

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Company Number: 04874543

ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 December 2007

MONDAY



LA8U178D

LD5

09/02/2009

129

COMPANIES HOUSE

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

CONTENTS

Directors' Report	1
Statement of Directors' Responsibilities	3
Independent Auditors' Report	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 - 11

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 31 December 2007.

Business Review and Principal Activity

The principal activity is that of a holding company for North Central Management Limited, a property development company and is a wholly owned subsidiary within the Taylor Wimpey plc Group (formerly Taylor Woodrow plc). The directors anticipate the Company will continue to operate as a holding Company for the foreseeable future subject to the risks and uncertainties noted below and details disclosed in note 1 to the financial statements.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

Significant Event

On the 26 March 2007 the Boards of Taylor Woodrow plc and George Wimpey Plc announced that they had reached agreement on the terms of a recommended all-share merger to create Taylor Wimpey plc. The date of this merger was 3rd July 2007.

Following this merger the ultimate parent company of North Central Management Holding Company Limited is now Taylor Wimpey plc and the Company is now exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated financial statements of its ultimate parent, Taylor Wimpey plc.

Principal Risks and Uncertainties

The Board has reviewed in detail the areas of major risk that the Company faces in its business and operations.

The review includes a review of significant environmental, social and governance matters relevant to the business and operations of the Company. The risks are also monitored throughout the year for ongoing relevance by the Board.

The Board, following its review, is satisfied with the process in place for risk identification, evaluation and management. It is satisfied with current control mechanisms and reporting lines that have been in place throughout the year and the programme of continuous improvement initiatives that has been implemented.

Going concern

The financial statements have been prepared on a going concern basis. The Company is reliant on the recoverability of balances owing from fellow subsidiaries within the Taylor Wimpey plc Group, to fund its own operations.

The Taylor Wimpey plc half-yearly report for the six months ended 30 June 2008 was issued on 26 August 2008 and explained that whilst currently in full compliance with the financial covenants contained in all of its borrowing agreements a breach of the Group's interest cover covenants is likely when tested for the full year to 31 December 2008 and the Group has therefore entered discussions with the relevant lenders to agree amended terms.

Subsequent to the announcement of the half year results, Taylor Wimpey plc Group announced on 24 December 2008 that it had agreed deferral of testing dates of certain 31 December 2008 financial covenants until March 2009.

If the Group is not able to agree the required amendments to its borrowing agreements, on terms which accommodate management's latest forecasts, and in the absence of other funding alternatives, the Group would be unable to repay the borrowings. In the Group directors' view, constructive discussions with the relevant lenders are ongoing and the Group directors are not aware of any issues which would prevent the required amendments from being agreed.

Based on these discussions and the projected trading for the Group, the Group directors are of the view that a satisfactory conclusion to the negotiations will be reached and are therefore confident that the Group will have adequate resources to continue in operational existence for the foreseeable future.

The failure of Taylor Wimpey to conclude these negotiations by the date of approval of these accounts means that there is an uncertainty as to the valuation of the amounts due from Group companies. These financial statements do not include any adjustments that would result if these amounts were not recovered in full from the Group companies.

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

DIRECTORS' REPORT (continued)

Directors

The following held office as directors during the year under review and to date:

'A' Directors

J M Jarrett (Resigned 28.09.07)

K J Parrett (Resigned 29.06.07)

M A Ashall (Appointed – 20.12.2006) (Resigned 29.06.07)

B P Brady (Appointed 26.09.07)

S J Wardle (Appointed 26.09.07) (Resigned 29.08.08)

'B' Directors

S A Jenkins (Resigned 03.07.07)

G J Dodds

R A Peacock (Appointed – 23.02.2006)

J C Murrin (Appointed 03.07.07) (Resigned 02.05.08)

C Carney (Appointed 02.05.08)

Third party indemnity provisions

During the financial year, third party indemnity provisions were in force for the benefit of all the directors of the Company. Such provisions had been made by the ultimate parent Company Taylor Wimpey plc.

Section 234ZA of the Companies Act 1985

Each of the persons who are a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Re-appointment of Auditors

On 1 December 2008, Deloitte & Touche LLP changed its name to Deloitte LLP. Deloitte LLP have expressed their willingness to continue in office as auditors and an elective resolution dispensing with the need to re-appoint auditors on an annual basis has been passed.

Approved by the Board of Directors on 9th February 2009

Signed on behalf of the Board


K Atterbury

Company Secretary

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

We have audited the financial statements of North Central Management Holding Company Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheets and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements within it.

