

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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FILER

LPT VARIABLE INSURANCE SERIES TRUST

CIK: **936330** | IRS No.: **686119156** | State of Incorporation: **MA** | Fiscal Year End: **1231**
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Mailing Address	Business Address
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LONDON PACIFIC LIFE & ANNUITY COMPANY

LPLA SEPARATE ACCOUNT ONE
AND
LPT VARIABLE INSURANCE SERIES TRUST

REGENCY SERIES

FLEXIBLE CONTRIBUTION DEFERRED VARIABLE ANNUITY

ANNUAL REPORT
FOR THE PERIOD ENDED DECEMBER 31, 1996

This Annual Report has been prepared to provide information to the owners of London Pacific Life & Annuity Company's Regency Series Variable Annuity. If it is used for any other purpose, it must be accompanied or preceded by a current Regency Series prospectus, which discloses any charges and other important information about the Separate Account, together with the current prospectus for the LPT Variable Insurance Series Trust.

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MESSAGE FROM THE PRESIDENT

Dear Contract Owner:

We are pleased to provide you with the Annual Reports for LPLA Separate Account One and LPT Variable Insurance Series Trust for the year ending December 31, 1996. Thank you for investing with us!

As you may know, the financial markets have continued their upward trend, not only with a sharp rise in the Dow Jones industrial Average, but with increases in other major indexes like the S&P 500 and the Russell 2000 as well. As of this writing, the Dow Jones is breaking all records at the 7,000 level and confirms what some economists say is a sustained bull market. While we hope that you have benefitted from the rise in the markets and that you have diversified your assets according to your financial advisor's instructions, timing is everything. A noted economist once told me that the difference between a prudent investor and an anxious investor is three years. Opportunities will always exist to buy low and sell high. Depending on your entry date, any market can be volatile, even the best of bull markets.

We are pleased to announce that the 1996 performance* of the underlying LPT Variable Insurance Series [nest portfolios has been very good since the February 9, 1996 effective date. Most of the Portfolios performed quite well relative to

their comparative indexes for the year. Strong Growth Portfolio was up 20.27% versus the Russell 2000 Stock Index of 14.55%, Lexington Corporate Leaders Portfolio was up 12.84% and MAS Value Portfolio was up 20.39% versus the S & P 500 Stock Index of 15.14% and the Lipper Growth & Income Index of 14.14%. Strong International Portfolio was up 5.85% versus the Morgan Stanley EAFE Index of 3.99% and Berkeley Smaller Companies Portfolio was up 2.42% versus the Russell 2000 Stock Index of 14.55%. MFS Total Return Portfolio was up 9.81% versus the Lipper Balanced Fund Index of 9.41% and Salomon U. S. Quality Bond Portfolio was up 2.27% versus the Lipper Government Intermediate Index of 2.16%.

When considering the financial markets for 1997, diversify your assets and expect volatility. Furthermore, it is always a good idea to keep in touch with your financial advisor, especially if the market environment changes.

Thank you for selecting the Regency Variable Annuity. We appreciate the confidence that you have placed in us. and we look forward to serving your investment needs for the future.

Mark E. PRILLAMAN
 President
 LPT Variable Insurance Series Trust

*Past performance of unmanaged indexes or of the LPT Variable Insurance Series Trust Portfolios is no guarantee of future results. Investment return and principal value of the investment will fluctuate so that the investor's shares, when redeemed, may be worth more or less than their original cost. Performance numbers are net of all portfolio operating expenses, however they do not reflect the deduction of insurance charges against assets.

LPLA SEPARATE ACCOUNT ONE

STATEMENT OF ASSETS AND LIABILITIES

DECEMBER 31, 1996

<TABLE> <CAPTION> <S>	<C>	<C>	<C>	<C>	<C>
	MAS Value Sub-Account	MFS Total Return Sub-Account	Salomon U.S. Quality Bond Sub-Account	Salomon Money Market Sub-Account	Strong International Stock Sub-Account
	-----	-----	-----	-----	-----
ASSETS					
Investments in the LPT Variable Insurance Trust, at value (Note 3)	\$766,457	\$1,046,614	\$926,451	\$417,951	\$565,195
	-----	-----	-----	-----	-----
Total Assets	766,457	1,046,614	926,451	417,951	565,195
	-----	-----	-----	-----	-----
LIABILITIES					
Accrued expenses payable to London Pacific Life & Annuity Company (Note 4)	22	32	31	16	15
Amounts retained by London Pacific Life & Annuity Co. in LPLA Separate Account One (Note 7)	153,196	139,219	127,999	130,261	133,139
	-----	-----	-----	-----	-----
TOTAL LIABILITIES	153,218	139,251	128,030	130,277	133,154
	-----	-----	-----	-----	-----
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	\$613,239	\$907,363	\$798,421	\$287,674	\$432,041
	=====	=====	=====	=====	=====
UNIT VALUE	\$12.12	\$11.03	\$10.15	\$10.36	\$10.58
	=====	=====	=====	=====	=====
	50,583	82,279	78,700	27,763	40,840
	=====	=====	=====	=====	=====

</TABLE>
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	Strong Growth Sub-Account	Berkeley Smaller Companies Sub-Account	Lexington Corporate Leaders Sub-Account
Investments in the LPT Variable Insurance Trust, at value (Note 3)	\$722,959	\$674,793	\$489,190
Total Assets	722,959	674,793	489,190
LIABILITIES			
Accrued expenses payable to London Pacific Life & Annuity Company (Note 4)	17	17	13
Amounts retained by London Pacific Life & Annuity Co. in LPLA Separate Account One (Note 7)	160,583	131,253	144,672
TOTAL LIABILITIES	160,600	131,270	144,685
NET ASSETS ATTRIBUTABLE TO CONTRACT OWNERS	\$562,359	\$543,523	\$344,505
UNIT VALUE	\$12.62	\$10.35	\$11.51
	44,555	52,516	29,933

</TABLE>

See Notes to Financial Statements

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LPLA SEPARATE ACCOUNT ONE

STATEMENT OF OPERATIONS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996

<S>	<C> MAS Value Sub-Account	<C> MFS Total Return Sub-Account	<C> Salomon U.S. Quality Bond Sub-Account	<C> Salomon Money Market Sub-Account	<C> Strong International Stock Sub-Account
INCOME AND EXPENSES					
Income:					
Dividends from the LPT Variable Insurance Series Trust	\$19,181	\$15,103	\$37,717	\$15,124	\$2,659
Expenses:					
Mortality and other expense charges (Note 4)					
Net investment income	1,620	2,240	5,845	1,903	1,726
	17,561	12,863	31,872	13,221	36,980
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS.					
Net realized gain on sales of investments					
Net unrealized appreciation (depreciation) on investments Beginning of period	29	2	102	0	75
End of period					
Net unrealized appreciation (depreciation) during period	0	0	0	0	0
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	40,172	19,948	646	0	2,107
NET INCREASE (DECREASE) IN NET	40,172	19,948	646	0	2,107

ASSETS RESULTING FROM OPERATIONS

	40,201	19,950	748	0	2,182
	\$57,762	\$32,813	\$32,620	\$13,221	\$3,115

</TABLE>

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	<C> Strong Growth Sub-Account	<C> Berkeley Smaller Companies Sub-Account	<C> Lexington Corporate Leaders Sub-Account
INCOME AND EXPENSES			
Income:			
Dividends from the LPT Variable Insurance Series Trust	\$38,140	\$112,982	\$4,264
Expenses:			
Mortality and other expense charges (Note 4)			
Net investment income	1,160	1,558	672
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS.	36,980	111,424	3,592
Net realized gain on sales of investments			
Net unrealized appreciation (depreciation) on investments	551	85	4
Beginning of period			
End of period			
Net unrealized appreciation (depreciation) during period	0	0	0
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	(5,660)	(142,697)	24,589
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	(5,660)	(142,697)	24,589
	(5,109)	(142,612)	24,593
	\$31,871	(\$31,188)	\$28,185

</TABLE>

See Notes to Financial Statements

LPLA SEPARATE ACCOUNT ONE
STATEMENT OF CHANGES IN NET ASSETS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996

<TABLE>
<CAPTION>
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	<C> MAS Value Sub-Account	<C> MFS Total Return Sub-Account	<C> Salomon U.S. Quality Bond Sub-Account	<C> Salomon Money Market Sub-Account	<C> Strong International Stock Sub-Account
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS					
Net investment income	\$17,561	\$12,863	\$31,872	\$13,221	\$933
Net realized gain on sales	29	2	102	0	75
Net unrealized appreciation					

(depreciation) during the period	40,172	19,948	646	0	2,107
Net increase (decrease) in net assets resulting from operations	57,762	32,813	32,260	13,221	3,115
CONTRACT RELATED TRANSACTIONS:					
Transfers in from net premiums	286,034	414,918	95,545	2,841,064	155,627
Transfers out from contract related transactions	(357)	(3,655)	(3,368)	0	(1,948)
Transfers between Separate Account investment portfolios	297,996	477,506	676,623	(2,561,350)	283,386
Net increase in net assets resulting from contract related transactions	583,673	888,769	768,800	279,714	437,065
INITIAL CONTRIBUTION BY LONDON PACIFIC LIFE & ANNUITY COMPANY					
	125,000	125,000	125,000	125,000	125,000
Change in amount retained by London Pacific Life & Annuity Company in LPLA Separate Account One (Note 7)					
	(153,196)	(139,219)	(127,999)	(130,261)	(133,139)
INCREASE IN NET ASSETS	613,239	907,363	798,421	287,674	432,041
NET ASSETS, BEGINNING OF PERIOD	0	0	0	0	0
NET ASSETS, END OF PERIOD	\$613,239	\$907,363	\$798,421	\$287,674	\$432,041

</TABLE>

<TABLE>

<CAPTION><S>

	<C> Strong Growth Sub-Account	<C> Berkeley Smaller Companies Sub-Account	<C> Lexington Corporate Leaders Sub-Account
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS			
Net investment income	\$36,980	\$111,424	\$3,592
Net realized gain on sales	551	85	4
Net unrealized appreciation (depreciation) during the period	(5,660)	(142,697)	24,589
Net increase (decrease) in net assets resulting from operations	31,871	(31,188)	28,185
CONTRACT RELATED TRANSACTIONS:			
Transfers in from net premiums	227,819	246,768	187,429
Transfers out from contract related transactions	(2,879)	(1,896)	(53)
Transfers between Separate Account investment portfolios	341,131	336,092	148,616
Net increase in net assets resulting from contract related transactions	566,071	580,964	335,992
INITIAL CONTRIBUTION BY LONDON PACIFIC LIFE & ANNUITY COMPANY			
	125,000	125,000	125,000
Change in amount retained by London Pacific Life & Annuity Company in LPLA Separate Account One (Note 7)			
	(160,583)	(131,253)	(144,672)
INCREASE IN NET ASSETS	562,359	543,523	344,505
NET ASSETS, BEGINNING OF PERIOD	0	0	0
NET ASSETS, END OF PERIOD	\$562,359	\$543,523	\$344,505

</TABLE>

LPLA SEPARATE ACCOUNT ONE
Notes to Financial Statements
December 31, 1996

NOTE 1 - Organization

LPLA Separate Account One ("Separate Account") is a separate investment account

of London Pacific Life & Annuity Company ("Company"). The Separate Account was established on November 23, 1994 under the insurance laws of the State of North Carolina for the purpose of issuing flexible payment variable annuity contracts. Under North Carolina's insurance laws, the assets of the Separate Account are clearly identified and distinguished from the other assets and liabilities of the Company. The Separate Account cannot be charged with liabilities arising out of any other business of the Company.

The Separate Account is a unit investment trust registered with the Securities and Exchange Commission under the Investment Company Act of 1940. Contract owners may allocate their account values to one or more of the Separate Account's investment Sub-Accounts. Funds of the investment Sub-Accounts of the Separate Account are invested exclusively in a corresponding investment portfolio of the LPT Variable Insurance Series Trust ("Trust") managed by LPIMC Insurance Marketing Services ("LPIMC"), a registered investment advisor and a wholly-owned subsidiary of the Company.

NOTE 2 - Significant Accounting Policies

The following is a summary of significant accounting policies which are in conformity with generally accepted accounting principles consistently followed by the Separate Account in the preparation of its financial statements. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Investments - Security transactions are recorded on the trade date. Investments held by the Sub-Accounts are stated at the net asset value per share of the respective investment portfolio of the Trust. Realized gains and losses on sales of shares of the Trust are determined based on the first-in, first-out method. Dividends and capital gain distributions are recorded on the ex-dividend date and are reinvested in additional shares of the respective investment portfolio of the Trust.

Federal Income Taxes - Operations of the Separate Account are included in the income tax return of the Company, which is taxed as a life insurance company under the Internal Revenue Code. The Separate Account will not be taxed as a registered investment company under Sub-Chapter M of the Internal Revenue Code. Under existing federal income tax law, no taxes are payable on the investment income or on the capital gains of the Separate Account.

LPLA SEPARATE ACCOUNT ONE
Notes to Financial Statements
December 31, 1996

NOTE 3 - Investments

The number of shares owned, aggregate cost, and net asset value per share of each Sub-Account's investment in the Trust at December 31, 1996 were as follows:

<TABLE>
<CAPTION>

Investment Sub-Account	Number of Shares	Portfolio Information Aggregate Cost	Net Asset Value Per Share
<S>	<C>	<C>	
MAS Value	64,647	\$726,285	\$11.86
MFS Total Return	96,012	1,026,666	10.90
Salomon U.S. Quality Bond	94,436	925,805	9.81
Salomon Money Market	417,951	417,951	1.00
Strong International Stock	53,401	563,088	10.58
Strong Growth	60,664	728,619	11.92
Berkeley Smaller Companies	78,575	817,490	8.58
Lexington Corporate Leaders	42,749	464,601	11.44

</TABLE>

NOTE 4 - Related Party Transactions

The Company assesses a charge of 1.25% per annum based on the average daily net assets of each Sub-Account at each valuation date for mortality and expense risks. The Company also charges each Sub-Account .15% and .10% per annum based on the average daily net assets of each Sub-Account for administrative and distribution expenses, respectively. These charges are deducted from the daily

unit value of each Sub-Account but are paid to the Company on a monthly basis. A contract maintenance charge of \$36 is currently deducted on the policy anniversary date and upon full surrender of the policy when the accumulated value is \$50,000 or less.

London Pacific Financial and Insurance Services ("LPFIS"), a registered broker/dealer and wholly-owned subsidiary of the Company, is principal underwriter and general distributor of the Separate Account. LPFIS does not receive any compensation for sales of the variable annuity contracts.

LPLA SEPARATE ACCOUNT ONE
Notes to Financial Statements
December 31, 1996

Note 5 - Changes in Units Outstanding

Changes in units outstanding for the period January 31, 1996 (commencement of operations) to December 31, 1996 were as follows:

<TABLE>
<CAPTION>

Investment Sub-Account	Units Purchased	Units Transferred	Units Redeemed	Net Increase
<S>	<C>	<C>	<C>	<C>
MAS Value	23,988	26,628	(33)	50,583
MFS Total Return	37,908	44,705	(334)	82,279
Salomon U.S. Quality Bond	9,805	69,231	(336)	78,700
Salomon Money Market	277,258	(249,495)	0	27,763
Strong International Stock	14,759	26,267	(186)	40,840
Strong Growth	17,977	26,809	(231)	44,555
Berkeley Smaller Companies	22,713	29,987	(184)	52,516
Lexington Corporate Leaders	16,470	13,468	(5)	29,933

</TABLE>

NOTE 6 - Diversification Requirements

Under the provisions of Section 817(h) of the Internal Revenue Code a variable annuity contract, other than a contract issued in connection with certain types of employee benefit plans, will not be treated as an annuity contract for federal income tax purposes for any period for which the investments of the segregated asset account on which the contract is based are not adequately diversified. The Code provides that the "adequately diversified" requirement may be met if the underlying investments satisfy either a statutory safe harbor test or diversification requirements set forth in regulations issued by the Secretary of Treasury.

The Internal Revenue Service has issued regulations under Section 817(h) of the Code. The Company believes that it satisfies the current requirements of the regulations, and it intends that the Separate Account will continue to meet such requirements.

NOTE 7 - Amount Retained by the Company

The amount retained by the Company is attributable to the Company's initial contribution to the Separate Account and the underlying investment results. The change in this amount arises from that portion, determined ratably, of the Separate Account's investment results applicable to the net assets owned by the Company. The funds contributed by the Company, as well as any investment appreciation or depreciation, are not subject to charges for mortality and expense risks, administration expenses and distribution expenses.

Amounts retained by the Company in the Separate Account may be transferred by the Company to its General Account at any time.

