

PORTFOLIO MANAGEMENT SOFTWARE LIMITED

REPORT AND ACCOUNTS

for the year ended 31st December 2000

CONTENTS

Report of the Director	Page 1
Directors' Responsibilities	Page 2
Report of the Auditors	Page 3
Balance Sheet	Page 4
Notes to the Accounts	Page 5 - 6



PORTFOLIO MANAGEMENT SOFTWARE LIMITED

REPORT OF THE DIRECTOR

The Director submits his report and the accounts of the Company for the year ended 31st December 2000, which were approved by the Director on 19th October, 2001.

RESULTS AND DIVIDEND

The company was dormant during the period under review, and accordingly no profit and loss account has been prepared.

No dividends were paid during the year (1999: Nil). The directors do not recommend the payment of a final dividend. The profit for the year after tax was £Nil (1999: £Nil).

DIRECTOR

The Director who served at the date of this report or during the year was:

J M Winn

The Director did not have any interest in the shares of the Company at the beginning or end of the year.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office and a resolution to reappoint them will be submitted to the Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to be 'S Cooke', written over a horizontal line.

S Cooke
Company Secretary

PORTFOLIO MANAGEMENT SOFTWARE LIMITED

DIRECTORS' RESPONSIBILITIES

The following statement, which should be read in conjunction with the reports of the auditors set out on page 3 is made to advise shareholders on the relative responsibilities of the directors and of the auditors in respect of the financial statements.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

GOING CONCERN

The directors confirm that after making enquiries, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

AUDITORS' REPORT TO THE MEMBERS OF

PORTFOLIO MANAGEMENT SOFTWARE LIMITED

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the Annual Report, including as described on page 2 the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

BASIS OF OPINION

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

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

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 31st December 2000 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PRICEWATERHOUSECOOPERS

19th October, 2001

**Chartered Accountants
and Registered Auditors**

**Harman House
1 George Street
Uxbridge
Middlesex UB8 1QQ**

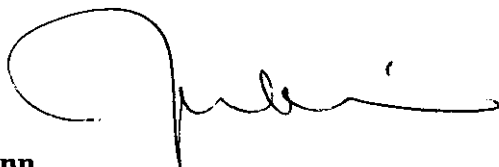
PORTFOLIO MANAGEMENT SOFTWARE LIMITED

BALANCE SHEET

At 31st December 2000

	Note	2000 £000	1999 £000
Current Assets:			
Debtors	5	<u>506</u>	<u>506</u>
Capital and reserves:			
Called up share capital	6	600	600
Share premium account	7	37	37
Profit and loss account	7	(131)	(131)
Shareholders' Funds			
(All equity Interest)	8	<u><u>506</u></u>	<u><u>506</u></u>

These accounts were approved by the director on 19th October, 2001.



J M Winn
Director

The notes on pages 5 to 6 form part of these accounts.

PORTFOLIO MANAGEMENT SOFTWARE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting convention. Interest payable and similar charges and administrative expenses are accounted for on an accruals basis. No interest is receivable on inter company debtors.

(b) Cashflow

The Company is a wholly owned subsidiary of DST Systems Inc. and is included in the consolidated financial statements of DST Systems Inc., which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions (but not balances) with entities that are part of the DST Systems Inc. group.

(c) Profit and Loss Account

The Company has not traded during the year and consequently has not prepared a profit and loss account.

2. DIRECTORS EMOLUMENTS

None of the Directors of the Company received or were due to receive emoluments.

3. STAFF NUMBERS AND COSTS

There were no persons employed by the Company during the year (1999: £Nil)

4. DIRECTOR'S EMOLUMENTS

The director did not receive any emoluments (1999: £Nil) for his services to the Company

5. DEBTORS

	2000 £000	1999 £000
Amounts owed by group undertaking	<u>506</u>	<u>506</u>

6. CALLED UP SHARE CAPITAL

	2000 £000	1999 £000
(A) AUTHORISED		
900,000 Ordinary shares of £1 each	900	900
100,000 Non-voting ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>1,000</u>	<u>1,000</u>
(B) ALLOTTED, CALLED UP AND FULLY PAID		
600,000 Ordinary shares of £1 each	<u>600</u>	<u>600</u>

PORTFOLIO MANAGEMENT SOFTWARE LIMITED

NOTES TO THE ACCOUNTS (Cont'd)

7. RESERVES

	Share Premium Account £000	Profit and Loss Account £000
At 1 st January and 31 st December	<u>37</u>	<u>(131)</u>

8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2000 £000	1999 £000
At 1 st January and 31 st December	<u>506</u>	<u>506</u>

9. ULTIMATE PARENT COMPANY

The ultimate parent company is DST Systems Inc., a company incorporated in the USA. Group accounts can be obtained from 333 W 11th Street, Kansas City, Missouri, 64105-1594, USA. The immediate parent company is DST International Pty Limited.