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SECURITIES AND EXCHANGE COMMISSION  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**ANNUAL AUDITED REPORT  
FORM X-17A-5 (A)  
PART III**

OMB APPROVAL  
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FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING OCT. 31, 2007 \* AND ENDING SEPT. 30, 2008  
*\* Inception* MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Aberdeen Fund Distributors, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIVE Tower Bridge 300 BARR Harbor Dr., Suite 300  
(No. and Street)  
West Conshohocken PA 19428  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
CHRISTOPHER F. BROWN 610-238-3695  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

KPMG  
(Name - if individual, state last, first, middle name)  
1601 MARKET ST. Philadelphia PA 19103-2499  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

AS

MM

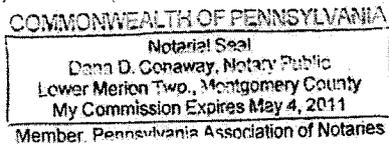
OATH OR AFFIRMATION

I, CHRISTOPHER F. BROWN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Aberdeen Fund Distributors, LLC, as of September 30,, 2008, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Christopher F. Brown 5/21/09  
Signature  
Financial Operations Principal  
Title

5/21/09  
[Signature]  
Notary Public



This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



8-67799

**ABERDEEN FUND DISTRIBUTORS, LLC**

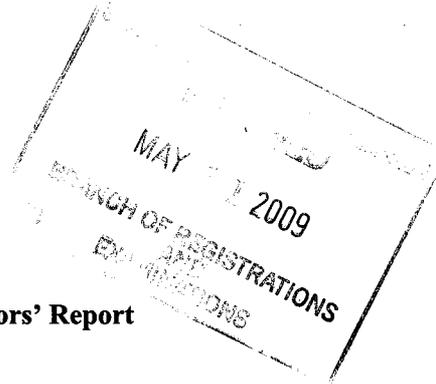
Financial Statements and Schedules

September 30, 2008

(With Independent Auditors' Report Thereon)



KPMG LLP  
1601 Market Street  
Philadelphia, PA 19103-2499



### Independent Auditors' Report

Aberdeen Fund Distributors, LLC:

We have audited the accompanying statement of financial condition of Aberdeen Fund Distributors, LLC (the Company) as of September 30, 2008, and the related statements of operations, changes in member's equity, and cash flows for the period from October 31, 2007 (inception) through September 30, 2008 that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Aberdeen Fund Distributors, LLC as of September 30, 2008, and the results of its operations and its cash flows for the period from October 31, 2007 (inception) through September 30, 2008, in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**KPMG LLP**

February 25, 2009

**ABERDEEN FUND DISTRIBUTORS, LLC**

Statement of Financial Condition

September 30, 2008

**Assets**

Cash	\$	886,349
Fee-related receivables from funds		896,151
Prepaid expenses		99,841
Total assets	\$	<u>1,882,341</u>

**Liabilities and Member's Equity**

<b>Liabilities:</b>		
Fees payable to external broker-dealers	\$	1,269,052
Payable to Parent		165,283
Total liabilities		<u>1,434,335</u>
Member's equity		<u>448,006</u>
Total liabilities and member's equity	\$	<u>1,882,341</u>

See accompanying notes to financial statements.

**ABERDEEN FUND DISTRIBUTORS, LLC**

Statement of Operations

Period from October 31, 2007 (inception) through September 30, 2008

Revenue:		
Distribution fees		\$ 2,334,303
Underwriter fees and other		<u>260,765</u>
Total revenue		<u>2,595,068</u>
Expenses:		
Sales commissions to external broker-dealers		2,391,765
Licenses and fees		85,159
Professional fees		67,564
Other operating expenses		<u>2,574</u>
Total expenses		<u>2,547,062</u>
Net income		<u>\$ 48,006</u>

See accompanying notes to financial statements.

**ABERDEEN FUND DISTRIBUTORS, LLC**

Statement of Changes in Member's Equity

Period from October 31, 2007 (inception) through September 30, 2008

Balance, October 31, 2007	\$	—
Capital contributions from Parent		400,000
Net income		<u>48,006</u>
Balance, September 30, 2008	\$	<u><u>448,006</u></u>

See accompanying notes to financial statements.

