Clifford Chance Pension Scheme

CLIFFORD CHANCE PENSION SCHEME

(Scheme Registration Number : 10137020)

ANNUAL REPORT

For the year ended 30 April 2012

Clifford Chance Pension Scheme

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Clifford Chance Pension Scheme

CLIFFORD CHANCE PENSION SCHEME : TRUSTEE AND ADVISERS

TRUSTEE : Clifford Chance Pension Trustees Limited, 10 Upper Bank Street, London, E14 5JJ

(The Trustee may be appointed and removed by the sponsoring employer, Clifford Chance London Limited and the Trustee Directors may be appointed and removed by Clifford Chance Pension Trustees Limited under its articles of association.)

BOARD OF DIRECTORS

Partners
David Dunnigan
Jeremy Kosky
Tim Page (appointed 7 September 2011)
Robin Tremaine

Member Nominated
Alison Blackwell
Alistair Dawson (appointed 1 July 2011)
David Hatchard (appointed 1 July 2011)
Ian Shay (resigned 30 June 2011)
Tim Sherwood-King
Andy Steward (resigned 6 May 2011)

INVESTMENT MANAGERS

1. Legal & General Investment Management - One Coleman Street, London EC2R 5AA
2. Kames Capital (formerly Aegon) - Aegon House, Edinburgh Park, Edinburgh EH12 9SA
3. Majedie Asset Management Ltd, 10 Old Bailey, London EC4M 7NG
4. Bedlam Asset Management, 20 Abchurch Lane, London EC4N 7BB (to 20 April 2012)
5. Standard Life Investments, 1 George Street, Edinburgh EH2 2LL (from 9 December 2011)
6. JP Morgan Asset Management, 20 Finsbury Street, London EC2Y 9AQ
7. Walter Scott & Partners, One Charlotte Square, Edinburgh EH2 4DR
8. BlackRock Investment Management - Grenville Street, St Helier, Jersey JE1 0BR
9. Prudential M&G - Laurence Poutney Hill, London EC4R 0HH
10. Schroder Property Investment Management - 31 Gresham Street, London EC2V 7QA
11. Clerical Medical Investment Group - PO Box 174, Walton Street, Aylesbury, Bucks HP21 7YP
12. Equitable Life Assurance Society - Walton Street, Aylesbury, Bucks HP21 7QW
13. Scottish Widows plc - PO Box 902, 15 Dalkeith Road, Edinburgh EH16 5BU
14. Aviva Life & Pensions UK Limited - PO Box 520, Norwich NR1 3WG

SCHEME ACTUARY
Keith Poulson FIA,
Prospect House, Abbey View
St Albans, Hertfordshire, AL1 2QU

LEGAL ADVISERS
1. Clifford Chance LLP
10 Upper Bank Street,
London E14 5JJ

2. Sackers LLP
29 Ludgate Hill
London EC4M 7NX

BANKERS
National Westminster Bank PLC
21 Lombard Street
London EC3P 3AR

INVESTMENT CONSULTANTS
Aon Consulting Ltd,
Prospect House, Abbey View
St Albans, Hertfordshire, AL1 2QU

AUDITOR
Deloitte LLP, Chartered Accountants
& Registered Auditor
Gatwick

ADMINISTRATORS
Clifford Chance London Limited
10 Upper Bank Street, Canary Wharf
London E14 5JJ

Clifford Chance Pension Scheme

TRUSTEE'S REPORT - 30 APRIL 2012

Introduction

This will be the twentieth occasion on which the full report and accounts of the Scheme have been prepared, and for a number of years now have been available to all members on the Scheme's website along with a summary of the key information. In our report, we will review the events which have had a bearing on the Scheme over the accounting period. The accounts on pages 25 to 32 have been prepared and audited in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996. The accounting period covered by this report is for the 12 months to 30 April 2012.

Scheme Constitution and Background

The Clifford-Turner Pension Scheme was formed and took effect from 1 January 1978, and following the merger between Clifford-Turner and Coward Chance was renamed, from 1 May 1988, the Clifford Chance Pension Scheme (the "Scheme"). Originally the Scheme only provided benefits linked to salary at retirement or leaving service (final salary benefits). A Money Purchase section was introduced in March 1996 and was made available to all existing eligible employees at that time, and thereafter all eligible new employees. From October 2002 the Scheme was no longer made available to new lawyers joining Clifford Chance and the Money Purchase section was no longer made available to any new entrant, and from January 2005 the Scheme was closed to all new entrants.

Following the conclusion of a consultation exercise carried out by the Scheme's Principal Employer, Clifford Chance London Limited, with active members in early 2011 the Scheme was closed to future benefit provision with effect from 1 May 2011.

Clifford Chance Pension Trustees Ltd is the corporate trustee which administers the Scheme. At the end of the financial year there were eight Trustee Directors, four of whom being Scheme Members and the remaining four being partners in Clifford Chance LLP (the "Firm"). One of the partners in the firm, Tim Page was appointed a Trustee Director on 7 September 2011. Later on in our report we set out the changes to the Member Nominated Trustee Directors during the year.

Day-to-day administration of the Scheme is dealt with by the in-house pensions administration team, but the Trustee Directors retain overall control of the Scheme and the ability to exercise discretion over the payment of benefits as and where set down in the Trust Deed.

The purpose of the Scheme is to provide benefits for members and their dependants. The benefits, which are summarised on the following pages, were designed to provide a member with a level of income in retirement and to provide for the members' dependants on their death. The Scheme was not contracted-out of the State Second Pension (S2P), so both the basic and additional state pension benefits may be paid in addition to the pension from the Scheme.

The Scheme is an exempt approved scheme with HMRC and is now a registered scheme under the Finance Act 2004. The Scheme investments are held in a trust which is completely separate from the

TRUSTEE'S REPORT (continued)

Firm's own funds.

The following is a summary of the benefit structures under the Scheme. It should be noted that the Trust Deed and Rules prevail in the event of any doubt or conflict.

Summary of Clifford Chance Pension Scheme - Final Salary section benefits

- A retirement pension from age 65 for men and women based on length of pensionable service and final pensionable salary as at retirement or ceasing pensionable service if earlier (subject to an earnings "Cap" where appropriate) with an option to exchange part of the pension for a tax-free cash sum on retirement.

- The option of an early retirement pension to be paid at any time after age 55, subject to the consent of the Principal Employer and the Trustee Directors. This pension would be reduced to take account of the early payment.

- In the event of a member's death in service the following would be payable;
    - (i) lump sum equal to 4 x salary (subject to an earnings "Cap" where appropriate) together with the value of any voluntary contributions the member may have made to the Scheme's investment options.
    - (ii) a widow's or widower's pension equal to 50% of the member's own pension.

- If a member dies whilst in retirement, a widow's or widower's pension would be paid to a surviving legal spouse. This pension would be equal to 50% of the member's own pension before any part of that pension was exchanged for cash.

