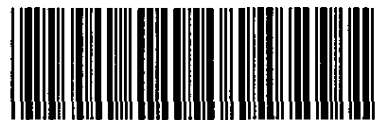


ATEC CONSULTING LLP

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2006

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ATEC CONSULTING LLP

I N D E X

Year ended 31 December 2006

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ATEC CONSULTING LLP

GENERAL INFORMATION

Year ended 31 December 2006

Designated members	Hans-Martin Schneeberger Mahnaz Schneeberger
Registered office	Rotherwick House 3 Thomas More Street London E1W 1YX
Registered number	OC 306560
Auditors	Dixon Wilson (PO Box 900) Rotherwick House 3 Thomas More Street London E1W 1YX
Bankers	HSBC Bank Plc 91 High Road Willesden Green London NW10 2TA
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

ATEC CONSULTING LLP

M E M B E R S ' R E P O R T

Year ended 31 December 2006

The members present the report and financial statements for the year ended 31 December 2006

Activities

The principal activities of the LLP are consulting services in the field of linear guideway technology and buying, holding and selling real estate or intangible assets

The principal activity of the group is the production and sale of linear guideway technology products

Review of the business and future developments

Both the level of business and the year end financial position were satisfactory, and the members expect that the present level of activity will be sustained for the foreseeable future

Designated members

The designated members during the year are as shown on page 2

Capital and drawings

No member is obliged to make any further capital contributions Drawings are paid at the members' discretion

Results for the year and allocation to members

The loss for the year available for division among the members was £88,686 (Group - profit £6,264,273)

Statement of members' responsibilities

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that year In preparing those financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business
- prepare the financial statements in accordance with applicable accounting standards

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Limited Liability Partnership Regulations They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement as to disclosure of information to auditors

The members have taken all necessary steps to make us aware, as members, of any relevant audit information and to establish that the auditors are aware of that information

As far as the members are aware, there is no relevant audit information of which the LLP's auditors are unaware

ATEC CONSULTING LLP

M E M B E R S ' R E P O R T

Year ended 31 December 2006

Auditors

A resolution to re-appoint Dixon Wilson as auditors in accordance with section 385 of the Companies Act 1985 as applicable under the Limited Liability Partnership Act 2000 will be proposed at the forthcoming annual general meeting

Approved by the members on ~~30 November~~ 2007 and signed on their behalf by -



HANS-MARTIN SCHNEEBERGER
Designated member

ATEC CONSULTING LLP

AUDITORS' REPORT

Year ended 31 December 2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATEC CONSULTING LLP

We have audited the financial statements of ATEC Consulting LLP for the year ended 31 December 2006 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet and Partnership Balance Sheet, the Consolidated Cash Flow Statement, the Statement of Total Recognised Gains and Losses, the Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members of the Limited Liability Partnership (LLP), as a body, in accordance with section 235 of the Companies Act 1985 as applicable under the Limited Liability Partnerships Act 2000. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As described in the Statement of Members' Responsibilities, the members are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards ("United Kingdom Generally Accepted Accounting Practice").

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 1985. We also report to you if, in our opinion, the LLP has not kept proper accounting records, and if we have not received all the information and explanations we require for our audit.

We read the members' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

We report to you whether in our opinion the information given in the members' report is consistent with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the LLP, 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 as to whether 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 in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the LLP and of the group as at 31 December 2006 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable under the Limited Liability Partnerships Act 2000
- the information given in the members' report is consistent with the financial statements



DIXON WILSON
Chartered Accountants and Registered Auditors
Rotherwick House
3 Thomas More Street
London E1W 1YX
30 November 2007

ATEC CONSULTING LLP**CONSOLIDATED PROFIT AND LOSS ACCOUNT****Year ended 31 December 2006**

	Note	2006 £	2005 £
Turnover	1	68,889,130	64,767,838
Cost of sales		(28,511,721)	(26,176,046)
Gross profit		40,377,409	38,591,792
Administrative expenses		(33,078,703)	(31,419,488)
Other operating income		1,757,592	2,226,466
Operating profit	2	9,056,298	9,398,770
Interest receivable		434,244	191,302
Interest payable	4	(1,189,262)	(1,277,107)
Profit on ordinary activities before taxation		8,301,280	8,312,965
Taxation	5	(1,790,575)	(1,782,835)
Profit on ordinary activities after taxation		6,510,705	6,530,130
Minority interests - equity interests		(246,432)	(457,212)
Profit for the financial year	13	6,264,273	6,072,918

