Form 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

☒	Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. For the quarterly period ended June 30, 2003
☐	Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. For the transition period from _______ to _______

Commission File Number 000-28368

ATEL Cash Distribution Fund VI, L.P.
(Exact name of registrant as specified in its charter)

California	**94-3207229**
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification No.)

600 California Street, 6th Floor, San Francisco, California 94108-2733
(Address of principal executive offices)

Registrant's telephone number, including area code: (415) 989-8800

Securities registered pursuant to section 12(b) of the Act: None
Securities registered pursuant to section 12(g) of the Act: Limited Partnership Units

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).
Yes ☐ No ☒

The number of Limited Partnership Units outstanding as of June 30, 2003 was 12,490,076

DOCUMENTS INCORPORATED BY REFERENCE

None

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited).

ATEL CASH DISTRIBUTION FUND VI, L.P.

BALANCE SHEETS

JUNE 30, 2003 AND DECEMBER 31, 2002
(Unaudited)

ASSETS

	2003	2002
Cash and cash equivalents	$ 1,806,014	$ 861,707
Accounts receivable, net of allowance for doubtful accounts of $230,000 in 2003 and $861,254 in 2002	811,884	4,572,615
Investments in leases	26,576,129	29,191,076
Total assets	$29,194,027	$34,625,398

LIABILITIES AND PARTNERS' CAPITAL

	2003	2002
Lines of credit	4,000,000	5,100,000
Non-recourse debt	$ 468,591	$ 4,853,239
Accounts payable:		
General Partner	83,721	29,145
Other	396,824	570,779
Accrued interest payable	2,940	395,555
Unearned operating lease income	212,778	69,132
Total liabilities	5,164,854	11,017,850
Partners' capital:		
General Partner	-	-
Limited Partners	24,029,173	23,607,548
Total partners' capital	24,029,173	23,607,548
Total liabilities and partners' capital	$29,194,027	$34,625,398

See accompanying notes.

ATEL CASH DISTRIBUTION FUND VI, L.P.

STATEMENTS OF OPERATIONS

SIX AND THREE MONTH PERIODS ENDED
JUNE 30, 2003 AND 2002
(Unaudited)

	Six Months Ended June 30,		Three Months Ended June 30,	
Revenues:	2003	2002	2003	2002
Leasing activities:				
Operating leases	$ 3,946,146	$ 6,809,411	$ 1,509,248	$ 3,553,607
Direct financing leases	415,085	89,633	202,422	35,727
Gain (loss) on sales of assets	556,699	(357,739)	628,682	(74,459)
Interest	2,090	2,992	1,024	1,044
Other	22,751	32,177	8,921	31,283
	4,942,771	6,576,474	2,350,297	3,547,202
Expenses:				
Depreciation and amortization	1,927,115	3,577,053	930,577	1,794,093
Cost reimbursements to General Partner	386,670	397,686	214,923	179,157
Equipment and incentive management fees to General partner	262,330	414,590	77,766	103,425
Interest expense	226,708	925,697	43,580	410,475
Railcar maintenance	190,755	211,083	128,164	113,737
Professional fees	58,692	92,467	33,532	32,576
(Recovery of) provision for doubtful accounts	(417,099)	20,000	(50,000)	20,000
Other	475,856	267,961	347,886	197,358
	3,111,027	5,906,537	1,726,428	2,850,821
Net income:	$ 1,831,744	$ 669,937	$ 623,869	$ 696,381
Net income:				
General Partner	$ 46,866	$ 65,841	$ -	$ 32,824
Limited Partners	1,784,878	604,096	623,869	663,557
	$ 1,831,744	$ 669,937	$ 623,869	$ 696,381
Net income per Limited Partnership Unit	$ 0.14	$ 0.05	$ 0.05	$ 0.05
Weighted average number of Units outstanding	12,490,076	12,495,063	12,490,076	12,490,076

STATEMENT OF CHANGES IN PARTNERS' CAPITAL

SIX MONTH PERIOD
ENDED JUNE 30, 2003
(Unaudited)

	Limited Partners		General	
	Units	Amount	Partner	Total
Balance December 31, 2002	12,490,076	$ 23,607,548	$ -	$23,607,548
Distributions to partners	-	(1,363,253)	(46,866)	(1,410,119)
Net income	-	1,784,878	46,866	1,831,744
Balance June 30, 2003	12,490,076	$ 24,029,173	$ -	$24,029,173

See accompanying notes.

