OC325132

KILLIK & Co LLP

REPORT AND FINANCIAL STATEMENTS

For the year ended

31 MARCH 2011

Advisers

Registered Office	46 Grosvenor Street London W1K 3HN
Auditors	Nexia Smith & Williamson Chartered Accountants 25 Moorgate London EC2R 6AY
Bankers	Barclays Bank 1 Churchill Place London E14 5HP Bank of Scotland 11 Earl Grey Street Edinburgh EH3 9BN
Registered Number	OC325132

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Members' report

The Members present their report, together with the consolidated financial statements of Killik & Co LLP, registered number OC325132 ('the LLP'), and its subsidiary undertakings (together 'the Group') for the year ended 31 March 2011

Principal activities

The principal activity of the Group is the provision of stockbroking and investment management services to the private client community The Group also provides financial planning, share option administration, trust administration, tax services and other related services

Review of business and future developments

After the volatility of the previous two years, it is pleasing to report a more stable stock market environment over the past year Although the cuts in interest rates to record low levels continued to adversely impact our revenue, the return of investor confidence resulted in our turnover for the year being 13% ahead of 2010, which was a good result

On 1 April 2010, the employees of the partnership were transferred to subsidiary company, Killik Services Limited, who now provide employment services to the partnership Administration expenses increased in 2011 by 20% as significant additional expenditure was incurred on developing the systems and infrastructure of the firm

During the year a large payment of £537,000 was made to the FSCS Compensation Levy This is in respect of this firm's allocated portion of the costs of compensating clients for failures of other financial service organisations Due to the huge increase in this levy over the previous year, and the fact that we have no control over the size of this levy, the partners have decided to classify this as an exceptional item in the accounts Overall the Group has generated profits of over £8,142,000 which is 3% higher than 2010, which is a satisfactory outcome in the circumstances We continue to examine opportunities to increase business by developing sales channels and offering innovative products in a highly competitive market place

Results for the year and allocation to members

The profit for the year available for discretionary division among Members was £8,142,000 (2010 £7,905,000)

Members' report (continued)

Members

The following were designated Members during the year

PG Killik (Senior Partner)
MN Orr (Non Executive partner)
FD Robinson
PJ Kavanagh
SJ Marsh
KE Overend
GP Neale
MJ Gilligan
KA Khouri
MJM Cuthbert (resigned 30 June 2010)
MG Osborne-Shaw
PN Leach
CH MacTaggart
JE Prior
AM Pate
JL Spencer
JP Gatehouse
JJ Sheldon
AJ Harris
JSB Dunn
P Day
GA Meredith
GC Walker (resigned 24 November 2010)
L Smythe (resigned 30 September 2010)
NA Crellin
JL McKevitt
JP Jackson
MA Savage

Policy on Members drawings, subscription and repayment of Members' capital

During the year Members receive monthly drawings representing payments on account of profits which may be allocated to them The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP and may be reclaimed from Members until such time as profits have been allocated to them

A level of profits is determined and allocated between Members during the year with any balance being approved and allocated after the finalisation of the financial statements

Capital requirements are determined by the designated members and are reviewed at least annually All Members are required to subscribe for a proportion of capital, with the amounts being determined by reference to experience

Financial risks and uncertainties

There are a number of potential risks and uncertainties in business which could impact the Group's long term performance Therefore the Group has identified, documented and monitored those risks and it ensures that there are adequate controls in place that mitigate those risks A Risk Committee meets weekly and closely monitors any financial exposures or other risks of the Group, and reports each week to the Executive Board of the LLP

The Group has a clearly defined operational strategy which recognises the necessity to retain strong cash reserves in case of downturns in our markets An Internal Capital Adequacy Assessment Process ('ICAAP') document has been prepared by the Group which reviews the Group's capital resources This document considers the risks to which the business is exposed, and for the most significant risks, calculates the effect on capital if they were to materialise The ICAAP also includes the results of various scenario analyses aimed at assessing the Group's position under turbulent market conditions

Members' report (continued)

Financial risks and uncertainties (continued)

We have identified the principal risks affecting the Group's business, and the controls in place to monitor and mitigate these risks, in the categories below

