

Welcome!

# MULTI-ASSET FUND OR MPS?

A Practical Guide to Choosing the Right Solution

LAURENTIUS VAN DEN  
WORM, CFA  
Head of Investment Strategy



# Agenda

1

## **The choice: Multi-Asset Fund vs MPS**

Two ways to deliver one investment philosophy

2

## **Inside the Multi-Asset Fund**

How it is built — equity exposure and rebalancing discipline

3

## **Five reasons to use a Multi-Asset Fund**

Tax efficiency, natural income, implementation and protection

4

## **When an MPS is still the better choice**

Cost, transparency and wrapped accounts

5

## **Live demonstrations**

Timeline Planning and the Pennee AI agent

6

## **Summary and questions**

Key takeaways and discussion

# Multi-Asset Fund vs Model Portfolio Service

## MULTI-ASSET FUND

One fund, a single line on the platform

The fund manager, inside the fund

Internal: not a client disposal

Look-through to holdings, one valuation

Standardised across all investors

**What the client owns**

**Who rebalances**

**Rebalancing event**

**Transparency**

**Customisation**

## MODEL PORTFOLIO SERVICE

The underlying funds directly, in their own name

The DFM, across the client's holdings

A disposal of underlying funds each time

Full visibility of every underlying line

Can be tailored at the model level

# Same strategy, mirrored across four risk profiles

Each Multi-Asset Fund maps directly to its Tracker MPS counterpart.