ATEL CASH DISTRIBUTION FUND VI, L.P.

STATEMENTS OF CASH FLOWS

SIX AND THREE MONTH PERIODS ENDED
JUNE 30, 2003 AND 2002
(Unaudited)

	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002
Operating activities:				
Net income:	$ 1,831,744	$ 669,937	$ 623,869	$ 696,381
Adjustment to reconcile net income to cash provided by operating activities;				
Depreciation and amortization	1,927,115	3,577,053	930,577	1,794,093
(Gain) loss on sales of assets	(556,699)	357,739	(628,682)	74,459
(Recovery of) provision for doubtful accounts	(417,100)	20,000	(50,001)	20,000
Changes in operating assets and liabilities:				
Accounts receivable	(622,169)	(1,555,496)	93,877	(1,293,227)
Accounts payable, General Partner	54,576	188,465	(80,031)	112,988
Accounts payable, other	(173,951)	(134,439)	(451,560)	(6,328)
Accrued interest payable	130,419	375,164	(173)	130,617
Unearned lease income	143,646	(14,219)	977	(64,696)
Net cash provided by operations	2,317,581	3,484,204	438,853	1,464,287
Investing activities:				
Proceeds from sales of assets	1,086,800	470,036	984,676	107,587
Reduction of net investment in direct financing leases	157,731	173,531	(153,264)	117,690
Net cash provided by investing activities	1,244,531	643,567	831,412	225,277
Financing activities:				
Distributions to partners	(1,410,119)	(6,625,737)	399	(3,311,551)
Repayments of non-recourse debt	(107,682)	(1,193,437)	(49,516)	(350,215)
Repayments of borrowings under line of credit	(1,100,000)	(1,000,000)	(600,000)	(1,000,000)
Borrowings under line of credit	-	4,500,000	-	2,500,000
Repurchase of limited partnership units	-	(3,907)	-	(3,907)
Net cash used in financing activities	(2,617,801)	(4,323,081)	(649,117)	(2,165,673)
Net increase (decrease) in cash and cash equivalents	944,311	(195,310)	621,148	(476,109)
Cash and cash equivalents at beginning of period	861,707	701,012	1,184,870	981,811
Cash and cash equivalents at end of period	$ 1,806,018	$ 505,702	$ 1,806,018	$ 505,702
Supplemental disclosures of cash flow information				
Cash paid during the period for interest	$ 96,289	$ 550,533	$ 43,753	$ 279,858
Supplemental disclosure of non-cash transactions:				
Offset of accounts receivable and debt service per lease and debt agreement:				
Accrued interest payable	$ (523,034)	$ (989,075)	$ -	$ -
Non-recourse debt	(4,276,966)	(3,810,925)	-	-
Accounts receivable	$ (4,800,000)	$ (4,800,000)	$ -	$ -

See accompanying notes.

ATEL CASH DISTRIBUTION FUND VI, L.P.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2003
(Unaudited)

1. Summary of significant accounting policies:

Basis of presentation:

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. The unaudited interim financial statements reflect all adjustments which are, in the opinion of the General Partners, necessary to a fair statement of financial position and results of operations for the interim periods presented. All such adjustments are of a normal recurring nature. These unaudited interim financial statements should be read in conjunction with the financial statements and notes thereto contained in the report on Form 10-K for the year ended December 31, 2002, filed with the Securities and Exchange Commission.

2. Organization and partnership matters:

ATEL Cash Distribution Fund VI, L.P. (the Partnership), was formed under the laws of the State of California on June 29 , 1994, for the purpose of acquiring equipment to engage in equipment leasing and sales activities.