Credit Risk

The Group undertakes client deals as agent for the client In the event of a client default, the Group has a power of sale lien or right of set off against other investments or money in a client account, held by a third party A daily report of any overdrawn client positions is closely monitored by the Group The Group does not undertake derivative business on its own account, as this service is undertaken by third party providers

Market Risk

The Group holds certain fixed asset investments, as detailed in note 8, which are held as strategic investments These investments are subject to regular impairment reviews to ensure the value of our investment is at least equal to the balance sheet value The Group does not deal on its own account so is not exposed to market risk Therefore, the Group is not subject to any significant position risk or foreign currency risk arising from market movements

Liquidity Risk

The Group constantly monitors its capital resources to ensure it meets its financial obligations as they fall due Detailed cash flow projections are produced and monitored against actual cash balances each week by the Executive Board, who also receive a daily report on cash movements To maximise investment return, the Group places surplus funds on deposit with financial institutions Regular credit reviews are carried out on those financial institutions

Pillar 3 Disclosure

The qualitative and quantitative disclosures to comply with Pillar 3 of the FSA Capital Requirement Directive can be found publicly on our website at www killik com

Auditors

Nexia Smith & Williamson are deemed to be re-appointed as auditors

Approved by the Members
and signed on their behalf

PG Killik
Senior Member

Statement of Members' responsibilities

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations

Company law as applied to limited liability partnerships requires the members to prepare financial statements for each financial year Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law as applied to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the limited liability partnership and of the group and of the profit or loss of the group for that period

In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK 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 limited liability partnership and group will continue in business

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships They are also responsible for safeguarding the assets of the limited liability partnership and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Nexia Smith & Williamson

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KILLIK & CO LLP

We have audited the financial statements of Killik & Co LLP for the year ended 31 March 2011 which comprise the Group Profit and Loss Account the Group and Parent limited liability partnership Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 16 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the limited liability partnership's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited liability partnership and the limited liability partnership s members as a body for our audit work, for this report or for the opinions we have formed

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 6 the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent limited liability partnership's affairs as at 31 March 2011 and of the group's profit for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if in our opinion

- adequate accounting records have not been kept by the parent limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent limited liability partnership financial statements are not in agreement with the accounting records and returns or
- we have not received all the information and explanations we require for our audit

Nexia Smith & Williamson

Giles Murphy
Senior Statutory Auditor for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

Date 28 July 2011

Consolidated profit and loss account for the year ended 31 March 2011

	Notes	2011 £'000	2010 £'000
Turnover	2	33,853	29,905
Cost of sales		(4,165)	(3,891)
Gross profit		29,688	26,014
Administrative expenses		(18,817)	(15,650)
Administrative expenses - exceptional	3	(537)	-
Operating profit	4	10,334	10,364
Interest receivable and similar income		41	8
Profit for the financial year before Members' remuneration and profit share		10,375	10,372
Members' remuneration charged as an expense		(2,065)	(2,467)
Profit before taxation		8,310	7,905
Taxation	6	(168)	-
Profit for the financial year available for discretionary division among Members		8,142	7,905

All of the Group's operations are classed as continuing There were no gains or losses other than those included in the above profit and loss account

Consolidated balance sheet as at 31 March 2011

	Notes	2011 £'000	2010 £'000
Fixed assets			
Intangible assets	7	122	130
Tangible assets	8	1,844	2,035
Investments	9	3,354	3,016
		5,320	5,181
Current assets			
Debtors	10	5,997	4,807
Cash at bank		6,389	7,092
		12,386	11,899
Creditors: amounts falling due within one year	11	(4,423)	(3,721)
Net current assets		7,963	8,178
Total assets less current liabilities		13,283	13,359
Provisions for liabilities	12	(175)	(855)
Net assets attributable to Members		13,108	12,504
Represented by:			
Loans and other debts due to Members within one year			
Other amounts		809	992
Equity			
Members' capital		9,047	8,033
Other reserves		3,252	3,479
		13,108	12,504
Total Members' interests			
Members' capital		9,047	8,033
Amounts due from members		(85)	(38)
Loans and other debts due to Members		809	992
Other reserves		3,252	3,479
		13,023	12,466

