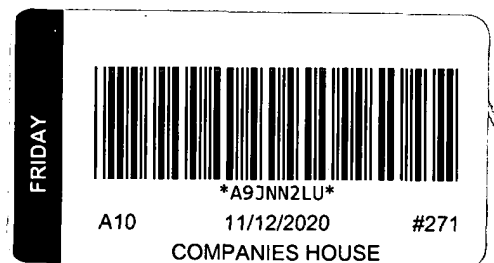


Company number 08745318

BHL Eurasia Limited

Annual report and financial statements

Year ended 30 June 2020



BHL Eurasia Limited

Year ended 30 June 2020

Annual Report and financial statements

Contents

Strategic report	1
Report of the directors	3
Statement of directors' responsibilities	5
Independent Auditor's Report to the Members of BHL Eurasia Limited	6
Profit and loss account	8
Statement of changes in equity	9
Balance sheet	10
Notes forming part of the financial statements	11

Directors	S James S Klinkert I R Leech
Company secretary	L Sinfield
Registered office	Bath House 16 Bath Row Stamford Lincolnshire PE9 2QU

BHL Eurasia Limited

Year ended 30 June 2020

Strategic report

The directors present their Strategic report for the year ended 30 June 2020.

Results and dividends

The results of BHL Eurasia Limited, company number 08745318, (the "Company") are set out on page 8 and show a loss before taxation of £6,829k (2019: loss before taxation of £922k restated).

No dividends have been paid during the year (2020: £0; 2019: £0).

Principal activities, trading review and future developments

The Company's main activity is as a holding company for investment into Turkish subsidiaries.

There have been no events since the reporting date that materially affect the position of the Company.

Risks of the Company are managed within the framework set by the BHL Group.

Key performance indicators

BHL Eurasia is a holding company and therefore its main key performance indicator is the performance of the investment in the Turkish businesses. Although the Group remains confident in the future of this investment it has been, and is expected to be, loss making for several years. Impairment testing has been performed and given the inherent uncertainty of estimating cash flows in the medium to long-term, it has been decided to fully impair the investment. The value of the investment is £nil (2019: £8,650k).

Risks and uncertainties

Risks of the Company are managed by the board of directors of the Company (the "Board").

Investment value risk

The valuation of the investment in subsidiaries in Turkey is subject to valuation risk. Valuation risk is the risk that the asset will be overvalued as valuation reflects expected growth in the underlying business.

Financial risks

The Board reviews its risk appetite annually and deems the risk to be minimal.

Foreign exchange risk

The Company has subsidiaries in Turkey and a funding loan from its parent company (BHL (UK) Holdings Limited) denominated in Turkish Lira. It is therefore exposed to foreign exchange risk with respect to the Turkish Lira. This risk is mitigated by the investment in the Turkish subsidiary being hedged with this loan.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the Company by failing to pay its obligation.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulties in paying its financial liabilities. The Company receives funding from BHL (UK) Holdings Limited, the immediate parent company, and BHL Holdings Limited, the ultimate parent company, which is adequate to support the business. See going concern section of Report of the directors.

Market risk

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks.

BHL Eurasia Limited

Year ended 30 June 2020

Strategic Report (continued)

Financial risks (continued)

Interest rate risk

The Company is exposed to minimal interest rate risk.

Non-financial risks

The Board has identified that in addition to the above, there are a number of non-financial risks to be considered.

Capital management

This is the risk that the Company will not maintain sufficient capital to meet its legal obligations, but also to take advantage of opportunities as they arise. Capital consists of retained earnings and share capital.

Operational risk

The Company recognises the need to maintain people, organisational structures, systems and infrastructure to support current operations and the on-going growth of the business. The Company's operations are simple and the Board considers that operational risk is minimal.

The Company has performed a review of its operations in the light of the planned exit of the United Kingdom from the European Union and does not foresee any significant direct impact on the Company's businesses.

On behalf of the board



I R Leech

Director

Date: 2 December 2020

BHL Eurasia Limited

Year ended 30 June 2020

Report of the directors

The directors present their report together with the audited financial statements for the year ended 30 June 2020.

Results, dividends and future developments

Details of the Company's results, dividends and future developments are set out in the Strategic report.