- If a member left the Scheme or ceased to accrue benefits in the Scheme prior to normal retirement date, having completed two years' pensionable service, their entitlement would be:-
    - (i) a deferred pension payable at normal retirement date with the option of early payment at any time after age 55 at a reduced rate.
    - (ii) automatic increases to the pension between the time of leaving the Scheme and the time the pension commences.
    - (iii) a 50% spouse's pension on death before or after retirement.
    - (iv) as an alternative to (i) (ii) and (iii), the value of the benefits could be transferred to another approved pension arrangement.

- Up until 6 April 1997 pensions in payment received discretionary increases which although not guaranteed, were equal to the increase in the Retail Prices Index for well over ten years. Increases to pensions in payment after 6 April 1997 have been guaranteed to be equal to the change in the RPI up to a maximum of 5% per annum. Any further increases (for example where the change in the RPI is over 5%) are provided only at the discretion of the Firm.

Clifford Chance Pension Scheme

TRUSTEE'S REPORT (continued)

- The Scheme was non-contributory on the part of the members as their employer met the full cost of all the benefits.
- Until 30 April 2011 members could choose to make voluntary contributions which would increase the benefits they eventually receive.

N.B. For members who joined the Scheme from 1 June 1989 the salary on which benefits were calculated was subject to a maximum under the Rules of the Scheme, which for the tax year 2011/2012 amounts to £129,600 (2010/2011: £123,600).

The Employer had the right to suspend or cease future contributions, and subject to the consent of the Trustee Directors, to amend the Scheme Rules. In this respect the Scheme ceased future benefit provision with effect from 1 May 2011.

Summary of Clifford Chance Pension Scheme - Money Purchase section benefits

- A retirement pension from age 65 for men and women based and dependent on the cost of purchasing a pension annuity at that time and the then value of the total funds built up in:

  (i) a unitised fund, managed as follows:-

UK Equities –	Legal & General and Majedie (previous managers included HSBC Asset Management and Liontrust)
Overseas Equities –	Legal & General, JP Morgan and Walter Scott (previous managers included HSBC Asset Management, Frank Russell and Bedlam)
Diversified Growth –	Standard Life
Corporate Bonds -	Kames (formerly Aegon)
Property –	M&G, BlackRock and Schroders

  and/or;

  (ii) a with-profits contract:-

  available from Clerical Medical since June 2001 and Equitable Life previously

  and/or;

  (ii) a cash fund:-

  available through Clerical Medical, since October 2004.

  There is an option to take part of the funds built up as a tax-free cash sum at retirement.

- The option of an early retirement pension to be paid at any time after age 55. This pension would take into account the higher cost of purchasing a pension annuity at an earlier age.
- In the event of a member's death in service the following would be payable:-

  (i) lump sum equal to 4 x salary (subject to an earnings "Cap" where appropriate) together with the then value of any voluntary contributions the member may have made to the Scheme's investment options;

  (ii) the then value of the total funds built up in the Scheme's investment options,

TRUSTEE'S REPORT (continued)

in respect of any Employer contributions, would be used to purchase a spouse or dependant pension, or any other benefits permitted by HMRC. The level of these benefits would be determined by the cost of providing such benefits at that time.

- If a member dies whilst in receipt of a retirement pension, a widow or widower pension would be paid to a surviving legal spouse only if the pension annuity was purchased with an attaching cover for a spouse on death and not single life only. Any spouse's pension would then be paid at the rate purchased at retirement (normally 50% of the rate of pension on death).
- If a member leaves the Scheme prior to normal retirement date having completed two years' pensionable service, their total funds held in the Scheme's investment options would continue to be invested until:-

  (i) payment of retirement benefits are taken at any time after age 55.

  (ii) death occurs before payment of retirement benefits are taken. The then value of any voluntary contributions would be returned to the deceased's dependants or nominated beneficiaries and the then value of any Employer contributions would be used to purchase a spouse or dependant pension, or any other benefits permitted by the Inland Revenue, based on the cost of providing such benefits at that time.

  (iii) as an alternative to (i) and (ii) the then value of the funds built up could be transferred to another approved pension arrangement.

- Increases to any pensions in payment after 6 April 1997 are guaranteed to be equal to the change in the RPI up to a maximum of 5% per annum.
- The Scheme is non-contributory on the part of the members. Until 30 April 2011 Employer contributions commenced after two years' membership at the rate of 5% of pensionable salary up to age 35 and 10% from age 35. Service which has already been served: in continuous non-pensionable employment, in continuous pensionable employment without financial support from the Employer, or in continuous pensionable employment within the Final Salary section of the Scheme where no benefit entitlement has been accrued, will count towards the two years' membership period before the Employer contribution is made.
- Until 30 April 2011 members could choose to make voluntary contributions which will increase the benefits they eventually receive.

N.B. For members who joined the Scheme from 1 June 1989 the salary on which benefits were calculated was subject to a maximum under the Rules of the Scheme, which for the tax year 2011/2012 amounts to £129,600 (2010/2011: £123,600).

TRUSTEE'S REPORT (continued)

The Employer had the right to suspend or cease their future contributions, and subject to the consent of the Trustee Directors, to amend the Scheme Rules. In this respect the Scheme ceased future benefit provision with effect from 1 May 2011.

Member Nominated Trustee Directors (MNTDs)

Since 1997 there has been a formal procedure for the nomination and selection of members of the Scheme to serve as Directors of the Trustee. There were normally four MNTDs, with at least three drawn from active members. Following the closure of the Scheme to future benefit provision from 1 May 2011, with all existing active members then becoming deferred members, the Trustees agreed a new procedure for the nomination and selection of MNTDs. Two of the MNTDs will be an existing deferred member and an existing pensioner member, with the remaining two MNTDs being either further deferred members or further pensioner members. These new arrangements were put into place with effect from 1 July 2011 following a nomination and selection exercise. As a result the current MNTDs are: Alison Blackwell (Deferred Member); Alistair Dawson (Pensioner Member); David Hatchard (Pensioner Member) and Tim Sherwood-King (Deferred Member).

Investment Strategy

The target asset allocation as at the beginning of the financial year was a split of 40.5% in UK Equities, 32% in Overseas Equities, 20% in UK long dated Corporate Bonds and the remaining 7.5% in Commercial Property. It was agreed in May 2011 to increase the target asset allocation in Commercial Property from 7.5% to 10% through ongoing cash allocation, with an ongoing overall reduction in UK and Overseas Equities.

In November 2011 it was agreed to invest in a Diversified Growth Fund with Standard Life and to amend the target asset allocation to 35% in UK Equities, 25% in Global Equities, 10% in Diversified Growth, 20% in UK long dated Corporate Bonds and 10% in Commercial Property.

The managers and target allocations in place at the end of the year are shown below:-

UK Equities –	35% of assets, of which Legal & General 60% "passive" and Majedie 40% "active" (previous managers included HSBC Asset Management and Liontrust);
Overseas Equities –	25% of assets, of which Legal & General 70% "passive", JP Morgan 15% "active" and Walter Scott 15% "active" (previous managers included HSBC Asset Management, Frank Russell and Bedlam);
Diversified Growth –	10% of assets all with Standard Life "active" from Dec 2011;
Corporate Bonds -	20% of assets all with Kames Capital (formerly Aegon Asset Management) "active" in their Core Plus and Long Core Plus funds;
Property –	10% of assets split between M&G, Schroders and BlackRock "active".