FUND

**TM Timeline  
30-50% Equity**



MPS

**Tracker 40**

FUND

**TM Timeline  
50-70% Equity**



MPS

**Tracker 60**

FUND

**TM Timeline  
70-90% Equity**



MPS

**Tracker 80**

FUND

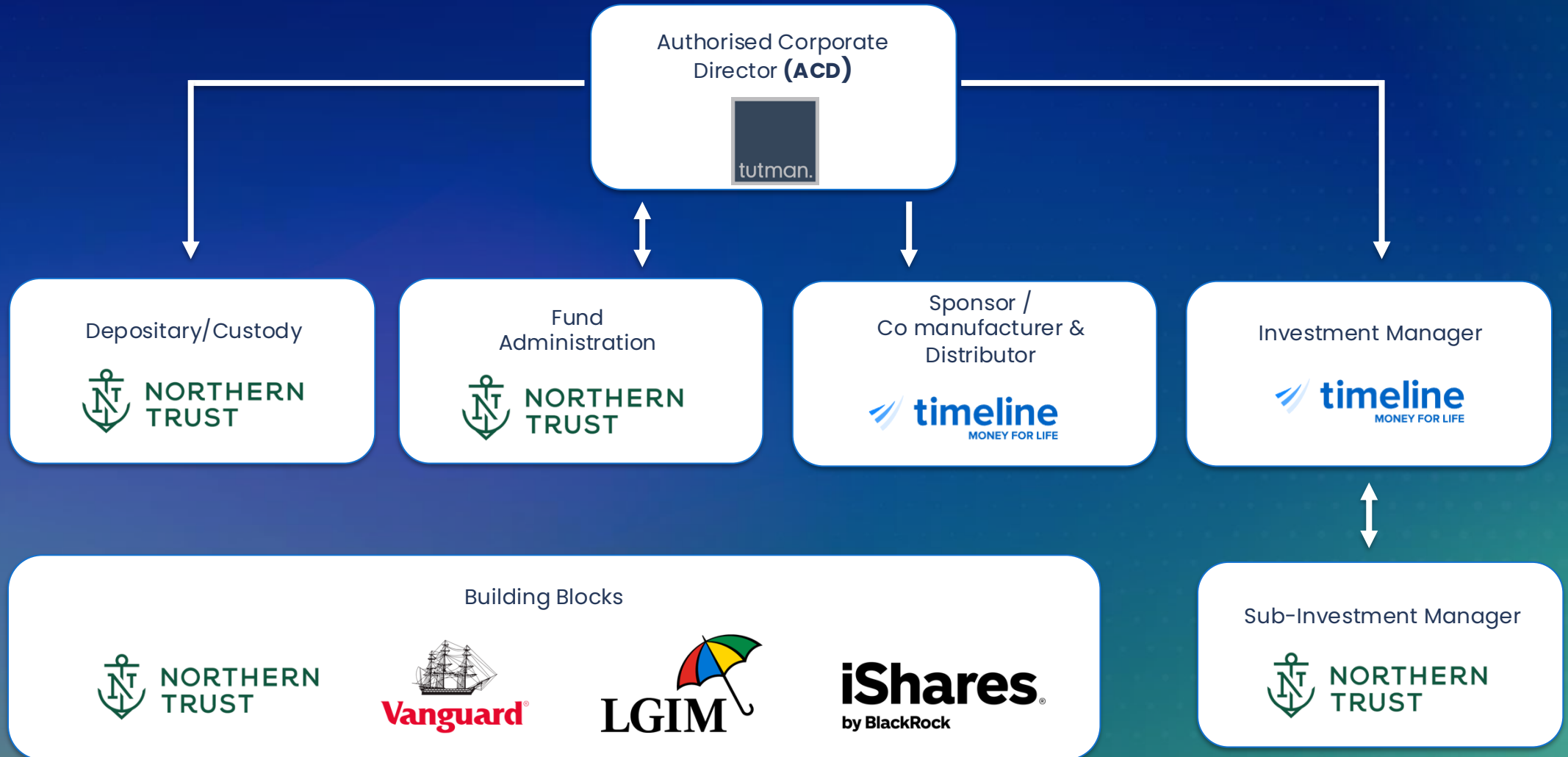
**TM Timeline  
100% Equity**



MPS

**Tracker 100**

# How the Multi-Asset Fund is structured



# The same building blocks across all four funds

Identical underlying index funds; the equity to bond split is what changes by risk profile.

## FIXED INCOME

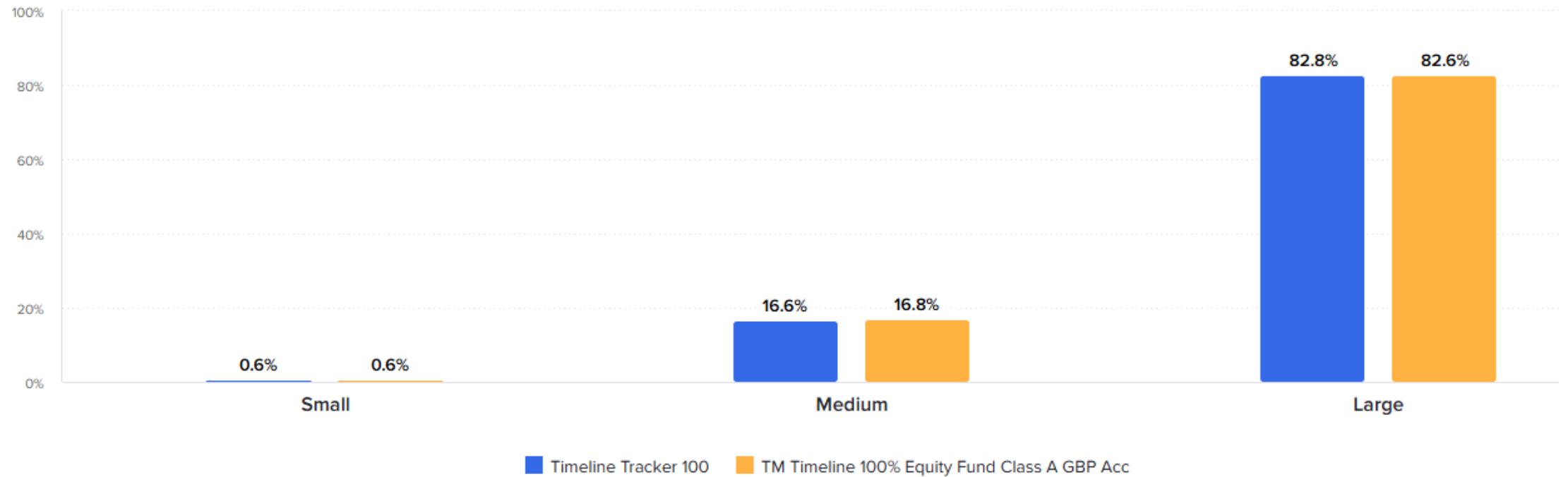
NT Global Bond Index Fund	<b>40%</b>
NT Global Bond 1-5 Year Index Fund	<b>24%</b>
Vanguard UK Investment Grade Bond Index	<b>20%</b>
Vanguard UK Government Bond Index	<b>8%</b>
Vanguard UK Inflation-Linked Gilt Index	<b>8%</b>