All amounts relate to continuing operations unless otherwise stated

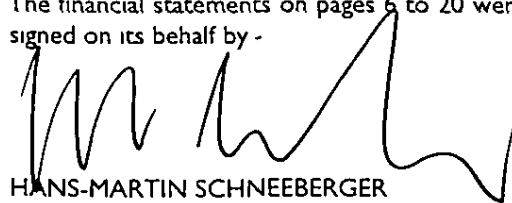
ATEC CONSULTING LLP**CONSOLIDATED STATEMENT OF
TOTAL RECOGNISED GAINS AND LOSSES****Year ended 31 December 2006**

	2006	2005
	£	£
Profit for the financial year	6,264,273	6,072,918
Foreign exchange difference on reserves	(535,514)	218,660
Other reserve movements	166,171	-
Total recognised gains and losses relating to the year	<u>5,894,930</u>	<u>6,291,578</u>

ATEC CONSULTING LLP
**CONSOLIDATED BALANCE SHEET AND
PARTNERSHIP BALANCE SHEET**
At 31 December 2006

			2006		2005
	Note	Group £	LLP £	Group £	LLP £
Fixed assets					
Intangible assets	6	-	-	884	-
Tangible assets	7	24,721,024	-	21,488,996	-
Investments	8	-	4,501,260	66,173	4,567,433
		<u>24,721,024</u>	<u>4,501,260</u>	<u>21,556,053</u>	<u>4,567,433</u>
Current assets					
Stock	9	9,377,171	-	9,288,429	-
Debtors	10	12,459,861	1,986,454	13,396,562	432,241
Cash at bank		2,370,683	243,527	868,325	291,114
		<u>24,207,715</u>	<u>2,229,981</u>	<u>23,553,316</u>	<u>723,355</u>
Creditors: amounts falling due within one year	11	(18,729,643)	(857,437)	(21,376,040)	(788,635)
Net current assets/(liabilities)		<u>5,478,072</u>	<u>1,372,544</u>	<u>2,177,276</u>	<u>(65,280)</u>
Total assets less current liabilities		<u>30,199,096</u>	<u>5,873,804</u>	<u>23,733,329</u>	<u>4,502,153</u>
Creditors: amounts falling due after more than one year	12	(11,737,056)	-	(11,789,534)	-
Loans and other debts due from members	13	530,453	530,453	198,640	198,640
Minority interests - equity interests		(2,313,502)	-	(1,565,671)	-
Net assets		<u>16,678,991</u>	<u>6,404,257</u>	<u>10,576,764</u>	<u>4,700,793</u>
Members' other interests					
Members' capital		6,404,257	6,404,257	4,700,793	4,700,793
Other reserves		13,403,670	-	9,004,907	-
Consolidation reserve		(3,128,936)	-	(3,128,936)	-
	13	<u>16,678,991</u>	<u>6,404,257</u>	<u>10,576,764</u>	<u>4,700,793</u>
Total members' interests					
Loans and other debts due from members	13	(530,453)	(530,453)	(198,640)	(198,640)
Members' other interests		<u>16,678,991</u>	<u>6,404,257</u>	<u>10,576,764</u>	<u>4,700,793</u>
		<u>16,148,538</u>	<u>5,873,804</u>	<u>10,378,124</u>	<u>4,502,153</u>

The financial statements on pages 6 to 20 were approved by the members of the LLP on 30 November 2007 and signed on its behalf by -



HANS-MARTIN SCHNEEBERGER
Designated member

ATEC CONSULTING LLP
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 December 2006