TRUSTEE'S REPORT (continued)

The investment of future contributions will continue to be structured in order to complete the target allocation as far as is possible and practicable (subject to regular reviews of investment strategy). All of the managers will continue to be reviewed regularly and, should it be considered appropriate, subject to change at any time.

Trustee Board

The Directors who served during the year and to the date of this report are listed on page 1. In the twelve month period covered by these accounts, the Trustee Directors met on six occasions. The Trustee Directors are kept up to date with the management of the funds through monthly and quarterly reports from Aon Hewitt.

Increases to Pensions in Payment and Deferred Pensions

In January 2012, pensions in payment from this Scheme were increased in line with the change in the Retail Prices Index (RPI) over the previous twelve months, resulting in an increase of 4.8% in respect of benefits accrued for service completed up to 6 April 2005 and 2.5% in respect of benefits accrued for service completed after 6 April 2005.

Up until 1997 increases in line with inflation were not guaranteed. In response to the requirement under the Pensions Act for pensions in payment, in respect of benefits accrued for service completed after 6 April 1997, to be increased by the change in the RPI (up to a maximum of 5% per annum) the sponsoring employer elected to extend this guarantee to pensions in payment for both pre- and post- 6 April 1997 service benefits. A subsequent change was made in the year ended 30 April 2005, in respect of benefits accrued for service completed after 6 April 2005, to be increased by the change in the RPI (up to a maximum of 2.5% per annum).

Deferred members who left the final salary section of the Scheme after 31 December 1985 continue to have all of their deferred pensions increased on 1 April each year by the change in the RPI over the previous twelve months (up to a maximum of 5% per annum where appropriate). This resulted in an increase of 3.5% on 1 April 2012 and 5% (being the maximum based on the RPI increase of 5.3%) on 1 April 2011.

The increases to pensions in payment and to deferred pensions refer to the rate of change in the RPI as set out under the rules of the Scheme and as a result changes to the use of CPI (Consumer Prices Index) have no bearing.

Benefit Statements

Individual benefit statements were issued to all members of the Final Salary section of the Scheme in October 2012 (with regard to Voluntary Contributions only) and these will continue to be issued every year. At the same time, members of the Money Purchase section of the Scheme have received a statement setting out the contributions paid and their value.

TRUSTEE'S REPORT (continued)

Actuarial Assumptions

The Trustee Directors appoint an independent actuary to assess and help ensure that the Scheme has sufficient assets to meet the potential liabilities under the Final Salary section as they fall due.

The actuary last carried out a valuation of the Scheme as at 30 April 2010 and included in this annual report therefore are actuarial statements (pages 12 to 17) which were formally implemented from the date of certification, being 28 April 2011. The valuation confirmed that the ongoing contribution rate to provide the pension benefits promised under the Final Salary section increased from 10.4% to 12.25% of pensionable salary to take effect from 1 May 2010 and in this respect the Principal Employer agreed to implement early at this increased rate for the Scheme year ended 30 April 2011. Following the closure of the Scheme to future benefit provision with effect from 1 May 2011 however no further ongoing contributions have been due although deficit repair contributions remain payable.

In addition to this, the Principal Employer pays an insurance premium to cover the cost of providing the death in service lump sum benefit.

The Trustee Directors agreed with the sponsoring employer and the actuary, a Schedule of Contributions which sets out the rate and due dates for the payment of all contributions to the Scheme. A Schedule was agreed dated 28 April 2011 and included in this annual report is the latest certificate from the actuary (page 12).

Contributions

All contributions due to the Scheme must be paid in accordance with the Schedule of Contributions as already mentioned. The Schedule in place setting out the contribution payments for the period covered by these accounts was certified by the actuary on 28 April 2011. The Schedule of Contributions require all employer contributions for the Final Salary section of the Scheme to be paid by the end of the month following the end of the Scheme Year (i.e. by 31 May 2012 for the year ended 30 April 2012). Details of the contributions paid are set out in the Summary of Contributions in Note 3 to the financial statements on page 28.

If contributions are not paid across to the Scheme by the Principal Employer within 30 days of the due date, the Trustees must advise the Pensions Regulator, and if not paid across within 60 days of the due date, the Trustees must inform the Scheme members. Contributions due to the Scheme during the year ended 30 April 2012 were paid at least in accordance with the Schedule of Contributions.

Transfer Values and Buy Outs

All transfer values and buy outs paid from the Final Salary section of the Scheme on behalf of members who have left the Scheme have been calculated on an actuarial basis and verified in accordance with regulations under the Pension Schemes Act 1993. This basis provides as a minimum an amount consistent with that used for the purposes of Section 57 of the Pensions Act 1995, subject only to appropriate adjustments. All transfers take into account increases to pensions in payment,

TRUSTEE'S REPORT (continued)

which up until 6 April 1997 were provided on a discretionary basis, and represent the full cash equivalent of the benefits members would have received had they opted for deferred benefits from the Scheme. Discretionary benefits, other than the discretionary increases to pensions in payment until 6 April 1997 referred to earlier, were not allowed for in the calculation of transfer values. All transfer values received into the Scheme are treated as money purchase investments and benefits are thereafter provided on a value of fund basis.

Membership

As can be determined from the membership statistics below, the number of Deferred Members and Pensioners of the Scheme has decreased slightly. As the Scheme matures, the number of Pensioners will form an increasing proportion of the members of the Scheme who have pension benefit entitlements.

Membership Statistics

	CCPSFS Full Members (i)	CCPSMP Full Members (i)	PPP Holders(ii)	LA Only Members(ii)	CCPSFS/CCPSMP Deferred Members (iii)	CCPSFS Pensioners
At 30 April 2011	0	0	1,554	375	4,319	408
Joiners	-	-	190	244	-	-
Leavers (with no Scheme benefits)	-	-	(192)	(311)	-	-
Leavers (with deferred pension)	-	-	-	-	-	-
Transfers out of Scheme	-	-	-	-	(17)	-
Retirements	-	-	-	-	(26)	27
Deaths	-	-	-	-	-	(6)
At 30 April 2012	0	0	1,552	308	4,276	429

CCPSFS = Clifford Chance Pension Scheme Final Salary section

CCPSMP = Clifford Chance Pension Scheme Money Purchase section

PPP/LA = Personal Pension Plan/Life Assurance

Notes:-

(i) Following the closure of the Scheme to future benefit provision after 30 April 2011 there are no longer any Full Members.

(ii) These employees remain covered for death in service lump sum life assurance benefits only under the Scheme.