## EQUITY

Legal & General International Index Trust	<b>32%</b>
The NT World Equity Index Feeder Fund	<b>32%</b>
Vanguard FTSE Developed World ex-UK Index	<b>25%</b>
The NT EM Equity Index Feeder Fund	<b>5%</b>
L&G Global Emerging Markets Index Fund	<b>4%</b>
iShares UK Equity Index Fund (UK)	<b>2%</b>

# Equity exposure mirrors the Tracker

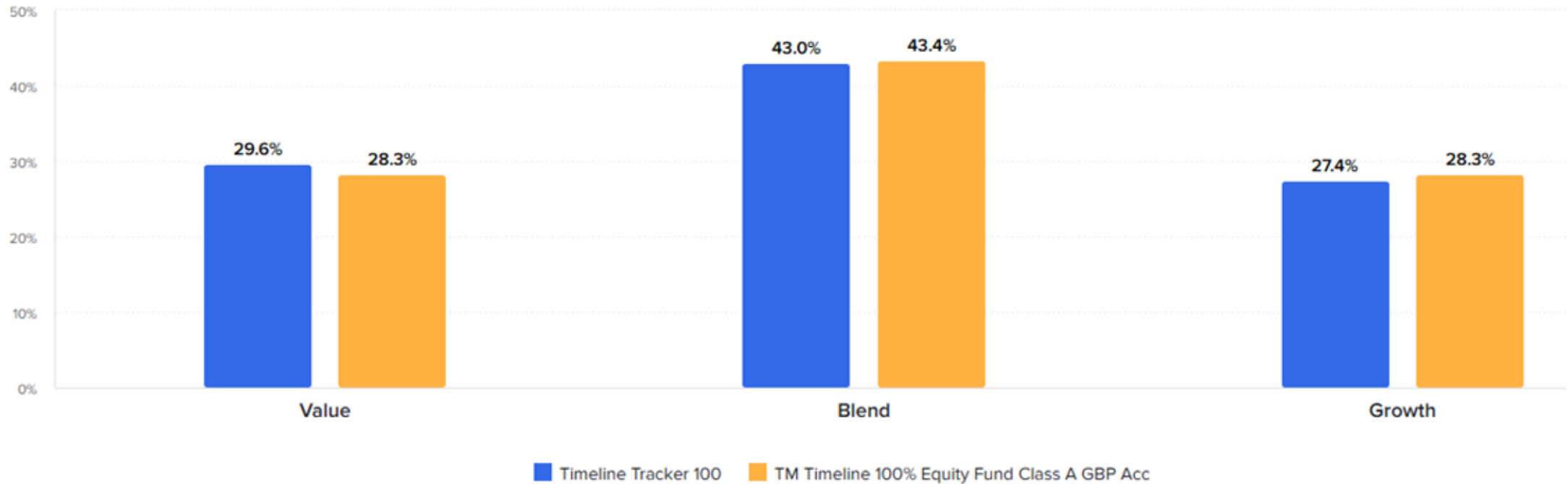
Company size exposure: TM Timeline 100% Equity vs Timeline Tracker 100



Source: Timeline Control Centre based on Morningstar data (provided without liability), correct as at 23.06.26. Shown for the 100% equity profile.

# Equity exposure mirrors the Tracker

Investment style exposure: TM Timeline 100% Equity vs Timeline Tracker 100



Source: Timeline Control Centre based on Morningstar data (provided without liability), correct as at 23.06.26. Shown for the 100% equity profile.

# We believe rebalancing should be driven by market movements

For illustrative purposes only – not advice. Past performance is not a reliable indicator of future results.

£100,000 Invested in 50%/50% Global Equity /Bond Portfolio, 30 Yrs, 1% Fee

**£30,655**

	Worst	50th	Best
Quarterly	£294,507	£897,281	£3,005,673
Annual	£306,627	£933,472	£3,056,157
5% Band	£307,102	£934,132	£3,102,133
10% Band	£313,164	£964,127	£3,038,580

We evaluated all monthly rolling 30-year periods from 1 Jan 1915 to 31 Dec 2025, resulting in 972 distinct scenarios. For each rebalancing approach, we report the 0th (worst), 50th (median), and 100th (best) percentiles of the portfolio value at the end of the 30-year period. Figures based on historical index data; assuming income reinvested. Sources: Global Equities: Morningstar Global All Cap Target Market Exposure Index and DMS World Equity TR Index. Global Bonds: Morningstar Global Core Bond Index and DMS World Bond TR Index.