	Note	2006	2005
		£	£
Net cash inflow from operating activities	14 (a)	12,467,786	10,555,358
Return on investments and servicing of finance			
Interest received		434,244	191,302
Interest paid		(1,189,262)	(1,277,107)
Dividends paid		(1,584,853)	(1,820,470)
Net cash outflow for returns on investments and servicing of finance		(2,339,871)	(2,906,275)
Taxation paid		(1,349,117)	(1,782,835)
Acquisitions and disposals			
Payments to acquire fixed assets		(7,381,859)	(2,354,372)
Receipts from sale of fixed assets		1,351,443	707,841
Payments to acquire investments		-	(66,173)
Receipts from sale of investments		66,173	26,567
Net cash outflow for acquisitions and disposals		(5,964,243)	(1,686,137)
Transactions with members and former members			
Payments to members		(245,960)	(336,609)
Contributions by members		1,607,972	2,294
Net cash inflow/(outflow) from transactions with members and former members		1,362,012	(334,315)
Financing			
Repayment of loans		(2,205,926)	(2,578,812)
Repayment of finance leases		(457,467)	(1,736,532)
Issue of loans		(10,816)	158,313
Net cash outflow from financing		(2,674,209)	(4,157,031)
Increase/(decrease) in cash in the year	14 (c)	1,502,358	(311,235)

ATEC CONSULTING LLP

A C C O U N T I N G P O L I C I E S

Year ended 31 December 2006

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice Accounting by Limited Liability Partnerships

Basis of accounting

The financial statements are prepared under the historical cost convention

Basis of consolidation

The group financial statements consolidate the financial statements of the LLP and its subsidiary undertakings on a merger accounting basis

The profit and losses of the merged entities are consolidated from the date of creation of the LLP. The difference between the cost of acquisition of shares in subsidiaries and the book cost of the separable net assets acquired is shown in members' interests as a consolidation reserve

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions during the year are recorded at an average monthly rate. All exchange differences are taken to the profit and loss account.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Members' interests

Members' interests are analysed as appropriate between equity and debt.

Amounts classified as debt are presented as liabilities. Members' remuneration arising under arrangement for automatic division of profit is shown as an expense.

Turnover

Turnover is accounted for on the basis of work done in the year, computed at the appropriate rate.

Tangible fixed assets

Tangible fixed assets are recorded at cost less accumulated depreciation. Depreciation is provided so as to write off the cost on a straight line basis over the asset's useful economic life.

Buildings	- 30-40 years
Plant and machinery	- 5-10 years
Fixtures and fittings	- 3-5 years
Motor vehicles	- 5 years

No depreciation is provided for on land.

Intangible fixed assets

In 2001 the group won the rights to work on the contracts for some of Syngran's mineral smelting clients. These are being amortised over 5 years.

ATEC CONSULTING LLP

A C C O U N T I N G P O L I C I E S (c o n t i n u e d)

Year ended 31 December 2006

Stocks

Stocks are valued at the lower of cost and net realisable value. The value of slow moving stocks is adjusted accordingly.

Work in progress is measured at the cost of direct materials and supplier invoices plus the value of production hours spent.

Assets under construction are measured at the cost of supplier invoices.

Research and development costs

Research and development costs are taken to the profit and loss account.

Deferred tax

Provision is made for deferred tax liabilities in respect of all timing differences arising from the different treatment of items for accounting and taxation purposes without discounting. Deferred tax assets in respect of such timing differences are recognised to the extent that they are regarded as being, more likely than not, recoverable in the short to medium term, and are not discounted.

Leases

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the cost of the assets at the inception of the leases. The amounts by which lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation.

Rentals payable under operating leases are charged to the profit and loss account in equal annual amounts over the year of the lease.

ATEC CONSULTING LLP**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 December 2006**

1. Turnover	Group 2006 £	Group 2005 £
The contributions of the various activities of the group to turnover are set out below		
By activity		
Elements (components and minirail)	20,690,612	16,029,230
Systems	10,644,686	14,163,723
Monorail	31,671,071	27,040,798
Mineral casting technology	3,586,500	2,790,533
Commercial products	2,296,261	4,725,804
Consultancy	-	17,750
	<u>68,889,130</u>	<u>64,767,838</u>
By geographical market:		
Europe	45,504,528	41,292,034
North America	12,048,871	13,627,693
Asia	10,376,934	8,398,093
Rest of the world	958,797	1,450,018
	<u>68,889,130</u>	<u>64,767,838</u>

2. Operating profit

This is stated after charging/(crediting)