(ii) Deferred Members are employees who have left the Scheme but retain a right to a pension to be paid to them once they reach age 65 (or for some females, age 60). Following the closure of the Scheme to future benefit provision after 30 April 2011 there are 604 Deferred Members who also remain members of the Scheme for death in service life assurance benefits.

TRUSTEE'S REPORT (continued)

Voluntary Contributions

Although the Scheme was non-contributory on the part of the members, there was an option for members to pay voluntary contributions to enhance the benefits eventually paid from the Scheme. This continued to be a popular option with the members and, as at 30 April 2012, approximately 800 members still have voluntary contributions invested in the Scheme. Until March 1996 these were invested entirely separately from the rest of the Fund through with-profits or unit-linked insurance policies with Equitable Life, Scottish Widows and Aviva. Since April 1996 a unitised Mixed Managed Fund was made available as an investment option, with assets managed alongside the assets of the Final Salary section of the Scheme.

Following the closure of Equitable Life to new business a replacement with-profits investment option, operated by Clerical Medical, was made available to members. From October 2004 a cash fund was also made available through Clerical Medical. Further details regarding the voluntary contribution investments are given in the Investment Report from page 18. The value of individual members' voluntary contribution funds is notified to them on an individual basis each year.

Enquiries about the Scheme

All enquiries concerning either section of the Scheme should be made in the first instance to Andrew Darlison, Clifford Chance LLP, 10 Upper Bank Street, Canary Wharf, London E14 5JJ (andrew.darlison@cliffordchance.com). Alternatively, you can speak to any of the Trustee Directors.

If you have a problem or query about your Clifford Chance pension benefits, this should be referred to Andrew or one of the Trustee Directors. If you are dissatisfied with the response and would like to make a formal request for your enquiry to be considered further, the Trustee Directors have set up, in accordance with the requirement under the Pensions Act, a procedure for dealing with such enquiries and this is known as the Internal Dispute Resolution Procedure (IDRP). Details of this procedure should already have been provided or made available to you. If you would like further information or have mislaid the papers outlining the procedure then please contact Andrew.

Should you still remain dissatisfied with the response having completed the IDRP, you can seek further advice from The Pensions Advisory Service (TPAS), an independent body funded by the Government or the Pensions Ombudsman, and both are located at 11 Belgrave Road, London SW1V 1RB. The Pensions Tracing Service has been set up primarily to assist in tracing pension benefits which have arisen from previous employment. The Scheme has been registered with this body, so any leavers from the Scheme would be able to go through them to trace their pension benefits if they were to lose contact with the Firm after leaving.

Clifford Chance Pension Scheme

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, are the responsibility of the Trustee. Pension scheme regulations require the Trustee to make available to scheme members, beneficiaries and certain other parties, audited financial statements for each Scheme year which:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of that year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the scheme year; and
- contain the information specified in the Schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the Statement of Recommended Practice "Financial Reports of Pension Schemes".

The Trustee has supervised the preparation of the financial statements and has agreed suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an Annual Report.

The Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions showing the rates of contributions payable towards the Scheme by or on behalf of the Employer and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for monitoring whether contributions are made to the Scheme by the Employer in accordance with the Schedule of Contributions. Where breaches of the Schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

For and on behalf of the Trustee, Clifford Chance Pension Trustees Ltd.

Date: 30/11/2012 (D. DUNNIGAN) (T. H. SHERWOOD-KING)

Trustee Director Trustee Director

Certificate of schedule of contributions

Clifford Chance Pension Scheme

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the statutory funding objective could have been expected on 30 April 2010 to be met by the end of the period specified in the Recovery Plan dated 28 April 2011.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 28 April 2011.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Scheme's liabilities by the purchase of annuities, if the Scheme were to be wound up.

Signature: Keith Poulson	Date: 28 April 2011
Name: Keith Poulson	Qualification: Fellow of the Institute and Faculty of Actuaries
Address: Aon Hewitt Limited, Carnegie House, 21 Peterborough Road Harrow, Middlesex, HA1 2AJ	Name of employer: Aon Hewitt Limited

THE CLIFFORD CHANCE PENSION SCHEME

SCHEDULE OF CONTRIBUTIONS (May 2011)

1. *Effective date of valuation*: **30 April 2010.**

2. *Period covered by this Schedule*: **the period beginning with the date of the certificate of the Scheme actuary in relation to this Schedule (which is attached to this Schedule) and ending on 31 October 2017.**

3. *Employers covered by this Schedule*: all participating employers in the Scheme with employees in pensionable service from time to time. At the date of this Schedule, the only participating employer is Clifford Chance London Limited ("**CC London**").

4. *Rates of employer contributions*:-

4.1 Final Salary Section ongoing benefit accrual and expenses payable from Scheme funds - by each employer in respect of its employees in pensionable service under the Final Salary Section of the Scheme in respect of each Scheme Year (up to the date of closure of the Scheme to ongoing benefit accrual): **12.25% of Pensionable Salary.**

4.2 Money Purchase section - by each employer in respect of its employees in pensionable service under the Money Purchase Section of the Scheme who qualify for an employer contribution in accordance with the rules of the Scheme in respect of each Scheme Year (up to the date of closure of the Scheme to ongoing benefit accrual): subject as provided in Rule 5 of the Scheme, **5.0% of Salary, plus an additional 5.0% of Salary in respect of each such employee who has attained age 35.**

4.3 Final Salary Section deficit repair - CC London shall pay the following additional contributions in respect of deficit repair, in accordance with the Scheme recovery plan:

(a) In respect of each 31 May commencing 31 May 2011 up to (and including) 31 May 2017	£10.925m
(b) By 31 October 2017	£5.45m

The amount of each of the above payments (other than that in respect of 31 May 2011) shall be increased annually in line with the increase in the Retail Prices Index (as defined in the Scheme rules) for the period from 1 January 2010 to 1 January preceding the start of each respective 31 May before the payment is due.

4.4 The employers shall in addition pay such further contributions (if any) as may be required from time to time in accordance with the provisions of the Scheme, including pursuant to Clause 24 of the Definitive Trust Deed of the Scheme (augmentation of benefits) and proviso (i) to Rule 5.2 of the Scheme (variable employer contributions in respect of a Money Purchase Member).

5. *Dates for payment of employer contributions*:-

5.1 The contributions under paragraph 4.1 and paragraph 4.3 above shall be payable and due for payment by each respective 31 May. Throughout the Scheme Year preceding each 31 May payment date under this Schedule CC London shall pay monthly contributions on account of the contributions due under paragraphs 4.1 and 4.3 of this Schedule as determined by the Scheme administrators on a monthly basis (and making appropriate allowance for the netting off arrangements referred to in paragraph 6 below, if applicable) and the attached spreadsheet shows the anticipated monthly contributions as agreed by the Scheme administrators and the parties hereto. The Scheme administrators will aim to carry out a reconciliation of the total contributions due at each respective 31 May payment date against the payments made on account during the Scheme Year preceding 31 May payment date in order to determine the balancing payments to be made to the Scheme by CC London or the balancing prepayment credit for CC London.