LPLA SEPARATE ACCOUNT ONE
Notes to Financial Statements
December 31, 1996

NOTE 8 - Purchases and Sales of Securities

Cost of purchases and proceeds from sales of the Trust shares by the Separate

Account during the year ended December 31, 1996 were as follows:

<TABLE>

<CAPTION>

Investment Sub-Account -----	Purchases -----	Sales -----
<S>	<C>	<C>
MAS Value	\$726,613	\$357
MFS Total Return	1,026,717	53
Salomon U.S. Quality Bond	980,727	55,024
Salomon Money Market	2,853,937	2,435,986
Strong International Stock	564,621	1,608
Strong Growth	730,723	2,655
Berkeley Smaller Companies	819,174	1,769
Lexington Corporate Leaders	464,650	53

</TABLE>

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors of London Pacific Life & Annuity
Company and Contract Owners of LPLA Separate Account One

In our opinion, the accompanying statement of assets and liabilities and the related statements of operations and of changes in net assets present fairly, in all material respects, the financial position of each of the Sub-Accounts (MAS Value, MFS Total Return, Salomon U.S. Quality Bond, Salomon Money Market, Strong International Stock, Strong Growth, Berkeley Smaller Companies and Lexington Corporate Leaders) constituting LPLA Separate Account One at December 31, 1996, the results of each of their operations and the changes in each of their net assets for the period indicated, in conformity with generally accepted accounting principles. These financial statements are the responsibility of London Pacific Life & Annuity Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of investments owned at December 31, 1996 by correspondence with the Trust, provide a reasonable basis for the opinion expressed above.

PRICE WATERHOUSE LLP
Boston, Massachusetts

February 18, 1997

MAS VALUE PORTFOLIO

INVESTMENT SUB-ADVISOR
Miller, Anderson & Sherrerd, LLP

ABOUT THE PORTFOLIO
Invests in companies with equity capitalizations usually greater than \$400 million that are believed to be undervalued based on price/earnings and price/book ratios.

PERFORMANCE
Net total return for the period February 9, 1996 through December 31, 1996

MAS Value Portfolio	20.39%
S&P 500 Index	15.14%
Lipper Growth & Income Index	14.14%

THE STANDARD & POOR'S 500 COMPOSITE STOCK PRICE INDEX ("S&P 500 INDEX") IS AN UNMANAGED INDEX OF 500 LEADING STOCKS. RESULTS FOR THE S&P 500 INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

THE LIPPER GROWTH & INCOME INDEX IS A NON-WEIGHTED INDEX OF 139 FUNDS INVESTING IN STOCKS AND CORPORATE AND GOVERNMENT BONDS. RESULTS FOR THE INDEX DO NOT

REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT AN INVESTOR'S SHARES WHEN REDEEMED MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. PERFORMANCE NUMBERS ARE NET OF ALL PORTFOLIO OPERATING EXPENSES, BUT DO NOT REFLECT THE DEDUCTION OF INSURANCE CHARGES.

* DURING THE PERIOD NOTED, THE INVESTMENT ADVISOR (LPIMC INSURANCE MARKETING SERVICES) WAIVED A PORTION OF ITS MANAGEMENT FEE AND LONDON PACIFIC LIFE AND ANNUITY COMPANY VOLUNTARILY AGREED TO REIMBURSE CERTAIN OPERATING EXPENSES OF THE PORTFOLIO. IN THE ABSENCE OF THE WAIVER AND EXPENSE REIMBURSEMENT, TOTAL RETURN WOULD HAVE BEEN LOWER.

The MAS Value Portfolio earned a total return of 20.39% from the date of its inception on February 9, 1996 through December 31, 1996. This return surpassed by a substantial margin the 15.14% return earned over the same period by the Standard & Poor's 500 Composite Index (S&P 500 Index) and the 14.14% return earned during that time period by the average growth and income mutual fund, as measured by Lipper Analytical Services.

Successful sector and stock selections contributed to the Portfolio's strong relative performance for the period. Overweightings compared to the S&P 500 Index in financial services and heavy industrials benefited performance. Heavy industry represented our largest overweighting with significant positions in Trinova, Cummins Engine, Harnischfeger, FMC and Kennametal. Within financial services, banking and insurance companies delivered healthy earnings growth while trading at large valuation discounts. The Portfolio's larger holdings within the sector included American Re, Chase Manhattan, Provident, Great Western, Allstate, Citicorp, Transatlantic Holdings and Old Republic International.

The Portfolio also outperformed the S&P 500 Index in the basic resources, technology, telephone, utilities, and energy sectors. Strong performances were delivered by such individual securities as Dupont, Rohm and Haas, PHH, Seagate, IBM, Sprint and British Petroleum. The Portfolio also can attribute part of its solid performance to sectors of the market that were avoided. Underweightings, as compared to the S&P 500 Index, in telephone utilities and consumer services served the Portfolio well as their performance lagged.

On the other hand, the Portfolio's performance suffered somewhat as a result of investors' affection for large capitalization, defensive growth stocks during the year. For the past two years, growth stocks have outperformed cyclical stocks and large company stocks have outperformed smaller ones. The Portfolio's holdings tend to be somewhat smaller and more cyclical than the S&P 500 Index. A rotation toward smaller and more cyclical companies is long overdue and could further enhance the relative outperformance of the Portfolio.

Moving ahead, the Portfolio remains prudently optimistic for the potential of the equity market. Underweightings should continue in the consumer, health care, energy and utility sectors which include most beverage, personal care, food, consumer services, drug and medical products companies. As investors drove up prices for these securities, due to their affection for large capitalization, defensive growth companies, the securities have been priced out of the Portfolio's disciplined valuation range as have many technology sector securities, although the Portfolio continues to hold significant positions in IBM, Seagate, Compaq and Tektronix. Energy and telephone utility stocks remain underweighted due to high price-earnings ratios and modest growth outlooks. Deteriorating competitive condition for electric utilities likely will keep that sector at current, near-market weightings in the Fund.

The Portfolio's overweighted position in banking and insurance should serve it well as consolidation continues to benefit shareholders. Strategically, the Portfolio will seek a more defensive overall structure given the high valuations of the market overall. Specifically, cash levels could remain in the 10% to 15% range, while individual security selection may tend toward more conservative price-earnings, price-sales and price-book levels.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996

\$12,309		*	
\$11,514	#		
\$11,414	X		
\$10,000			
	2/9/96		12/31/96

* MAS VALUE PORTFOLIO
S&P 500
X LIPPER GROWTH & INCOME INDEX
THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE MAS VALUE PORTFOLIO, THE S&P 500 INDEX, AND THE LIPPER GROWTH & INCOME INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO, THE S&P 500 INDEX AND THE LIPPER GROWTH & INCOME INDEX INCLUDE REINVESTMENT OF DIVIDENDS.

MFS TOTAL RETURN PORTFOLIO

INVESTMENT SUB-ADVISOR
Massachusetts Financial Services Company

ABOUT THE PORTFOLIO
Invests in securities which are expected to provide above-average income and opportunities for growth of capital and income, consistent with the prudent employment of capital.

PERFORMANCE
Net total return for the period February 9, 1996 through December 31, 1996

MFS Total	
Return Portfolio	9.81%
Lehman Brothers	
Aggregate Bond Index	0.34%
Lipper Balanced	
Fund Index	9.41%

THE LEHMAN BROTHERS AGGREGATE BOND INDEX IS AN UNMANAGED INDEX OF AVERAGE YIELD U.S. INVESTMENT GRADE BONDS. RESULTS FOR THE LEHMAN AGGREGATE BOND INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

THE LIPPER BALANCED FUND INDEX IS A NON-WEIGHTED INDEX OF 210 FUNDS INVESTING IN STOCKS AND CORPORATE AND GOVERNMENT BONDS. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT AN INVESTOR'S SHARES WHEN REDEEMED MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. PERFORMANCE NUMBERS ARE NET OF ALL PORTFOLIO OPERATING EXPENSES, BUT DO NOT REFLECT THE DEDUCTION OF INSURANCE CHARGES.

* DURING THE PERIOD NOTED, THE INVESTMENT ADVISOR (LPIMC INSURANCE MARKETING SERVICES) WAIVED A PORTION OF ITS MANAGEMENT FEE AND LONDON PACIFIC LIFE AND ANNUITY COMPANY VOLUNTARILY AGREED TO REIMBURSE CERTAIN OPERATING EXPENSES OF THE PORTFOLIO. IN THE ABSENCE OF THE WAIVER AND EXPENSE REIMBURSEMENT, TOTAL RETURN WOULD HAVE BEEN LOWER.

The MFS Total Return Portfolio earned a total return of 9.81% from the date of its inception on February 9, 1996 through December 31, 1996, far outdistancing the 0.34% return of the Lehman Brothers Aggregate Bond Index during the period. The Portfolio's performance also exceeded the average balanced mutual fund which earned a 9.41% return during the period, as measured by Lipper Analytical Services.

The Portfolio invests in both common stocks and corporate and government bonds. In addition, the Portfolio purchases preferred stocks and convertible bonds, which can provide similar returns to common stocks with less risk. During 1996, the Portfolio maintained about 55% of its investments in common and preferred stocks and convertible bonds. Fueled by the continuing spectacular returns earned by the U. S. stock market, these holdings generated the bulk of the Portfolio's returns during the period.

The remainder of the Portfolio was invested in corporate and U.S. Treasury bonds with an overall duration of five to six years. The fixed income portion of the Portfolio also provided positive returns, however, the magnitude was far less than that of the Portfolio's stock portion. For example, the securities within the Lehman Brothers Government Corporate Bond Index, which were fairly representative of the Portfolio's bond allocation, earned a total return of 3.28% during the year.

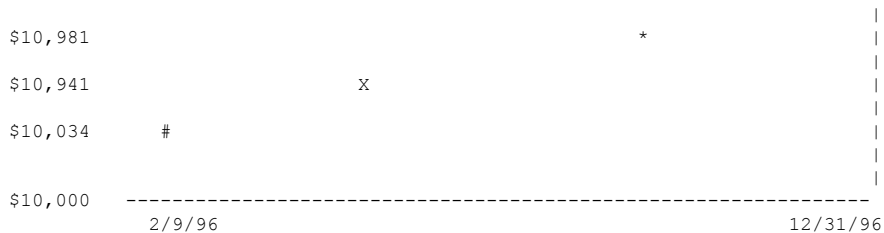
Some of the best performers among the Portfolio's stock holdings came from the financial services sectors. Bank stocks in particular performed well. Earnings have risen steadily and an increase in merger activity has made nearly all banks more valuable. During the year, the Portfolio avoided investment in the technology and consumer sectors. In the manager's view, technology companies with high valuations represented greater risk than other securities and the growth prospects for consumer companies were limited by restrictions on their

ability to raise prices.

The Portfolio's stock investment strategy has focused on companies that the manager believes have earnings prospects or asset values equal to or higher than the overall market as measured by the Standard & Poor's 500 Composite Stock Index. In addition to the energy sector, the manager believes the healthcare and aerospace industries fit this investment criteria. Strong earnings and industry consolidation have combined to improve the outlook for many health care companies. The manager believes the aerospace industry will benefit from a cyclical increase in the number of aircraft built in the next three years.

Given where equity valuations are today, the Portfolio likely will maintain its current allocation between stock and bond investments. However, should the equity market experience a meaningful correction, the manager would seek to add to the Portfolio's stock allocation while shares are at lower prices.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996



* MFS TOTAL RETURN PORTFOLIO
LEHMAN BROTHERS AGGREGATE BOND INDEX
X LIPPER BOND FUND INDEX

THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE MFS TOTAL RETURN PORTFOLIO, THE LEHMAN BROTHERS AGGREGATE BOND INDEX, AND THE LIPPER BALANCED FUND INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO, THE LEHMAN BROTHERS AGGREGATE BOND INDEX, AND THE LIPPER BALANCED FUND INDEX INCLUDE REINVESTMENT OF DIVIDENDS

SALOMON U.S. QUALITY BOND PORTFOLIO

INVESTMENT SUB-ADVISOR

Salomon Brothers
Asset Management

ABOUT THE PORTFOLIO

Invests primarily in high quality debt securities of the U.S. Government and its agencies to obtain a high level of current income.

PERFORMANCE

Net total return for the period February 9, 1996 through December 31, 1996

Salomon U.S. Quality Bond Portfolio	2.27%
Lipper Government Intermediate Index	2.16%

THE LIPPER GOVERNMENT INTERMEDIATE FUND INDEX IS A NON-WEIGHTED INDEX OF 139 FUNDS INVESTING IN INTERMEDIATE GOVERNMENT BONDS. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT AN INVESTOR'S SHARES WHEN REDEEMED MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. PERFORMANCE NUMBERS ARE NET OF ALL PORTFOLIO OPERATING EXPENSES, BUT DO NOT REFLECT THE DEDUCTION OF INSURANCE CHARGES.

* DURING THE PERIOD NOTED, THE INVESTMENT ADVISOR (LPIMC INSURANCE MARKETING SERVICES) WAIVED A PORTION OF ITS MANAGEMENT FEE AND LONDON PACIFIC LIFE AND ANNUITY COMPANY VOLUNTARILY AGREED TO REIMBURSE CERTAIN OPERATING EXPENSES OF THE PORTFOLIO. IN THE ABSENCE OF THE WAIVER AND EXPENSE REIMBURSEMENT, TOTAL RETURN WOULD HAVE BEEN LOWER.

The Salomon U. S. Quality Bond Portfolio earned a total return of 2.27% from the date of its inception on February 9, 1996 through December 31, 1996, beating by a narrow margin the 2.16% return of the average mutual fund investing in intermediate term government securities, as measured by the Lipper Government Intermediate Bond Index during the period.

The bond market rally of 1995 stalled in early 1996 as signs of a growing U. S. economy emerged. In fact, during the first six months of 1996, the Portfolio realized negative returns due to a sharp rise in interest rates. Gains in consumption, housing, business, investment and net exports combined to accelerate the pace of economic growth and push interest rates higher. Typically, as interest rates rise, the prices of most bonds decline.

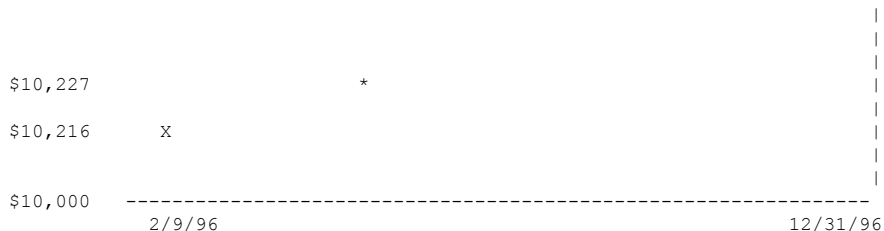
Even a fourth quarter rally in the bond market could not push total returns, comprised of the income generated by bonds and the increase in their market value, beyond generally mediocre levels for the period. Most bond funds failed to earn total returns equivalent to their income yields during the period.

At the close of the period on December 31, 1996, the Portfolio had allocated its investments in fixed income securities across the following bond market sectors: 46% U.S. Treasury securities, 27% mortgage-backed securities; 16% U.S. Government Agency Obligations, 4% Corporate Notes and Bonds, and 7% Cash Equivalents.

As the Portfolio moves into 1997, the outlook for mortgage-backed securities appears attractive as higher interest rates have reduced the incentive for homeowners to refinance their mortgages. Barring a significant rally, mortgages should continue to perform well in the months ahead. These securities will continue to be a core holding for the Fund.

Opportunities are limited to achieve significant returns in the arena of high quality corporate bonds. Current spreads between the prices for these securities and their yield are at historically rich levels. The Portfolio's assets can be better invested for greater incremental return elsewhere without incurring a significantly different level of risk.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996



* SALOMON U.S. QUALITY BOND PORTFOLIO
 X LIPPER GOVERNMENT INTERMEDIATE INDEX

THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE SALOMON U.S. QUALITY BOND PORTFOLIO AND THE LIPPER GOVERNMENT INTERMEDIATE INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO AND THE LIPPER GOVERNMENT INTERMEDIATE INDEX INCLUDE REINVESTMENT OF DIVIDENDS.

STRONG INTERNATIONAL STOCK PORTFOLIO

INVESTMENT SUB-ADVISOR
Strong Capital Management, Inc.

ABOUT THE PORTFOLIO

Invests primarily in companies located outside of the United States that are believed to have strong potential for capital growth.