Going concern

Notwithstanding net liabilities of £14,337k as at 30 June 2020 and a loss for the year then ended of £6,829k the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, BHL Holdings Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on BHL Holdings Limited, and its group companies, not seeking repayment of the amounts currently due to the group, which at 30 June 2020 amounted to £14,510k, and providing additional financial support during that period. BHL Holdings Limited has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Directors

The directors who held office during the year were as follows:

S James

S Klinkert (resigned on 1 July 2020 and reappointed as alternate director to I R Leech on the same date)

I R Leech

Each of the persons who are directors at the time when this report is approved have confirmed that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

Directors' indemnity provision

In accordance with the Company's Articles of Association, the Company has indemnified the directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is still in place as at the date of this report.

Auditor

In accordance with section 487 of the Companies Act 2006, Ernst & Young LLP has been appointed as the auditor for the year ended 30 June 2020.

BHL Eurasia Limited

Year ended 30 June 2020

Report of the directors (continued)

On behalf of the board



I R Leech

Director

Bath House,
16 Bath Row,
Stamford,
Lincolnshire,
PE9 2QU

Date: 2 December 2020

BHL Eurasia Limited

Year ended 30 June 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, REPORT OF THE DIRECTORS' AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Report of the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of BHL Eurasia Limited

Opinion

We have audited the financial statements of BHL Eurasia Limited for the year ended 30 June 2020 which comprise the Profit and Loss Account, the Statement of changes in equity, the Balance Sheet and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of BHL Eurasia Limited (continued)

Opinions on other matters prescribed by the Companies Act 200

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young UK

Jonathan Bell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London – 2 December 2020

BHL Eurasia Limited
Year ended 30 June 2020
Profit and loss account

	Note	2020 £000s	2019 £000s
Impairment of subsidiaries	2	(8,650)	(3,000)
Foreign exchange gain	2	2,098	2,264
Other operating expenses	2	(261)	(94)
Operating loss		(6,813)	(830)
Finance income	3	14	43
Finance cost	4	(30)	(135)
Loss before tax		(6,829)	(922)
Tax credit	5	-	3
Loss for the year		(6,829)	(919)

All amounts relate to continuing activities.

There are no other items of comprehensive income other than those included above in the profit and loss account; accordingly loss for the year is also total comprehensive income for the year.

The notes on pages 11 to 18 form part of these financial statements.

BHL Eurasia Limited**Year ended 30 June 2020****Statement of changes in equity**

	Share capital £000s	Restated* Retained losses £000s	Shareholder's equity £000s
At 1 July 2018	-	(6,589)	(6,589)
Loss for the year	-	(919)	(919)
At 30 June 2019	-	(7,508)	(7,508)
Loss for the year	-	(6,829)	(6,829)
At 30 June 2020	-	(14,337)	(14,337)

The notes on pages 11 to 18 form part of these financial statements.

BHL Eurasia Limited**Year ended 30 June 2020****Balance Sheet**

Company Registered Number 08745318

	Note	2020 £000s	2019 £000s
Fixed assets			
Investment in subsidiaries	7	-	8,764
Investment in associates		11	-
Current assets			
Loans receivable short term	8	276	208
Cash at bank		4	12
Creditors: amount falling due within one year	9	(118)	(117)
Net current assets		162	103
Creditors: amount falling due after more than one year	9	(14,510)	(16,375)
Total net liabilities		(14,337)	(7,508)
Capital and reserves			
Share capital	10	-	-
Retained losses		(14,337)	(7,508)
Total equity		(14,337)	(7,508)

The financial statements were approved by the board of directors on 2 December 2020 and signed on its behalf by:



I R Leech
Director

The notes on pages 11 to 18 form part of these financial statements.

BHL Eurasia Limited

Year ended 30 June 2020

Notes forming part of the financial statements

1. Accounting policies

BHL Eurasia Limited's (the "Company") significant accounting policies relating to specific financial statement items, together with a description of the accounting estimates and judgements that were critical to preparing them, are set out below. Accounting policies have been applied consistently to all periods presented in these financial statements.

Basis of preparation

The Company, a private limited company incorporated in England and Wales, has elected to prepare its financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of key management personnel

The Company's parent undertaking BHL (UK) Holdings includes the Company in its consolidated financial statements. The consolidated financial statements of BHL (UK) Holdings Ltd are prepared in accordance with International Financial Reporting Standards as adopted by the EU and, as they include equivalent disclosures, the Company has also taken exemptions under FRS 101 available in respect of the following:

- certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements are stated in sterling, which is the Company's functional and presentation currency.

The financial statements have been prepared on the historical cost basis.