Upon the sale of the minimum amount of Units of Limited Partnership interest (Units) of $1,200,000 and the receipt of the proceeds thereof on January 3, 1995, the Partnership commenced operations.

The Partnership does not make a provision for income taxes since all income and losses will be allocated to the Partners for inclusion in their individual tax returns.

ATEL Financial Services, LLC, an affiliated entity, acts as the General Partner of the Partnership.

3. Investment in leases:

The Partnership's investment in leases consists of the following:

	Balance December 31, 2002	Depreciation Expense and Amortization of Leases	Reclassi-fications and Dispositions	Balance June 30, 2003
Net investment in operating leases	$ 26,371,335	$ (1,907,182)	$ (3,729,130)	$20,735,023
Net investment in direct financing leases	4,108,968	(157,731)	(4,650)	3,946,587
Assets held for sale or lease	3,406,389	-	(1,621,253)	1,785,136
Residual interests	34,159	-	-	34,159
Reserve for losses	(4,824,932)	-	4,824,932	-
Initial direct costs, net of accumulated amortization of $566,231 in 2003 and $1,369,552 in 2002	95,157	(19,933)	-	75,224
	$ 29,191,076	$ (2,084,846)	$ (530,101)	$26,576,129

ATEL CASH DISTRIBUTION FUND VI, L.P.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2003
(Unaudited)

3. Investment in leases (continued):

Operating leases:

Property on operating leases consists of the following:

	Balance December 31, 2002	Reclassifications & Dispositions 1st Quarter	Reclassifications & Dispositions 2nd Quarter	Balance June 30, 2003
Transportation	$ 49,393,031	$ 164,326	$ (4,988,060)	$44,569,297
Construction	11,727,006	-	-	11,727,006
Materials handling	8,317,703	(1,014,540)	(369,179)	6,933,984
Office automation	1,298,837	(469,923)	-	828,914
Manufacturing	78,484	-	-	78,484
Other	759,867	(397,251)	-	362,616
	71,574,928	(1,717,388)	(5,357,239)	64,500,301
Less accumulated depreciation	(45,203,593)	(2,393,765)	3,832,080	(43,765,278)
	$ 26,371,335	$ (4,111,153)	$ (1,525,159)	$20,735,023

All of the property on leases was acquired in 1995, 1996 and 1997.

Direct financing leases:

As of June 30, 2003, investment in direct financing leases consists of railroad locomotives and ground support equipment. The following lists the components of the Company's investment in direct financing leases as of June 30, 2003:

Total minimum lease payments receivable	$ 4,776,514
Estimated residual values of leased equipment (unguaranteed)	179,132
Investment in direct financing leases	4,955,646
Less unearned income	(1,009,059)
Net investment in direct financing leases	$ 3,946,587

At June 30, 2003, the aggregate amounts of future minimum lease payments are as follows:

	Operating Leases	Direct Financing Leases	Total
Six months ending December 31, 2003	$ 1,786,805	$ 560,411	$ 2,347,216
Year ending December 31, 2004	2,370,872	3,919,823	6,290,695
2005	1,502,179	98,760	1,600,939
2006	352,537	98,760	451,297
2007	-	98,760	98,760
Thereafter	-	-	-
	$ 6,012,393	$ 4,776,514	$10,788,907

ATEL CASH DISTRIBUTION FUND VI, L.P.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2003
(Unaudited)

4. Non-recourse debt:

Notes payable to financial institutions are due in varying monthly, quarterly and semi-annual installments of principal and interest. The notes are secured by assignments of lease payments and pledges of the assets which were purchased with the proceeds of the particular notes. Interest rates on the notes vary from 6.37% to 12.22%.

Future minimum principal payments of non-recourse debt are as follows:

	Principal	Interest	Total
Six months ending December 31, 2003	$ 98,328	$ 16,823	$ 115,151
Year ending December 31, 2004	109,054	26,870	135,924
2005	79,916	18,844	98,760
2006	86,868	11,892	98,760
2007	94,425	4,336	98,761
	$ 468,591	$ 78,765	$ 547,356

5. Related party transactions:

The terms of the Limited Partnership Agreement provide that the General Partner and/or affiliates are entitled to receive certain fees for equipment acquisition, management and resale and for management of the Partnership.