PERFORMANCE

Net total return for the period February 9, 1996 through December 31, 1996

Strong International Stock Portfolio	5.85%*
Morgan Stanley EAFE Index	3.99%
Lipper International Index	11.38%

THE MORGAN STANLEY EUROPE, ASIA, FAR EAST INDEX IS AN UNMANAGED INDEX OF LEADING INTERNATIONAL STOCKS. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

THE LIPPER INTERNATIONAL FUND INDEX IS A NON-WEIGHTED INDEX OF 115 FUNDS THAT INVEST ASSETS IN SECURITIES WHOSE PRIMARY MARKETS ARE OUTSIDE THE UNITED STATES. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT AN INVESTOR'S SHARES WHEN REDEEMED MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. PERFORMANCE NUMBERS ARE NET OF ALL PORTFOLIO OPERATING EXPENSES, BUT DO NOT REFLECT THE DEDUCTION OF INSURANCE CHARGES.

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The Strong International Stock Portfolio earned a total return of 5.85% from the date of its inception on February 9, 1996 through December 31, 1996, surpassing the total return during the same period for the Morgan Stanley Capital International Europe, Asia and Far East Index which was 3.99%. Lipper Analytical Services set the total return for the average mutual fund investing in foreign stocks at 11.38% during the same period.

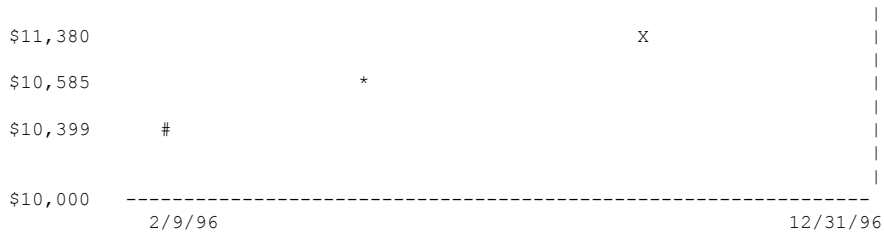
During the fourth quarter of 1996, international markets continued to make little progress and on the whole continued to lag a still strong U.S. equity market. In general, Europe continued to perform satisfactorily, driven not so much by economic strength as by the continued move toward restructuring, improved shareholder return and better corporate profitability.

Unfortunately the Portfolio's gains in Europe were partially offset by weakness in Asia, where the Portfolio maintained a larger exposure. Solid gains in Hong Kong, Indonesia and New Zealand were more than offset by declines in Japan and Thailand. Slower economic and export growth, overheating economies, over capacity and decreased competitiveness are some of the problems that have variously affected several Asian countries.

The widespread recovery in international markets has yet to materialize as the Portfolio's manager has anticipated. Strength has been evident, but only inconsistently. Nevertheless, valuations in several markets now seem unreasonably low, the manager believes, both relative to their history and to the U.S. stock market. The manager expects many of these undervaluations to begin to catch up to Wall Street valuation levels in the year ahead.

While the positive restructuring story in Europe will no doubt continue, the manager believes in particular that strength should return during the year to come in some Asian markets, whose weaknesses have been exaggerated. In addition, a number of emerging markets in Eastern Europe, Africa and Latin America should also regain strength as investors rediscover the value of accessing higher growth rate potentials that are available in the developed world.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996



* STRONG INTERNATIONAL PORTFOLIO
MORGAN STANLEY EAFE INDEX
X LIPPER INTERNATIONAL INDEX

THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE STRONG INTERNATIONAL STOCK PORTFOLIO, THE MORGAN STANLEY EAFE INDEX, AND THE LIPPER INTERNATIONAL INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO, THE MORGAN STANLEY EAFE INDEX, AND THE LIPPER INTERNATIONAL INDEX INCLUDE REINVESTMENT OF DIVIDENDS

STRONG GROWTH PORTFOLIO

INVESTMENT SUB-ADVISOR
Strong Capital Management, Inc.

ABOUT THE PORTFOLIO
Invests in equity securities that are believed to have above average capital growth potential.

PERFORMANCE
Net total return for the period February 9, 1996 through December 31, 1996

Strong Growth Portfolio	20.27%
Russell 2000 Small Company Index	14.55%
S&P 500 Index	15.14%

THE STANDARD & POOR'S 500 COMPOSITE STOCK PRICE INDEX ("S&P 500 INDEX") IS AN UNMANAGED INDEX OF 500 LEADING STOCKS. RESULTS FOR THE S&P 500 INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

THE RUSSELL 2000 SMALL COMPANY INDEX IS AN UNMANAGED INDEX OF 2000 SMALL COMPANY STOCKS. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

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The Strong Growth Portfolio earned a total return of 20.27% from the date of its inception on February 9, 1996 through December 31, 1996. The Portfolio's performance compared well against the 14.55% return earned by the Russell 2000 Index, and the 15.14% return generated by the Standard & Poor's 500 Composite Stock Index (S&P 500 Index) during the same period.

During the fourth quarter of 1996, the large-capitalization U. S. equity market continued to significantly outperform the broader market. Both non-U.S. investors and domestic index fund purchases continued to push prices of many large, highly liquid companies to approximately two times their growth rates. Within the U. S. many small- and medium-sized companies are selling at a more reasonable one times their growth rates. For this reason, the Portfolio continues to overweight high quality medium- and small-cap growth companies

relative to the popular large capitalization indexes such as the S&P 500 Index.

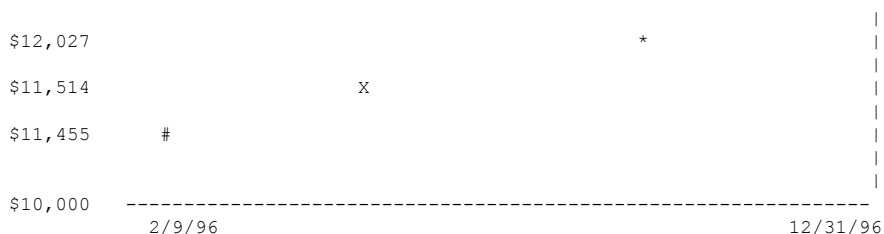
During the fourth quarter of 1996, the Portfolio's overall risk was lowered by adding shares of more large-cap stocks and those with lower price-earnings ratios, as well as by trimming higher-multiple issues.

While the long-term outlook for technology companies remains favorable in the manager's view, selected shares were sold from the Portfolio's holdings in this sector. Also, the manager sold several positions in commercial services companies and in consumer oriented stocks, particularly retailers. The outlook in this sector may be somewhat uncertain, the manager believes, because consumer credit is reaching record levels.

The Portfolio added select investments in the financial services sector as well as other interest-sensitive businesses, in response to interest rate declines during the fourth quarter. In addition, the Portfolio increased its commitment to oil services stocks in light of the accelerating demand for these companies' services.

The manager's outlook for the coming months is somewhat cautious. It is likely that the relative disparity between the valuations of small- and mid-sized companies compared to those of larger companies will tighten as investors take advantage of the disequilibrium across size segments of the markets. High valuations and the likelihood of three consecutive years of double digit returns, an historically unusual occurrence, may signal the market is poised for a rest. Continued growth in corporate earnings and low interest rates will be essential to keep this bull market running in the short-term. In this environment, the manager expects to focus on adding to the Portfolio quality companies with sustainable earnings growth and attractive valuations.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996



* STRONG GROWTH PORTFOLIO
 # RUSSELL 2000 SMALL COMPANY INDEX
 X S&P 500

THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE STRONG GROWTH PORTFOLIO, THE RUSSELL 2000 SMALL COMPANY INDEX, AND THE S&P 500 INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO, THE RUSSELL 2000 SMALL COMPANY INDEX, AND THE S&P 500 INDEX INCLUDE REINVESTMENT OF DIVIDENDS.

BERKELEY SMALLER COMPANIES PORTFOLIO

INVESTMENT SUB-ADVISOR
 Berkeley Capital Management

ABOUT THE PORTFOLIO
 Invests in securities of companies that typically have market capitalization of less than \$1 billion that are expected to provide long-term capital appreciation.

PERFORMANCE
 Net total return for the period February 9, 1996 through December 31, 1996

Berkeley Smaller Companies Portfolio	2.42%
Russell 2000 Small Company Index	14.55%
S&P 500 Index	15.14%

THE STANDARD & POOR'S 500 COMPOSITE STOCK PRICE INDEX ("S&P 500 INDEX") IS AN UNMANAGED INDEX OF 500 LEADING STOCKS. RESULTS FOR THE S&P 500 INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

THE RUSSELL 2000 SMALL COMPANY INDEX IS AN UNMANAGED INDEX OF 2000 SMALL COMPANY STOCKS. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

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The Berkeley Smaller Companies Portfolio earned a total return of 2.42% from the date of its inception on February 9, 1996 through December 31, 1996. The Portfolio's return significantly trailed the returns of its two benchmark indexes: the Russell 2000 Index at 14.55% and the Standard & Poor's 500 Composite Stock Index (S&P 500 Index) at 15.14%

It is interesting to note that while returns for the U.S. equity market in 1996 were strong, they also were fairly narrowly concentrated. For example, the NASDAQ Composite's return was 20.30% for the year. However, for nearly half of the 5,400 publicly traded NASDAQ stocks with market valuations of over \$10 million but under \$1 billion, the average total return was -30.00% for the year. Close to one-third of the NASDAQ's total return could be attributed to three companies: Microsoft, Intel and Cisco Systems. A small number of large companies fueled strong gains for the broader equity market as investors flocked to larger, more growth oriented companies. Investors' flight to quality, inspired by an overall concern for the duration of the bull market, disrupted the normal valuation premium that typically attaches to small, aggressive growth companies.

Further, the Portfolio's performance lagged due to selected Portfolio holdings as well. For example, the Portfolio's 10% position in retail stocks hurt performance. Fundamental performance of retailers owned by the Portfolio was generally quite good. However, the securities had been purchased at relatively high prices after a first quarter rally in the share prices of retailers, under the assumption that positive wage and consumer confidence trends would continue to benefit share prices. While this proved correct in large part, stock performance did not follow. In the fourth quarter, when Christmas sales were unexceptional, already weak stocks exhibited even weaker performance relative to the market.

On a positive note, the Portfolio's mid-1996 reduction of healthcare holdings proved beneficial. The manager believed that new efforts to reform healthcare were likely with the beginning of a new presidential term in 1997 and share prices would suffer as a result. The decision was a good one as healthcare stocks were one of the worst performing sectors of the S&P 500 Index during the year. The Portfolio's shift out of the healthcare sector was accompanied by the establishment of initial positions in the business services sector during the summer. The Portfolio entered the sector at attractive valuation levels and added to its total position as the year progressed. Opportunity in the business services sector is being driven by the accelerating level of outsourcing occurring throughout the economy, resulting in new revenue growth opportunities for outsourcers as well as improving margins. At December 31, 1996, the Portfolio invested 15% of assets in the business services sector.

Going forward, the Portfolio plans to maintain investment initiatives in energy and technology. The energy sector is undergoing a cyclical upturn in demand. which should result in positive trends for this normally slow-growth business. Technology companies continue to improve demand for their products by positively impacting the economics of their customers' businesses. At December 31, 1996, the Portfolio invested 8% of its assets in semiconductor stocks, 8% in local area networking and wide area networking stocks, 11% in communications stocks and 23% in software stocks.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996

\$11,514		X	
\$11,455	#		
\$10,242	*		
\$10,000			

* BERKELEY SMALLER COMPANIES PORTFOLIO
 # RUSSELL 2000 SMALL COMPANY INDEX
 X S&P 500

THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE BERKELEY SMALLER COMPANIES PORTFOLIO, THE RUSSELL 2000 SMALL COMPANY INDEX, AND THE S&P 500 INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO, THE RUSSELL 2000 SMALL COMPANY INDEX, AND THE S&P 500 INDEX INCLUDE REINVESTMENT OF DIVIDENDS.

LEXINGTON CORPORATE LEADERS PORTFOLIO

INVESTMENT SUB-ADVISOR
 Lexington Management Corporation

ABOUT THE PORTFOLIO

Invests in large well-established companies believed to have long-term potential for strong capital growth and earnings.

PERFORMANCE

Net total return for the period February 9, 1996 through December 31, 1996

Lexington Corporate Leaders Portfolio	12.84%
S&P 500 Index	15.14%
Lipper Growth & Income Index	14.14%

THE STANDARD & POOR'S 500 COMPOSITE STOCK PRICE INDEX ("S&P 500 INDEX") IS AN UNMANAGED INDEX OF 500 LEADING STOCKS. RESULTS FOR THE S&P 500 INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

THE LIPPER GROWTH & INCOME INDEX IS A NON-WEIGHTED INDEX OF 139 FUNDS INVESTING IN STOCKS AND CORPORATE AND GOVERNMENT BONDS. RESULTS FOR THE INDEX DO NOT REFLECT THE EXPENSES AND INVESTMENT MANAGEMENT FEES INCURRED BY THE PORTFOLIO.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT AN INVESTOR'S SHARES WHEN REDEEMED MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. PERFORMANCE NUMBERS ARE NET OF ALL PORTFOLIO OPERATING EXPENSES, BUT DO NOT REFLECT THE DEDUCTION OF INSURANCE CHARGES.

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The Lexington Corporate Leaders Portfolio earned a total return of 12.84% from the date of its inception on February 9, 1996 through December 31, 1996, trailing the 15.14% return earned by the Standard & Poor's 500 Composite Stock Index (S&P 500 Index) and the 14.14% return earned by the average growth and income mutual fund tracked by Lipper Analytical Services during the period.

Throughout the year, the Portfolio benefited from the continued strength in blue chip and multinational companies. The oil sector which lagged for most of 1996 gained momentum late in the fourth quarter and contributed to the Portfolio's performance.

The positive economic factors that serve as a backdrop for the financial markets have not changed materially over the past year. Key positive factors like moderate economic growth, low inflation, a benign interest rate environment, positive earnings growth and a favorable supply/demand dynamic for stocks may have varied considerably during the year, contributing to some bond market volatility, but by year-end interest rates were 60 basis points higher and the S&P 500 Index had a total return of 23%, fueled partly by strong cash flows into equity mutual funds and, to a lesser extent, favorable earnings.

As 1997 begins, the U.S. economy appears to be on a continued moderate growth curve, inflation has yet to show up in the commonly watched statistics, earnings should be able to grow in the 7% to 10% range, and cash flows into equity mutual funds appear strong. Much like last year the manager expects that changes in the perceptions of these issues will cause some volatility in the markets, but at the end of the day, the scenario should result in a bond market that does not move significantly in either direction and a stock market that can generate a total return of between 8% and 12%.

Although the differences between the current environment and that of early

1996 may be few, they can be significant.

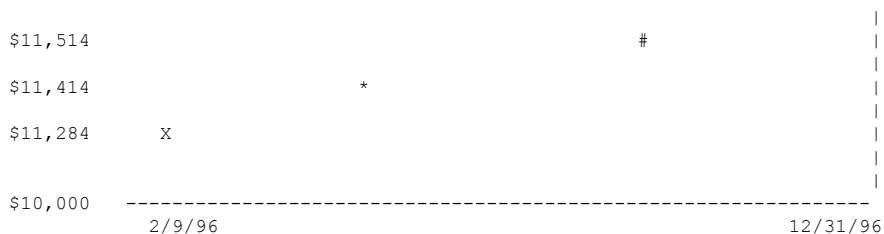
1) Stock valuations are less attractive. The price-earnings multiple for the unmanaged S&P 500 Index entering 1996 was 15.5 times estimated earnings and, currently stands at 17.5 times 1997 estimated earnings. At current interest rate and inflation levels, that valuation level does not appear excessive, however, there is less margin for error.

2) While reported inflation remains benign, pressures are building. Wages have been rising for some time with corporations able to offset these increases with increased productivity and aggressive control of benefit costs. As the economic expansion matures, these controls become more difficult to sustain. Additionally, energy and food costs have been rising and although the markets have so far ignored them, further upward pressure could force the markets to pay attention.

3) Estimates of only moderate earnings growth do not permit much room for disappointment which can come from several directions: the previously discussed wage pressures, strong dollar, higher energy costs and less than expected demand either domestically or from overseas.

Although market risks have increased, the manager believes that the U.S. economy will remain strong and investors in the Portfolio should benefit from continued economic growth.

\$10,000 HYPOTHETICAL INVESTMENT SINCE INCEPTION FEBRUARY 9, 1996



* LEXINGTON CORPORATE LEADERS PORTFOLIO

S&P 500

X LIPPER GROWTH & INCOME INDEX

THE CHART ABOVE ILLUSTRATES THE GROWTH IN VALUE OF A HYPOTHETICAL \$10,000 INVESTMENT MADE IN THE BERKELEY SMALLER COMPANIES PORTFOLIO, THE RUSSELL 2000 SMALL COMPANY INDEX, AND THE S&P 500 INDEX ON FEBRUARY 9, 1996, THE INCEPTION DATE OF THE PORTFOLIO. THE FIGURES FOR THE PORTFOLIO, THE RUSSELL 2000 SMALL COMPANY INDEX, AND THE S&P 500 INDEX INCLUDE REINVESTMENT OF DIVIDENDS.