5.2 The contributions under paragraph 4.2 above shall be payable calendar monthly in arrears and are due for payment at the end of the month next following the month of payment of the Salary to which they relate.

6. *Netting-off against benefit payments* - the total of the contributions payable to the Scheme by CC London at each respective 31 May shall, unless and until agreed otherwise by the Principal Employer and the Trustee, be reduced by an amount equal to the total of the benefit payments made by (or on behalf of) CC London on an agency basis for and on behalf of the Trustee for the preceding twelve month period to each respective preceding 30 April. CC London confirms it will continue to pay all benefit payments due from the Trustee on its behalf.

7. *Date of this Schedule* - the date of this Schedule shall be the latest of the dates of signature under paragraph 8 below.

8. This Schedule has been agreed between CC London and the Trustee:-

Signed:..Trustee Director **Date:** 28 April 2011

Signed:..Trustee Director **Date:** 28th April 2011

For and on behalf of Clifford Chance Pension Trustees Limited (as Trustee)

Signed:.. **Date:** 28 April 2011

For and on behalf of Clifford Chance London Limited

Notes to the Schedule

(i) This Schedule supersedes the previous schedule of contributions for the Scheme (dated July 2008) with effect on and from the date of the certificate of the Scheme actuary in relation to this Schedule (which is attached to this Schedule). The contributions payable under paragraph 4.1 in respect of any period before the certification of this Schedule shall be reduced by the contributions paid under paragraph 4.1 of the previous schedule. The contributions payable under paragraph 4.3 in respect of the 31 May 2011 payment date shall be reduced by the amount of the deficit repair contributions that have been paid by CC London after 30 April 2010 and before the date of certification, on account of the amounts due under paragraph 4.3 of the previous schedule.

(ii) The employers have agreed that contributions in respect of employees in Pensionable Service under the Final Salary Section of the Scheme should be paid at the rate provided for in paragraph 4.1 of this Schedule with effect on and from 1 May 2010 until the date of closure of the Scheme to ongoing benefit accrual.

(iii) The Scheme is non-contributory for members. This Schedule does not refer to members' voluntary contributions, which are subject to a statutory payment regime, although these will cease from the date of closure of the Scheme to ongoing benefit accrual.

(iv) Employer contributions are payable by reference to each active member's "Pensionable Salary" (for the Final Salary Section, paragraph 4.1) and "Salary" (for the Money Purchase Section, paragraph 4.2), each as defined in the rules of the Scheme.

(v) At the date of this Schedule, the "Scheme Year" for the Scheme is the period of 12 months beginning on 1 May in each year.

(vi) For a member of the Money Purchase Section for whom a contribution is paid by his/her employer at the rate of 5.0% of Salary at 1 May 2010 and who attains age 35 before 30 April 2011, the additional 5.0% contribution referred to in paragraph 4.2 of this Schedule is payable only in respect of each month from (and including) the month in which the member attains age 35 or, if the member attains age 35 on or after the 16th day of that month, in respect of each month from (and including) the next following month.

(vii) Subject as provided in Clause 20 of the Definitive Trust Deed of the Scheme, the Principal Employer bears the administration and management costs and expenses (including PPF levy and other levies) of the Scheme (other than expenses connected with the investment of Scheme funds, which are provided for in the funding of the Scheme and paid from the Scheme funds) and the cost of life assurance premiums. The costs and expenses borne by the Principal Employer on behalf of or as agent for the Trustee are paid on an indemnity basis as they fall due for payment.

(viii) The certificate of the Scheme actuary in relation to this Schedule is attached to and forms part of this Schedule.

(ix) This Schedule is subject to review at each triennial valuation of the Scheme and otherwise may be reviewed by agreement between the Scheme employers and the Trustee (in which case the revised schedule of contributions for the Scheme must again be certified by the Scheme actuary).

(x) Save as provided by legislation, nothing in this Schedule shall affect the employers' rights and obligations regarding the payment of contributions to the Scheme in accordance with the rules of the Scheme from time to time and for the avoidance of any doubt:-

   (a) The employers' contributions in respect of employees in pensionable service under the Money Purchase Section of the Scheme (paragraph 4.2 of this Schedule) shall be subject to variation, reduction and suspension in accordance with the provisions of Rule 5 of the Scheme.

   (b) It shall not be a breach of the requirements of this Schedule for any employer to pay more contributions to the Scheme in respect of any period than are provided for in paragraph 4 of this Schedule.

Example of
contribution payment

Appendix 4 - Actuarial Certification of the calculation of Technical Provisions

Name of scheme: Clifford Chance Pension Scheme

Calculation of technical provisions

I certify that, in my opinion, the calculation of the scheme's technical provisions as at 30 April 2010 is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustee of the scheme and set out in the Statement of Funding Principles dated 28 April 2011.

Signature:

Keith Poulson.

Date: 28 April 2011

Name: Keith Poulson

Qualification: Fellow of the Institute and Faculty of Actuaries

Address:
Carnegie House,
21 Peterborough Road,
Harrow
HA1 2AJ

Name of employer: Aon Hewitt Limited

Clifford Chance Pension Scheme

INVESTMENT REPORT - 30 APRIL 2012

At 30 April 2012, the assets of the Clifford Chance Pension Scheme had a total market value of £290.9m (after reducing the assets by £7.7m of advance employer contributions, which are treated as a liability), compared to £275.1m at 30 April 2011. This Investment Report considers the investments of the Scheme for the twelve month period up to 30 April 2012.

Investment Management and Fees Basis

At the end of the year the investments of the Clifford Chance Pension Scheme were managed as follows (target asset allocations are shown accordingly):-

UK Equities -	35% of assets, of which Legal & General Investment Management 60% "passive" and Majedie Asset Management 40% "active" (previous managers included HSBC Asset Management and Liontrust);
Overseas Equities -	25% of assets, of which Legal & General Investment Management 70% "passive", JP Morgan Asset Management 15% "active" and Walter Scott & Partners 15% "active" (previous managers included HSBC Asset Management, Frank Russell and Bedlam);
Diversified Growth -	10% of assets all with Standard Life Investments "active" from Dec 2011;
Corporate Bonds -	20% of assets all with Kames Capital (formerly Aegon Asset Management) "active" in their Core Plus and Long Core Plus funds;
Property -	10% of assets split between M&G Corporation Pensions Property Fund, Schroders Exempt Property Unit Trust (Primary Units) and BlackRock UK Property Fund (formerly Merrill Lynch) "active".

The Trustee Directors set investment guidelines, then delegate the day-to-day administration of the investments to the managers. The investment management fees charged by all managers involve a cancellation of units in the pooled funds and are not expressed explicitly.

Investment Strategy

It is the responsibility of the Trustee Directors to identify objectives and to set an appropriate strategy to achieve them. In seeking to maintain investment returns, the Trustee Directors must have proper regard to an appropriate level of risk and the level of benefits to be provided.