BHL Eurasia Limited

Year ended 30 June 2020

Notes to the accounts (continued)

1. Accounting policies (continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The financial position of the Company is disclosed on the balance sheet on page 10.

Notwithstanding net current liabilities of £14,348k as at 30 June 2020 and a loss for the year then ended of £6,829k the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, BHL Holdings Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on BHL Holdings Limited, and its group companies, not seeking repayment of the amounts currently due to the group, which at 30 June 2020 amounted to £14,510k, and providing additional financial support during that period. BHL Holdings Limited has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Changes in accounting standards

During the current year a number of new IFRS and amendments to existing IFRS became effective. None of these had a material impact on the amounts included or the disclosures made within these financial statements.

Taxation

Current tax

The current tax expense is the expected tax payable based on the taxable profits for the year. The rates enacted or substantively enacted at the reporting date are used to determine the current tax.

Investments in subsidiaries

Investments in subsidiaries are valued at cost less provision for impairment.

Impairment is measured based on the present value of expected future cash flows of the subsidiary. When a subsidiary is considered to be impaired, the profit and loss account is charged with the difference between the carrying value and the estimated recoverable amount. Reversals of impairments are only recognised where the decrease in the impairment can be objectively related to an event occurring after the write down.

Non derivative financial instruments

Non derivative financial instruments comprise other debtors and other creditors.

BHL Eurasia Limited

Year ended 30 June 2020

Notes to the accounts (continued)

1. Accounting policies (continued)

Non derivative financial instruments (continued)

Other debtors

Other debtors are recognised initially at cost then, if a non-Sterling debtor, retranslated at year end.

Loss allowances for expected credit losses ('ECLs') are recognised on financial assets measured at amortised cost. Loss allowances for trade receivables and other receivables are measured at an amount equal to lifetime ECLs. The credit risk of financial instruments is assessed by comparing the risk of a default occurring on the financial instrument as at reporting date with the risk of default at the date of initial recognition. To assess whether there is an indication of a significant increase of credit risk since initial recognition the Company considers all reasonable and supportable information which is available without undue cost or effort. The Company assumes that the credit risk on instalment receivables has increased significantly if it is more than 45 days past due. The maximum period considered when estimating ECLs is the maximum period over which the Company is exposed to credit risk.

Other creditors

Other creditors are recognised initially at cost then, if a non-Sterling creditor, retranslated at year end. Gains or losses on retranslation are recognised in the profit and loss account.

IFRS 9 Financial Instruments

IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset.

The classification of financial assets under IFRS 9 is based on whether the contractual cash flows of the instrument are solely payments of principal and interest, and whether the business model is to collect those contractual cash flows and/or sell the financial assets. All the Company's financial assets are classified as assets at amortised cost under IFRS 9.

2. Operating loss

Operating loss is stated after crediting/ (charging) the following:

	2020 £000s	2019 £000s
Auditor fees – fees for the audit of the company	(12)	(10)
Impairment of subsidiaries	(8,650)	(3,000)
Foreign exchange gain	2,098	2,264
Other operating charges	(249)	(84)
	(6,813)	(830)

3. Finance income

	2020 £000s	2019 £000s
Interest on loans to related parties	-	6
Interest on receivables and bank interest	1	-
Loan measured at amortised cost – unwinding of discount	13	-
	14	6

BHL Eurasia Limited**Year ended 30 June 2020****Notes to the accounts (continued)****4. Finance cost**

	2020 £000s	2019 £000s
Loan measured at amortised cost – interest expense	30	135
	30	135

5. Taxation

	2020 £000s	2019 £000s
Current tax		
UK corporation tax (credit)	-	(3)

Group relief is used throughout the group to set off tax assets and tax liabilities where possible.

The standard rate of tax for the year, based on the UK rate of corporation tax, is 19% (2019: 19%). The reconciling items between actual tax charge and the tax charge at the standard rate are shown in the table below.

Factors affecting total tax credit for the current period	2020 £000s	2019 £000s
Loss for the year before tax	6,829	922
Tax at the weighted average corporate tax rate of 19% (2019: 19%)	(1,298)	(175)
Adjustments in respect of prior years	-	(3)
(Income not taxable)/ expenses not deductible	1,245	160
Current year deferred tax not recognised	53	15
Total tax credit	-	(3)

A UK corporation tax rate of 19% (effective 1 April 2020) was enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%.

No deferred tax has been provided.

6. Employees

The Company did not directly employ any staff during the year (2020: 0; 2019: 0).