<TABLE>
<CAPTION>

LPT VARIABLE INSURANCE SERIES TRUST
STATEMENTS OF ASSETS AND LIABILITIES
DECEMBER 31, 1996

<S>	<C> MAS VALUE SUB-ACCOUNT	<C> MFS TOTAL RETURN SUB-ACCOUNT	<C> SALOMON U.S. QUALITY BOND SUB-ACCOUNT	<C> SALOMON MONEY MARKET SUB-ACCOUNT	<C> STRONG INTERNATIONAL STOCK SUB-ACCOUNT
ASSETS					
Investments at value, see accompanying schedules	\$1,201,185	\$1,358,282	\$1,432,344	\$1,102,547	\$1,211,266
Repurchase agreements at cost and value	238,000	283,000	181,000	239,000	0
Cash	622	644	327	417	7,663
Foreign currency at value	0	157	0	0	7,939
Dividends and/or interest receivable	1,807	12,839	19,904	48	1,278
Receivable for investments securities sold	0	0	0	0	0
Receivable for Trust shares sold	0	51,207	0	0	12,517
Expense reimbursements receivable	14,133	13,105	12,606	13,915	13,123
TOTAL ASSETS	\$1,455,747	\$1,719,234	\$1,646,181	\$1,355,927	\$1,253,786
Investments at cost	\$1,026,427	\$1,260,663	\$1,426,036	\$1,102,547	\$1,162,642
Foreign currency at cost	\$0	\$168	\$0	\$0	\$7,856
LIABILITIES					
Payable for investment securities	\$14,564	\$119,721	\$74,219	\$0	\$0

purchased					
Payable for Trust shares redeemed	0	49,500	0	158,793	12,100
Custodian fees payable	2,900	4,203	2,400	2,149	3,574
Advisory fees payable	1,016	935	731	416	750
Accrued legal and audit fees	13,003	13,003	13,003	13,003	13,003
Accrued expenses and other liabilities	3,201	3,197	3,280	3,179	3,190
	-----	-----	-----	-----	-----
TOTAL LIABILITIES	34,684	190,559	93,633	177,540	3,190
					32,617
NET ASSETS	\$1,421,063	\$1,528,675	\$1,552,548	\$1,178,387	\$1,221,169
	=====	=====	=====	=====	=====
COMPONENTS OF NET ASSETS:					
Paid-in capital	\$1,229,226	\$1,433,860	\$1,568,259	\$1,178,387	\$1,165,571
Undistributed net investment income/(loss)	0	166	6	0	0
Accumulated net realized gain/(loss) on securities and foreign currency transactions	17,079	(2,959)	(22,025)	0	6,891
Net unrealized appreciation/(depreciation) of securities and foreign currency transactions	174,758	97,608	6,308	0	48,707
NET ASSETS	\$1,421,063	\$1,528,675	\$1,552,548	\$1,178,387	\$1,221,169
	=====	=====	=====	=====	=====
SHARES OUTSTANDING (UNLIMITED AUTHORIZATION, \$.01 PAR VALUE)					
	119,862	140,275	158,255	1,178,387	115,378
	=====	=====	=====	=====	=====
NET ASSET VALUE, OFFERING PRICE AND REDEMPTION PRICE, PER SHARE (NET ASSETS/SHARES OUTSTANDING)					
	\$11.86	\$10.90	\$9.81	\$1.00	\$10.58
	=====	=====	=====	=====	=====

</TABLE>

<TABLE>
<CAPTION>
<S>

	<C> STRONG GROWTH SUB-ACCOUNT	<C> BERKELEY SMALLER COMPANIES SUB-ACCOUNT	<C> LEXINGTON CORPORATE LEADERS SUB-ACCOUNT
	-----	-----	-----
ASSETS			
Investments at value, see accompanying schedules	\$1,345,844	\$1,170,474	\$1,305,536
Repurchase agreements at cost and value	254,000	325,000	0
Cash	566	15,068	21,703
Foreign currency at value	0	0	0
Dividends and/or interest receivable	731	24	2,338
Receivable for investments securities sold	61,565	7,166	0
Receivable for Trust shares sold	50,069	0	0
Expense reimbursements receivable	14,660	11,423	13,521
	-----	-----	-----
TOTAL ASSETS	\$1,727,435	\$1,529,155	\$1,343,098
Investments at cost	\$1,206,209	\$1,202,494	\$1,156,549
Foreign currency at cost	\$0	\$0	\$0
LIABILITIES			
Payable for investment securities purchased	\$114,952	\$66,775	\$0
Payable for Trust shares redeemed	48,400	0	0
Custodian fees payable	3,970	3,705	2,783
Advisory fees payable	955	1,249	712
Accrued legal and audit fees	13,003	13,003	13,003
Accrued expenses and other liabilities	3,192	3,179	3,179
	-----	-----	-----

TOTAL LIABILITIES	214,472	87,911	19,677
NET ASSETS	\$1,512,963	\$1,441,244	\$1,323,421
=====			
COMPONENTS OF NET ASSETS:			
Paid-in capital	\$1,337,112	\$1,738,580	\$1,174,334
Undistributed net investment income/(loss)	93	20	102
Accumulated net realized gain/(loss) on securities and foreign currency transactions	36,123	(265,336)	(2)
Net unrealized appreciation/ (depreciation) of securities and foreign currency transactions	139,635	(32,020)	148,987
NET ASSETS	\$1,512,963	\$1,441,244	\$1,323,421
=====			
SHARES OUTSTANDING (UNLIMITED AUTHORIZATION, \$.01 PAR VALUE)	126,979	167,884	115,649
=====			
NET ASSET VALUE, OFFERING PRICE AND REDEMPTION PRICE, PER SHARE (NET ASSETS/ SHARES OUTSTANDING)	\$11.92	\$8.58	\$11.44
=====			

</TABLE>

<TABLE>

<CAPTION>

LPT VARIABLE INSURANCE SERIES TRUST
STATEMENTS OF OPERATIONS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996

<S>

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	MAS VALUE PORTFOLIO	MFS TOTAL RETURN PORTFOLIO	SALOMON U. S. QUALITY BOND PORTFOLIO	SALOMON MONEY MARKET PORTFOLIO	STRONG INTERNATIONAL STOCK PORTFOLIO
	-----	-----	-----	-----	-----
INVESTMENT INCOME					
Income:					
Dividends	\$20,847	\$16,418	\$0	\$0	\$14,718
Foreign withholding tax on dividend income	(127)	(199)	0	0	(1,260)
Interest	2,804	24,063	75,535	51,088	4,235
	-----	-----	-----	-----	-----
TOTAL INVESTMENT INCOME	23,524	40,282	75,535	51,088	17,693
	-----	-----	-----	-----	-----
EXPENSES:					
Investment advisory fees	9,048	7,846	6,497	4,340	7,681
Administration fees	18,511	18,511	18,511	18,511	18,511
Custodian fees	25,778	31,006	18,723	16,671	28,335
Printing expenses	1,284	1,284	1,284	1,284	1,284
Legal and audit fees	15,495	15,495	15,495	15,495	15,495
Insurance expense	3,854	3,854	3,854	3,854	3,854
Trustees' fees and expenses	3,185	3,185	3,185	3,185	3,185
Other expense	1,000	1,000	1,000	1,000	1,000
	-----	-----	-----	-----	-----
Expenses before waiver of fees and expense reimbursement	78,155	82,181	68,549	64,340	79,345
Fees waived by investment advisor (Note 3)	(2,907)	(3,879)	(2,954)	(2,321)	(1,351)
Expense reimbursement (Note 3)	(62,226)	(65,124)	(54,144)	(53,653)	(63,100)
	-----	-----	-----	-----	-----
TOTAL EXPENSES	13,022	13,178	11,451	8,366	14,894
	-----	-----	-----	-----	-----

NET INVESTMENT INCOME	10,502	27,104	64,084	42,722	2,799
	-----	-----	-----	-----	-----
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS					
Net realized gain (loss) on securities and foreign currency transactions	49,011	(2,959)	(22,025)	0	10,921
Net change in unrealized appreciation/(depreciation) of securities and foreign currency transactions	174,758	97,608	6,308	0	48,707
	-----	-----	-----	-	-----
NET GAIN (LOSS) ON INVESTMENTS	223,769	94,649	(15,717)	0	59,628
	-----	-----	-----	-	-----
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$234,271	\$121,753	\$48,367	\$42,722	\$62,427
	=====	=====	=====	=====	=====

</TABLE>

<TABLE>
<CAPTION>

LPT VARIABLE INSURANCE SERIES TRUST
STATEMENTS OF OPERATIONS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996

<S>

	<C>	<C>	<C>
	STRONG GROWTH PORTFOLIO	BERKELEY SMALLER COMPANIES PORTFOLIO	LEXINGTON CORPORATE LEADERS PORTFOLIO
	-----	-----	-----
INVESTMENT INCOME			
Income:			
Dividends	\$37,460	\$261,566	\$25,805
Foreign withholding tax on dividend income	(28)	0	(338)
Interest	3,397	8,880	1,123
	-----	-----	-----
TOTAL INVESTMENT INCOME	40,829	270,446	26,590
	-----	-----	-----
EXPENSES:			
Investment advisory fees	8,705	12,480	6,503
Administration fees	18,511	18,511	18,511
Custodian fees	30,363	31,784	18,848
Printing expenses	1,284	1,284	1,284
Legal and audit fees	15,495	15,495	15,495
Insurance expense	3,854	3,854	3,854
Trustees' fees and expenses	3,185	3,185	3,185
Other expense	1,000	1,000	1,000
	-----	-----	-----
Expenses before waiver of fees and expense reimbursement	82,397	87,593	68,680
Fees waived by investment advisor (Note 3)	(1,476)	(5,873)	(1,290)
Expense reimbursement (Note 3)	(66,268)	(64,717)	(54,801)
	-----	-----	-----
TOTAL EXPENSES	14,653	17,003	12,589
	-----	-----	-----
NET INVESTMENT INCOME	26,176	253,443	14,001
	-----	-----	-----
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS			

Net realized gain (loss) on securities and foreign currency transactions	106,629	(265,336)	(2)
Net change in unrealized appreciation/(depreciation) of securities and foreign currency transactions	139,635	(32,020)	148,987
NET GAIN (LOSS) ON INVESTMENTS	246,264	(297,356)	148,985
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$272,440	\$(43,913)	\$162,986

</TABLE>

<TABLE>
<CAPTION>

LPT VARIABLE INSURANCE SERIES TRUST
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996

<S>	<C>	<C>	<C>	<C>	<C>
	MAS VALUE PORTFOLIO	MFS TOTAL RETURN PORTFOLIO	SALOMON U. S. QUALITY BOND PORTFOLIO	SALOMON MONEY MARKET PORTFOLIO	STRONG INTERNATIONAL STOCK PORTFOLIO
	-----	-----	-----	-----	-----
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS					
Net investment income	\$10,502	\$27,104	64,084	42,722	2,799
Net realized gain/(loss) on securities and foreign currency transactions	49,011	(2,959)	(22,025)	0	10,921
Net unrealized appreciation (depreciation) of securities and foreign currency transactions during the period	174,758	97,608	6,308	0	48,707
Net increase (decrease) in net assets resulting from operations	234,271	121,753	48,367	42,722	62,427
	-----	-----	-----	-----	-----
DISTRIBUTIONS TO SHAREHOLDERS FROM:					
Net investment income	(10,502)	(26,938)	(64,078)	(42,722)	(576)
Net realized gain on investments	(31,932)	0	0	0	(6,253)
	-----	-----	-----	-----	-----
Total distributions	(42,434)	(26,938)	(64,078)	(42,722)	(6,829)
SHARE TRANSACTIONS					
Net proceeds from sale of shares	1,387,694	1,661,251	1,674,647	3,995,273	1,327,854
Issued to shareholders in reinvestment of dividends	42,434	26,938	64,078	42,722	6,829
Cost of shares repurchased	(200,902)	(254,329)	(170,466)	(2,859,608)	(169,112)
	-----	-----	-----	-----	-----
Net increase from share transactions (Note 5)	1,229,226	1,433,860	1,568,259	1,178,387	1,165,571
	-----	-----	-----	-----	-----
TOTAL INCREASE IN NET ASSETS	1,421,063	1,528,675	1,552,548	1,178,387	1,221,169
	-----	-----	-----	-----	-----
NET ASSETS AT BEGINNING OF PERIOD	0	0	0	0	0
	-----	-----	-----	-----	-----
NET ASSETS AT END OF PERIOD	\$1,421,063	\$1,528,675	\$1,552,548	\$1,178,387	\$1,221,169
	=====	=====	=====	=====	=====
Accumulated undistributed net investment income (loss) included in net assets at end of period	\$0	\$166	\$6	\$0	\$0
	=====	=====	=====	=====	=====

</TABLE>

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<S>	<C>	<C>	<C>
	BERKELEY SMALLER	LEXINGTON CORPORATE	

	STRONG GROWTH PORTFOLIO	COMPANIES PORTFOLIO	LEADERS PORTFOLIO
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS			
Net investment income	\$26,176	\$253,443	14,001
Net realized gain/(loss) on securities and foreign currency transactions	10,921	106,629	(2)
Net unrealized appreciation (depreciation) of securities and foreign currency transactions during the period	139,635	(32,020)	148,987
Net increase (decrease) in net assets resulting from operations	272,440	(43,913)	162,986
DISTRIBUTIONS TO SHAREHOLDERS FROM:			
Net investment income	(26,083)	(253,423)	(13,899)
Net realized gain on investments	(70,506)	0	0
Total distributions	(96,589)	(253,423)	(13,899)
SHARE TRANSACTIONS			
Net proceeds from sale of shares	1,481,628	2,060,025	1,250,539
Issued to shareholders in reinvestment of dividends	96,589	253,423	13,929
Cost of shares repurchased	(241,105)	(574,868)	(90,134)
Net increase from share transactions (Note 5)	1,337,112	1,738,580	1,174,334
TOTAL INCREASE IN NET ASSETS	1,512,963	1,441,244	1,323,421
NET ASSETS AT BEGINNING OF PERIOD	0	0	0
NET ASSETS AT END OF PERIOD	\$1,512,963	\$1,441,244	\$1,323,421
Accumulated undistributed net investment income (loss) included in net assets at end of period	\$93	\$20	\$102

</TABLE>

<TABLE>
<CAPTION>

LPT VARIABLE INSURANCE SERIES TRUST
FINANCIAL HIGHLIGHTS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996
FOR A SHARE OUTSTANDING THROUGHOUT THE PERIOD

<S>	<C>	<C>	<C>	<C>	<C>
	MAS VALUE PORTFOLIO	MFS TOTAL RETURN PORTFOLIO	SALOMON U. S. QUALITY BOND PORTFOLIO	SALOMON MONEY MARKET PORTFOLIO	STRONG INTERNATIONAL STOCK PORTFOLIO
Net asset value, beginning of period	\$10.00	\$10.00	\$10.00	\$1.00	\$10.00
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income	0.10	0.25	0.49	0.04	0.03
Net realized and unrealized gain (loss) on investments	2.13	0.85	(0.25)	0.00	0.61
Total from investment operations	2.23	1.10	0.24	0.04	0.64
Dividends from net investment income	(0.10)	(0.20)	(0.43)	(0.04)	(0.01)
Distributions from net realized capital gains	(0.27)	(0.00)	(0.00)	(0.00)	(0.05)
Total distributions	(0.37)	(0.20)	(0.43)	(0.04)	(0.06)
Net asset value, end of period	\$11.86	\$10.90	\$9.81	\$1.00	\$10.58

TOTAL RETURN ++	20.39%	9.81%	2.27%	3.93%	5.85%
	=====	=====	=====	=====	=====

RATIOS TO AVERAGE NET
ASSETS/SUPPLEMENTAL DATA

Net assets, end of period (in 000's)	\$1,421	\$1,529	\$1,553	\$1,178	\$1,221
Ratio of operating expenses to average net assets +	1.26%	1.26%	0.97%	0.87%	1.45%
Ratio of net investment income to average net assets +	1.01%	2.59%	5.41%	4.43%	0.27%
Portfolio turnover rate	41.08%	53.91%	231.03%	N/A	49.32%
Average commission rate per share +++	\$0.0542	\$0.0571	N/A	N/A	\$0.0096
Ratio of operating expenses to average net assets before waiver of fees and expense reimbursements +	7.55%	7.84%	5.79%	6.67%	7.74%
Net investment income (loss) per share before waiver of fees and expense reimbursements	(\$0.52)	(\$0.38)	\$0.05	(\$0.01)	(\$0.58)

</TABLE>

<TABLE>
<CAPTION>

LPT VARIABLE INSURANCE SERIES TRUST
FINANCIAL HIGHLIGHTS
FOR THE PERIOD JANUARY 31, 1996 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 1996
FOR A SHARE OUTSTANDING THROUGHOUT THE PERIOD

<S>	<C>	<C>	<C>
	STRONG GROWTH PORTFOLIO	BERKELEY SMALLER COMPANIES PORTFOLIO	LEXINGTON CORPORATE LEADERS PORTFOLIO
	-----	-----	-----
Net asset value, beginning of period	\$10.00	\$10.00	\$10.00
INCOME FROM INVESTMENT OPERATIONS:			
Net investment income	0.25	2.10	0.14
Net realized and unrealized gain (loss) on investments	2.49	(1.69)	1.42
	----	-----	----
Total from investment operations	2.74	0.41	1.56
	----	----	----
LESS DISTRIBUTIONS:			
Dividends from net investment income	(0.22)	(1.83)	(0.12)
Distributions from net realized capital gains	(0.60)	(0.00)	(0.00)
	-----	-----	-----
Total distributions	(0.82)	(1.83)	(0.12)
	-----	-----	-----
Net asset value, end of period	\$11.92	\$8.58	\$11.44
	=====	=====	=====
TOTAL RETURN ++	20.27%	2.42%	12.84%
	=====	=====	=====

RATIOS TO AVERAGE NET
ASSETS/SUPPLEMENTAL DATA

Net assets, end of period (in 000's)	\$1,513	\$1,441	\$1,323
Ratio of operating expenses to average net assets +	1.26%	1.36%	1.26%
Ratio of net investment income to average net assets +	2.25%	20.30%	1.40%
Portfolio turnover rate	422.67%	2242.85%	0.00%
Average commission rate per share +++	\$0.0575	\$0.0478	\$0.0500
Ratio of operating expenses to average net assets before waiver of fees and expense reimbursements +	7.09%	7.02%	6.86%
Net investment income (loss) per share before waiver of fees and expense reimbursements	(\$0.39)	\$1.51	(\$0.41)

<FN>

+ Annualized
++ Total return represents aggregate total return for the period February 9, 1996 (effective date) to December 31, 1996. The total return would have been lower if certain fees had not been waived by the investment advisor, and if certain expenses had not been reimbursed by London Pacific.
+++ Average commission rate paid per share on equity securities purchased and sold by the Portfolio. Amount excludes mark-ups, mark-downs or spreads paid on shares traded.