It is the duty of the Trustee Directors to ensure that the assets of the Scheme are invested in such a way that long-term investment return is as high as possible whilst avoiding unnecessary risks. It is often the case that more risky investments can provide the highest level of return, but with higher potential return comes greater risk.

During the year, a broad based portfolio of investments was maintained, covering pooled investment vehicles investing in UK and overseas ordinary company shares (equities), corporate bonds, property and cash. In accordance with Section 35 of the Pensions Act, the Trustee Directors have adopted a

INVESTMENT REPORT (continued)

Statement of Investment Principles setting out guidelines for the Investment Managers.

The statement in place during the year was updated to reflect the changes in investment managers and target asset allocation in March 2012. A copy of the latest statement is available on request from Andrew Darlison in the London office.

The Trustee Directors instruct the Investment Managers as to the general manner in which the funds should be invested. The long-term target at the end of the year was 35.0% in UK equities, 25.0% in Overseas Equities, 10.0% in Diversified Growth Funds, 20.0% in Corporate Bonds and 10.0% in Commercial Property. It had been agreed in May 2011 to increase the target asset allocation in Commercial Property from 7.5% to 10% and this would be achieved through ongoing cash allocation.

The managers are permitted to move away from these targets (within a range specified by the Trustee Directors). This mix of investments provides a suitable spread for the Scheme bearing in mind that, in pension scheme terms, the Scheme is relatively young, both in terms of the age of its membership and the length of time that the Scheme has been in operation. During the year the mix of investments remained within the range specified by the Trustee Directors in the Statement of Investment Principles.

The managers aim to invest this portfolio in a manner which would enable them to produce real investment returns which adequately meet the long-term pension liabilities of the Scheme. The Trustee Directors report that the Scheme is prohibited from holding any employer-related investments.

Scheme Investment Performance

The last performance report made available by the investment managers was as at 31 March 2012. Over the 12 month period ended 31 March 2012, the Scheme's assets returned 5.7% outperforming a benchmark return of 4.3% by 1.4%. The benchmark was the appropriate asset indices.

ASSET SECTOR RETURNS 1.4.11 - 31.3.12					
Equities		Bonds		Property	
Market	Index Management	Market	Index Movement	Market	Index Movement
UK	1.4%	IBoxx £ Non Gilt fixed interest	17.4%	IPD UK Pooled Fund Indices	5.6%
Global	0.3%				

- Over a three-year period the Fund achieved a return of 17.0% p.a. which was above the comparative asset indices of 15.4% p.a.
- Over a ten-year period the Fund achieved a return of 5.8% p.a. which was above the comparative asset indices of 5.6% p.a.

INVESTMENT REPORT (continued)

Portfolio Activity

The table below shows the asset allocation distribution at 31 March 2011 and 2012.

Asset Distribution

	Clifford Chance Pension Scheme		Target Benchmark	
	31.3.11	31.3.12 (*)	31.3.11	31.3.12
	%	%	%	%
UK - Quoted Equities	NIL	NIL	NIL	NIL
UK - Pooled Investment Vehicles, made up of:	67.5	72.1	68.0	75.0
Property Units (managed funds and unit trusts)	6.5	9.0	7.5	10.0
Corporate Bonds (unitised insurance policy)	21.1	19.4	20.0	20.0
Diversified Growth (units in pooled investment vehicle)	-	9.2	-	10.0
Equities (units in pooled investment vehicle)	39.9	34.5	40.5	35.0
OVERSEAS - Pooled Investment Vehicles (units in Open Ended Investment Companies - OEICs)				
Equities	32.5	27.6	32.0	25.0
TOTAL EQUITIES	72.4	62.1	72.5	60.0
CASH	-	0.3	-	-
TOTAL	100.0	100.0	100.0	100.0

* These asset distribution statistics are as at 31 March 2012. During April 2012 an investment of employer contribution funding was held in Cash on a temporary basis for subsequent investment. As a result of this and investment performance between 31 March and 30 April 2012 the asset distribution allocations at 30 April 2012 were: UK Pooled Investment Vehicles of 70.6% (made up of Property units of 8.8%, Corporate Bonds of 19.2%, Diversified Growth of 9.0% and Equities of 33.6%) and Overseas Pooled Investment Vehicles in Equities of 26.4%, resulting in Total Equities of 60.0% and Cash of 3.1%.

Voluntary Contributions (VCs)

Since March 1996 members have had the choice between two investment options for VCs, namely:

1. a with-profits arrangement, intending to provide steady growth; and
2. the unitised mixed asset fund investment, which is shared with the main pension scheme, but separately identified by the pensions administration team unitisation arrangements. This should provide higher returns in the longer term, but is likely to be more volatile in the short term.

A further investment option, a cash based fund operated by Clerical Medical, was made available from October 2004.

1. **With-Profits Arrangement**

The Trustee Directors originally selected Equitable Life as the office for members who wished to pay VCs on a with-profits basis. This decision was reviewed and Clerical Medical now operate the ongoing with-profits contract. The funds which support with-profits contracts invest in a diversified range of assets, but in order to support the guarantees offered by the contracts, the

INVESTMENT REPORT (continued)

funds maintain a larger exposure to fixed interest investments and a correspondingly smaller amount in equities, compared to typical unit-linked managed funds.

Life Office with-profits contracts have a capital guarantee and a bonus structure which enables the capital value of an investment to accumulate steadily. The Clerical Medical policy offers an accumulation of "Bonus Interest" each year and a terminal bonus at the end of the contract term.

It is not possible to provide a sensible analysis of the performance for either the Equitable Life or Clerical Medical with-profits funds, or to compare them against other with-profits funds. This is primarily due to the changing bonus rates and adjustments under with-profit policies.

The Clerical Medical with-profits option has been available since June 2001. The with-profits fund invests in a wide range of stocks and shares. The returns achieved on these investments within their with-profits fund will determine the level of growth achieved by investors in the with-profits fund. This growth is achieved by way of a regular bonus added to member's funds each year. By awarding a regular bonus, the with-profits fund aims to smooth out any fluctuations in market performance. At retirement or on leaving the Scheme, members may also receive an additional bonus payment (the "terminal bonus") to reflect the investment earnings from the with-profits fund. This will depend on the performance of the fund over the period they are invested.

The regular bonus declared on 1 February 2012 was 1%. The terminal bonus rates are reviewed by Clerical Medical and have declined in recent years partly as a result of the decrease in the value of underlying assets of the With-Profits Fund (which is consistent with a decrease of asset values in general).

2. Mixed Managed Fund

The investment selected by the Trustee Directors was the unitised fund.

The managers in place at the end of the year are shown below together with their respective target asset allocations:-

UK Equities –	35% of assets, of which Legal & General 60% "passive" and Majedie 40% "active" (previous managers included HSBC Asset Management and Liontrust);
Overseas Equities –	25% of assets, of which Legal & General 70% "passive", JP Morgan 15% "active" and Walter Scott 15% "active" (previous managers included HSBC Asset Management, Frank Russell and Bedlam);
Diversified Growth –	10% of assets all with Standard Life "active" from Dec 2011;

INVESTMENT REPORT (continued)

Corporate Bonds -	20% of assets all with Kames Capital (formerly Aegon Asset Management) "active" in their Core Plus and Long Core Plus funds;
Property –	10% of assets split between M&G, Schroders and BlackRock (formerly Merrill Lynch) "active".