The Limited Partnership Agreement allows for the reimbursement of costs incurred by the General Partner in providing services to the Partnership. Services provided include Partnership accounting, investor relations, legal counsel and lease and equipment documentation. The General Partner is not reimbursed for services where it is entitled to receive a separate fee as compensation for such services, such as acquisition and management of equipment. Reimbursable costs incurred by the General Partner are allocated to the Partnership based upon actual time incurred by employees working on Partnership business and an allocation of rent and other costs based on utilization studies.

Substantially all employees of the General Partner record time incurred in performing services on behalf of all of the Partnerships serviced by the General Partner. The General Partner believes that the costs reimbursed are the lower of (i) actual costs incurred on behalf of the Partnership or (ii) the amount the Partnership would be required to pay independent parties for comparable services in the same geographic location and are reimbursable in accordance with the Limited Partnership Agreement.

ATEL CASH DISTRIBUTION FUND VI, L.P.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2003
(Unaudited)

5. Related party transactions (continued):

During the six month periods ended June 30, 2003 and 2002, the General Partner and/or affiliates earned fees, commissions and reimbursements, pursuant to the Limited Partnership Agreement, as follows:

	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002
Incentive management fees (computed as 4% of distributions of cash from operations, as defined in the Limited Partnership Agreement) and equipment management fees (computed as 5% of gross revenues from operating leases, as defined in the Limited Partnership Agreement plus 2% of gross revenues from full payout leases, as defined in the Limited Partnership Agreement)	$ 262,330	$ 414,590	$ 77,766	$ 103,425
Costs reimbursed to General Partner	386,670	397,686	214,923	179,157
	$ 649,000	$ 812,276	$ 649,000	$ 812,276

6. Line of credit:

The Partnership participates with the General Partner and certain of its affiliated partnerships and limited liability companies in a $56,736,746 revolving line of credit (comprised of an acquisition facility and a warehouse facility) with a financial institution that includes certain financial covenants. The line of credit expires on June 28, 2004. As of June 30, 2003, borrowings under the facility were as follows:

Amount borrowed by the Partnership under the acquisition facility	$ 4,000,000
Amounts borrowed by affiliated partnerships and limited liability companies under the acquisition facility	22,500,000
Total borrowings under the acquisition facility	26,500,000
Amounts borrowed by the General Partner and its sister corporation under the warehouse facility	-
Total outstanding balance	$26,500,000
Total available under the line of credit	$56,736,746
Total outstanding balance	(26,500,000)
Remaining availability	$30,236,746

Draws on the acquisition facility by any individual borrower are secured only by that borrower's assets, including equipment and related leases. Borrowings on the warehouse facility are recourse jointly to certain of the affiliated partnerships and limited liability companies, the Partnership and the General Partner.

The credit agreement includes certain financial covenants applicable to each borrower. The Partnership was in compliance with its covenants as of June 30, 2003.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Statements contained in this Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this Form 10-Q, which are not historical facts, may be forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Investors are cautioned not to attribute undue certainty to these forward-looking statements, which speak only as of the date of this Form 10-Q. We undertake no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Form 10-Q or to reflect the occurrence of unanticipated events, other than as required by law.

Capital Resources and Liquidity

During the first half of 2003 and 2002, the Partnership's primary activity was engaging in equipment leasing activities. During this same period in 2003 and 2002, the Partnership's primary source of liquidity was rents from operating leases.

The liquidity of the Partnership will vary in the future, increasing to the extent cash flows from leases exceed expenses, and decreasing as lease assets are acquired, as distributions are made to the limited partners and to the extent expenses exceed cash flows from leases.

As another source of liquidity, the Partnership has contractual obligations with a diversified group of lessees for fixed lease terms at fixed rental amounts. As the initial lease terms expire, the Partnership will re-lease or sell the equipment. The future liquidity beyond the contractual minimum rentals will depend on the General Partner's success in re-leasing or selling the equipment as it comes off lease.