The financial statements were approved by the Members on 21 July 2011 and were signed on their behalf by

PG Killik
Senior Member

Balance sheet as at 31 March 2011	Notes	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	8	1,831	2,029
Investments	9	3,584	3,246
		5,415	5,275
Current assets			
Debtors	10	6,130	4,853
Cash at bank		6,169	6,947
		12,299	11,800
Creditors: amounts falling due within one year	11	(4,902)	(3,809)
Net current assets		7,397	7,991
Total assets less current liabilities		12,812	13,266
Provisions for liabilities	12	(175)	(855)
Net assets attributable to Members		12,637	12,411
Represented by:			
Loans and other debts due to Members within one year			
Other amounts		809	992
Equity			
Members' capital		9,047	8,033
Other reserves		2,781	3,386
		12,637	12,411
Total Members' interests			
Members' capital		9,047	8,033
Amounts due from members		(85)	(38)
Loans and other debts due to Members		809	992
Other reserves		2,781	3,386
		12,552	12,373

The financial statements were approved by the Members on 21 July 2011 and were signed on their behalf by

PG Killik
Senior Member

Reconciliation of consolidated Members' interests – Group

	Equity Interest			Loan and other debts due to Members	
	Members' capital	Other reserves	Total	Other amounts	Total
	£'000	£'000	£'000	£'000	£'000
Members' interests at 1 April 2010	8,033	3,479	11,512	954	12,466
Capital introduced	1,014	-	1,014	-	1,014
Members' remuneration charged as an expense	-	-	-	2,065	2,065
Profit for the financial year available for division among the members	-	8,142	8,142	-	8,142
Members' interests after profit for the year	9,047	11,621	20,668	3,019	23,687
Allocated profits	-	(8,369)	(8,369)	8,369	-
Drawings	-	-	-	(10,664)	(10,664)
Amounts due from members				(85)	
Amounts due to members				809	
Members' interests at 31 March 2011	9,047	3,252	12,299	724	13,023

Reconciliation of Members' interests – LLP

	Equity	Interest		Loan and other debts due to Members	
	Members' capital £'000	Other reserves £'000	Total £'000	Other amounts £'000	Total £'000
Members' interests at 1 April 2011	8,033	3,386	11,419	954	12,373
Capital introduced	1,014	-	1,014	-	1,014
Members' remuneration charged as an expense	-	-	-	2,065	2,065
Profit for the financial year available for division among the members	-	7,764	7,764	-	7,764
Members' interests after profit for the year	9,047	11,150	20,197	3,019	23,216
Allocated profits	-	(8,369)	(8,369)	8,369	-
Drawings	-	-	-	(10,664)	(10,664)
Amounts due from members				(85)	
Amounts due to members				809	
Members' interests at 31 March 2011	9,047	2,781	11,828	724	12,552

In the event of the group winding up, loans and other debts to Members would rank equally with unsecured creditors Members capital ranks after unsecured creditors

Consolidated cash flow statement for the year ended 31 March 2011

	Notes	2011 £'000	2010 £'000
Net cash inflow from operating activities	I	9,496	12,244
Returns on investments			
Interest received		41	8
Returns to Members			
Drawings		(10,664)	(8,889)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(252)	(743)
Purchase of fixed asset investments		(442)	(348)
Sale of fixed asset investment		104	-
Net cash outflow on capital expenditure and financial investment		(590)	(1,091)
Net cash (outflow)/inflow before financing		(1,717)	2,272
Financing			
Injection of capital		1,014	223
(Decrease)/increase in cash in the year	II	(703)	2,495

Notes to the consolidated cash flow statement for the year ended 31 March 2011

I Reconciliation of operating profit to net cash inflow from operating activities

	2011 £'000	2010 £'000
Operating profit	10,334	10,364
Depreciation	409	519
Loss on sale of fixed assets	34	2
Amortisation of intangible fixed assets	8	8
(Increase)/decrease in debtors	(1,190)	(194)
(Decrease)/increase in creditors and provisions	(99)	1,545
Net cash inflow from operating activities	9,496	12,244