This fund also includes the assets of the Final Salary section of the Scheme. The analysis is therefore provided within the main body of the investment section of this report.

Financial development of the Scheme

The financial statements show that the net assets at 30 April 2012 amounted to £290.9 million, an increase during the year of £15.9 million. Including a continued excess of income (contributions plus investment income) the increase also reflects a continuing improvement in the market value of investments.

Further details will be found in the financial statements which have been prepared and audited in accordance with the regulations made under section 41 (1) and (6) of the Pensions Act 1995.

Clifford Chance Pension Scheme

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE CLIFFORD CHANCE PENSION SCHEME

We have audited the financial statements of the Clifford Chance Pension Scheme for the year ended 30 April 2012 which comprise the fund account, the net assets statement and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustee, as a body, in accordance with regulation 3 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustee's Responsibilities, the Scheme's Trustee is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Scheme's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 30 April 2012 and of the amount and disposition at that date of its assets and liabilities, other than the liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE CLIFFORD CHANCE PENSION SCHEME (continued)

- contain the information specified in Regulation 3 of, and the Schedule to, the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Statutory Auditor
Gatwick, United Kingdom
30 November 2012

Clifford Chance Pension Scheme

FUND ACCOUNT FOR THE YEAR ENDED 30 APRIL 2012

	Note	2012			2011
		Final Salary £'000s	Money Purchase £'000s	Total £'000s	Total £'000s
Contributions and Benefits					
Contributions	3	11,267	-	11,267	10,203
Benefits	4	(2,678)	(3)	(2,681)	(2,825)
Leavers	5	(797)	(195)	(992)	(2,048)
Other payments	6	(178)	(7)	(185)	(182)
		(3,653)	(205)	(3,858)	(5,055)
Net additions/(withdrawals) from dealings for members		7,614	(205)	7,409	5,148
Returns on investments					
Investment income	8	527	18	545	372
Investment Management expenses	9	(295)	(10)	(305)	(1)
Change in market value of investments	10	7,678	538	8,216	25,823
Net returns on investments		7,910	546	8,456	26,194
Net increase in the fund during the year		15,524	341	15,865	31,342
Net assets of the Scheme At 1 May		264,853	10,210	275,063	243,721
At 30 April		280,377	10,551	290,928	275,063

Clifford Chance Pension Scheme

NET ASSETS STATEMENT AS AT 30 APRIL 2012

	Notes	2012 £'000s	2011 £'000s
Final Salary section			
Investment assets	10		
- Pooled Investment Vehicles		265,499	243,211
Voluntary Contributions		22,080	21,544
		287,579	264,755
Current Assets and Liabilities	11	(7,202)	98
		280,377	264,853
Money Purchase section			
Investment assets	10		
- Pooled Investment Vehicles		8,067	7,791
Voluntary Contributions		2,484	2,419
		10,551	10,210
Total net assets of the Scheme at 30 April		290,928	275,063

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the accounting period.

The actuarial position of the Scheme which does take account of such obligations is dealt with in pages 12 to 17 of this report and should be read in conjunction therewith.

The notes on pages 27 to 32 of this report form an integral part of these financial statements.

These financial statements were approved by the Trustee on 30/11/2012

Signed on behalf of the Trustee, Clifford Chance Pension Trustees Ltd:

Trustee Director

(D. DUNNIGAN)

Trustee Director

(T.H. SHERWOOD-KING)

Clifford Chance Pension Scheme

Notes to the financial statements - 30 April 2012

1. General

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 and with the guidelines set out in the Statement of Recommended Practice: Financial Reports of Pension Schemes (Revised May 2007). The principal accounting policies have been applied consistently in both the current and prior year.

The financial statements have been prepared on an accruals basis in accordance with applicable accounting standards.

2. Accounting Policies

(a) Contributions

Contributions from the employer have been paid for the period 1 May 2011 to 30 April 2012 in accordance with the Schedule of Contributions certified by the Scheme Actuary on 28 April 2011.

Internal transfers of members' voluntary contributions (VCs) are not recognised in the accounts as either transfers in or transfers out.

(b) Investment income

Interest income is accounted for on an accruals basis. Were dividends received direct from quoted investments these would be accounted for on the date when the shares first become ex-dividend.

Investment income is recognised in the accounts net of associated tax credits which are not recoverable by the Scheme. Any overseas withholding tax is recognised as income, but where this is not recoverable by the Scheme, it is shown separately as a tax charge.

(c) Pension Benefits

Pensions in payment and commutations are accounted for on an accruals basis.

(d) Transfers

Individual transfers into the Scheme are recognised in the accounts when payment has been received by the Trustee. Individual transfers out are recognised in the accounts when payment to the receiving scheme has been made.

(e) Investments

Pooled investment vehicles are stated at bid value reflecting the fair value at the year end date, as determined by the investment managers.

The increase or decrease on the market valuation of investments over the period is included within the Fund Account.

(f) Foreign exchange

Assets denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the period end. Differences arising are dealt with in the Fund Account in the changes in market value.

Notes to the financial statements (continued)

3. Summary of Contributions

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Employers' Normal				
- Clifford Chance London Limited	-	-	-	3,820
Deficit Funding (*)				
- Clifford Chance London Limited	11,082	-	11,082	5,080
Total payable under the Schedule of Contributions	11,082	-	11,082	8,900
In addition, the following amounts were paid:				
By Clifford Chance London Limited on behalf of the Scheme				
- Deficit Funding (**)	-	-	-	585
- Premiums on term insurance policies	185	-	185	182
	185	-	185	767
Members' Voluntary				
- Unitised Fund	-	-	-	451
- Scottish Widows	-	-	-	2
- Aviva	-	-	-	5
- Clerical Medical	-	-	-	78
Total	11,267	-	11,267	10,203

(*) Clifford Chance London Limited paid deficit funding contributions in accordance with the Schedule of Contributions dated 28 April 2011.

(**) Additional employer contributions were paid by Clifford Chance London Limited for the year ended 30 April 2011 due to the fact that the Schedule of Contributions certified on 28 April 2011 was backdated to take effect from 1 May 2010.

4. Benefits

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Pensions	2,293	-	2,293	2,175
Commutations and lump sum retirement benefits	362	3	365	235
Lump sum death benefits	23	-	23	415
Total	2,678	3	2,681	2,825

Notes to the financial statements (continued)

5. Leavers

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Individual transfers to other schemes	799	195	994	2,048

6. Other payments

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Premiums on term insurance policies	178	7	185	182

7. Administrative Expenses

All administrative, legal, accounting and audit costs are borne by Clifford Chance LLP.