**ABERDEEN FUND DISTRIBUTORS, LLC**

Statement of Cash Flows

Period from October 31, 2007 (inception) through September 30, 2008

Cash flows from operating activities:	
Net income	\$ 48,006
Adjustments to reconcile net income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Increase in fee-related receivables	(896,151)
Increase in prepaid expenses	(99,841)
Increase in fees payable to external broker-dealers	<u>1,269,052</u>
Net cash provided by operating activities	<u>321,066</u>
Cash flows from financing activities:	
Advances from Parent	165,283
Proceeds from capital contributions from Parent	<u>400,000</u>
Net cash provided by financing activities	<u>565,283</u>
Net increase in cash	886,349
Cash at beginning of period	<u>—</u>
Cash at end of period	<u>\$ 886,349</u>

See accompanying notes to financial statements.

## ABERDEEN FUND DISTRIBUTORS, LLC

### Notes to Financial Statements

September 30, 2008

#### (1) Organization

##### (a) *Description of Business*

Aberdeen Fund Distributors, LLC (the Company) is organized under the laws of the state of Delaware and is a wholly owned subsidiary of Aberdeen Asset Management, Inc. (the Parent) and an indirect wholly owned subsidiary of Aberdeen Asset Management PLC (AAM PLC), a publicly traded company listed on the London Stock Exchange in the United Kingdom. The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is also a member of the Financial Industry Regulation Authority, Inc. (FINRA) and the Securities Investor Protection Corporation. Additionally, the Company is currently registered to conduct business in all 50 states of the United States of America, as well as the District of Columbia, Puerto Rico, and the Virgin Islands. Conforming to and complying with the Investment Company Act of 1940, the Company is the principal underwriter providing distribution services to the Aberdeen Family of Mutual Funds (the Funds), which comprises 26 mutual funds. The Company also provides access to DTC/NSCC settlement services for non-U.S. fund products and acts as U.S. placement agent for private pooled investment vehicles (i.e., private placements) sponsored by an affiliate. These settlement services and placement agent activities represent a de minimus portion of the Company's business.

The Parent is the sole member of the Company and for the period from October 31, 2007 (inception) through September 30, 2008, all of the Company's revenues were generated from activities with the Funds.

#### (2) Summary of Significant Accounting Policies

##### (a) *Basis of Presentation*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period in the financial statements and accompanying notes. Actual results could differ from those estimates.

##### (b) *Sales Commissions*

The Company charges certain costs, principally sales commissions that are paid to other securities brokers in connection with the sale of certain shares of the Funds, to expense when incurred.

##### (c) *Fees Payable to External Broker-Dealers*

The Company serves as the distributor of the Funds. In this capacity, the Company has entered into selling agreements with several external broker-dealers through which the Funds are distributed. As compensation to these external broker-dealers, the Company pays a portion of the sales charges and 12b-1 fees collected from the Funds, retaining a portion of these fees, known as underwriter fees. As of September 30, 2008, the Company owed \$1,269,052 to external broker-dealers for services rendered. The gross fees received are reflected as revenues and the amounts paid to external broker-dealers are categorized as sales commissions to external broker-dealers in the statement of operations.

## ABERDEEN FUND DISTRIBUTORS, LLC

### Notes to Financial Statements

September 30, 2008

**(d) Revenue Recognition**

Revenues are based on the contractual agreements with the Funds and computed as a percentage of the gross sales of the product. The Company recognizes revenue from distribution fees when the receipt of monies from investment into a fund product is received. Revenue from underwriter fees is recognized when earned.

**(e) Payments to/Receipts from Parent**

The Company and its Parent have entered into a management agreement by which the Parent provides certain operations and administrative services to the Company. These services include facilities, marketing, finance/accounting, legal, compliance, and general corporate oversight. There were no costs charged by the Parent to the Company for such services for the period from October 31, 2007 (inception) through September 30, 2008, as the Parent agreed to absorb such costs until December 31, 2008.

During the period from October 31, 2007 (inception) through September 30, 2008, the Parent advanced \$165,283 to the Company.

**(f) Income Taxes**

The Company is a single member limited liability company and, as such, is disregarded for federal and state income tax purposes. As such, all items of income and expense pass-through and are included in the Parent's income tax filings. The Company does not currently have an income tax sharing arrangement with the Parent.

**(g) Adjustment of Financial Statement Amounts**

Subsequent to the issuance of the Company's fiscal 2008 financial statements, it was determined that certain contracts with external broker-dealers obligated the Company to pay certain administrative fees to such parties. However, the Company also had an agreement with the Funds to directly pay those amounts to the external broker-dealers. Management reevaluated the accounting for these arrangements and determined that the associated administrative fees should be recorded as both a liability payable to external broker-dealers and a fee-related receivable from Funds.