</TABLE>

<TABLE>
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THE LPT VARIABLE INSURANCE SERIES TRUST
MAS VALUE PORTFOLIO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 1996

<S>

<C>

SHARES

VALUE
(NOTE 2)

COMMON STOCKS - 84.53%

FINANCIAL SERVICES - 18.86%

254	Allstate Corporation.....	\$14,700
250	American General Corporation.....	10,219
304	Bank of New York Company, Inc.....	10,260
250	Capital One Financial Corporation.....	9,000
150	Chase Manhattan Corporation (New).....	13,387
100	Chubb Corporation	5,375
132	Citicorp.....	13,596
100	Crestar Financial Corporation.....	7,437
193	Dean Witter Discover & Company.....	12,786
280	Everest Reinsurance Holdings.....	8,050
100	Federal Home Loan Mortgage Corporation.....	11,012
300	Federal National Mortgage Association.....	11,175
200	First Chicago NBD Corporation.....	10,750
100	First Union Corporation.....	7,400
462	Great Western Financial Corporation.....	13,398
155	ITT Hartford Group, Inc.....	10,462
134	Mellon Bank Corporation.....	9,514
340	Old Republic International Corporation.....	9,095
350	Providian Corporation.....	17,981
198	Reliastar Financial Corporation.....	11,434
123	Republic New York Corporation.....	10,040
154	Salomon, Inc.....	7,257
302	Signet Banking Corporation.....	9,286
100	St. Paul Companies, Inc.....	5,862
163	Standard Federal Bancorporation.....	9,271
115	Transatlantic Holdings, Inc.....	9,257

268,004

PRODUCER DURABLES - 12.12%

281	Case Corporation.....	15,314
100	Caterpillar, Inc.....	7,525

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MAS VALUE PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>

<C>

SHARES

VALUE
(Note 2)

COMMON STOCKS - (CONTINUED)

PRODUCE DURABLES - (CONTINUED)

587	Cummins Engine, Inc.....	\$27,002
300	Deere & Company.....	12,187
535	Harnischfeger Industries, Inc.....	25,747
423	Kennametal, Inc.....	16,444
257	Parker-Hannifin Corporation.....	9,959
322	Tecumseh Products Company.....	18,475
150	Textron, Inc.....	14,137
700	Trinova Corporation.....	25,462

172,252

AUTOS & TRANSPORTATION - 9.88%

200	AMR Corporation +.....	17,625
100	Burlington Northern Santa Fe.....	8,638
200	CSX Corporation.....	8,450
200	Eaton Corporation.....	13,950
745	Ford Motor Company.....	23,747
450	General Motors Corporation.....	25,088
540	Goodyear Tire and Rubber.....	27,743
242	UAL Corporation +.....	15,125

TECHNOLOGY - 9.84%		140,366
350	Beckman Industries, Inc.....	13,431
233	Compaq Computer Corporation +.....	17,300
202	International Business Machines.....	30,502
200	Raytheon Company.....	9,625
612	Seagate Technology +.....	24,174
150	Standard Register.....	4,875
571	Stratus Computer, Inc +.....	15,560
282	Tektronix, Inc.....	14,452
200	TRW, Inc.....	9,900
		139,819

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MAS VALUE PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		(NOTE 2)
-----		-----
COMMON STOCKS - (CONTINUED)		
MATERIALS AND PROCESSING - 9.22%		
90	Bowater, Inc.....	\$3,386
200	Cabot Corporation.....	5,025
250	Cyprus Amax Materials Company.....	5,844
103	Dow Chemical Company.....	8,073
200	DuPont (E.I.) DeNemours & Company.....	18,875
195	FMC Corporation +.....	13,674
427	Great Lakes Chemical Corporation.....	19,962
300	Mallinckrodt Group, Inc.....	13,238
61	Potash Corporation of Saskatchewan.....	5,185
300	Premark International, Inc.....	6,675
306	Rhone Poulenc SA, ADR.....	10,368
219	Rohm & Haas Company.....	17,876
100	Westvaco Corporation.....	2,875
		131,056
ENERGY - 6.78%		
189	Amoco Corporation.....	15,215
100	Atlantic Richfield Company.....	13,250
122	British Petroleum, PLC, ADR.....	17,248
400	Mapco, Inc.....	13,600
188	Panenergy Corporation.....	8,460
251	Repsol, S.A., ADR.....	9,569
300	Ultramar Corporation.....	9,488
375	YPF, S.A., ADR.....	9,469
		96,299

</TABLE>

See Notes to Financial Statements

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THE LPT VARIABLE INSURANCE SERIES TRUST
MAS VALUE PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		(NOTE 2)
-----		-----
COMMON STOCKS - (CONTINUED)		
CONSUMER STAPLES - 5.55%		

472	Archer-Daniels-Midland Company.....	\$10,384
405	IBP, Inc.....	9,821
251	Philip Morris Companies, Inc.....	28,269
250	RJR Nabisco Holdings Corporation.....	8,500
233	Tupperware Corporation.....	12,495
266	Universal Foods Corporation.....	9,377

		78,846

	UTILITIES - 4.63%	
400	Central Maine Power Company.....	4,650
172	Cinergy Corporation.....	5,741
267	DTE Energy Company.....	8,644
250	El Paso Natural Gas Company.....	12,625
307	Entergy Corporation.....	8,519
253	General Public Utilities Corporation.....	8,507
349	Peco Energy Company.....	8,812
305	Unicom Corporation.....	8,273

		65,771

	DRUGS & HEALTH CARE - 2.88%	
400	Bergen Brunswig Corporation, Class A.....	11,400
374	Foundation Health Corporation +.....	11,875
300	Maxicare Health Plans, Inc. +.....	6,675
200	Nellcor Puritan Bennett, Inc. +.....	4,375
300	Tenet Healthcare Corporation +.....	6,563

		40,888

	CONSUMER DISCRETIONARY - 2.32%	
329	Dillard Department Stores, Inc.....	10,158
150	Springs Industries, Inc., Class A.....	6,450
100	Talbots, Inc.....	2,863
200	VF Corporation.....	13,500

		32,971

</TABLE>

See Notes to Financial Statements

<TABLE>
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THE LPT VARIABLE INSURANCE SERIES TRUST
MAS VALUE PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		-----
	COMMON STOCKS - (CONTINUED)	
	COMMUNICATION - 2.00%	
526	MCI Communications Corporation.....	\$17,194
282	Sprint Corporation.....	11,245

		28,439

	BUSINESS SERVICES - 0.45%	
428	Olsten Corporation.....	6,474

	TOTAL COMMON STOCKS (COST \$1,026,427)	1,201,185

</TABLE>

<TABLE>
<CAPTION>
PRINCIPAL
AMOUNT

<S>		<C>
	SHORT-TERM OBLIGATIONS - 16.75%	
\$238,000	Repurchase Agreement with State Street Bank and Trust Company, dated 12/31/96 at 2.0%, due 01/02/97, maturity value	
\$238,025	(collateralized by U.S. Treasury Note, 6.00%, due 05/31/98, par value \$245,000; market value \$247,170) (Cost \$238,000).....	238,000

</TABLE>

<TABLE>		
<CAPTION>		
<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,264,427*).....	101.28%	1,439,185
OTHER ASSETS AND LIABILITIES (NET).....	(1.28)	(18,122)
	-----	-----
NET ASSETS.....	100.00%	\$1,421,063
	=====	=====
<FN>		
* Aggregate cost for Federal tax purposes (Note 4)		
+ Non-income producing security		
</TABLE>		

GLOSSARY OF TERMS

ADR American Depository Receipt

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MFS TOTAL RETURN PORTFOLIO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)

COMMON STOCKS - 53.41%	
FINANCIAL SERVICES - 11.36%	
160	Allstate Corporation..... \$9,260
160	American Express Company..... 9,040
100	Arden Reality, Inc. 2,775
50	Associates First Capital Corporation, Class A..... 2,206
140	Bank of Boston Corporation..... 8,995
270	Bank of New York Company, Inc..... 9,112
155	Chase Manhattan Corporation (New)..... 13,833
120	Chubb Corporation..... 6,450
90	Cigna Corporation..... 12,296
80	Crestar Financial Corporation..... 5,950
70	Federal Home Loan Mortgage Corporation..... 7,709
200	Fleet Financial Group, Inc..... 9,975
270	National City Corporation..... 12,116
150	Nationsbank Corporation..... 14,662
50	Northern Trust Corporation..... 1,812
160	Norwest Corporation..... 6,960
100	Salomon, Inc. +..... 6,025
280	Southern National Corporation..... 10,150
160	St. Paul Companies, Inc..... 9,380
150	Travelers Group, Inc. 6,806
160	Torchmark..... 8,080

	173,592

ENERGY - 8.59%	
110	Amoco Corporation..... 8,855
60	Atlantic Richfield Company..... 7,950
120	British Petroleum PLC, ADR..... 16,965
300	Enron Corporation..... 7,200
100	Exxon Corporation..... 9,800
80	Mobil Corporation..... 9,780
340	Occidental Petroleum Company..... 7,947
220	Panenergy Corporation..... 9,900
140	Repsol SA, ADR..... 5,337
</TABLE>	

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST

MFS TOTAL RETURN PORTFOLIO
 SCHEDULE OF INVESTMENTS
 DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		(NOTE 2)
-----		-----
COMMON STOCK - (CONTINUED)		
	ENERGY - (CONTINUED)	
70	Royal Dutch Petroleum Company, NY Shares.....	\$11,952
90	Schlumberger, Ltd.....	8,989
30	Sun, Inc.....	731
90	Texaco, Inc.....	8,831
200	Union Pacific Resource Group, Inc.	5,850
470	USX Marathon Group.....	11,221

		131,308

	TECHNOLOGY - 4.78%	
180	Allied Signal, Inc.....	12,060
40	Analog Devices, Inc. +.....	1,355
160	Digital Equipment Corporation +.....	5,820
90	General Dynamics Corporation.....	6,345
70	Honeywell, Inc.....	4,603
50	International Business Machines.....	7,550
80	Lockheed Martin Corporation.....	7,320
170	Raytheon Company.....	8,181
300	United Technologies Corporation.....	19,800

		73,034

	MATERIALS AND PROCESSING - 4.56%	
40	Air Products and Chemicals, Inc.	2,765
110	Aluminum Company of America.....	7,012
50	Dow Chemical Company.....	3,919
100	DuPont (E.I.) DeNemours & Company.....	9,437
150	Freeport McMoran Copper & Gold, Class B.....	4,481
310	B.F. Goodrich Company.....	12,555
100	Nalco Chemical Company.....	3,702
100	Olin Corporation.....	3,763

</TABLE>

See Notes to Financial Statements

<TABLE>
 <CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
 MFS TOTAL RETURN PORTFOLIO
 SCHEDULE OF INVESTMENTS (CONTINUED)
 DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		(NOTE 2)
-----		-----
COMMON STOCKS - (CONTINUED)		
	MATERIALS AND PROCESSING (CONTINUED)	
20	Phelps Dodge Corporation.....	\$1,350
100	Praxair, Inc.....	4,613
100	Rohm & Haas Company.....	8,163
90	Weyerhaeuser Company.....	4,264
120	Witco Corporation.....	3,660

		69,684

	UTILITIES - 4.47%	
100	Allegheny Power Systems, Inc.....	3,037
100	CMS Energy Corporation.....	3,362
200	Carolina Power & Light Company.....	7,300
230	Coastal Corporation.....	11,241
100	Eastern Enterprises.....	3,537
160	FPL Group, Inc.....	7,360
80	Peco Energy Company.....	2,020
200	Pinnacle West Capital Corporation.....	6,350
100	Portland General Corporation.....	4,200
100	Sonat, Inc.....	5,150
100	Texas Utilities Company.....	4,075
200	UGI Corporation.....	4,475

165	Williams Companies, Inc.....	6,187

		68,294

	DRUGS & HEALTH CARE - 4.18%	
140	American Home Products Corporation.....	8,208
120	Astra AB, ADR.....	5,880
100	Baxter International, Inc.....	4,100
120	Columbia/HCA Healthcare Corporation.....	4,890
200	Lion Nathan, Ltd. (New Zealand).....	479
110	Meditrust.....	4,400
190	Pharmacia & Upjohn, Inc.	7,529
90	Rhone-Poulenc Rorer, Inc.....	7,031

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MFS TOTAL RETURN PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		-----
COMMON STOCKS - (CONTINUED)		
DRUGS & HEALTH CARE - (CONTINUED)		
70	St. Jude Medical, Inc. +.....	\$2,984
180	SmithKline Beecham, PLC, ADR.....	12,240
140	United Healthcare Corporation.....	6,300

		64,041

	CONSUMER STAPLES - 3.51%	
100	American Brands, Inc.....	4,963
80	Colgate Palmolive Company.....	7,380
100	Dimon, Inc.....	2,313
110	General Mills, Inc.....	6,971
130	McCormick & Company, Inc.	3,063
110	Pepsico, Inc.	3,218
160	Phillip Morris Companies, Inc.....	18,019
90	Rubbermaid, Inc.....	2,048
210	Stanley Works.....	5,670

		53,645

	PRODUCER DURABLES - 2.77%	
140	Browning Ferris Industries, Inc... ..	3,675
100	Cooper Industries, Inc.	4,213
230	Deere & Company.....	9,344
160	General Electric Company.....	15,820
150	WMX Technologies, Inc.	4,894
80	York International Corporation.....	4,470

		42,416

	CONSUMER DISCRETIONARY - 2.60%	
160	Eastman Kodak Company.....	12,840
100	May Department Stores Company.....	4,675
70	Rite Aid Corporation.....	2,783
170	Sears Roebuck & Company.....	7,841
120	VF Corporation.....	8,100
150	Wal-Mart Stores, Inc.....	3,431

		39,670

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MFS TOTAL RETURN PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - (CONTINUED)	
COMMUNICATION - 2.41%	
30 AT&T Corporation.....	\$1,305
100 Ameritech Corporation.....	6,063
170 BellSouth Corporation.....	6,864
210 GTE Corporation.....	9,555
320 MCI Communications Corporation.....	10,460
70 Telephone & Data Systems, Inc.....	2,538