8. Investment Income

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Interest on cash deposits	527	18	545	372

9. Investment management expenses

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Investment management fees	295	10	305	-
Investment transition charge	-	-	-	1
Total	295	10	305	1

Management fees in respect of pooled investment vehicles are recovered from the fund and units in issue and for 2011 reflected in the change in market values.

10. Investment assets

The investments of the Scheme are divided between the Final Salary and the Money Purchase sections. The aggregate amounts for the Final Salary and Money Purchase sections are identified separately for information purposes.

Notes to the financial statements (continued)

	Value at 1 May 2011 £'000s	Purchases at cost £'000s	Sales proceeds £'000s	Change in market value £'000s	Value at 30 April 2012 £'000s
Final Salary section - Investment assets					
Pooled investment vehicles	243,211	47,352	(33,153)	8,089	265,499
Final Salary section - Voluntary Contributions					
Pooled investment vehicles	16,724	3,256	(2,152)	(648)	17,180
External VC investments	4,820	-	(157)	237	4,900
	21,544	3,256	(2,309)	(411)	22,080
Final Salary section - Totals					
Pooled investment vehicles	259,935	50,608	(35,305)	7,441	282,679
External VC investments	4,820	-	(157)	237	4,900
	264,755	50,608	(35,462)	7,678	287,579
Money Purchase section - Investment assets					
Pooled investment vehicles	6,783	1,319	(1,241)	105	6,966
External MP investments	1,008	-	-	93	1,101
	7,791	1,319	(1,241)	198	8,067
Money Purchase section - Voluntary Contributions					
Pooled investment vehicles	2,419	471	(746)	340	2,484
Money Purchase section - Totals					
Pooled investment vehicles	9,202	1,790	(1,987)	445	9,450
External MP investments	1,008	-	-	93	1,101
	10,210	1,790	(1,987)	538	10,551

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Transaction costs are included in the cost of purchases and sales proceeds. Transaction costs include costs charged directly to the Scheme such as fees, commissions, stamp duty and other fees. In addition to the transaction costs, indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amount of transaction and indirect costs are not separately provided to the Scheme.

Notes to the financial statements (continued)

10. Investment assets (continued)

	Final Salary £'000s	Money Purchase £'000s	2012 Total £'000s	2011 Total £'000s
Pooled investment vehicles				
Managed funds - property	6,199	207	6,406	6,079
Unit trusts - property	18,662	624	19,286	10,717
Unitised insurance policies	54,145	1,810	55,955	56,353
Managed funds - equities	203,673	6,809	210,482	195,988
	282,679	9,450	292,129	269,137

Concentration of investment

The following investments represent more than 5% of the total value of the net assets of the Scheme.

	2012	2011
Legal & General Investment Management - UK Equity		
Market Value (£,000)	61,191	62,395
Percentage of net assets (%)	21.03%	22.68%
Legal & General Investment Management – Overseas Equity		
Market Value (£,000)	55,139	55,714
Percentage of net assets (%)	18.95%	20.25%
Kames Capital (formerly Aegon Asset Management) - Long Core Plus		
Market Value (£,000)	39,511	39,122
Percentage of net assets (%)	13.58%	14.22%
Majedie – UK Equity		
Market Value (£,000)	36,962	44,875
Percentage of net assets (%)	12.70%	16.31%
Standard Life – Diversified Growth		
Market Value (£,000)	26,370	-
Percentage of net assets (%)	9.06%	-
Kames Capital (formerly Aegon Asset Management) - Core Plus		
Market Value (£,000)	16,444	17,230
Percentage of net assets (%)	5.65%	6.26%

VC Investments

For those members who had elected to invest their own voluntary contributions (VCs) and/or the employer's contribution to the Money Purchase section a number of their assets are held separately in the form of insurance policies. The remainder of the assets are held in the form of units held in the main Unitised Fund. Members participating in these external arrangements and in the Unitised Fund receive an annual statement confirming the amounts held in their account and the movements in the year.

Notes to the financial statements (continued)

10. Investment assets (continued)

The aggregate amounts for the Final Salary and Money Purchase sections for all types of investments are as follows:

		2012 £'000s	2011 £'000s
Final Salary section			
Investment assets		265,499	243,211
Voluntary Contributions	- Internal	17,180	16,724
	- Scottish Widows	873	921
	- Aviva	144	191
	- Clerical Medical	2,442	2,296
	- Equitable Life	1,441	1,412
		287,579	264,755
Money Purchase section			
Investment assets	- Internal	6,966	6,781
	- Clerical Medical	995	906
	- Equitable Life	106	102
Voluntary Contributions	- Internal	2,484	2,419
		10,551	10,208

Contributions invested in the unitised fund are included in the main assets of the Scheme. All UK equity investments held were listed. All units in managed funds held during the year were controlled by companies registered in the UK.

11. Current assets and liabilities

	Final Salary £'000s	Money Purchase £'000s	2012 £'000s Total £'000s	2011 £'000s Total £'000s
Cash at bank	498	-	498	98
Employer deficit contributions received in advance (*)	(7,700)	-	(7,700)	-
	(7,202)	-	(7,202)	98

(*) During the year ended 30 April 2012 advance deficit repair contributions of £7,700,000 were received from Clifford Chance London Limited in respect of the year ending 30 April 2013.

12. Related Party Transactions

Five Directors of the Trustee Company have an interest as members of the Scheme. Where relevant benefits and contributions in respect of these members have been paid in accordance with the Schedule of Contributions. Clifford Chance LLP are one of the appointed legal advisers to the Scheme and Clifford Chance London Limited, the sponsoring employer and a service company which is funded by Clifford Chance LLP, are the appointed administrators for the Scheme.

Clifford Chance Pension Scheme

INDEPENDENT AUDITORS' STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEE OF THE CLIFFORD CHANCE PENSION SCHEME

We have examined the summary of contributions to the Clifford Chance Pension Scheme for the scheme year ended 30 April 2012 included within note 3 to the accounts.

This statement is made solely to the Trustee, as a body, in accordance with regulation 4 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body for our work, for this statement, or for the opinion we have formed.

Respective responsibilities of Trustees and the auditor

As explained more fully in the Statement of Trustee's Responsibilities, the Scheme's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions showing the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the Employer and the active members of the Scheme. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Scheme and for monitoring whether contributions are made to the Scheme by the Employer in accordance with the Schedule of Contributions.

It is our responsibility to provide a Statement about Contributions paid under the Schedule of Contributions and to report our opinion to you.

Scope of work on Statement about Contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have in all material respects been paid at least in accordance with the Schedule of Contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the Schedule of Contributions.

Statement about Contributions payable under the Schedule of Contributions

In our opinion contributions for the Scheme year ended 30 April 2012 as reported in the summary of contributions and payable under the Schedule of Contributions have in all material respects been paid from 1 May 2011 to 30 April 2012 at least in accordance with the Schedule of Contributions certified by the Scheme actuary on 28 April 2011.

Deloitte LLP

Deloitte LLP

Chartered Accountants and Statutory Auditor

Gatwick, United Kingdom

30 November 2012