

Healthcare Locums PLC

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Healthcare Locums tumbles after US hedge funds take legal action

Healthcare Locums (LON:HLO) lost a fifth of its value in early trade after revealing that an American hedge fund has filed proceedings against the recruitment firm.

The proceedings have been filed by Permian Master Fund, Permian Investments Partners, Arundel Capital, Arundel Long Fund, Arundel Hedge Fund, Privet Capital and Flinn Investments.

The summons and complaint allege that Healthcare Locums, which provides recruitment services to healthcare and social care companies, and three of its former directors misrepresented the company's profitability and accounting practices in 2010.

"The summons and complaint have not as yet been served...however, the company is taking legal advice and will update shareholders as and when appropriate," Healthcare Locums said in the statement.

Back in November, the company changed its adviser, appointing Investec as its nominated adviser and broker, while Deloitte was named its new auditor, replacing BDO.

The change came a year after shares in the company were suspended due to accounting irregularities.

"These are important new appointments that will aid the Company's progress as it continues along its path of recovery," said chairman of Healthcare Locums Peter Sullivan.

Shares in the group slid 21 percent to 2.7 pence in early trade, giving it a market cap of £848 million.

Share Information

Code: HLO

Listing: PRIVATE-UK

Sector: **Business & education services**

Website: www.hclplc.com

Company Synopsis:

Healthcare Locums PLC (HCL) is a United Kingdom-based company. The principal activity of the Company, together with its subsidiaries, is that of a recruitment agency, providing temporary and permanent staff to the healthcare and social care sectors. HCL provides recruitment services for three types of health and social care staff, doctors, qualified social workers (QSW) and allied health professionals (AHP).

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