	36,785

AUTOS & TRANSPORTATION - 2.28%	
100 Burlington Northern Santa Fe.....	8,638
70 CSX Corporation.....	2,958
150 Dana Corporation.....	4,894
220 Ford Motor Company.....	7,013
40 General Motors Corporation.....	2,230
210 Illinois Central Corporation.....	6,720
110 Volvo Artiebolaget, ADR.....	2,393

	34,846

OTHER - 1.90%	
100 Henkel KGAA (Germany).....	5,023
200 Hospitality Properties Trust.....	5,800
11 Novartis AG (Switzerland).....	12,209
110 Sherwin Williams Company.....	6,160

	29,192

TOTAL COMMON STOCKS (COST \$725,872).....	816,507
	=====

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MFS TOTAL RETURN PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
PREFERRED STOCKS - 2.26%	
50 American Radio Systems Corporation, Non-Voting, 144A.....	\$2,350
60 Case Corporation, Series A, Non-Voting.....	7,965
100 Finova Financial Trust	5,250
100 Host Marriott Financial Trust, 144A.....	5,363
80 Loral Space & Communications, 144A.....	4,550
50 Timet Capital Trust, 144A.....	2,700
111 Unocal Corporation, Non-Voting.....	6,299

TOTAL PREFERRED STOCKS (COST \$31,550).....	34,477

PRINCIPAL	
AMOUNT	
TREASURY OBLIGATIONS - 32.99%	
\$ 80,000 United States Treasury Bond, 6.75%	
	Due 08/15/2026.....
	80,600
80,000 United States Treasury Note, 6.875%	
	Due 05/15/2006.....
	82,488
339,000 United States Treasury Note, 6.375%	
	Due 08/15/2002.....
	341,224

TOTAL TREASURY OBLIGATIONS (COST \$500,530).....	504,312

CORPORATE BONDS AND NOTES - 0.20%	
3,000 ADT Operations, Inc., LYON	
	0.00%, due 07/06/2010.....
	1,965
1,000 National Data Corporation, Subordinated Convertible	
	Note, 5.00%, Due 11/01/2003.....
	1,021

TOTAL CORPORATE BONDS AND NOTES (COST \$2,711)..... 2,986

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
MFS TOTAL RETURN PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
SHORT-TERM OBLIGATIONS - 18.51%		
\$283,000	Repurchase Agreement with State Street Bank & Trust Company, dated 12/31/96 at 2.0%, due 01/02/97, maturity value \$283,031 (collateralized by U.S. Treasury Note, 6.00%, due 05/31/98, par value \$290,000; market value \$292,569) (Cost \$283,000).....	\$283,000

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,543,663*).....	107.37%	1,641,282
OTHER ASSETS AND LIABILITIES.....	(7.37)	(112,607)
NET ASSETS.....	100.0%	\$1,528,675

<FN>
* Aggregate cost for Federal tax purposes is \$1,543,692 (Note 4)
+ Non-income producing security
144A after the name of a security represents those securities exempt under registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. The value of these securities amounted to \$14,963 or 0.98% of net assets.

</TABLE>

GLOSSARY OF TERMS

ADR American Depository Receipt
LYON Liquid Yield Option Note

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
SALOMON U.S. QUALITY BOND PORTFOLIO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 1996

<S>		<C>
PRINCIPAL AMOUNT		VALUE (NOTE 2)
TREASURY OBLIGATIONS - 45.46%		
U.S. TREASURY NOTES - 43.84%		
\$200,000	6.50%, due 05/31/2001.....	\$202,188
100,000	6.625%, due 07/31/2001.....	101,594
125,000	5.875%, due 11/15/2005.....	120,527
150,000	7.00%, due 07/15/2006.....	155,837
100,000	6.50%, due 10/15/2006.....	100,547
TOTAL U.S. TREASURY NOTES (COST \$674,777).....		680,693
U.S. TREASURY BOND - 1.62%		
25,000	6.750%, due 08/15/2026 (Cost \$24,801).....	25,187
Total Treasury Obligations (Cost \$699,578).....		705,880

U.S. GOVERNMENT AGENCY OBLIGATIONS - 43.21%
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA) - 18.81%

50,000	7.00%, 30 Year (A).....	48,906
248,351	Pool #432575, 7.00%, due 04/15/2026.....	243,074

	Total GNMA (Cost \$291,005).....	291,980

STUDENT LOAN MARKETING ASSOCIATION (SLMA) - 8.30%		
125,000	7.20%, due 11/09/2000 (Cost \$128,639).....	128,809

FEDERAL HOME LOAN BANK (FHLB) - 7.96%		
125,000	5.89%, due 07/24/2000 (Cost \$124,030).....	123,574

Federal National Mortgage Association (FNMA) - 4.12%		
25,000	7.00%, 30 Year (A).....	24,445
4,811	Pool #100090, 14.50%, due 11/01/2014.....	5,934
7,833	Pool #303791, 12.50%, due 08/01/2015.....	9,201
12,224	Pool #100089, 13.00%, due 11/01/2015.....	14,436
8,665	Pool #303792, 11.50%, due 09/01/2019.....	9,880

	TOTAL FNMA (COST \$64,239)	63,896

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
SALOMON U.S. QUALITY BOND PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>	<C>
PRINCIPAL AMOUNT	VALUE (NOTE 2)
-----	-----
U.S. GOVERNMENTAL AGENCY OBLIGATIONS (CONTINUED)	
FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC) - 4.02%	
\$55,959 11.75%, due 08/01/2014 (Cost \$62,604)	\$62,621

TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS (COST \$670,517).....	670,880
	=====
CORPORATE BONDS AND NOTES - 3.58%	
50,000 Mellon Financial Company, 9.75%	
Due 06/15/2001 (Cost \$55,941).....	55,584

SHORT TERM OBLIGATION - 11.66%	
181,000 Repurchase Agreement with State Street Bank & Trust Company, dated 12/31/96 at 6.25%, due 01/02/97, maturity value \$181,063 (collateralized by U.S. Treasury Bond, 5.125%, due 05/15/98, par value \$185,000; market value \$187,313) (Cost \$181,000).....	181,000

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,607,036*).....	103.91%	1,613,344
OTHER ASSETS AND LIABILITIES (NET).....	(3.91)	(60,796)

NET ASSETS.....	100.00%	\$1,552,548
	=====	=====

<FN>
* Aggregate cost for Federal tax purposes (Note 4)
(A) Dollar Roll (Note 2)
</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
SALOMON MONEY MARKET PORTFOLIO
SCHEDULE OF INVESTMENTS

<S> PRINCIPAL AMOUNT -----		<C> VALUE (NOTE 2) -----
U.S. TREASURY BILLS - 21.19%		
\$230,000	4.60%, due 01/09/1997+.....	\$229,765
20,000	4.70%, due 01/09/1997+.....	19,979
	TOTAL U.S. TREASURY BILLS (COST \$249,744).....	249,744

U.S. GOVERNMENT AGENCY OBLIGATIONS - 68.15%		
FEDERAL FARM CREDIT BANK (FFCB) - 23.76%		
280,000	5.24%, due 01/02/1997+ (Cost \$279,959).....	279,959

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC) - 21.09%		
250,000	5.23%, due 02/10/1997+ (Cost \$248,547).....	248,547

FEDERAL HOME LOAN BANK (FHLB) - 14.82%		
175,000	5.46%, due 01/14/1997+ (Cost \$174,655).....	174,655

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA) - 8.48%		
100,000	5.22%, due 01/07/1997+ (Cost \$99,913).....	99,913

	TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS (COST \$803,074)	803,074
=====		
COMMERCIAL PAPER - 4.22%		
50,000	Ford Motor Credit Company, 5.28% Due 02/07/1997+ (Cost \$49,729).....	49,729

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
SALOMON MONEY MARKET PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S> PRINCIPAL AMOUNT -----		<C> VALUE (NOTE 2) -----
REPURCHASE AGREEMENT - 20.28%		
\$239,000	Repurchase Agreement with State Street Bank and Trust Company, dated 12/31/96 at 6.25%, due 01/02/97, maturity value \$239,083 (collateralized by U.S. Treasury Bond, 6.125%, due 05/15/98, par value \$245,000; market value \$248,063) (Cost \$239,000).....	\$239,000

</TABLE>

<TABLE> <CAPTION><S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,341,547*).....	113.84%	\$1,341,547
OTHER ASSETS AND LIABILITIES (NET).....	(13.84)	(163,160)
	-----	-----
NET ASSETS.....	100.00%	\$1,178,387
	=====	=====

<FN>

* Aggregate cost for Federal tax purposes (Note 4)
+ Rate represents annualized yield at date of purchase

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG INTERNATIONAL STOCK PORTFOLIO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - 73.52%	
NEW ZEALAND - 14.57%	
97,533 Guinness Peat Group, PLC.....	\$56,541
175,000 Shortland Property.....	121,244

	177,785

JAPAN - 14.48%	
1,100 Canon Sales Company, Inc.....	24,506
3,000 Chubu Steel Plate Company, Ltd.....	16,035
1,100 Family Mart Company.....	43,977
10,000 Ishikawajima Harina Heavy Industries.....	44,469
2,000 Nomura Securities Company, Ltd.....	30,049
2,000 TOC Company.....	17,788

	176,824

ITALY - 14.30%	
128,000 Gemina +.....	62,945
30,000 Simint, SPA +.....	111,734

	174,679

HONG KONG - 7.63%	
84,984 CDL Hotels International.....	48,620
26,000 Peregrine Investment Holdings.....	44,541

	93,161

AUSTRALIA - 6.87%	
26,461 Normandy Mining, Ltd.....	36,596
7,508 WMC, Ltd....	47,324

	83,920

MALAYSIA - 4.77%	
13,000 IJM Corporation Berhad.....	30,628
7,000 Malaysian Resource Corporation.....	27,579

	58,207

INDONESIA - 4.34%	
32,000 Bukaka Teknik Utama.....	24,047
9,000 Semen Gresik	28,959

	53,006

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG INTERNATIONAL STOCK PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - (CONTINUED)	
FRANCE - 1.97%	
100 Pathe.....	\$24,092

UNITED KINGDOM - 1.96%	
5,152 Inchcape, PLC.....	23,919

UNITED STATES - 1.82%	
1,300 Compania De Minas Buenaventura, ADR.....	22,263

THAILAND - 0.81%	
4,900 Finance One Public Company, Ltd.	9,935
TOTAL COMMON STOCKS (COST \$855,288).....	897,791
	=====

PREFERRED STOCK - 8.81%	
AUSTRALIA - 8.81%	
24,179 News Corporation (Cost \$99,291).....	107,625

WARRANTS - 0.69%	
1,100 Morgan Stanley Group, Inc. (United States) expires 08/15/1997 +.....	4,125
10,400 Normandy Mining (Australia) expires 04/08/2001 +.....	3,472
2,600 Peregrine Investment Holdings (Hong Kong), expires 05/15/1998 +	832

TOTAL WARRANTS (COST \$10,642).....	8,429
	=====

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG INTERNATIONAL STOCK PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
PRINCIPAL AMOUNT		VALUE
-----		(NOTE 2)
-----		-----
U.S. TREASURY BILL - 16.17%		
\$200,000 5.045%, due 04/03/1997+ (Cost \$197,421).....		\$197,421

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,162,642*).....	99.19%	1,211,266
OTHER ASSETS AND LIABILITIES (NET).....	0.81	9,903
	-----	-----
NET ASSETS.....	100.00%	\$1,221,169
	=====	=====

<FN>

* Aggregate cost for Federal tax purposes (Note 4)
+ Non-income producing security
+ Rate represents annualized yield at rate of purchase
</TABLE>

GLOSSARY OF TERMS

ADR American Depository Receipt

See Notes to Financial Statements

<TABLE>
<CAPTION>

The LPT Variable Insurance Series Trust
Strong International Stock Portfolio
Schedule of Investments (Continued)
December 31, 1996 (Unaudited)

As of December 31, 1996, sector diversification of the Portfolio was as follows:

SECTOR DIVERSIFICATION	% OF NET ASSETS	VALUE (NOTE 2)
-----	-----	-----
<S>	<C>	<C>
COMMON STOCKS:		
Consumer Discretionary.....	22.68%	\$276,849
Producer Durables.....	10.49	128,103
Materials and Processing.....	10.44	127,534
Financial Services.....	16.85	205,769
Other.....	13.06	159,536

TOTAL COMMON STOCKS.....	73.52	897,791
PREFERRED STOCKS.....	8.81	107,625
WARRANTS.....	0.69	8,429
U.S. TREASURY BILLS.....	16.17	197,421
TOTAL INVESTMENTS.....	99.19	1,211,266
OTHER ASSETS AND LIABILITIES (Net).....	0.81	9,903
NET ASSETS.....	100.0%	\$1,221,169

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG GROWTH PORTFOLIO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 1996

<S>

<C>

SHARES		VALUE (NOTE 2)
COMMON STOCKS - 82.41%		
TECHNOLOGY - 23.06%		
100	Advanced Fibre Communications +.....	\$5,562
100	Altera Corporation +.....	7,269
200	Candence Design System, Inc. +.....	7,950
300	CBT Group Publishing, Ltd., ADR +.....	16,275
500	Cisco Systems, Inc. +.....	31,812
800	Danka Business System, ADR	28,300
100	Dell Computer Corporation +.....	5,312
300	Intel Corporation.....	39,281
200	International Business Machines.....	30,200
200	Maxim Integrated Products, Inc. +.....	8,650
200	McAfee Associates, Inc. +.....	8,800
200	Microsoft Corporation +.....	16,525
500	National Semiconductor Corporation +.....	12,187
100	Netscape Communications Corporation +.....	5,687
300	Parametric Technology Corporation +.....	15,413
200	Perkin Elmer Corporation +.....	11,775
300	Sipex Corporation +.....	9,675
400	Sykes Enterprises, Inc +.....	15,000
300	3Com Corporation +.....	22,013
500	Tellabs, Inc. +.....	18,813
300	Teradyne, Inc. +	7,313
200	US Robotics Corporation +.....	14,400
200	Uniphase Corporation +.....	10,500
		348,712
DRUGS & HEALTH CARE - 13.05%		
200	Abbott Labs.....	10,150
100	American Home Products Corporation.....	5,863
400	Amerisource Health Corporation, Class A +.....	19,300
600	Cardinal Health, Inc.....	34,950
300	Dura Pharmaceuticals, Inc. +.....	14,325

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG GROWTH PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>

<C>

SHARES		VALUE (NOTE 2)
COMMON STOCKS - (CONTINUED)		
DRUGS & HEALTH CARE - (CONTINUED)		
500	Healthsouth Corporation +.....	\$19,312
300	Eli Lilly & Company.....	21,900
400	Medtronic, Inc.	27,200
300	Oxford Health Plans, Inc. +	17,569
200	Parexel International Corporation +.....	10,325

200	Pfizer, Inc.	16,575

		197,469

	FINANCIAL SERVICES - 12.89%	
400	American Express Company.....	22,600
100	Chase Manhattan Corporation (New).....	8,925
200	Citicorp.....	20,600
400	Conseco, Inc.	25,500
300	Federal National Mortgage Association.....	11,175
200	First Bank Systems, Inc.....	13,650
200	Firststar Corporation New.....	10,500
200	Mellon Bank Corporation.....	14,200
200	MGIC Investment Corporation.....	15,200
300	Norwest Corporation.....	13,050
400	Schwab Charles Corporation.....	12,800
200	TCF Financial Corporation.....	8,700
400	Travelers Group, Inc.	18,150

		195,050

	CONSUMER DISCRETIONARY - 12.02%	
300	Boston Chicken, Inc. +	10,762
200	Coca Cola Company.....	10,525
500	Carnival Corporation.....	16,500
500	Consolidated Stores Corporation +.....	16,062
200	Cognizant Corporation.....	6,600
400	CUC International, Inc. +.....	9,500
400	Dollar Tree Stores, Inc. +.....	15,300
100	HFS, Inc. +	5,975
200	Jones Apparel Group, Inc. +	7,475
300	Kohl's Corporation +.....	11,775
200	Midwest Express Holdings, Inc. +.....	7,200

</TABLE>

See Notes to Financial Statements

<TABLE>
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THE LPT VARIABLE INSURANCE SERIES TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

STRONG GROWTH PORTFOLIO

<S>

<C>

SHARES

VALUE
(NOTE 2)

COMMON STOCKS - (CONTINUED)

CONSUMER DISCRETIONARY - (CONTINUED)

300	Nautica Enterprises, Inc. +.....	\$7,575
200	Peoplesoft, Inc. +.....	9,587
350	Regal Cinemas, Inc. +	10,762
600	Service Corporation International.....	16,800
600	Staples, Inc. +.....	10,837
300	Starbucks Corporation +.....	8,588