The following is a summary of the effects of this adjustment on the Company's statement of financial condition as of September 30, 2008:

	<u>As adjusted</u>	<u>As previously reported</u>
Fee-related receivables from Funds	\$ 896,151	723,948
Fees payable to external broker-dealers	1,269,052	1,096,849
Member's equity	448,006	448,006

## ABERDEEN FUND DISTRIBUTORS, LLC

### Notes to Financial Statements

September 30, 2008

The review of contracts had an impact on the computation of net capital under Rule 15c3-1. In addition, it was determined that certain of the fee-related receivables from Funds are nonallowable assets for purposes of the net capital computation and that costs incurred by the Parent on behalf of the Company should also be deducted when determining net capital. A reconciliation of the previous calculation of net capital and aggregate indebtedness to the revised calculation, as included in Schedule 1, is as follows:

Net capital, as previously reported	\$	348,165
Less:		
Nonallowable fee-related receivables from Funds		(695,352)
Management fee expense allocation		(19,724)
Net capital, as adjusted	\$	<u>(366,911)</u>
Aggregate indebtedness, as previously reported	\$	1,261,588
Additional fees payable to external broker-dealers		172,203
Aggregate indebtedness, as adjusted	\$	<u>1,433,791</u>

#### (3) Net Capital

The Company, as a registered broker-dealer in securities, is subject to the Securities Exchange Commission Uniform Net Capital Rule (Rule 15c3-1). The rule requires the maintenance of minimum "net capital" and requires that the ratio of "aggregate indebtedness" to "net capital" shall not exceed 15 to 1, as those terms are defined in Rule 15c3-1. As of September 30, 2008, the Company had a ratio of aggregate indebtedness to net capital of (3.91) to 1, with a minimum net capital requirement of \$179,224, aggregate indebtedness of \$1,433,791, and a net capital deficiency of \$(366,911).

#### (4) Subsequent Event

The Parent contributed \$250,000 and \$150,000 to the Company on December 31, 2008 and January 12, 2009, respectively.

**ABERDEEN FUND DISTRIBUTORS, LLC**

## Computation of Net Capital under Rule 15c3-1

Period from October 31, 2007 (inception) through September 30, 2008

Net capital:		
Total member's equity from statement of financial condition	\$	448,006
Deductions and/or charges:		
Nonallowable assets:		
Fee-related receivables from funds		(695,352)
Management fee expense allocation		(19,724)
Prepaid expenses		(99,841)
Net capital	\$	<u>(366,911)</u>
Aggregate indebtedness:		
Fees payable to external broker-dealers	\$	1,268,508
Payable to Parent		<u>165,283</u>
Total aggregate indebtedness	\$	<u>1,433,791</u>
Company's minimum net capital requirement (greater of \$25,000 or 1/8th of aggregate indebtedness)	\$	179,224
Net capital deficiency		(546,135)
Ratio of aggregate indebtedness to net capital		(3.91)

There were no material differences between the Company's computation of net capital as reflected on Form X-17A-5, Part IIA, and the above computation.

See accompanying independent auditors' report.

**ABERDEEN FUND DISTRIBUTORS, LLC**

Determination of Reserve Requirement under Rule 15c3-3

Period from October 31, 2007 (inception) through September 30, 2008

The Company has elected the exemption under Rule 15c3-3(k)(2)(i) of the Securities and Exchange Commission, which requires that the Company maintain a “special account for the exclusive benefit of customers.” As of September 30, 2008, the Company held no customer funds and had no required deposit.

See accompanying independent auditors’ report.

**ABERDEEN FUND DISTRIBUTORS, LLC**

Information for Possession or Control Requirements under Rule 15c3-3

Period from October 31, 2007 (inception) through September 30, 2008

	<u>Fair value</u>	<u>Number of items</u>
Customers' fully paid securities and excess-margin securities not in the respondent's possession or control as of September 30, 2008, for which instructions to reduce to possession or control action was issued as of September 30, 2008, and for which the required action was not taken within the time frames specified under Rule 15c3-3.	\$ —	—
Customers' fully paid securities and excess-margin securities for which instructions to reduce to possession or control had not been issued as of September 30, 2008, excluding items arising from "temporary lags which result from normal business operations," as permitted under Rule 15c3-3.	\$ —	—

See accompanying independent auditors' report.