II Reconciliation of net cash flow to movement in net funds

	£'000	£'000
(Decrease)/increase in cash in the year	(703)	2,495
Net funds at 31 March 2010	7,092	4,597
Net funds at 31 March 2011	6,389	7,092

III Analysis of net funds

	At 1 April 2010 £'000	Cash flow £'000	At 31 March 2011 £'000
Cash at bank	7,092	(703)	6,389

Notes to the financial statements for the year ended 31 March 2011

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards and the requirements of the statement of recommended practice Accounting for Limited Liability Partnerships A summary of the more important accounting policies adopted are described below

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards and the requirements of the Financial Services Authority

Basis of consolidation

The consolidated financial statements comprise the results, assets and liabilities of the LLP and its subsidiary entities, defined as entities that the LLP controls and has beneficial interests in All subsidiary entities have been consolidated under acquisition accounting principles

Turnover

Turnover comprises gross stockbroking commission and related income from investment business and associated activities less commissions paid away to external introducers of business

Revenue from stockbroking is recognised at the point of trade execution

Net interest earned on client free money balances is accrued by reference to the remaining portion of the financial period and the total of the free money balances at the close of business of the previous trading day

Revenue from the provision of custody services is accrued by reference to the remaining proportion of the financial year, the expected number of physical holdings in the Group's nominee accounts and the number of client accounts at the next quarterly charging date

Trail commission receivable from fund managers of collective investment schemes is accrued by reference to the value of funds with each respective fund manager as at the last trading day of the year

Fees receivable for investment management services are based on the value of client holdings and are accrued by reference to the remaining portion of the financial period and the expected mid-market value of such holdings at the next quarterly charging date

Leases

Rental payments under non-cancellable leases are charged to the profit and loss account in equal amounts over the lease term

Pension costs

The LLP operates a defined contribution pension scheme for all eligible staff Staff become eligible to join the scheme three months after joining the LLP The amount contributed by the LLP is linked to length of service Pension contributions are charged to the profit and loss account in the period to which they relate

Notes to the financial statements for the year ended 31 March 2011 (continued)

1 Accounting policies (continued)

Profit of the LLP

In accordance with Section 408 of the Companies Act 2006 (as modified for application of LLP's) Killik & Co LLP have taken advantage of the legal dispensation not to present its own income statement The amount of profit for the financial period before members remuneration and profit share is £9,829,000 (2010 £10,228,000)

Allocation of profits and drawings

The appropriation of the profit after the deduction of staff bonuses and Members' remuneration charged as an expense is allocated to Members according to their individual interest in the LLP and their performance during the year, with any balance being approved and allocated after the year end During the year Members receive monthly drawings representing payments on account of profits which may be allocated to them The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP and may be reclaimed from Members until such time as profits have been allocated to them Prior to the allocation of profits and their division between Members, drawings are included within debtors Unallocated profits are included within 'other reserves'

In the event of winding up "loans and other debts due to members" rank equally with unsecured creditors

Intangible Assets

Identifiable intangible assets are recognised when the group controls the asset, it is probable that future economic benefits attributable to the asset will flow to the group and the cost of the asset can be reliably measured All intangible assets are amortised over their useful economic life The method of amortisation reflects the pattern in which the assets are expected to be consumed If the pattern cannot be determined reliably, the straight line method is used

Goodwill

Goodwill that has arisen on the acquisition of subsidiary companies is measured as the cost of acquisition in excess of the interest in the net fair value of the identifiable assets and liabilities Goodwill is amortised over twenty years An impairment review is carried out at the end of each reporting period

Tangible fixed assets and depreciation

Tangible fixed assets are recorded at the cost of acquisition including professional fees directly attributable to bringing the asset into working condition for its intended use

Computer software comprises computer software purchased from third parties, and also the cost of internally developed software Computer software purchased from third parties and internally developed software is initially recorded at cost The estimated useful economic lives assigned to computer software is three years

Notes to the financial statements for the year ended 31 March 2011 (continued)

1 Accounting policies (continued)

Tangible fixed assets and depreciation (continued)

Depreciation on tangible fixed assets is calculated so as to write down the cost to their estimated residual values by equal instalments over the period of their useful economic lives, which are considered to be