		181,823

ENERGY - 5.81%

400	Baker Hughes, Inc.	13,800
200	BJ Services Company +.....	10,200
100	Diamond Offshore Drilling, Inc. +	5,700
200	EnSCO International, Inc. +	9,700
300	Global Marine, Inc. +	6,188
300	Noble Affiliates, Inc.	14,363
100	Schlumberger, Ltd.....	9,987
400	Smith International, Inc. +.....	17,950

		87,888

MATERIALS AND EQUIPMENT - 4.30%

1,000	Accustaff, Inc. +.....	21,125
100	Alco Standard Corporation.....	5,162
200	Applied Materials, Inc. +	7,188
350	Corestaff, Inc. +.....	8,291
600	Monsanto Company.....	23,325

		65,091

CONSUMER STAPLES - 2.97%

300	Interstate Bakeries Corporation.....	14,738
200	Kimberly Clark Corporation.....	19,050

100 Philip Morris Companies, Inc. 11,263

45,051

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG GROWTH PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - (CONTINUED)	
PRODUCT DURABLES - 2.89%	
400 Boston Scientific Corporation +.....	\$24,000
200 General Electric Company.....	19,775

	43,775

COMMUNICATIONS - 2.44%	
600 Cincinnati Bell, Inc.....	36,975

UTILITIES - 1.52%	
300 Cooper Cameron Corporation +.....	22,950

REAL ESTATE - 1.46%	
400 Starwood Lodging Trust.....	22,050

Total Common Stocks (Cost \$1,107,199).....	1,246,834
	=====

PRINCIPAL
AMOUNT

SHORT TERM OBLIGATIONS - 23.33%	
U.S. TREASURY BILLS - 6.54%	
\$100,000 5.02%, due 03/13/1997+ (Cost \$99,010).....	99,010

REPURCHASE AGREEMENT - 16.79%	
254,000 Repurchase Agreement with State Street Bank and Trust Company, dated 12/31/96 at 2.00%, due 01/02/97, maturity value \$254,028 (collateralized by U.S. Treasury Note, 6.00%, due 05/31/98, par value \$260,000; market value \$262,303) (Cost \$254,000).....	254,000

Total Short Term Obligations (Cost \$353,010).....	353,010

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
STRONG GROWTH PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

SHARES		VALUE
-----		(NOTE 2)
-----		-----
<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,460,209*).....	105.74%	\$1,599,844
OTHER ASSETS AND LIABILITIES (NET).....	(5.74)	(86,881)
	-----	-----
NET ASSETS.....	100.00%	\$1,512,963
	=====	=====

<FN>

* Aggregate cost for Federal tax purposes is \$1,469,950 (Note 4)

+ Non-income producing security

+ Rate represents annualized yield at date of purchase

</TABLE>

GLOSSARY OF TERMS

ADR American Depository Receipt

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
BERKELEY SMALLER COMPANIES PORTFOLIO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - 63.88%	
TECHNOLOGY - 26.37%	
500 ADC Telecommunications, Inc. +.....	\$15,563
250 Apac Teleservices, Inc. +.....	9,594
300 Applied Magnetics Corporation +.....	8,963
800 Bitstream, Inc. +.....	5,200
600 Aspect Teleservices, Inc. +.....	38,100
300 Chips & Technologies, Inc. +.....	5,475
500 Cotelligent Group, Inc. +.....	12,062
200 Davox Corporation +.....	8,250
900 Edify Software, Inc. +.....	14,400
700 Fore Systems, Inc. +.....	23,013
500 Forte Software, Inc. +.....	16,375
100 Gateway 2000, Inc. +.....	5,356
500 Hologic, Inc. +.....	12,375
600 I2 Technologies, Inc. +.....	22,950
500 Inacom Corporation +.....	20,000
500 Inso Corporation +.....	19,875
700 McAfee Associates, Inc. +.....	30,800
400 Pegasystems, Inc. +.....	12,050
500 Pure Atria Corporation +.....	12,375
900 Sunquest Information Systems, Inc. +.....	12,825
2,000 Systemsoft Corporation +.....	29,750
200 U.S. Robotics Corporation.....	14,400
700 Vantive Corporation +.....	21,875
200 Videoserver, Inc. +.....	8,500

	380,126

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
BERKELEY SMALLER COMPANIES PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - (CONTINUED)	
COMMUNICATIONS - 10.71%	
100 Adtran, Inc. +.....	\$4,150
700 Ascend Communications, Inc. +.....	43,488
250 Cascade Communications Corporation +.....	13,781
1,700 DSP Communications, Inc. +.....	32,937
1,200 Pairgain Technologies +.....	36,525
700 Snyder Communications, Inc. +.....	18,900
200 Westell Technologies +.....	4,575

	154,356

DRUGS & HEALTH CARE - 8.48%	
900 ABR Information Services, Inc. +.....	35,437
500 Access Health, Inc. +.....	22,375
400 Cohr, Inc. +.....	10,800
700 Endosonics Corporation +.....	10,675
1,200 Medical Resources, Inc. +.....	13,650
800 Rexall Sundown, Inc. +.....	21,750

300	Spine Tech, Inc. +.....	7,500

		122,187

	BUSINESS SERVICES - 5.24%	
200	CKS Group, Inc. +.....	\$8,362
1,200	Cognos, Inc. +.....	33,750
200	Metzler Group, Inc. +.....	6,350
200	Quintiles Transnational Corporation +.....	13,250
300	Registry, Inc. +.....	13,838

		75,550

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
BERKELEY SMALLER COMPANIES PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
SHARES		VALUE
-----		(NOTE 2)
-----		-----
COMMON STOCKS - (CONTINUED)		
	ENERGY - 5.16%	
400	ENSCO International, Inc. +.....	\$19,400
500	Marine Drilling Companies, Inc. +.....	9,844
400	Pride Petroleum Services, Inc. +.....	9,300
400	Reading & Bates Corporation +.....	10,600
400	Seacor Holdings, Inc. +.....	25,200

		74,344

	Consumer Discretionary - 4.35%	
500	Claire S Stores, Inc.....	6,500
500	Finish Line, Inc., Class A +.....	10,562
400	Hot Topic, Inc. +.....	7,900
600	Just for Feet, Inc. +.....	15,750
200	Party City Corporation +.....	3,400
800	Vans, Inc. +.....	10,000
400	Wet Seal, Inc. +.....	8,550

		62,662

	ELECTRICAL EQUIPMENT - 1.31%	
600	Kent Electronics Corporation +.....	15,450
400	Lightbridge, Inc. +.....	3,425

		18,875

	PRODUCER DURABLE - 1.15%	
400	American Disposal Services, Inc. +.....	7,400
700	Industri Matematik International Corporation +.....	9,188

		16,588

	TRANSPORTATION - 0.63%	
200	Tidewater, Inc.....	9,050

	CONSUMER SERVICES - 0.48%	
350	WMS Industries, Inc. +.....	7,000

	TOTAL COMMON STOCKS (COST \$952,758)	920,738
		=====

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
BERKELEY SMALLER COMPANIES PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>		<C>
PRINCIPAL		VALUE
AMOUNT		(NOTE 2)
-----		-----

SHORT-TERM OBLIGATION - 39.88%		
U.S. TREASURY BILL - 17.33%		
\$250,000	4.75%, due 01/09/97+ (Cost \$249,736).....	\$249,736

325,000	REPURCHASE AGREEMENT - 22.55%	
	Repurchase Agreement with State Street	
	Bank and Trust Company, dated 12/31/96 at	
	2.0%, due 01/02/97, maturity value \$325,036	
	(collateralized by U.S. Treasury Note,	
	6.00%, due 05/31/98, par value \$330,000;	
	market value \$332,923) (Cost \$325,000).....	325,000

	TOTAL SHORT-TERM OBLIGATION (COST \$574,736).....	574,736

</TABLE>

<TABLE>		
<CAPTION>		
<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,527,494*).....	103.76%	\$1,495,474
OTHER ASSETS AND LIABILITIES (NET).....	(3.76)	(54,230)
	-----	-----
NET ASSETS.....	100.00%	\$1,441,244
	=====	=====

<FN>
* Aggregate cost for Federal tax purposes is \$1,532,498 (Note 4)
+ Non-income producing security
+ Rate represents annualized yield at date of purchase
</TABLE>

See Notes to Financial Statements

<TABLE>		
<CAPTION>		
	THE LPT VARIABLE INSURANCE SERIES TRUST	
	LEXINGTON CORPORATE LEADERS PORTFOLIO	
	SCHEDULE OF INVESTMENTS	
	DECEMBER 31, 1996	
<S>		<C>
		VALUE
SHARES		(NOTE 2)
-----		-----
COMMON STOCKS - 98.64%		
	ENERGY - 23.10%	
450	Chevron Corporation.....	\$29,250
450	Exxon Corporation.....	44,100
450	Mobil Corporation.....	55,012
450	Royal Dutch Petroleum Company, NY Shares.....	76,837
450	Schlumberger, Ltd.....	44,944
450	Texaco, Inc.	44,156
390	Union Pacific Resource Group, Inc.	11,407

		305,706

	CONSUMER DISCRETIONARY - 19.92%	
450	American Brands, Inc.....	22,331
840	Coca Cola Company.....	44,205
450	Eastman Kodak Company.....	36,112
450	McDonalds Corporation.....	20,362
450	Philip Morris Companies, Inc.....	50,681
450	Procter & Gamble Company.....	48,375
450	Wal-Mart Stores, Inc.....	10,294
450	Walt Disney Company.....	31,331

		263,691

	TECHNOLOGY - 11.17%	
450	Allied Signal, Inc.....	30,150
450	Boeing Company.....	47,869
840	Hewlett Packard Company.....	42,210
450	Motorola, Inc.....	27,619

		147,848

	AUTOS & TRANSPORTATION - 8.62%	
450	Burlington Northern Santa Fe.....	38,869
450	General Motors Corporation.....	25,087
450	Goodyear Tire and Rubber Company.....	23,119
450	Union Pacific Corporation.....	27,056

		114,131

</TABLE>

See Notes to Financial Statements

<TABLE>
<CAPTION>

THE LPT VARIABLE INSURANCE SERIES TRUST
LEXINGTON CORPORATE LEADERS PORTFOLIO
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 1996

<S>	<C>
SHARES	VALUE
-----	(NOTE 2)
-----	-----
COMMON STOCKS - (CONTINUED)	
MATERIALS & PROCESSING - 8.45%	
450 Aluminum Company of America.....	\$28,687
450 Bethlehem Steel Corporation +.....	4,050
450 DuPont (E.I.) DeNemours & Company.....	42,469
450 International Paper Company.....	18,169
450 Union Carbide Corporation.....	18,394

	111,769

FINANCIAL SERVICES - 8.12%	
450 American Express Company.....	25,425
450 J.P. Morgan & Company, Inc.....	43,931
840 Travelers Group, Inc.....	38,115

	107,471

PRODUCER DURABLES - 5.92%	
450 Caterpillar, Inc.....	33,863
450 General Electric Company.....	44,494

	78,357

DRUGS & HEALTH CARE - 5.85%	
840 Johnson & Johnson.....	41,790
450 Merck & Company, Inc.....	35,663

	77,453

UTILITIES - 5.36%	
450 Consolidated Edison Company of New York.....	13,163
450 Duke Power Company.....	20,813
450 Houston Industries, Inc.....	10,181
450 Pacific Gas & Electric Company.....	9,450
450 Union Electric Company.....	17,325

	70,932

COMMUNICATIONS - 2.13%	
450 AT&T Corporation.....	19,575
186 Lucent Technologies, Inc.....	8,603

	28,178

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
TOTAL INVESTMENTS (COST \$1,156,549*).....	98.64%	1,305,536
OTHER ASSETS AND LIABILITIES.....	1.36	17,885
	-----	-----
NET ASSETS.....	100.0%	\$1,323,421
	=====	=====

<FN>
* Aggregate cost for Federal tax purposes
+ Non-income producing security
</TABLE>

See Notes to Financial Statements

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1996

1. ORGANIZATION AND BUSINESS

The LPT Variable Insurance Series Trust (the "Trust") was organized under the laws of the Commonwealth of Massachusetts on January 23, 1995, and is a business entity commonly known as a "Massachusetts Business Trust". The Trust is registered under the Investment Company Act of 1940, as amended, (the "1940 Act"), as an open-end series management investment company. The trust offers eight managed investment portfolios (the "Portfolios") to the public only through certain variable annuity contracts offered by London Pacific Life and Annuity Company ("London Pacific"): the Salomon Money Market Portfolio (the "Money Portfolio"); the Salomon U.S. Quality Bond Portfolio (the "Bond Portfolio"); and the MAS Value, MFS Total Return, Strong International Stock, Strong Growth, Berkeley Smaller Companies, and Lexington Corporate Leaders Portfolios (the "Equity Portfolios").

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies which are in conformity with generally accepted accounting principles consistently followed by the Trust in the preparation of its financial statements. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

SECURITY VALUATION: Securities which are traded on a recognized exchange (including securities traded through the National Market System) are valued at the last sale price on the securities exchange on which such securities are primarily traded, or, if there were no sales during the day, at the closing bid price. Portfolio securities that are primarily traded on foreign exchanges are generally valued at the most recent closing values of such securities on their respective exchanges, except when an occurrence subsequent to the time a value was so established is likely to have changed the value, then the fair value of those securities will be determined by the Board of Trustees or its delegates. Over-the-counter securities that are not traded through the National Market System are valued on the basis of the bid price at the close of business on each day. Short-term investments that mature in 60 days or less are valued at amortized cost. Long-term debt securities are valued using information furnished by an independent pricing service approved by the Board of Trustees which utilizes market quotations and transactions, quotations from dealers and various relationships among securities in determining value. If not valued by a pricing service, such securities are valued at prices obtained from independent brokers. Investments with prices that cannot be readily obtained, if any, are stated at fair value as determined in good faith under consistently applied procedures established by and under the supervision of the Board of Trustees. The investments of the Money Portfolio are valued utilizing the amortized cost valuation method permitted in accordance with Rule 2a-7 under the Investment Company Act of 1940. This method involves valuing a portfolio security initially at its cost, and, thereafter, assuming a constant amortization to maturity of any discount or premium.

REPURCHASE AGREEMENTS: Each Portfolio may engage in Repurchase Agreement transactions. Under the terms of a typical Repurchase Agreement, the Portfolio through its custodian takes possession of an underlying debt obligation, subject to an obligation of the seller to repurchase and the Portfolio to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Portfolio's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the Portfolio's holding period. The value of the collateral is at least equal at all times to the total amount of the repurchase obligations, including interest. In the event of counterparty default, the Portfolio has the right to use the collateral to offset losses incurred. There is potential loss to the Portfolio in the event the Portfolio is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the value of the underlying securities during the period while the Portfolio seeks to assert its rights. Each Portfolio may enter into Repurchase Agreements only with banks or dealers which, in the opinion of each Portfolio's Sub-advisor, based on guidelines established by the Trust's Board of Trustees, are deemed creditworthy.

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

DOLLAR ROLL TRANSACTIONS: The Salomon U.S. Quality Bond Portfolio in order to seek a high level of current income, may enter into dollar roll transactions with financial institutions to take advantage of opportunities in the mortgage market. The values of the dollar roll transactions are reflected in the Portfolio's Statements of Assets and Liabilities. A dollar roll transaction involves the sale by the Portfolio of securities that it holds with an agreement by the Portfolio to repurchase similar securities at an agreed upon price and date. The securities repurchased will bear the same interest as those sold, but

generally will be collateralized at time of delivery by different pools of mortgages with different prepayment histories than those securities sold. The Portfolio is paid a fee for entering into a dollar roll transaction, that is accrued as income over the life of the dollar roll contract. During the period between the sale and repurchase, the Portfolio will not be entitled to receive interest and principal payments on the securities sold. Management anticipates that the proceeds of the sale will be invested in additional instruments for the Portfolio, and the income from these investments, together with any additional income received on the sale will generate income for the Portfolio exceeding the interest that would have been earned on the securities sold. Dollar roll transactions involve the risk that the market value of the securities sold by the Portfolio may decline below the repurchase price of those similar securities which the Portfolio is obligated to purchase or that the return earned by the Portfolio with the proceeds of a dollar roll may not exceed transaction costs.

FOREIGN CURRENCY TRANSLATION: The books and records of the Portfolios are maintained in U.S. Dollars. Investment valuations, other assets and liabilities initially expressed as foreign currencies are converted each business day into U.S. dollars based upon current exchange rates. Purchases and sales of foreign investments and income and expenses are converted into U.S. dollars based upon exchange rates prevailing on the respective dates of such transactions. That portion of unrealized gains or losses on investments due to fluctuations in foreign currency exchange rates is not separately disclosed.

