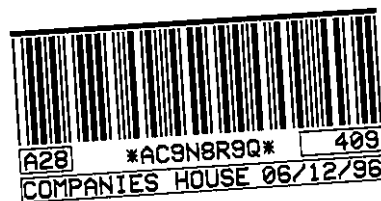


Company Registration No. 2296144

**THE LAW SOCIETY PENSION SCHEME LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996**



**THE LAW SOCIETY PENSION SCHEME LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996**

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THE LAW SOCIETY PENSION SCHEME LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and financial statements for the year ended 30 June 1996 which has been approved by the Board on 2 December 1996.

CONSTITUTION

The company was incorporated as a company limited by Guarantee and not having a share capital, on 14 September 1988. By its Articles, membership is limited to such persons as shall be proposed for membership by the Council of the Law Society as approved by the Directors. The company is a subsidiary of the Law Society, which is incorporated by Royal Charter in Great Britain and is regarded by the Directors as the ultimate parent.

PRINCIPAL ACTIVITIES OF THE COMPANY

The company is at present solely engaged in acting as Trustee of The Law Society Pension Scheme which is governed by the trust deed and rules and is approved as an "exempt approved scheme" under the terms of the Income and Corporation Taxes Act 1988.

FINANCIAL STATEMENTS

The company did not trade in the year; the balance sheet at 30 June 1996 is attached.

DIRECTORS

The Directors who served since 1 July 1995 were:

F G Bignell	
C N Wright	
M S Howells	(resigned 16 October 1996)
Mrs M Wright	
K P Byass	(appointed 15 November 1995, resigned 16 October 1996)
S J Partridge	(appointed 29 November 1996)
Miss J C Hern	(appointed 5 June 1996, resigned 18 September 1996)
M R Mathews	(appointed 16 October 1996)
Mrs. J Johnson	(appointed 16 October 1996)
R Sayer	(appointed 16 October 1996)

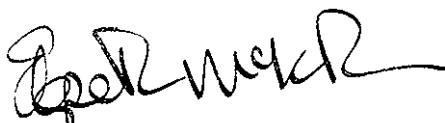
DIRECTORS' EMOLUMENTS

No Director received any remuneration during the period covered by this report.

AUDITORS

The current auditors, Messrs Deloitte & Touche have expressed willingness to continue in office.

BY ORDER OF THE BOARD



Secretary

2 December 1996

THE LAW SOCIETY PENSION SCHEME LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the Directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE LAW SOCIETY PENSION SCHEME LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF THE LAW SOCIETY PENSION SCHEME LIMITED

We have audited the financial statements on pages 5 and 6 which have been prepared under the accounting policy set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

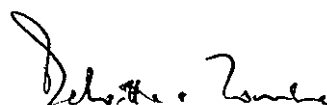
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 30 June 1996 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hill House
1 Little New Street
LONDON
EC4A 3TR

2 December 1996



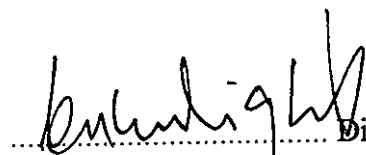
DELOITTE & TOUCHE
Chartered Accountants
and Registered Auditors

THE LAW SOCIETY PENSION SCHEME LIMITED

BALANCE SHEET

30 JUNE 1996

The Company has neither assets nor liabilities.


..... Director
C N Wright
2 December 1996


..... Director
M R Mathews
2 December 1996

THE LAW SOCIETY PENSION SCHEME LIMITED

NOTES TO THE ACCOUNTS Year Ended 30 June 1996

1. ACCOUNTING POLICY

The financial statements are prepared in accordance with applicable accounting standards. The particular policy adopted is described below.

The financial statements are prepared under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the year or the preceding year and accordingly, no profit and loss account or statement of recognised gains and losses has been prepared. None of the Directors received any remuneration (1995 - £Nil) and the company had no employees apart from the Directors (1995 - none). The auditors' remuneration is borne by the Law Society.

3. CONTINGENCY

The members' liabilities are limited by guarantee to £1 each. At 30 June 1996, the company had four members.