Auditors' remuneration - for audit services	90,500	115,149
Exchange (loss)/gain	(108,261)	(7,649)
Depreciation of tangible fixed assets (note 7)	3,219,964	3,244,878
Amortisation of intangible fixed assets (note 6)	-	26,934
Operating lease rentals	202,000	479,954
	<u></u>	<u></u>

Remuneration paid to the LLP's auditors for non-audit services amounted to £23,500 (2005 - £5,050)

3. Staff costs

Employee costs during the year (including directors)

Wages and salaries	18,924,937	17,057,093
Social security costs	2,215,359	2,085,436
Other pension costs	697,110	660,544
	<u>21,837,406</u>	<u>19,803,073</u>

	Number	Number
Average number of persons employed (including directors)		
- Administration	185	164
- Production	316	250
	<u>501</u>	<u>414</u>

ATEC CONSULTING LLP**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 December 2006**

3. Staff costs (continued)	Group 2006 £	Group 2005 £
Directors' remuneration		
For management services	<u>77,986</u>	<u>79,477</u>
Company contributions to money purchase schemes in relation to directors' pensions	<u>4,211</u>	<u>4,292</u>
4. Interest payable		
Interest paid on finance leases	184,170	237,549
Interest paid on loans	<u>1,005,092</u>	<u>1,039,558</u>
	<u>1,189,262</u>	<u>1,277,107</u>
5. Tax on profit on ordinary activities		
Analysis of charge for year:		
Current tax		
UK corporation tax	-	-
Non-UK corporation tax	<u>1,288,864</u>	<u>1,036,632</u>
	<u>1,288,864</u>	<u>1,036,632</u>
Deferred taxation	<u>501,711</u>	<u>746,203</u>
Tax on profit on ordinary activities	<u>1,790,575</u>	<u>1,782,835</u>
Factors affecting tax charge for year:		
Profit on ordinary activities before tax	<u>8,301,280</u>	<u>8,312,965</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 - 30%)	<u>2,490,384</u>	<u>2,193,890</u>
Effect of foreign tax rules	(1,174,854)	(1,131,843)
Profits not chargeable to corporation tax	<u>(26,666)</u>	<u>(25,415)</u>
Current tax charge for year	<u>1,288,864</u>	<u>1,036,632</u>

ATEC CONSULTING LLP
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2006

6. Intangible fixed assets		Contracts £
Group		
Cost		
At 1 January 2006		730,133
Disposal		(730,133)
At 31 December 2006		-
Amortisation		
At 1 January 2006		729,249
Disposal		(729,249)
At 31 December 2006		-
Net book value		
At 31 December 2006		-
At 31 December 2005		884

7. Tangible fixed assets						
Group	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Assets under construction £	Total £
Cost						
At 1 January 2006	20,831,787	28,891,541	4,999,117	388,933	286,838	55,398,216
Reclassification	34,661	41,159	-	-	(75,820)	-
Additions	2,785,149	2,341,467	476,330	92,085	1,686,828	7,381,859
Disposals	-	(1,218,869)	(134,360)	(44,368)	(189,193)	(1,586,790)
Currency fluctuation	(628,701)	(955,639)	(224,933)	(20,595)	50,169	(1,779,699)
At 31 December 2006	23,022,896	29,099,659	5,116,154	416,055	1,758,822	59,413,586
Depreciation						
At 1 January 2006	8,267,922	20,821,622	4,461,681	357,995	-	33,909,220
Charge for year	625,623	2,213,076	312,811	68,454	-	3,219,964
Impairment	-	(379,966)	-	-	-	(379,966)
Disposals	-	(596,040)	(133,942)	(44,368)	-	(774,350)
Currency fluctuation	(289,051)	(758,620)	(218,800)	(15,835)	-	(1,282,306)
At 31 December 2006	8,604,494	21,300,072	4,421,750	366,246	-	34,692,562
Net book value						
At 31 December 2006	14,418,402	7,799,587	694,404	49,809	1,758,822	24,721,024
At 31 December 2005	12,563,865	8,069,919	537,436	30,938	286,838	21,488,996

The net book value at 31 December 2006 of assets held under finance leases was £4,130,844 (2005 - £4,179,705) and the depreciation charge for the year thereon was £1,080,742 (2005 - £1,058,813)