The Partnership participates with the General Partner and certain of its affiliated partnerships and limited liability companies in a $56,736,746 revolving line of credit comprised of an acquisition facility and a warehouse facility) with a financial institution that includes certain financial covenants. The line of credit expires on June 28, 2004. As of June 30, 2003, borrowings under the facility were as follows:

Amount borrowed by the Partnership under the acquisition facility	$ 4,000,000
Amounts borrowed by affiliated partnerships and limited liability companies under the acquisition facility	22,500,000
Total borrowings under the acquisition facility	26,500,000
Amounts borrowed by the General Partner and its sister corporation under the warehouse facility	-
Total outstanding balance	$26,500,000
Total available under the line of credit	$56,736,746
Total outstanding balance	(26,500,000)
Remaining availability	$30,236,746

Draws on the acquisition facility by any individual borrower are secured only by that borrower's assets, including equipment and related leases. Borrowings on the warehouse facility are recourse jointly to certain of the affiliated partnerships and limited liability companies, the Partnership and the General Partner.

The Partnership anticipates reinvesting a portion of lease payments from assets owned in new leasing transactions. Such reinvestment will occur only after the payment of all obligations, including debt service (both principal and interest), the payment of management and acquisition fees to the General Partner and providing for cash distributions to the Limited Partners.

The Partnership currently has available adequate reserves to meet contingencies, but in the event those reserves were found to be inadequate, the Partnership would likely be in a position to borrow against its current portfolio to meet such requirements. The General Partner envisions no such requirements for operating purposes.

Through June 30, 2003, the Partnership had borrowed $100,521,405 on a non-recourse basis. As of that date, $468,591 remained outstanding. The General Partner expects that aggregate borrowings in the future will not exceed 50% of aggregate equipment cost. In any event, the Agreement of Limited Partnership limits such borrowings to 50% of the total cost of equipment, in aggregate.

If inflation in the general economy becomes significant, it may affect the Partnership inasmuch as the residual (resale) values and rates on re-leases of the Partnership's leased assets may increase as the costs of similar assets increase. However, the Partnership's revenues from existing leases would not increase, as such rates are generally fixed for the terms of the leases without adjustment for inflation.

If interest rates increase significantly, the lease rates that the Partnership can obtain on future leases will be expected to increase as the cost of capital is a significant factor in the pricing of lease financing. Leases already in place, for the most part, would not be affected by changes in interest rates.

Cash Flows

During the six and three months ending June 30 of 2003 and 2002, the Partnership's primary source of cash from operating activities was rents from operating leases. Cash from operating activities was almost entirely from operating lease rents in both periods in both years.

Proceeds from the sales of assets and direct financing lease rents accounted for as reductions of the Partnership's net investment in direct financing leases were the only investing sources of cash during the three and six month periods ended June 30, 2003 and 2002. Proceeds from sales of lease assets increased from $107,587 for the three months ended June 30, 2002 to $984,676 during the three months ended June 30, 2003, and from $470,036 for the six months ending June 30, 2002 to $1,086,800 for the comparable period ending June 30, 2003. Proceeds from sales of lease assets are not expected to be consistent from one year to another.

During the three and six months ended June 30, 2003 and 2002, the single largest financing use of cash was distributions to limited partners. The amount of such distributions decreased during the three months ended June 30, 2003 because of the change in frequency of our distributions. Effective January 1, 2003, distributions are now on an annual basis as opposed to a monthly or quarterly basis.

Under the terms of a wrap lease and the related non-recourse debt agreement the annual lease payments are offset against the annual debt service payment. The agreement is structured so that the amounts of the two payments are equal to each other in each year of the agreement. A right of offset was established as a part of the agreement.

During the three months ended June 30, 2003, $2,500,000 was borrowed under the Partnership's line of credit and a total of $4,500,000 for the six month period ended June 30, 2002 which was used to meet short-term cash requirements. There were no comparable borrowings during the three and six months ended June 30, 2003.