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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, 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 that 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED (continued)

Opinion

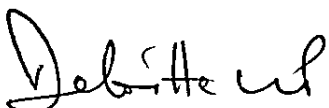
In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007 and of the profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Emphasis of matter – going concern and recoverability of interCompany receivables

Without qualifying our opinion, we draw attention to Note 1 to the financial statement, which indicates that the Company is reliant on the recoverability of balances owing from a fellow subsidiary of Taylor Wimpey plc to fund its own operations. Taylor Wimpey plc, whilst currently in full compliance with all its debt covenants, is likely to breach its interest cover covenants when next tested. If such a covenant breach were to occur the lenders would be able to request early repayment of all outstanding borrowings and cancel their commitments. As a result, the Group has entered into discussions with the relevant lenders to agree amended terms on the assumption that sufficient financing based on projected trading will continue to be provided by its lenders to enable the Group to meet its liabilities as they fall due.

This position, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty which may cast significant doubt about the Group's and therefore Company's ability to continue as a going concern and the recoverability of amounts due from Group companies.



Deloitte LLP
Chartered Accountants and Registered Auditors
Birmingham, United Kingdom

9 February 2009

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Profit and loss account for the year to 31 December 2007

	Note	2007 £'000	2006 £'000
Investment income		14,800	-
Profit for the financial year	11	14,800	-

Continuing Operations

All results reported above for both the current and previous year relate solely to continuing operations.

Statement of Total Recognised Gains and Losses

The Company had no recognised gains or losses in either period other than the results reported above.

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Balance sheet as at 31 December 2007

	Note	2007 £'000	2006 £'000
Fixed Assets			
Investments	6	1	1
		1	1
Current assets			
Debtors	7	2,306	1,380
		2,306	1,380
Creditors: amounts falling due within one year	8	(2,306)	(1,380)
Net assets		1	1
Capital and Reserves			
Called up share capital	9	1	1
Profit and loss account	10	-	-
Shareholders' funds		1	1

The financial statements were approved by the Board of directors and authorised for issue on 9th February 2009.

They were signed on its behalf by:



C Carney
Director

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Notes to the financial statements

For the year to 31 December 2007

1. Accounting policies

The following accounting policies have been used consistently unless otherwise stated in dealing with items which are considered material.

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, under the historical cost convention.

The financial statements contain information about Northern Central Management Holding Company Limited as an individual Company and do not contain consolidated financial information as the parent of the Group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated financial statements of its ultimate parent undertaking, Taylor Wimpey plc (formerly Taylor Woodrow plc), a Company registered in England and Wales.

The financial statements have been prepared on a going concern basis.

The Company is reliant on the recoverability of balances owing from fellow subsidiaries within the Taylor Wimpey plc Group, to fund its own operations; see Note 7.

The Taylor Wimpey plc half-yearly report for the six months ended 30 June 2008 was issued on 26 August 2008 and explained that:

The Taylor Wimpey plc Group is currently in full compliance with the financial covenants contained in all of its borrowing agreements. However, as a consequence of the rapid decline in the UK housing market a breach of the Group's interest cover covenants is likely when tested for the full year to 31 December 2008 and the Group has therefore entered discussions with the relevant lenders to agree amended terms. If such a covenant breach were to occur then the lenders would be able to request early repayment of all outstanding borrowings and cancel their commitments

If the Group is not able to agree the required amendments, on terms which accommodate management's latest forecasts, and in the absence of other funding alternatives, the Group would be unable to repay the borrowings. As a result, there exists a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern such that the Group could be unable to realise its assets and discharge its liabilities in the normal course of business. Accordingly, assets may be realised at significantly less than book value and additional liabilities may arise.

In the Group directors' view, constructive discussions with the relevant lenders are ongoing and the Group directors are not aware of any issues which would prevent the required amendments from being agreed.

Based on these discussions and the projected trading for the Group, the Group directors are of the view that a satisfactory conclusion to the negotiations will be reached and are therefore confident that the Group will have adequate resources to continue in operational existence for the foreseeable future.

Subsequent to the announcement of the half year results, Taylor Wimpey plc Group announced on 24 December 2008 that it had agreed deferral of testing dates of certain 31 December 2008 financial covenants until March 2009.

The Group's directors have confirmed to the Company's directors that this is still the case and have noted that they continue to make progress with the negotiations with their debt providers and believe new facilities will be agreed prior to the end of the deferral period. Based on this, the Company's directors continue to adopt the going concern basis in preparing the financial statements.

However, the Company's dependence indirectly on Taylor Wimpey plc for its continued funding and the uncertainty relating to Taylor Wimpey plc, referred to above, represents a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern such that the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. These

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Notes to the financial statements (continued)

For the year to 31 December 2007

1. Accounting policies (continued)

financial statements do not include any adjustments that would result if the going concern basis of preparation is inappropriate.

The failure of Taylor Wimpey plc to conclude these negotiations by the date of approval of these accounts means that there is an uncertainty as to the valuation of the intercompany debtor balances. These financial statements do not include any adjustments that would result if these intercompany debtors are not recovered in full from the parent undertaking.

Cashflow

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its ultimate parent Company includes the Company in its own published consolidated financial statements.

