

NEW CENTURY COMPANIES INC
Form 8-K
August 07, 2009

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 6, 2009

NEW CENTURY COMPANIES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction
of incorporation)

000-09459
(Commission File
Number)

06-1034587
(I.R.S. Employer
Identification Number)

9831 Romandel Ave.
Santa Fe Springs, California 90670
(Address of principal executive offices)

Registrant's telephone number, including area code: (562) 906-8455

Not applicable
(Former name or former address, if changed since last report.)

ITEM 4. CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTANT

The Board of Directors of New Century Companies, Inc. (the "Company") approved the engagement of KMJ Corbin & Company LLP ("KMJ") as the Company's independent registered public accounting firm.

Also, on August 6, 2009, the Board of Directors resolved to dismiss Squar, Milner, Peterson, Miranda & Williamson, LLP ("Squar") as the Company's independent registered public accounting firm, and Squar was notified of this action on August 6, 2009.

During the fiscal years ended December 31, 2008 and December 31, 2007, and the subsequent interim period through August 6, 2009, the Company had (i) no disagreements, within the meaning of Item 304(a)(1)(iv) of Regulation S-K, with Squar on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which that, if not resolved to Squar's satisfaction, would have caused it to make reference to the subject matter of any such disagreement in connection with its reports for such years and interim period and (ii) no reportable events within the meaning of Item 304(a)(1)(v) of Regulation S-K, except for material weaknesses related to:

- (1) Not effectively implementing comprehensive entity-level internal controls,
- (2) Not having a sufficient complement of personnel with appropriate training and experience in accounting principles generally accepted in the United States of America, or GAAP,
- (3) Not adequately segregating the duties of different personnel within its accounting group due to an insufficient complement of staff,
- (4) Not implementing financial controls that were properly designed to meet the control objectives or address all risks of the processes or the applicable assertions of the significant accounts,
- (5) Due to the material weaknesses identified in its entity level controls the Company did not test whether its financial activity level controls or its information technology general controls were operating sufficiently to identify a deficiency, or combination of deficiencies, that may result in a reasonable possibility that a material misstatement of the financial statements would not be prevented or detected on a timely basis.

These material weaknesses are more fully described in Item 9A of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.

The Company has authorized Squar to respond fully to the inquiries of KMJ concerning any matter.

Squar's reports on the Company's financial statements for the fiscal years ended December 31, 2008, and December 31, 2007 do not contain any adverse opinion or disclaimer of opinion, nor are they qualified or modified as to audit scope, or accounting principles but contained an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern.

During the fiscal years ended December 31, 2008, and December 31, 2007, and the subsequent interim period through August 6, 2009, neither the Company nor anyone on its behalf has consulted with KMJ regarding (i) the application of accounting principles to a specific transaction, either completed or proposed, (ii) the type of audit opinion that might be rendered on the Company's financial statements, (iii) any matter that was the subject of a disagreement of the type described in Item 304(a)(1)(iv) of Regulation S-K, or (iv) any reportable event within the meaning of Item 304(a)(1)(v) of Regulation S-K.

In accordance with Item 304(a)(3) of Regulation S-K, the Company has provided to Squar a copy of the disclosures it is making in this Current Report on Form 8-K prior to filing with the SEC and requested that Squar furnish the Company with a letter addressed to the SEC stating whether or not Squar agrees with the above statements. An amendment will be filed to include this letter when it is received from Squar.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

c. Exhibits:

A list of exhibits required to be filed as part of this report is set forth in the Index to Exhibits, which immediately precedes such exhibits, and is incorporated herein by reference.

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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 hereunto duly authorized.

NEW CENTURY COMPANIES, INC.
(Registrant)

Date: August 7, 2009

By:

/s/ DAVID DUQUETTE

David Duquette
President and Chief Executive
Officer

INDEX TO EXHIBITS

| Exhibit Number | Description |
|-------------------|--|
| 16.1 | Letter from Squar Milner, Reehl & Williamson, LLP addressed to the United States Securities and Exchange Commission to be filed by an amendment as an Exhibit. |