Leasehold improvements – the remaining period of the lease,
Fixtures and fittings – between 3 and 10 years, and
Computer equipment and software – between 2 and 4 years

The useful economic life of each tangible fixed asset is reviewed at the end of each reporting period and revised if expectations are significantly different from previous estimates The carrying amount of the tangible fixed asset at the date of revision is depreciated over the revised remaining useful economic lifetime

Freehold property

Freehold property is recorded at the cost of acquisition The property is currently under construction, and as such, no depreciation has been applied but the full cost, that the Group is contractually committed to paying, is reflected in the financial statements Payments are being made in instalments and unpaid instalments are included in the creditors

Website development costs

Design and content development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the design and the content are next updated, the costs of developing the design and content are charged to the profit and loss account as incurred All planning costs are charged to the profit and loss accounts as incurred

Fixed asset investments

Fixed asset investments, defined as stakes in businesses over which the Group does not exert significant influence, are carried at the cost of investment less any impairment An impairment review is carried out at the end of each reporting period

Provisions for claims

Provisions for claims by clients are considered on a notified basis Each case is assessed to the extent that the claim is deemed valid, whether an appeal has been made to the Financial Ombudsman and whether any provision may be covered by Professional Indemnity Insurance

Dilapidations provision

At the end of each reporting period, an assessment is made of the expected cost of meeting the dilapidation repairs under property leases to the extent that such an amount can be reasonably determined Where this can be determined, an equal amount is charged to the profit and loss account for each remaining year of the lease so as to ensure there are sufficient amounts provided to cover the cost of dilapidation repairs at the end of the lease term

Notes to the financial statements for the year ended 31 March 2011 (continued)

1 Accounting policies (continued)

Taxation

While there is no requirement to accrue for tax payable by Members, separate balances are retained by the LLP although not separately disclosed in the financial statements to ensure that an estimate of their future tax liabilities can be met The amount accrued at the period end is an accounting estimate of future liabilities in relation to the profit share for the period and, where there is any shortfall in the estimate, it is the responsibility of the individual Member to ensure that their full tax liability is extinguished as necessary

2 Turnover

	2011 £'000	2010 £'000
Gross commission and related income	33,891	29,930
Less commission paid away to authorised agents	(38)	(25)
Turnover	33,853	29,905
Operating profit	10,334	10,364

3 Exceptional item

	2011 £'000	2010 £'000
Financial Services Compensation Scheme Levy	537	-

This is a payment which represents our share of certain industry failures over the last twelve months and is deemed to be exceptional due to the size of the charge The equivalent charge for the year ended 31 March 2010 was £149,000

Notes to the financial statements for the year ended 31 March 2011 (continued)

4 Operating profit

		2011 £'000	2010 £'000
Is stated after charging the following			
Salaries and wages (including staff bonuses)		9,411	8,022
Social security costs		624	527
Pension contributions		476	405
Depreciation		409	519
Amortisation of intangible fixed assets		8	8
Operating lease charges	- - land and buildings	1,324	1,290
Auditor's remuneration	- audit services parent company	49	52
	- audit services subsidiary companies	13	2
	- all other services	-	-

The average number of employees in the group during the year was 191 (2010 164)

5 Information in relation to Members

	2011 Number	2010 Number
The average number of Members during the year was	24	28

The amount of profit attributable to the Member with the largest entitlement was £2,556 586 (2010 £2.715,250), which is determined by reference to the share of profit in the year to 31 March 2011

Notes to the financial statements for the year ended 31 March 2011 (continued)

6 Tax on profit on ordinary activities

	2011 £' 000s	2010 £' 000s
(a) UK corporation tax at 28% (2010 0%)	168	-
(b) Factors affecting tax charge for year		
Profit on ordinary activities before tax	8,310	-
Profits subject to personal tax	(7,710)	-
Profits subject to corporation tax	600	-
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 28%)	168	-

7 Intangible fixed assets

Group	**Goodwill £'000**
Cost	
At 31 March 2010 and 31 March 2011	167
Amortisation	
At 31 March 2010	37
Charge for the year	8
At 31 March 2011	45
Net book value	
At 31 March 2011	122
At 31 March 2010	130