Investments in subsidiary undertakings

Investments are included in the Company's balance sheet at cost less any provision for permanent diminution in value.

Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

In March 2007 the UK Government announced that they would introduce legislation that would reduce the corporation tax rate to 28% with effect from 1 April 2008. This legislation was substantively enacted in July 2007. After the change is enacted, deferred tax assets and liabilities, currently stated at 30% of the temporary differences, will be restated at 28% of those amounts. In addition the effective rate for the period to 31 December 2008 is expected to reduce accordingly.

2. Segmental analysis

All results are attributable to one continuing activity and all trading was in the United Kingdom.

3. Staff costs

The Company had no employees other than its directors (2006: none).

The directors received no remuneration in respect of their services to the Company (2006: £nil).

4. Investment income

	2007 £'000	2006 £'000
Dividends receivable	14,800	-

5. Profit on ordinary activities before taxation

	2007 £'000	2006 £'000
Profit on ordinary activities before taxation is after charging		

The analysis of auditors' remuneration is as follows:

Fees payable to the Company's auditors for the audit of the Company's annual accounts	3	3
Fees payable to the Company's auditors for other services to the Group – tax services	-	2
Fees payable to the Company's auditors for the audit of the Company's subsidiaries pursuant to legislation	4	10
Total audit fees	7	15

The auditors' remuneration for the audit of the Company's annual accounts has been paid on behalf of North Central Management Holding Company Limited by North Central Management Limited.

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Notes to the financial statements (continued)

For the year to 31 December 2007

6. Investments

Subsidiary undertakings	Shares £'000	Total £'000
Cost and carrying value at 1 January 2007 and 31 December 2007	1	1

Particulars of significant subsidiary undertakings are as follows:

Country of incorporation	Name of subsidiary	Principal Activity	Interest in the issued ordinary share capital
England and Wales	North Central Management Limited	House builder	100%

7. Debtors

	2007 £'000	2006 £'000
Amounts due from Group undertaking	2,306	1,380

8. Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Amounts owed to Group undertaking	2,306	1,380

9. Share capital

	2007 £	2006 £
Authorised:		
500 (2006:500) 'A' shares of £1 each	500	500
500 (2006:500) 'B' shares of £1 each	500	500
	1,000	1,000
Allotted, called up and fully paid:		
1 (2006:500) 'A' shares of £1 each	500	500
1 (2006:500) 'B' shares of £1 each	500	500
	1,000	1,000

As at 31 December 2007, Taylor Woodrow Developments Limited and George Wimpey UK Limited owned 500 A and B shares respectively at nominal value. Following the merger of the 2 Groups, as explained in note 13, Taylor Wimpey Limited now owns all of the A and B shares.

Both classes confer equal voting rights, the right to appoint 3 directors, equal rights with respect to dividends and rank equally in the event of winding-up.

10. Movements on reserves and shareholders' funds

Company	Profit & Loss Account £'000	Share Capital £'000	Total £'000
At 1 January 2007	-	1	1
Profit for the financial year	14,800	-	-
Dividends paid	(14,800)	-	-
At 31 December 2007	-	1	1

NORTH CENTRAL MANAGEMENT HOLDING COMPANY LIMITED

Notes to the financial statements (continued)

For the year to 31 December 2007

11. Dividends

In total, £14.8 million (2006: £Nil) of dividends were recognised as distributions to the equity holders during the period.

£7.4 million (2006: £Nil) was paid to the holders of the 'A' shares, Dividend per 'A' share was £14,800 (2006: £Nil).

£7.4 million (2006: £Nil) was paid to the holders of the 'B' shares, Dividend per 'B' share was £14,800 (2006: £Nil).

12. Related party transactions

As all of the Company's voting rights are controlled within the Group headed by Taylor Wimpey plc (formerly Taylor Woodrow plc), the Company has taken advantage of the exemption contained within Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements of Taylor Wimpey plc, within which this Company is included, can be obtained from the address given in note 13.

13. Controlling Parties

The largest and smallest Group in which the results of the Company are consolidated is Taylor Wimpey plc, the Company's ultimate parent and controlling part. Taylor Wimpey plc is a Company registered in England and Wales. A copy of the Group financial statements may be obtained from the Group Company Secretary, Taylor Wimpey plc, 80 New Bond Street, London, W1S 1SB.

At 31 December 2007, North Central Management Holding Company Limited was a joint venture between Taylor Woodrow Developments Limited and George Wimpey Limited.

The Company's registered office is 80 New Bond Street, London, W1S 1SB.

14. Significant event

On the 26 March 2007 the Boards of Taylor Woodrow plc and George Wimpey Plc announced that they had reached agreement on the terms of a recommended all-share merger to create Taylor Wimpey plc. The date of this merger was 3rd July 2007.

Following this merger the ultimate parent Company of North Central Management Holding Company Limited is now Taylor Wimpey plc.