Results of operations

Operations resulted in net income of $623,869 during the three months ended June 30, 2003 compared to net income of $696,381 during the three months ended June 30, 2002. Net income for the six months ended June 30, 2003 was $1,831,744 compared with $669,937 for the comparable period in 2002. The Partnership's primary source of revenues was from operating leases in both years. Operating lease revenues declined as a result of lease maturities and sales of the underlying lease assets over the last year.

Sales of lease assets during the three months ended June 30, 2003 resulted in gains of $628,682, an increase of $703,141 compared to the comparable period in 2002 and for the six months ended June 30, 2003 an increase of $914,438 over the same period for 2002. The amounts of such gains and losses is not expected to be consistent from one year to another.

Depreciation expense has decreased from $1,794,093 for the three months ended June 30, 2002 to $930,577 in 2003 and from $3,577,053 for the six months ended June 30, 2002 to $1,927,115 for the comparable period in 2003. Depreciation is related to operating lease assets, which as they mature and assets are sold, depreciation expense will continue to decrease.

Item 3. Quantitative and Qualitative Disclosures of Market Risk.

The Partnership, like most other companies, is exposed to certain market risks, including primarily changes in interest rates. The Partnership believes its exposure to other market risks including foreign currency exchange rate risk, commodity risk and equity price risk are insignificant to both its financial position and results of operations.

In general, the Partnership manages its exposure to interest rate risk by obtaining fixed rate debt. The fixed rate debt is structured so as to match the cash flows required to service the debt to the payment streams under fixed rate lease receivables. The payments under the leases are assigned to the lenders in satisfaction of the debt. Furthermore, the Partnership has historically been able to maintain a stable spread between its cost of funds and lease yields in both periods of rising and falling rates. Nevertheless, the Partnership frequently funds leases with its floating rate line of credit and is, therefore, exposed to interest rate risk until fixed rate financing is arranged, or the floating rate line of credit is repaid. As of June 30, 2003, there was $4,000,000 outstanding on the floating rate line of credit.

To hedge its interest rate risk related to this variable rate debt, the Partnership may enter into interest rate swaps. As of June 30, 2003, no swaps or other derivative financial instruments were held by the Partnership. The Partnership does not hold or issue derivative financial instruments for speculative purposes.

Item 4. Controls and procedures.

Internal Controls

As of June 30, 2003, an evaluation was performed under the supervision and with the participation of the Partnership's management, including the CEO and CFO of the General Partner, of the effectiveness of the design and operation of the Partnership's disclosure controls and procedures. Based on that evaluation, the Partnership's management, including the CEO and CFO of the General Partner, concluded that the Partnership's disclosure controls and procedures were effective as of June 30, 2003. There have been no significant changes in the Partnership's internal controls or in other factors that could significantly affect internal controls subsequent to June 30, 2003.

Changes in internal controls

There have been no significant changes in our internal controls or in other factors that could significantly affect our disclosure controls and procedures subsequent to the evaluation date, nor were there any significant deficiencies or material weaknesses in our internal controls.

Evaluation of disclosure controls and procedures

Under the supervision and with the participation of our management, including the CEO and CFO, an evaluation of the effectiveness of the design and operation of the Partnership's disclosure controls and procedures, as defined in Rules 240.13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934 was performed as of a date within ninety days before the filing date of this quarterly report. Based upon this evaluation, the CEO and CFO of the General Partner concluded that, as of the evaluation date, our disclosure controls and procedures were effective for the purposes of recording, processing, summarizing and timely reporting information required to be disclosed by us in the reports that we file under the Securities Exchange Act of 1934 and that such information is accumulated and communicated to our management in order to allow timely decisions regarding required disclosure.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

No material legal proceedings are currently pending against the Partnership or against any of its assets. The following is a discussion of legal matters involving the Partnership but which do not represent claims against the Partnership or its assets.