## PERFORMANCE TO DATE

# Same strategy, so why are the numbers not identical?

Returns track closely. The small gaps come from four mechanical sources, not from different investment decisions.



### Cost

The fund OCF versus the MPS charge plus underlying fund costs plus the platform line.



### Data Timing

MPS feeds data directly from underlying funds. Fund data is delayed as underlying data updates, then Morningstar updates with a 2-day lag. Performance is same day.



### Rebalancing cadence

When and how often each is rebalanced back to target.



### Valuation timing

The fund strikes a single daily price; the underlyings price at different points.

# MPS vs. Fund Performance Difference

TM Timeline Fund	Timeline Tracker MPS	Performance difference since 12/01/2026, Fund vs Tracker
TM Timeline 30–50% Equity Fund	Timeline Tracker 40	+0.08%
TM Timeline 50–70% Equity Fund	Timeline Tracker 60	+0.10%
TM Timeline 70–90% Equity Fund	Timeline Tracker 80	+0.19%
TM Timeline 100% Equity Fund	Timeline Tracker 100	+0.18%

Data collected from Timeline’s Control Centre based on Morningstar Data (provided without liability). Correct as at 23.06.2026

**For illustrative purposes only.** The figures shown are differences in returns between paired strategies over the period indicated – they are not the past performance of either the TM Timeline Funds or Timeline Tracker MPS, and should not be relied upon as an indication of future returns. **Past performance is not a reliable indicator of future results.**

PART TWO

# Why use a Multi-Asset Fund?



**CGT efficiency**



**Natural income**



**Dividends, not interest**



**Platform options**



**FSCS protection**

# Rebalancing inside the fund is not a client disposal



## Multi-Asset Fund

The manager buys and sells underlying funds inside the fund.

**None of that activity is a disposal by the client.**

A gain is only realised when the client sells units of the fund itself.



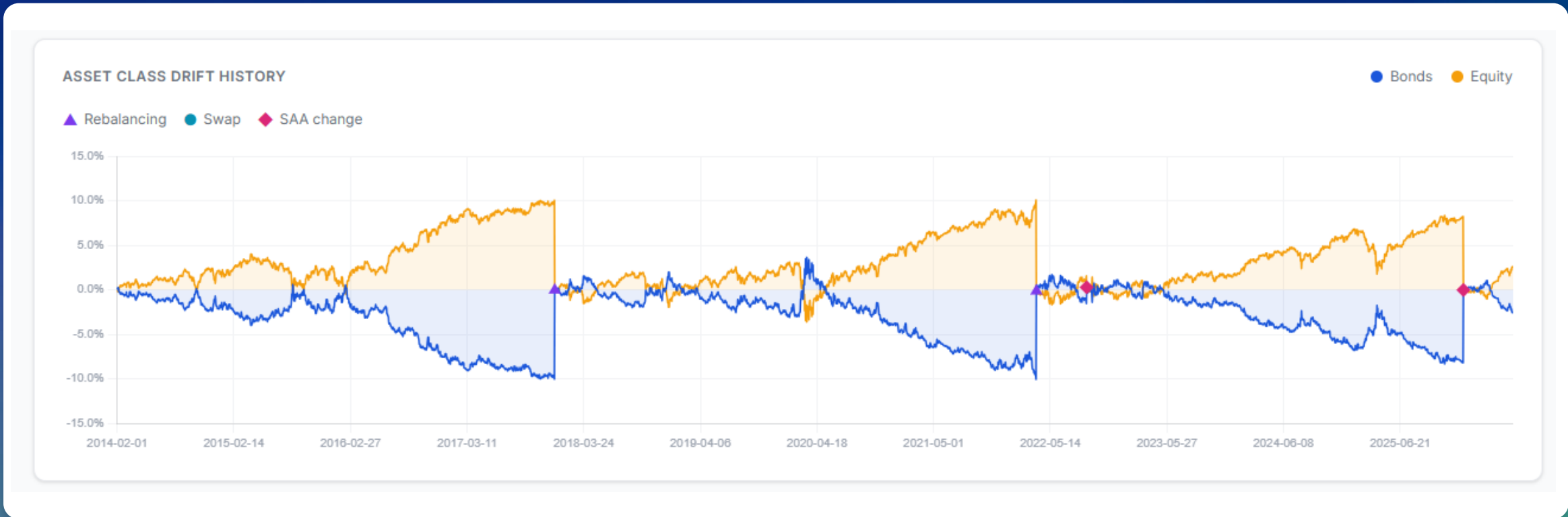
## Model Portfolio Service

The client holds the underlying funds directly.

