

The complaint

Mr H has complained about the level of fees charged by Killik & Co LLP trading as Killik & Co ('Killik').

Mr H self-invested with Killik from 2020 within his self-invested personal pension ('SIPP') and only became aware of the trading costs he had paid over the years in 2024.

Mr H is aware that the same trades could have been made with alternative providers at a much lower overall cost, and as such believes the fees applicable were not disclosed clearly enough. Mr H has stated that if they had been more clearly disclosed, he would have moved his investments to an alternative provider much sooner.

Mr H has requested the fees paid be returned.

What happened

After a period of inactivity, Mr H began investing with Killik in May 2020. These investments were chosen by Mr H and actioned on an execution only basis by Killik.

After a specific trade was actioned in 2024, Mr H calculated the fees which had been paid. Given the size of the resultant fee, Mr H requested further information on all the fees he had incurred since he re-commenced trading in 2020.

Having received this information and being aware he could have actioned the same trades at a lower cost with another provider, Mr H registered a complaint with Killik.

Killik issued its complaint response to Mr H on 3 December 2024.

Killik explained that Mr H's account operated under Killik's stockbroking service and that after each trade was made a contract note was issued which reported the correct fees which had been levied.

In addition, quarterly reports were uploaded to Mr H's client facing portal. These detailed the trading activity over the previous three months with the report at the end of each financial year detailing the previous year's fees.

Given this, Killik rejected the complaint.

Mr H did not accept this outcome and referred his complaint to this service.

Our investigator looked into things and concluded that Killik had not acted unfairly.

Mr H did not agree and said that whilst the information was provided in the quarterly report issued at the end of each year, this was not sufficiently clear. Mr H said the quarterly and end of year reports were named the same, with there being no indication within the document name highlighting the fact that the end of year report contained additional information to the "standard" quarterly reports. Mr H stated that he believed the annual cost statement should have been issued in a separate document, or the naming convention for

this end of year report should have been changed to highlight it contained this additional information.

Mr H also questioned whether the terms and conditions applicable to his product was sufficiently clear around what information would be provided and when.

Our investigator was not minded to change their opinion based on these additional comments and remained of the opinion that Killik had acted appropriately.

As no agreement could be reached, the complaint has been passed to me for a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can see that following the issuance of our investigators findings Mr H has raised further questions with Killik. Whilst the documentation on file indicates that Mr H does not believe Killik have answered these questions appropriately, I would like to start by being clear that this decision is related solely to the issue around Killik's disclosure of the fees levied on Mr H's investment trades.

As explained by our investigator, The Financial Ombudsman Service is an independent complaint resolution service and not the regulator for financial services. As such this service cannot punish a business for any errors it may have made, nor can we demand a business change its processes.

It is also outside of this service's remit to dictate what a business should charge for its services. It is clear from the documentation on file that Mr H has now found a replacement provider who would have been able to action the same trades as those placed with Killik at a lower cost. However, the fact another business would have charged differently to Killik does not automatically mean Killik's charges were unfair or unreasonable.

The key area of complaint for Mr H in this case relates to Killik's disclosure of the fees which were being incurred. What I must decide is whether Killik's disclosure of the fees they were levying was appropriate.

Firstly, before any trades were actioned, Mr H was provided with Killik's rate card. This detailed the fees which would be incurred for each trade. As part of the evidence provided to this service Killik have provided this rate card and Mr H has accepted he was aware of its content.

After each trade actioned by Killik on Mr H's behalf, Mr H was sent a contract note which provided details of the transaction. Samples of these documents have been provided by Killik. The contract notes included information on the commissions payable for each trade. Mr H has accepted that these documents were sent, however has stated he did not open or read these.

Killik also produced and sent Mr H quarterly reports which detailed the transactions completed over the previous three months. Whilst these did not include a breakdown of the fees and costs which had been incurred, the final quarterly report of each financial year did include this information.

Mr H has confirmed that he did open the first examples of these quarterly reports however

then chose to rely on the information which was downloadable in an excel format.

Mr H has said that as the information included in the first examples of these quarterly statements was the same as that which could be downloaded, he saw no reason to continue to open the subsequent documents produced and provided by Killik. As such he missed the additional information about the costs incurred which was included in the final report Killik sent each year.

He has also stated that the final quarterly report issued each year (which did include the fees and costs information) was named in the same way as the other quarterly reports, and as such did not highlight the fact it included other, additional information. Given this, Mr H saw no reason to deviate from only using the downloadable information to monitor his pension.

I can see that the information downloadable was the same as that provided in the “usual” quarterly statements and so can see why Mr H chose to rely on this source of information to monitor his pension.

However, whilst I can understand why Mr H made the decision he did, I do not believe this merits upholding this complaint.

Killik did produce and provide key information on the fees being incurred both after each individual trade and at the end of each financial year. Whilst I have an appreciation for why Mr H chose to rely on the downloadable data rather than the documents provided by Killik, I do not think it is reasonable of me to expect Killik to design their reporting processes based on the assumption that a customer will not open or read either their contract notes or their quarterly reports.

I accept that the naming conventions used for the quarterly reports does not highlight which of these contains the additional charges information, and accept that highlighting this would be appropriate, however again do not believe this merits upholding this complaint.

Whilst Killik could have acted differently in the way they name their reports, that does not mean their actions between 2020 – 2024 with Mr H were unfair or unreasonable.

I can see no evidence that their actions were in any way an attempt to hide the fees being levied from Mr H. Every contract note issued confirmed the cost of each transaction and the quarterly reports issued were neither overly long nor complex, with the charges information easily identifiable.

As part of his response to the investigator findings Mr H referenced the Terms and Conditions of his SIPP with Killik, specifically:

- ***“8.3 Statements, valuations, contract notes and suitability reports - The reports that we will provide to you depend on the services you have selected, and include (as applicable) custody statements, periodic reports, contract notes, suitability reports, annual costs disclosures and performance reports (regulatory reports), as well as account statements and valuations.”***
- ***“Regulatory reports shall be provided as follows: Account statements – Contains details of transactions, dividends, costs and each investment held and its value. Frequency – Quarterly in March, June, September and December.”***

Mr H has questioned why the annual cost statement issued as part of the final quarterly report each year was not specifically referenced in the above sections, and stated that this could be considered an example of Killik not highlighting this information sufficiently.

Whilst I accept that an annual cost statement is not specifically referenced in the sections above, I do not consider these sufficient grounds to uphold this complaint.

The fact remains that the costs Mr H was incurring on each trade was communicated to him in each contract note he was sent, with these costs being totalled and summarised in the end of year quarterly statement Killik provided.

These documents are non-complex and clearly detail the charges applicable to Mr H's pension and investments. As I have stated above, whilst I appreciate why Mr H made the choices he did, I do not consider it reasonable to hold Killik accountable for those choices.

Had Mr H opened the contract notes issued after each trade, or each of the quarterly reports issued by Killik, the charges information would have been apparent.

Overall, I have concluded that Killik did provide Mr H with the information required of them in a clear and fair way. Whilst Mr H was not aware of the charges he was incurring between 2020 and 2024 I do not believe it would be reasonable to hold Killik accountable for this, they are entitled to assume their clients are reading the documentation / statements they provide.

As such I am not upholding this complaint.

My final decision

In line with the rationale above I am not upholding this complaint against Killik & Co LLP trading as Killik & Co.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 October 2025.

John Rogowski
Ombudsman