ATEC CONSULTING LLP**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 December 2006**

8. Fixed asset investments	2006	2005
	£	£
Group		
Other investments - unlisted	-	66,173
	<hr/>	<hr/>
Other unlisted investments are carried at market value		
Movements during the year:		
At 1 January 2006	66,173	26,567
Additions	-	66,173
Disposals	(66,173)	(26,567)
	<hr/>	<hr/>
At 31 December 2006	-	66,173
	<hr/>	<hr/>
LLP		
Shares in group undertaking	4,501,260	4,501,260
Other investments - unlisted	-	66,173
	<hr/>	<hr/>
	4,501,260	4,567,433
	<hr/>	<hr/>
Movements during the year:		
At 1 January 2006	4,567,433	4,501,260
Additions	-	66,173
Disposals	(66,173)	-
	<hr/>	<hr/>
At 31 December 2006	4,501,260	4,567,433
	<hr/>	<hr/>

£4,501,260 represents the cost of the LLP's 100% stance in ATEC Holding AG, a company registered in Switzerland

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

9. Stocks	2006		2005	
	Group £	LLP £	Group £	LLP £
Raw materials	788,581	-	845,929	-
Parts	2,855,469	-	2,736,675	-
Work in progress	4,978,862	-	4,699,461	-
Finished goods	754,259	-	1,006,364	-
	<u>9,377,171</u>	<u>-</u>	<u>9,288,429</u>	<u>-</u>

10. Debtors

Trade debtors	10,431,962	-	11,121,718	-
Amounts owed by members	-	1,605,139	-	-
Loans to group undertakings	-	326,036	-	358,180
Other loans	144,763	-	133,941	-
Other debtors	1,570,047	21,909	1,652,969	12,185
Prepayments and accrued income	-	33,370	-	61,876
Deferred tax asset	313,089	-	487,934	-
	<u>12,459,861</u>	<u>1,986,454</u>	<u>13,396,562</u>	<u>432,241</u>

Accrued income of the LLP includes £33,370 (2005 - £61,876) due from group undertakings

Other debtors of the LLP include £659 (2005 - £568) due from group undertakings

The deferred tax asset arises due to tax losses in the German group company for years 1997 to 2003. The management believe these losses can be utilised in the future.

11. Creditors: amounts falling due within one year

	2006		2005	
	Group £	LLP £	Group £	LLP £
Obligations under finance leases	1,525,679	-	1,587,112	-
Trade creditors	4,420,190	-	4,729,610	13,700
Other creditors	1,859,376	482,110	2,111,612	407,820
Loans	9,076,550	-	11,302,415	-
Accruals and deferred income	1,847,848	375,327	1,645,291	367,115
	<u>18,729,643</u>	<u>857,437</u>	<u>21,376,040</u>	<u>788,635</u>

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

12. Creditors: amounts falling due after more than one year

	2006		2005	
	Group £	LLP £	Group £	LLP £
Loans	7,279,729	-	7,259,790	-
Obligations under finance leases	1,684,316	-	2,080,350	-
Deferred tax liability	1,768,867	-	1,502,254	-
Other creditors	1,004,144	-	947,140	-
	<u>11,737,056</u>	<u>-</u>	<u>11,789,534</u>	<u>-</u>

	2006 Group £	2005 Group £
--	--------------------	--------------------

Obligations under finance leases

Plant and machinery

Amounts payable

Within one year	1,525,679	1,587,112
Within two to five years	1,684,316	2,080,350
	<u>3,209,995</u>	<u>3,667,462</u>

Deferred taxation provided in the financial statements is as follows

	<u>1,768,867</u>	<u>1,502,254</u>
Movement in the year		
At 1 January 2006	1,502,254	1,377,794
Movement in the year	266,613	124,460
At 31 December 2006	<u>1,768,867</u>	<u>1,502,254</u>

Loans consist of various bank loans to the group's subsidiary companies. They have varying interest rates and maturity dates and are secured over the assets of each company.