**Every rebalance is a disposal of those funds.**

In a GIA, each rebalance is a potential CGT event.

# Quantifying the benefit: fund vs MPS in a GIA



*Illustrative only and for information purposes. Not advice or a personal recommendation. Historical simulation of the Timeline Tracker 40 portfolio (Tracker inception 2020), back-tested from the inception date of the youngest fund in the original allocation, using actual model drifts and rebalances; data from Timeline via Morningstar API. Assumes constant £3,000 annual CGT exempt amount and prevailing CGT rate. **Past performance is not a reliable indicator of future results. Tax treatment depends on individual circumstances and may change.***

# Quantifying the benefit: fund vs MPS in a GIA

VALUE GAP, FUND BENEFIT

**25,450.80 GBP**

CUMULATIVE CGT PAID, MPS

**20,362.16 GBP**

TAX DRAG

**11.33%**

Capital gains tax impact: 100,000 GBP invested, 2014 to 2025

● TM Timeline 30-50% Equity (no CGT) ● Timeline Tracker 40 (after CGT)



*Illustrative only and for information purposes. Not advice or a personal recommendation. Historical simulation of the Timeline Tracker 40 portfolio (Tracker inception 2020), back-tested from the inception date of the youngest fund in the original allocation, using actual model drifts and rebalances; data from Timeline via Morningstar API. Assumes constant £3,000 annual CGT exempt amount and prevailing CGT rate. **Past performance is not a reliable indicator of future results. Tax treatment depends on individual circumstances and may change***

# Availability of Income share classes

An Income (Inc) share class pays distributions out; an Accumulation (Acc) class rolls them up.



## Working Example

Client required to pay **£61,875 p.a.** as an expense from trust assets of **£2,750,000 – natural income required.**

$£61,875 \div £2,750,000 = 2.25\%$  **yield required.**



## Solution: TM Timeline 50–70% Equity (Inc)

Income yield of **2.36% = £64,900 p.a.**

**Income need fully covered — £3,025 surplus.**  
Natural yield meets the £61,875 obligation without selling units or touching capital within the fund.

*Illustrative example for information purposes only – not advice or a personal recommendation. Yield shown is the actual fund yield as published in the fund factsheet dated 31 May 2026. **Tax treatment depends on individual circumstances and current rates and allowances, which may be subject to change in future.** This is not tax advice.*

# Distributions arrive as dividends, not interest



**The 60% rule.** Funds holding  $\leq 60\%$  in interest-bearing assets classify distributions as dividends. All funds in the range are expected to pay dividend distributions under this rule. In theory, TM Timeline 30-50% Equity could pay interest should there be negative equity drift for more than one calendar year.



## Working Example: Corporate Investor

A UK company invests £1,000,000 in MAF. At a 2.36% illustrative yield, annual income = £23,600.

### As dividends

Exempt from corporation tax → full £23,600 retained

### As interest

Corporation tax at 25% = £5,900 → £17,700 retained

Annual Saving  
**£5,900**

per year  
Dividends exempt from CT  
Interest is not

*Illustrative working example only and for information purposes – not advice or a personal recommendation. The 2.36% yield is hypothetical, used here to match the indicative fund factsheet level as at 31 May 2026; actual yields will vary. **Yields and tax treatment depend on individual circumstances and may be subject to change in future.***

# Broad platform availability



## Available across platforms

The fund is accessible on the major adviser platforms, widening where it can be used.



## A single line to hold

One holding to buy, value and report, rather than a basket of underlying funds per client.



## No model drift

Rebalancing happens inside the fund, so there is no gap between rebalances to manage.



## Simpler re-registration

Moving platform means moving one line, not unwinding and rebuilding a model.

# FSCS cover, underpinned by the structure



**85,000 GBP**  
per eligible person, per firm

*FSCS protection applies to the fund as a UK-  
authorised NURS.*



## Independent ACD

Tutman sits outside Timeline as Authorised Corporate Director.