Quaker Coal Company:

This matter involves litigation over the enforceability of a liquidated damages clause in a lease, and a combined claim of the Partnership and some affiliates of the Partnership, of approximately $4,000,000. The General Partner has brought a suit in San Francisco Superior Court on behalf of the Partnership. The suit was removed to Federal District Court in San Francisco. The lessee, Quaker Coal Company, leases mining equipment from the above-referenced Funds. On December 31, 1997, the lessee requested a forbearance and relief on lease payments for a period of three months. By May 1998, the lessee was past due for five months. On or about May 12, 1998, the General Partner declared the lessee to be in default of the lease and demanded the acceleration of all lease receivables, or alternatively, a modification of the lease obligation. On or about June 1998, the Lessee made itself current on substantially all outstanding amounts. The Partnership filed a suit against the lessee for its contractual damages in the U.S. District Court of Northern California (the "Court").

On June 16, 2000, the lessee filed for protection under Chapter 11 of the U.S. Bankruptcy Code. The Partnership obtained a stipulation for relief from the automatic bankruptcy stay to allow the Court to issue its ruling, and filed a request to participate on the Official Committee of Unsecured Creditors in the bankruptcy proceedings. The Partnership succeeded in securing the return of its equipment, which equipment has been since liquidated.

The Court issued a ruling on March 4, 2001, denying the Partnership's claim for damages. The lessee subsequently filed a claim against the Partnership, for reimbursement of its legal expenses. The Partnership believed the Court's decision is erroneous as a matter law, and filed an appeal of the decision in the U.S. District Court of Appeals.

Upon the termination of the Debtor’s exclusivity period, competing plans were filed by other creditors to the plan, and voting on the competing plans occurred October 8, 2001. The results of the vote were that, another of the creditor's (i.e., American Electric Power ("AEP")) Plan of Reorganization ("AEP Plan") was successful. Under the AEP Plan, the claim of the Partnership has been assigned to a liquidating trustee for resolution and satisfaction from the Debtor's estate.

The lessee filed a plan of reorganization in the Bankruptcy Court, which plan was objected to by several large creditors, including the Partnership. These creditors were also seeking a formal role on the creditors committee or formation of their own committee.

In January 2002, the General Partner attended an appellate settlement conference seeking to resolve the outstanding disputed claim. A reserve had been set aside by the debtor's liquidating trustee in the amount of $1.2 million in partial satisfaction of the Partnership's claim, although this claim amount remains in dispute. In January 2003, the Federal Appellate Court in San Francisco heard an appeal of the lower Court's decision. The appellate decision, handed down in March of 2003, was adverse to the Partnership’s position. Currently, the Partnership is not expected to recover any amounts above the payment of the lease rent and the proceeds of the liquidation of the equipment already received.

Elkay Mining Company:

On December 17, 1999, Elkay Mining Company, a subsidiary of The Pittston Company, filed a suit for declaratory relief in response to a notice of event of default sent by the Partnership to Elkay Mining Company (the "lessee"). The dispute surrounds the treatment by the lessee of a defect in the leased equipment, and the lessee's failure to notify the lessor of that defect. All lease payments under that lease were made in a timely manner, and the equipment was returned and liquidated by the Partnership for $112,501, which is approximately 6% of the original equipment cost. The Partnership feels that it has suffered damages and loss as a result of actions of the lessee, in the amount of $773,402, which represents the difference in the proceeds netted from the sale of the equipment and the liquidated damages due under the lease.

This matter was litigated and the decision from the Court was adverse to the Partnership as to the issue whether an event of default existed as declared by the Partnership (for the failure of the lessee to notify the Partnership of the material defect in the equipment.) Notwithstanding the adverse ruling, the Partnership has two additional bases for default: (i) the failure by the lessee to satisfy the maintenance and return conditions of the lease, and (ii) the relocation by the lessee of the equipment without the lessor's consent.

The Partnership was not successful in prosecuting its appeal of the adverse ruling, and is continuing to investigate its options, including filing for arbitration against the Guarantor in San Francisco, as mandated by the lease.

Applied Magnetics Corporation:

In January 2000, Applied Magnetics Corporation (the "Debtor") filed for protection from creditors under Chapter 11 of the U.S. Bankruptcy Code. The Partnership had assets with a total net book value of $5,113,290 leased to Debtor at the bankruptcy filing date. On January 31, 2000, the General Partner was appointed to the Official Committee of Unsecured Creditors and served as the Chairperson of the Committee. Procedures were quickly undertaken for the liquidation of the Partnership's leased equipment, which proceeds resulted in the satisfaction of a portion of the non-recourse debt of the Partnership, which was secured by the equipment. As of November 1, 2000, liquidation of the assets was completed.