SECURITY TRANSACTIONS AND INVESTMENT INCOME: Security transactions are recorded on the trade date. Net realized gains and losses from security transactions are recorded on the basis of identified cost. Interest income is recorded on the accrual basis and consists of interest accrued, and, if applicable, discount earned less premiums amortized. Dividend income is recorded on the ex-dividend date, except that certain dividends from foreign securities are recorded as soon as a portfolio is informed of the ex-dividend date.

DISTRIBUTIONS TO SHAREHOLDERS: Dividends from net investment income are declared daily and reinvested monthly for the Money Portfolio and are declared and distributed annually for all other Portfolios. All Portfolios, with the exception of the Money Portfolio, declare and distribute, if any, all net realized capital gains at least annually. The amount and character of income and gains to be distributed are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences include treatment of losses on wash sale transactions and realized and unrealized gains and losses on foreign currency contracts. Reclassifications are made to a portfolio's capital accounts to reflect income and gains available for distribution (or available capital loss carryovers) under income tax regulations. The calculation of net investment income per share in the financial highlights table excludes these adjustments.

FEDERAL INCOME TAXES: The Trust treats each Portfolio as a separate entity for Federal income tax purposes. Each Portfolio of the Trust intends to qualify each year as a "regulated investment company" under Subchapter M of the Internal Revenue Code of 1986, as amended. By so qualifying, each Portfolio will not be subject to Federal income taxes to the extent it distributes all of its taxable income and net realized gains for the tax year ending December 31. In addition, by distributing during each calendar year substantially all of its net investment income, capital gains, and certain other amounts, if any, each Portfolio will not be subject to Federal excise tax. Therefore, no Federal income tax provision is required. Withholding taxes on foreign dividend income and gains have been paid or provided for in accordance with the applicable country's tax rules and rates.

EXPENSES: The Trust accounts separately for assets, liabilities, and operations of each Portfolio. Expenses directly attributed to a Portfolio are charged to the Portfolio, while expenses which are attributable to more than one Portfolio of the Trust are allocated among the respective Portfolios.

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

3. INVESTMENT ADVISORY, SUB-ADVISORY, ADMINISTRATION FEES, AND OTHER RELATED PARTY TRANSACTIONS

LPIMC Insurance Marketing Services ("LPIMC"), a wholly owned subsidiary of London Pacific, serves as investment advisor to the Trust. Berkeley Capital Management, a wholly owned subsidiary of the London Pacific Group, Ltd., and an affiliate of London Pacific, serves as Sub-advisor to the Berkeley Smaller Companies Portfolio, Miller, Anderson & Sherrerd, LLP, an indirect, wholly owned subsidiary of the Morgan Stanley Group, Inc., serves as Sub-advisor to the MAS Value Portfolio, Massachusetts Financial Services Company, an indirect wholly owned subsidiary of Sun Life Assurance Company of Canada, serves as Sub-advisor to the MFS Total Return Portfolio, Salomon Brothers Asset Management Inc., an indirect, wholly owned subsidiary of Salomon Inc., serves as Sub-advisor to the Salomon U.S. Quality Bond and Salomon Money Market Portfolios, Strong Capital Management, Inc., a privately held corporation, serves as Sub-advisor to the

Strong International Stock and Strong Growth Portfolios, and Lexington Management Corporation, a wholly owned subsidiary of Lexington Global Asset Managers, Inc., serves as Sub-advisor to the Lexington Corporate Leaders Portfolio.

The Trust pays LPIMC a monthly fee in arrears based on a percentage of the average daily net assets of each Portfolio during the month, out of which LPIMC pays the Sub-advisor of each Portfolio a monthly fee in arrears at annual rates as follows:

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON AVERAGE NET ASSETS UP TO \$25 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$25 MILLION AND \$100 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$100 MILLION AND \$500 MILLION	FEEES ON AVERAGE NET ASSETS EXCEEDING \$500 MILLION
MAS Value Portfolio				
LPIMC	.25%	.25%	.25%	.25%
Sub-advisor	.625%	.375%	.25%	.20%
Total Fees Paid to LPIMC *	.875%	.625%	.50%	.45%

</TABLE>

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON AVERAGE NET ASSETS UP TO \$200 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$200 MILLION AND \$1.3 BILLION	FEEES ON AVERAGE NET ASSETS EXCEEDING \$1.3 BILLION	
MFS Total Return Portfolio				
LPIMC	.25%	.25%	.25%	
Sub-advisor	.50%	.45%	.40%	
Total Fees Paid to LPIMC *	.75%	.70%	.65%	

</TABLE>

LPIMC *
</TABLE>

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON AVERAGE NET ASSETS UP TO \$50 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$50 MILLION AND \$150 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$150 MILLION AND \$300 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$300 MILLION AND \$500 MILLION
Salomon U.S. Quality Bond Portfolio				
LPIMC	.25%	.25%	.25%	.25%
Sub-advisor	.30%	.275%	.25%	.20%
Total Fees Paid to LPIMC *	.55%	.525%	.50%	.45%

</TABLE>

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON AVERAGE NET ASSETS UP TO \$150 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$150 MILLION AND \$300 MILLION	FEEES ON AVERAGE NET ASSETS BETWEEN \$300 MILLION AND \$500 MILLION
Salomon U.S. Quality Bond Portfolio			
LPIMC	.25%	.25%	.25%
Sub-advisor	.30%	.275%	.20%
Total Fees Paid to LPIMC *	.55%	.525%	.45%

	\$50 MILLION		MILLION	MILLION
	<C>	<C>	<C>	<C>
<S>				
Salomon Money Market Portfolio				
LPIMC	.25%	.25%	.25%	.25%
Sub-advisor	.20%	.175%	.15%	.10%
	----	----	----	----
Total Fees Paid to LPIMC *	.45%	.425%	.40%	.35%
	=====	=====	=====	=====

</TABLE>

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON	FEEES ON	FEEES ON
	AVERAGE NET ASSETS UP TO \$150 MILLION	ASSETS BETWEEN \$150 MILLION AND \$500 MILLION	AVERAGE NET ASSETS EXCEEDING \$500 MILLION
-----	-----	-----	-----
<S>	<C>	<C>	<C>
Strong International Stock Portfolio and Strong Growth Portfolio			
LPIMC	.25%	.25%	.25%
Sub-advisor	.50%	.45%	.40%
	----	----	----
Total Fees Paid to LPIMC *	.75%	.70%	.65%
	=====	=====	=====

</TABLE>

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON	FEEES ON
	AVERAGE NET ASSETS UP TO \$10 MILLION	AVERAGE NET ASSETS EXCEEDING \$10 MILLION
-----	-----	-----
<S>	<C>	<C>Berkeley Smaller Companies
Portfolio		
LPIMC	.25%	.25%
Sub-advisor	.75%	.50%
	----	----
Total Fees Paid to LPIMC *	1.00%	.75%
	=====	=====

</TABLE>

<TABLE>
<CAPTION>

NAME OF PORTFOLIO	FEEES ON	FEEES ON	FEEES ON
	AVERAGE NET ASSETS UP TO \$10 MILLION	ASSETS BETWEEN \$10 MILLION AND \$100 MILLION	AVERAGE NET ASSETS EXCEEDING \$100 MILLION
-----	-----	-----	-----
<S>	<C>	<C>	<C>
Lexington Corporate Leaders Portfolio			
LPIMC	.25%	.25%	.25%
Sub-advisor	.40%	.35%	.30%
	----	----	----
Total Fees Paid to LPIMC *	.65%	.60%	.55%
	=====	=====	=====

<FN>

* Fees paid to LPIMC include fees paid for services rendered by LPIMC to the Portfolio and those fees that LPIMC will in turn pay to the Sub-advisor.

</TABLE>

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

LPIMC and certain Sub-advisors have voluntarily agreed to waive a portion of the fees payable to them during the first six months of operations.

Any fee waivers by a Sub-advisor are passed through to the Portfolios.

The Trust and LPIMC also entered into an Administrative Agreement with State Street Bank and Trust Company ("SSB&T"), a Massachusetts Trust Company, whereby SSB&T performed administrative services for each of the Portfolios and received an administration fee and certain out-of-pocket expenses. The Trust terminated the Administrative Agreement effective October 1, 1996 and LPIMC began providing the administrative services previously performed by SSB&T. LPIMC does not charge the Portfolios a separate fee for this service.

In the event normal operating expenses of each Portfolio, excluding brokerage commissions, but including the advisory fee, exceed certain voluntary expense limitations based on average net assets (MAS Value Portfolio - 1.29%; MFS Total Return Portfolio - 1.29%; Salomon U.S. Quality Bond Portfolio - 0.99%; Salomon Money Market Portfolio - 0.89%; Strong International Stock Portfolio - 1.49%; Strong Growth - 1.29%; Berkeley Smaller Companies Portfolio - 1.39%; and Lexington Corporate Leaders Portfolio - 1.29%), London Pacific has agreed, through December 31, 1997, to reimburse each Portfolio for expenses in excess of the stated expense limitations. The expense limitations may be removed or revised after December 31, 1997, without prior notice to existing shareholders.

For the eleven months ended December 31, 1996, London Pacific voluntarily agreed to reimburse the Portfolios as follows:

NAME OF PORTFOLIO -----	REIMBURSEMENT -----
MAS Value Portfolio	\$62,226
MFS Total Return Portfolio	65,124
Salomon U.S. Quality Bond Portfolio	54,144
Salomon Money Market Portfolio	53,653
Strong International Stock Portfolio	63,100
Strong Growth Portfolio	66,268
Berkeley Smaller Companies Portfolio	64,717
Lexington Corporate Leaders Portfolio	54,801

The Trust pays no salaries or compensation to any of its officers. Trustees who are not directors, officers, or employees of the Trust or any investment advisor are reimbursed for their travel expenses in attending meetings of the Trustees, and receive fees for each Trust meeting attended. Such amounts are paid by the Trust.

4. PURCHASES AND SALES OF SECURITIES

The cost of purchases and proceeds from sales of investment securities, excluding short-term investments, for the eleven months ended December 31, 1996, were as follows:

<TABLE><CAPTION>

PORTFOLIO -----	PURCHASES -----		SALES -----	
	OTHER	GOVERNMENT	OTHER	GOVERNMENT
<S>	<C>	<C>	<C>	<C>
MAS Value Portfolio	\$1,391,680	\$0	\$416,264	\$0
MFS Total Return Portfolio	953,489	848,569	204,452	333,949
Salomon U.S. Quality Bond Portfolio	56,808	4,279,022	0	2,883,377
Strong International Stock Portfolio	1,430,980	0	478,929	0
Strong Growth Portfolio	5,801,123	0	4,800,552	0
Berkeley Smaller Companies Portfolio	21,079,668	0	19,861,575	0
Lexington Corporate Leaders Portfolio	1,156,577	0	26	0

</TABLE>

THE LPT VARIABLE INSURANCE SERIES TRUST
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 1996

At December 31, 1996, aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value were as follows:

<TABLE>
 <CAPTION>

PORTFOLIO	TAX BASIS -----			NET UNREALIZED APPRECIATION (DEPRECIATION)	COST
	UNREALIZED APPRECIATION	UNREALIZED DEPRECIATION			

<S>	<C>	<C>	<C>	<C>
MAS Value Portfolio	\$189,822	\$15,064	\$174,758	\$1,264,427
MFS Total Return Portfolio	104,049	6,459	97,590	1,543,692
Salomon U.S. Quality Bond Portfolio	10,350	4,042	6,308	1,607,036
Strong International Stock Portfolio	130,339	81,715	48,624	1,162,642
Strong Growth Portfolio	146,534	16,640	129,894	1,469,950
Berkeley Smaller Companies Portfolio	43,364	80,388	(37,024)	1,532,498
Lexington Corporate Leaders Portfolio	165,068	16,081	148,987	1,156,549

5. SHARES OF BENEFICIAL INTEREST

The Trust's Declaration of Trust authorizes the Trustees to issue an unlimited number of shares of beneficial interest for the Portfolios, each with a \$.01 par value.

The Salomon Money Market Portfolio has sold shares, issued reinvestment of dividends and redeemed shares only at a constant net asset value of \$1.00 per share, the number of shares represented by such sales, reinvestments and redemptions are the same as the dollar amounts shown for such transactions.

London Pacific directly and through its LPLA Separate Account One, owns of record 100% of each Portfolio's outstanding shares. Changes in shares of beneficial interest for the period from January 31, 1996 to December 31, 1996 were as follows:

SHARES AND AMOUNT

SALOMON MONEY MARKET PORTFOLIO

Sold	\$3,995,273
Issued as reinvestment of dividends	42,722
Redeemed	(2,859,608)
Net increase	\$1,178,387

	SHARES -----	AMOUNT -----
MAS VALUE FUND		
Sold	134,159	\$1,387,694
Issued as reinvestment of dividends	3,597	42,434
Redeemed	(17,894)	(200,902)
Net increase	119,862	\$1,229,226

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

	SHARES -----	AMOUNT -----
MFS TOTAL RETURN PORTFOLIO		
Sold	161,535	\$1,661,251
Issued as reinvestment of dividends	2,481	26,938
Redeemed	(23,741)	(254,329)
Net increase	140,275	\$1,433,860

SALOMON U.S. QUALITY BOND PORTFOLIO		
Sold	168,853	\$1,674,647
Issued as reinvestment of dividends	6,530	64,078
Redeemed	(17,128)	(170,466)
Net increase	158,255	\$1,568,259

STRONG INTERNATIONAL STOCK PORTFOLIO		
Sold	130,739	\$1,327,854
Issued as reinvestment of dividends	647	6,829

Redeemed	(16,008)	(169,112)
	-----	-----
Net increase	115,378	\$1,165,571
	=====	=====
STRONG GROWTH PORTFOLIO		
Sold	138,342	\$1,481,628
Issued as reinvestment of dividends	8,177	96,589
Redeemed	(19,540)	(241,105)
	-----	-----
Net increase	126,979	\$1,337,112
	=====	=====
BERKELEY SMALLER COMPANIES PORTFOLIO		
Sold	191,499	\$2,060,025
Issued as reinvestment of dividends	29,494	253,423
Redeemed	(53,109)	(574,868)
	-----	-----
Net increase	167,884	\$1,738,580
	=====	=====
	Shares	Amount
LEXINGTON CORPORATE LEADERS PORTFOLIO		
Sold	122,449	\$1,250,539
Issued as reinvestment of dividends	1,232	13,929
Redeemed	(8,032)	(90,134)
	-----	-----
Net increase	115,649	\$1,174,334
	=====	=====

THE LPT VARIABLE INSURANCE SERIES TRUST
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

6. FOREIGN SECURITIES

All Portfolios may invest in securities of foreign companies and foreign governments. There are certain risks involved in investing in foreign securities that are in addition to the usual risks inherent in domestic investments. These risks include those resulting from future adverse political and economic developments, reduced availability of public information concerning issues, lower standards of accounting, auditing, and financial reporting, less market liquidity, greater volatility of prices, and a possible imposition of currency exchange blockages or restrictions on securities, transactions, or transfer of assets.

7. CAPITAL LOSS CARRYFORWARD

At December 31, 1996, the following funds had a capital loss carryforward which expires on December 31, 2004:

FUND	AMOUNT
----	-----
MFS Total Return Portfolio	\$2,904
Salomon U.S. Quality Bond Portfolio	22,025
Salomon Money Market Portfolio	27
Berkeley Smaller Companies Portfolio	46,696
Lexington Corporate Leaders Portfolio	2

At December 31, 1996, Berkeley Smaller Companies Portfolio has a Post-October loss of \$213,636, which is deferred until January 1, 1997.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees and Shareholders of
The London Pacific Trust
Variable Insurance Series Trust

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of each of the portfolios (Berkeley Smaller Companies, Lexington Corporate Leaders, MAS Value, MFS Total Return, Salomon Money Market, Salomon U.S. Quality Bond, Strong Growth, Strong International Stock) constituting The London Pacific Trust Variable Insurance Series Trust (the "Trust") at December 31, 1996, and the results of each of their operations, the changes in each of their net assets and their financial highlights for the period January 31, 1996 (commencement of operations) to December 31, 1996, in conformity with generally accepted accounting principles. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Trust's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit, which included confirmation of securities at December 31, 1996 by correspondence with the custodian and brokers and the application of alternative auditing procedures where confirmations from brokers were not received, provides a reasonable basis for the opinion expressed above.

Price Waterhouse LLP
Boston, Massachusetts
February 10, 1997

This Annual Report has been prepared to provide information to the owners of London Pacific Life & Annuity Company's Regency Series Variable Annuity. If it is used for any other purpose, it must be accompanied or preceded by a current Regency Series prospectus, which discloses any charges and other important information about the Separate Account, together with the current prospectus for the LPT Variable Insurance Series Trust.