## Segregated custody

Northern Trust holds assets as depositary and custodian, ring-fenced from the manager.



## Authorised and regulated

A UK-authorized fund under the FCA framework, eligible for FSCS cover.

# When is an MPS still the better answer?



## Cost

Tracker OCF + DFM fee = 0.16% vs MAF at 0.20%.



## Transparency

Full visibility of every underlying holding within the MPS.



## ISAs & Pensions

No CGT wrapper needed – tax-advantaged accounts eliminate the capital gains consideration.



## Tax Loss Harvesting

Possible within an MPS at individual holding level. Not available within a fund structure.



## Lower Barriers to Entry

Bespoke opportunities with much lower minimum investment thresholds.

LIVE DEMONSTRATION

# Timeline Planning

Setting up a charity for natural income, and testing whether it lasts.



## The client

A charity drawing 2.2% natural income from an Inc share class.



## The test

Whether that income is sustained over a 100-year horizon.



## The output

A cash-flow plan the trustees and adviser can rely on.

LIVE DEMONSTRATION

# Pennee, your AI agent

Finding the clients with GIAs.



**Pennee**



**Ask in plain English**

"Show me clients holding GIAs in Timeline Planning."



**Surface the candidates**

The clients where the CGT case is live.

# Key Takeaways



## Same strategy, two wrappers

The fund and the Tracker MPS share the same building blocks. The difference is structure, tax and operations.



## The wrapper decides

In an ISA or SIPP the tax case is off; in a GIA or bond it is live.



## The fund's edge is tax and simplicity

Deferral of CGT, natural income option, one line and no model drift.



## The MPS still wins for some

Cost advantage (0.16% vs 0.20%), full transparency of holdings, ISA and pension suitability, tax loss harvesting, and lower barriers for bespoke opportunities.

Thank you!

# ANY QUESTIONS?

MULTI-ASSET FUND OR MPS?

A Practical Guide to Choosing the Right Solution

LAURENTIUS VAN DEN  
WORM, CFA  
Head of Investment Strategy



**Email** support@timeline.co  
**Office** 70 Gracechurch St  
London  
EC3V 0HR

**timeline.co**

**FOR PROFESSIONAL ADVISER USE ONLY — NOT FOR RETAIL DISTRIBUTION. This document is for information purposes only and is not advice or a personal recommendation.**

This document has been created for information purposes only and has been compiled from sources believed to be reliable. None of Timeline, its directors, officers or employees accepts liability for any loss arising from the use hereof or reliance hereon or for any act or omission by any such person, or makes any representations as to its accuracy and completeness. This document does not constitute an offer or solicitation to invest, it is not advice or a personal recommendation nor does it take into account the particular investment objectives, financial situation or needs of individual clients and it is recommended that you seek advice concerning suitability from your investment adviser.

Investors are warned that past performance is not a reliable indicator of future results, income is not guaranteed, share prices may go up or down and you may not get back the original capital invested. The value of your investment may also rise or fall due to changes in tax rates and rates of exchange if different to the currency in which you measure your wealth. Tax treatment depends on the individual circumstances of each client and is subject to change in future.

Timeline investing and platform services are provided by Timeline Portfolios Limited (No. 11557205), which is authorised and regulated by the Financial Conduct Authority (FRN: 840807). Timeline planning software and tools are provided by Timelineapp Tech Limited (No. 11405676) and are not regulated by the Financial Conduct Authority. Both companies are registered in England and Wales with their registered office at 70 Gracechurch Street, London, EC3V 0HR.

# Appendix

# Why Northern Trust?

As both sub-investment manager and as a fund manager?

- 1) Asset and Investment Management Capabilities**
- 2) Cost Efficient Opportunity**
- 3) Institutional asset servicing capabilities**
- 4) Track Record**

# Why a NURS structure vs. UCITS?

Key Benefits for Advisers & Clients:

## **Greater flexibility in portfolio concentration**

- 34% vs. 20% maximum concentration in positions

## **FSCS Protection**

- £85,000 per person, per firm

## **No Excess Reportable Income in GIAs**

- Removes the ERI reporting burden for advisers and clients
- Advisers no longer need to collate the data; clients no longer need to report it
- Reduces complexity and time for both parties