The Debtor filed a Plan of Reorganization (the "Plan"), which was approved by a vote of the creditors of the Debtor in October 2001. The Plan provided that the Debtor change its name to “Integrated Micro-Technology” (IMT), and enter into a new line of business, the manufacture and production of “micro-machines.” As part of the Plan, the Partnership, along with the other unsecured creditors, received a proportionate share of their unsecured claims, in the form of ownership shares and warrants in the newly formed business.

On February 13, 2002, the reorganized Debtor filed a notice of objection to the Partnership's claim due to duplication and an improper liquidated damages provision. The Partnership disputed this and, as of July 26, 2002, agreement had been reached between the Partnership and Debtor as to the amount of the Partnership's claim, and the Debtor's objection to the Partnership's claim was withdrawn.

On April 28, 2003, the Partnership received 82,689 shares of IMT stock. The Partnership anticipates additional amounts may be recoverable through its' equity interest in the reorganized Debtor's business, however, any recoveries above the amounts received upon liquidation of the Partnership's equipment are highly uncertain and speculative.

Item 2. Changes In Securities.

Inapplicable.

Item 3. Defaults Upon Senior Securities.

Inapplicable.

Item 4. Submission Of Matters To A Vote Of Security Holders.

Inapplicable.

Item 5. Other Information.

Inapplicable.

Item 6. Exhibits And Reports On Form 8-K.

(a) Documents filed as a part of this report

1. Financial Statements

   Included in Part I of this report:

   Balance Sheets, June 30, 2003 and December 31, 2002.

   Statements of Operations for the six and three month periods ended June 30, 2003 and 2002.

   Statement of Changes in Partners' Capital for the six month period ended June 30, 2003.

   Statements of Cash Flows for the six and three month periods ended June 30, 2003 and 2002.

   Notes to the Financial Statements

2. Financial Statement Schedules

   All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

(b) Report on Form 8-K

None

CERTIFICATIONS

I, Paritosh K. Choksi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ATEL Cash Distribution Fund VI, LP;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

   c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date:
August 12, 2003

/s/ Paritosh K. Choksi
Paritosh K. Choksi
Principal Financial Officer of Registrant, Executive
Vice President of General Partner

CERTIFICATIONS

I, Dean L. Cash, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ATEL Cash Distribution Fund VI, LP;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

    c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date:
August 12, 2003

/s/ Dean L. Cash
Dean L. Cash
President and Chief Executive
Officer of General Partner

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly report on Form 10-Q of ATEL Cash Distribution Fund VI, LP, (the "Partnership") for the period ended June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, I, Dean L. Cash, Chief Executive Officer of ATEL Financial Services, LLC, general partner of the Partnership, hereby

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date:
August 12, 2003

/s/ Dean L. Cash
Dean L. Cash
President and Chief Executive
Officer of General Partner

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly report on Form 10-Q of ATEL Cash Distribution Fund VI, LP, (the "Partnership") for the period ended June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, I, Paritosh K. Choksi, Chief Financial Officer of ATEL Financial Services, LLC, general partner of the Partnership, hereby certify that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date:
August 12, 2003

/s/ Paritosh K. Choksi
Paritosh K. Choksi
Executive Vice President of General
Partner, Principal Financial Officer of Registrant

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date:
August 12, 2003

ATEL CASH DISTRIBUTION FUND VI, L.P.
(Registrant)

By: ATEL Financial Corporation
General Partner of Registrant

By: /s/ Dean L. Cash
Dean L. Cash
President and Chief Executive Officer
of General Partner

By: /s/ Paritosh K. Choksi
Paritosh K. Choksi
Principal Financial Officer
of Registrant

By: /s/ Donald E. Carpenter
Donald E. Carpenter
Principal Accounting
Officer of Registrant