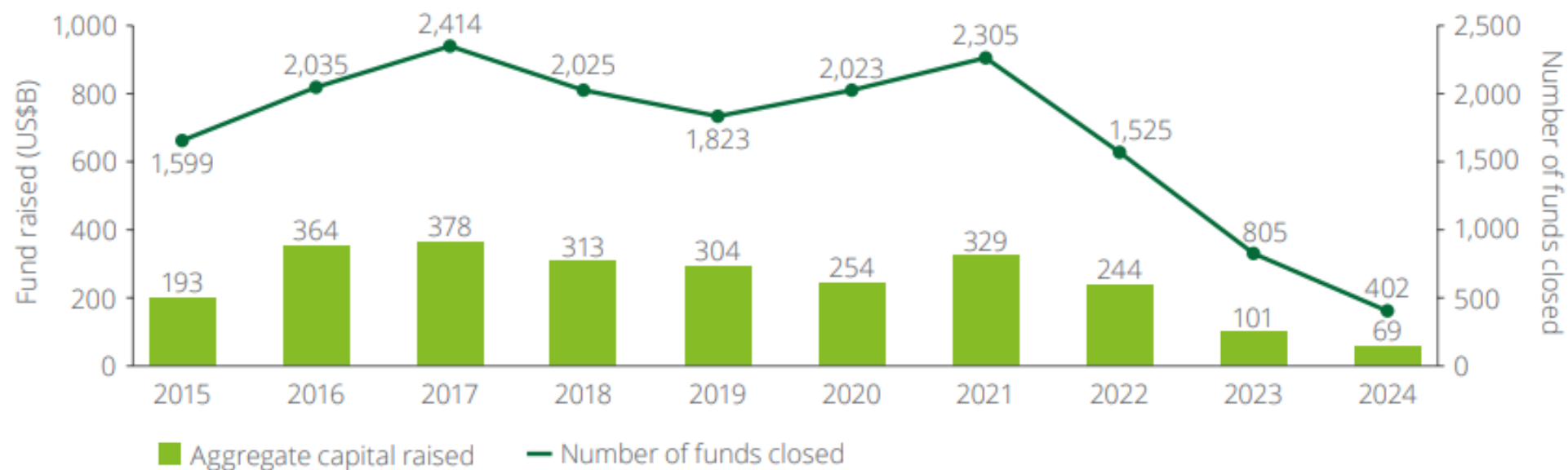


The background is a dark blue gradient with abstract, glowing green and blue lines and patterns. On the right side, there is a faint, stylized bar chart with vertical bars of varying heights, some of which are highlighted in yellow and green. The overall aesthetic is futuristic and data-oriented.

***What happened to the  
private market in the last decade?***

# What happened to the private market in the last decade?

Asia Pacific PE fund raised<sup>7</sup>



Source: Preqin, Deloitte analysis

Includes venture capital, buyout, PIPE, special situations, and other PE strategies.  
To avoid double counting, fund of funds and secondaries are excluded.

# What are the drivers for a change in operating models for fund administrator?

01



Technology advancements  
(e.g., AI, Power BI, and automation tools)

Regulatory changes from different jurisdictions  
(e.g., Cosmic portal from Singapore and AML  
framework from Cayman Island)



02

03



Evolving client needs



# What does it mean to the fund managers and their service providers?



## **Managers' shift of focus**

Managers' focus shift from deal origination to data and technology functionalities from the back office



## **From informed investors to more engaged investors**

Increasing demands from investors, including transparency, enhanced due diligence and customized solutions



## **Cost efficiency**

Both the investors and managers are more cost conscious



## **Best practice**

Track records from the managers and reputations from the service providers



## **Working model**

From in-house to full outsourcing to co-sourcing

## Working models

	In-sourcing	Outsourcing	Co-sourcing
<b>Description</b>	The managers are responsible for all the administrative activities.	The external administrators hold all the records and back-office data on behalf of the managers.	All the data stays within the fund managers while the external administrators have accesses to the systems and manage the back-office work.
<b>Staff</b>	Internal	External	Combined
<b>Technology</b>	<ul style="list-style-type: none"> <li>• The managers own the license</li> <li>• Control is high</li> <li>• Data accessibility is high</li> <li>• Maintenance is high</li> </ul>	<ul style="list-style-type: none"> <li>• The administrators own the license</li> <li>• Control is low</li> <li>• Data accessibility is low/medium</li> <li>• Maintenance is low</li> </ul>	<ul style="list-style-type: none"> <li>• The managers own the license</li> <li>• Control is high</li> <li>• Data accessibility is high</li> <li>• Maintenance is high</li> </ul>
<b>Control</b>	Full control	Low control and often needs to negotiate with the administrators to compromise on the decisions	Full control

# Trends in operating models for fund administration

## Automation ▼

### Increase in automation

- Automation of standard and routine procedures and processes
- Enhance efficiency
- Reduce human errors
- Resources can spend more time on more meaningful tasks

## Data Insight ▼

### Data analytics and insights

- Make use of power BI and other tools
- Real-time accounting and investment data
- Superior analytics capabilities to improve decision making

## Regulatory Compliance ▼

### Evolving regulatory compliance

- Compliance technology to streamline onboarding and ongoing AML/KYC processes
- Abilities to understand and support the rapid changes in compliance matters

## Client-Centric model ▼

### Client-centric model

- Tailor-made services rather than blanket services
- Flexible SLA to improve investors experience
- Client portal

## Artificial Intelligence ▼

### Use of A.I.

- Increase the use of A.I. to improve the efficiency, for example, drafting of investment analysis and new client onboarding etc.
- Risk assessment and predictive analysis

## Partnerships ▼

### Partnerships with service providers

- Outsourcing or Co-sourcing
- Leverage external expertise or technology to improve efficiency
- The managers and the service providers should work as a team rather than only selling or buying services





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