Notes to the financial statements for the year ended 31 March 2011 (continued)

8 **Tangible fixed assets**

Group	Freehold property	Leasehold improvements	Fixtures and fittings	Computer equipment and software	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 31 March 2010	344	2,109	219	1,717	4,389
Additions	-	135	91	26	252
Disposals	-	(50)	(12)	(71)	(133)
At 31 March 2011	344	2,194	298	1,672	4,508
Depreciation					
At 31 March 2010	-	1,464	145	745	2,354
Charge for the year	-	195	48	166	409
Disposals	-	(22)	(9)	(68)	(99)
At 31 March 2011	-	1,637	184	843	2,664
Net book value					
At 31 March 2011	344	557	114	829	1,844
At 31 March 2010	344	645	74	972	2,035

Notes to the financial statements for the year ended 31 March 2011 (continued)

8 Tangible fixed assets LLP

	Freehold property	Leasehold improvements	Fixtures and fittings	Computer equipment and software	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 31 March 2010	344	2,104	202	1,667	4,317
Additions	-	136	91	11	238
Disposals	-	(48)	(9)	(13)	(70)
At 31 March 2011	344	2,192	284	1,665	4,485
Depreciation					
At 31 March 2010	-	1,462	133	693	2,288
Charge for the year	-	194	51	158	403
Disposals	-	(21)	(6)	(10)	(37)
At 31 March 2011	-	1,635	178	841	2,654
Net book value					
At 31 March 2011	344	557	106	824	1,831
At 31 March 2010	344	642	69	974	2,029

Notes to the financial statements for year ended 31 March 2011 (continued)

9	Fixed asset investments Group	As at 31 March 2010 £'000	Additions £'000	Disposals £'000	As at 31 March 2011 £'000
	Investment in Euroclear plc	30	-	-	30
	Investment in McMillen Advantage Capital Limited	300	-	-	300
	Investment in RJIS	2,542	436	-	2,978
	Investment in Portelet	104	-	(104)	-
	Other fixed asset investments	40	6	-	46
		3,016	442	(104)	3,354

Although the shares held in Euroclear plc are registered in the name of Killik & Co (Nominees) Limited, Killik & Co LLP is the beneficial owner and therefore the investment is held at cost in the balance sheet of Killik & Co LLP

During the year, the LLP purchased 921,540 further shares in Raymond James Investment Services Limited ('RJIS') for a consideration of £436,450 The investment represents an investment via Killik & Co Nominees Limited in a 23% (2010 23%) stake in RJIS, which provides investment services A further 2% (2010 2%) is held by individual members of Killik & Co LLP Killik & Co LLP holds 20% or more of the voting rights yet lacks significant influence over operating and financial policies and so the investment is not treated as an associated undertaking

During the year Killik & Co LLP sold their investment in Portelet for £104,389

On 18 March 2011 Killik & Co LLP purchased 10,000 shares in Global Alliance Partners Limited for a consideration of $10,000 Global Alliance Partners is a strategic alliance of Financial Services organisations with interests in the Far East

9	Fixed asset investments LLP	As at 31 March 2010 £'000	Additions £'000	Disposals £,000	As at 31 March 2011 £'000
	Investment in Euroclear plc	30	-	-	30
	Investment in subsidiaries	230	-	-	230
	Investment in McMillen Advantage Capital Limited	300	-	-	300
	Investment in RJIS	2,542	436	-	2,978
	Investment in Portelet	104	-	(104)	-
	Other fixed asset investments	40	6	-	46
		3,246	442	(104)	3,584

Notes to the financial statements for the year ended 31 March 2011 (continued)

9 Fixed Asset Investments
LLP

The LLP has beneficial interests in the following subsidiary entities registered in Great Britain, unless otherwise stated

