

KIRKLANDS INC
Form 4/A
January 08, 2007

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
ENDOWMENT CAPITAL L P

(Last) (First) (Middle)
1105 NORTH MARKET STREET, 15TH FLOOR
(Street)

WILMINGTON, DE 19801

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
KIRKLANDS INC [KIRK]

3. Date of Earliest Transaction (Month/Day/Year)
07/05/2005

4. If Amendment, Date Original Filed(Month/Day/Year)
07/07/2005

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
____ Officer (give title below) Other (specify below)
Former 10% Owner

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock, no par value per share	07/05/2005		J	0	A	<u>(1)</u> <u>(2)</u>	0 <u>(1)</u> <u>(2)</u>	I <u>(1)</u> <u>(2)</u>	By limited partnerships <u>(1)</u> <u>(2)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Date (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

ENDOWMENT CAPITAL L P
1105 NORTH MARKET STREET
15TH FLOOR
WILMINGTON, DE 19801

Former 10% Owner

Signatures

/s/ Philip C. Timon, in his capacity as sole managing member of Endowment Capital Group, LLC, the sole general partner of Endowment Capital, L.P.

01/04/2007

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Endowment Capital, L.P. ("Capital"), and Long Drive, L.P., each a Delaware limited partnership (collectively, the "Limited Partnerships"), own in the aggregate 2,828,294 shares of the Common Stock, no par value per share (the "Shares"), of Kirkland's Inc., a Tennessee corporation (the "Company") as of July 5, 2005 (the "Reporting Date"). Endowment Capital Group, LLC, a Delaware limited liability company ("Endowment LLC"), is the sole general partner of each of the Limited Partnerships. Mr. Philip C. Timon is the sole managing member of Endowment LLC. As a result, Mr. Timon possessed the sole power to vote and the sole power to direct the disposition of the Shares held by the Limited Partnerships. Thus, as of the Reporting Date, for the purposes of Reg. Section 240.13d-3, Capital is deemed to beneficially own no Shares, or approximately 0.0% of the Shares deemed issued and outstanding as of the Reporting Date.

(2) This Form 4 does not represent a purchase or sale of the Shares, but merely reflects an amendment and restatement of the reporting structure set forth in the Form 4 filed with the Securities and Exchange Commission (the "SEC") on July 7, 2005 on behalf of Capital, in that only Mr. Timon, not Capital, is a reporting person with respect to the Shares held by the Limited Partnerships as of the Reporting Date. Concurrently with the filing of this Form 4, Mr. Timon has caused a Form 4 to be filed with the SEC on his behalf, which sets forth that only Mr. Timon is the reporting person for the Shares held by the Limited Partnerships as of the Reporting Date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.