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

13. Members' interests - Group

	Members' capital £	Other reserves £	Consolidation reserve £	Total £	Loans and other debts due to/(from) members £	Total members' interests
Members' interests at 1 January 2006	4,700,793	9,004,907	(3,128,936)	10,576,764	(198,640)	10,378,124
Profit for the financial year	-	6,264,273	-	6,264,273	-	6,264,273
Members' interests after profit for the year	4,700,793	15,269,180	(3,128,936)	16,841,037	(198,640)	16,642,397
Allocated profits	-	88,686	-	88,686	(88,686)	-
Dividends paid	-	(1,584,853)	-	(1,584,853)	-	(1,584,853)
Other reserves movement	-	(369,343)	-	(369,343)	-	(369,343)
Introduced by members	1,703,464	-	-	1,703,464	2,833	1,706,297
Drawings	-	-	-	-	(245,960)	(245,960)
Members' interests at 31 December 2006	6,404,257	13,403,670	(3,128,936)	16,678,991	(530,453)	16,148,538

Members' interests - LLP

Loans and other debts due to/(from) members

	Members' capital £	Other £	Total £
Members' interests at 1 January 2006	4,700,793	(198,640)	4,502,153
Loss for the financial year available for division among members	-	(88,686)	(88,686)
Members' interests after loss for the year	4,700,793	(287,326)	4,413,467
Introduced by members	1,703,464	2,833	1,706,297
Drawings	-	(245,960)	(245,960)
Members' interests at 31 December 2006	6,404,257	(530,453)	5,873,804

Loans and other debts due to members rank equally with debts due to ordinary creditors in a winding up

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

14. Notes to the cash flow statement	Group 2006 £	Group 2005 £	
(a) Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit	9,056,298	9,398,770	
Depreciation	2,839,998	3,244,878	
Amortisation	-	26,934	
Profit on disposal of fixed assets	(40,726)	(24,285)	
Increase in debtors	772,672	(812,500)	
Increase in creditors	(71,714)	(149,592)	
Increase in stock	(88,742)	(1,128,847)	
Net cash inflow from operating activities	<u>12,467,786</u>	<u>10,555,358</u>	
(b) Reconciliation of net cash flow to movement in net debt			
Increase in cash in year	<u>4,165,751</u>	<u>4,004,109</u>	
Movement in net funds in year	<u>4,165,751</u>	<u>4,004,109</u>	
Net debt at 1 January 2006 (note 14 (c))	<u>(21,361,342)</u>	<u>(25,365,451)</u>	
Net debt at 31 December 2006 (note 14 (c))	<u>(17,195,591)</u>	<u>(21,361,342)</u>	
(c) Analysis of changes in net debt			
	At 1 January 2006 £	Cash flows £	At 31 December 2006 £
Cash at bank and in hand	868,325	1,502,358	2,370,683
Loans due within one year	(11,302,415)	2,225,865	(9,076,550)
Loans due after one year	(7,259,790)	(19,939)	(7,279,729)
Finance leases	(3,667,462)	457,467	(3,209,995)
	<u>(21,361,342)</u>	<u>4,165,751</u>	<u>(17,195,591)</u>

15. Profit of the LLP

As permitted by section 230 of the Companies Act 1985 (as modified for application to LLPs), the profit and loss account of the LLP is not presented as part of these financial statements. The LLP's loss for the year was £88,686 (2005 - profit £128,650)

16. Information in relation to members

The average number of members during the year was two (2005 - two)

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

17. Related party transactions

During the year, the group carried out transactions with the following parties, who were considered to be related parties as defined in Financial Reporting Standard No 8

Related party	Reason
(i) ATEC Investment Limited	Company controlled by Hans-Martin Schneeberger

Transactions

- (i) ATEC Investment Limited charged a consultancy fee of £347,864 which was still outstanding at the year-end. An additional £282,936 was outstanding at the year end, being previous consultancy fees outstanding less the sale of vintage cars to ATEC Investment Ltd
-

18. Financial commitments

The group has commitments for annual payments under lease agreements for plant and machinery which will expire

	£
Within one year	189,193
Within two to five years	360,805
	<u>549,998</u>

19. Contingent liability

A group company is involved in a pending legal case. A decision was in the first instance made in favour of the company, but the proceedings continue. The management are of the opinion that no material additional liabilities will arise from this case. For this reason, no provision has been made for this eventuality.

20. Control

The partnership is controlled by its members