Company	Description of shares held	Proportion of nominal value of shares	Activity
Killik & Co Holdings Limited	£1 Ordinary	100%	Holding company
Killik & Co (Nominees) Limited(*)	£1 Ordinary	100%	Nominee company
Killik & Co Trustees Limited(*)	£1 Ordinary	100%	Provision of trustee services
Killik Employee Share Services Limited(*)	£1 Ordinary	100%	Administration of company share option plans
Global Incentive Solutions Limited (**)	£1 Ordinary	100%	Dormant
Killik & Co Spreadbetting Limited	£1 Ordinary	100%	Spreadbetting License Holder/Dormant
Killik & Co (Middle East & Asia) LLP	Not applicable	100%	Dormant
Killik Financial Planning LLP	Not applicable	100%	Provision of Financial Advice
Killik Services Limited	Not applicable	100%	Provision of Payroll Services

The LLP also has beneficial interests in the following subsidiary company, which is registered in South Africa

Killik Employee Services (Pty) Limited (*)	1 Rand Ordinary	100%	Software Developers

* held via Killik & Co Holdings Limited
**held via Killik Employee Share Services Limited

Notes to the financial statements for the year ended 31 March 2011 (continued)

10 Debtors

Group	**2011 £'000**	**2010 £'000**
Falling due within one year:		
Trade debtors	308	395
Other debtors	112	140
Amounts due from members	85	38
Prepayments and accrued income	5,332	4,074
	5,837	4,647
Falling due after more than one year:		
Other debtors	160	160
	5,997	4,807

LLP	**2011 £'000**	**2010 £'000**
Falling due within one year:		
Trade debtors	228	164
Due from subsidiary undertakings	69	151
Other debtors	112	140
Amounts due from members	85	38
Prepayments and accrued income	5,311	4,035
	5,805	4,528
Falling due after more than one year:		
Due from subsidiary undertakings	165	165
Other debtors	160	160
	6,130	4,853

Notes to the financial statements for the year ended 31 March 2011 (continued)

11 Creditors

Group	**2011 £'000**	**2010 £'000**
Amounts falling due within one year:		
Trade creditors	720	542
Corporation Tax	168	-
Other taxation and social security costs	509	332
Other creditors	2,551	2,406
Accruals	475	441
	4,423	3,721

Creditors

LLP	**2011 £'000**	**2010 £'000**
Amounts falling due within one year:		
Trade creditors	707	529
Due to subsidiary undertakings	838	214
Other taxation and social security costs	253	314
Other creditors	2,648	2,387
Accruals	456	365
	4,902	3,809

12 Provisions for liabilities and charges
Group and LLP

Provisions are made for client claims The movement is analysed as follows

	Client claims £'000
Balance as at 1 April 2010	855
Charged to the profit and loss account	(680)
Balance as at 31 March 2011	175

Notes to the financial statements for the year ended 31 March 2011 (continued)

13 Related parties and related party transactions

In accordance with FRS 8 (Related Party Disclosures), transactions between the LLP and its subsidiaries, which are related parties, have been eliminated on consolidation

Staff costs and other administrative expenses of £224,944 (2010 £327,382) were recharged to Sharegift Limited, a charitable organisation of which MN Orr, a member of Killik & Co LLP, is a trustee At the year end the balance due from Sharegift Limited was £44,940 (2010 £22,925)

14 Contingent liabilities

In the ordinary course of business, the LLP has given Letters of Indemnity in respect of lost certified stock transfers and share certificates The contingent liability arising therefore cannot be quantified, but it is not believed that any material liability will arise under these indemnities

Under the contract with the LLP's clearing firm, there is a right of recourse to the LLP in respect of unsettled bargains outstanding for more than 30 days past settlement date It is not believed that any material liability will arise under this provision

15 Operating lease commitments

At 31 March 2011 the group and LLP were committed to making the following payments during the next year in respect of non-cancellable operating leases

Group and LLP 2011	**Land and buildings**	**Other**	**Total**
	£'000	**£'000**	**£'000**
Leases which expire:			
Within one year	53	-	53
Within two to five years	847	144	991
After five years	362	-	362
	1,262	144	1,406

Group and LLP 2010	**Land and buildings**	**Other**	**Total**
	£'000	**£'000**	**£'000**
Leases which expire:			
Within one year	-	16	16
Within two to five years	995	-	995
After five years	368	-	368
	1,363	16	1,379

Notes to the financial statements for the year ended 31 March 2011 (continued)

16 Ultimate controlling party

The ultimate controlling party at 31 March 2011 and 31 March 2010 is considered to be Paul Killik