BHL Eurasia Limited

Year ended 30 June 2020

Notes to the accounts (continued)

7. Investment in subsidiaries and associates

	2020 £000s	2019 £000s
Cost:		
At start of the year	26,692	19,505
Reclassification to receivables	(103)	-
Reclassification to investments in associates	(11)	-
Additions	-	7,187
At end of the year	26,578	26,692
Accumulated impairment		
At start of the year	17,928	13,596
Reversal of impairment	-	-
Charge for the year – on restructuring	-	1,332
Charge for the year – at year end	8,650	3,000
At end of the year	26,578	17,928
Net book value:		
At end of the year	-	8,764
At start of the year	8,764	5,909

At 1 July 2018, BHL Eurasia's investment in subsidiaries was a 85% shareholding in Telesure Sigorta ve Reasurans Brokerliği A.Ş (Telesure Sigorta), a Turkish insurance broker incorporated in Turkey.

In February 2019, a restructuring and merger was completed: a holding company was incorporated (Koalay Bilisim A.S.); which then invested in Konut Kredisi Com Tr Danismankik A.S. ('Konut Kredisi'), the owner of a price comparison company (Hesap Kurdu Sigorta Aracnik Hizmetleri A.S.); and lastly Konut Kredisi acquired Telesure Sigorta. Telesure Sigorta was renamed Koalay Com Sigorta ve Reasurans Brokerliği A.S.. Prior to the merger, the corporate business of Telesure Sigorta was separated into a new company City Sigorta ve Reasurans Brokerliği A.S. (later renamed Telesure Kurumsal Sigorta ve Reasurans Brokerliği A.S., 'Telesure Kurumsal'). BHL Eurasia owns 25% of Telesure Kurumsal's share capital. At the time of the restructuring and merger the carrying value of Telesure Sigorta was revalued to market value, which resulted in a write down of £1,332k.

During the year BHL Eurasia invested £nil in Koalay Bilisim and its subsidiary companies (2019: £7,073k) and £nil in its associate Telesure Kurumsal (2019: £114k).

This resulted in the following subsidiary undertakings at the end of the year:

Name	Proportion of ordinary share capital held		Nature of business
	2020	2019	
Hesap Kurdu Sigorta Aracnik Hizmetleri A.S.*	60.27%	60.27%	Price comparison
Koalay Bilisim A.S.	95.00%	95.00%	Holding company
Koalay Com Sigorta ve Reasurans Brokerliği A.S.*	60.27%	60.27%	Insurance broker
Konut Kredisi Com Tr Danismankik A.S.*	60.27%	60.27%	Holding company

* BHL Eurasia has an 8.4% direct shareholding and 51.87% indirect shareholding through Koalay Bilisim A.S..

BHL Eurasia Limited

Year ended 30 June 2020

Notes to the accounts (continued)

7. Investments in subsidiaries and associates (continued)

These subsidiaries are all incorporated in Turkey and the registered addresses are as follows:

- Hesap Kurdu Sigorta Aracnik Hizmetleri A.S.: Cifte Havuzlar Mah. Eski Londra Asfalti Cad. 151/1E 1B07 Esenler, Istanbul, 34220.
- Koalay Bilisim A.S.: İçerenköy Mahallesi Değirmenyolu Cad. No:37/9/2 Ataşehir, İstanbul, 34752.
- Koalay Com Sigorta ve Reasurans Brokerligi A.S.: İçerenköy Mahallesi Değirmenyolu Cad. No:37/9/2 Ataşehir, İstanbul, 34752.
- Konut Kredisi Com Tr Danismankik A.S.: İçerenköy Mahallesi Değirmenyolu Cad. No:37/9/2 Ataşehir, İstanbul, 34752.

Impairment testing

Although the business in Turkey is performing broadly in-line with expectations, it has been, and is expected to be, loss making for several years. Impairment testing has been performed and given the inherent uncertainty of estimating cash flows in the medium to long-term, it has been decided to fully impair the investments in the Turkish subsidiaries (specifically in the two holding companies Koalay Bilisim A.S. and Konut Kredisi Com Tr Danismankik A.S.). The 2020 impairment is £8,650k (2019: £3,000k).

8. Debtors

	2020 £000s	2019 £000s
Loan receivable from related parties [#]	276	208
	<u>276</u>	<u>208</u>

[#] The loan is interest free and is repayable in full on 31/12/2021.

9. Creditors

	2020 £000s	2019 [#] £000s
Current		
Accruals and deferred income	35	11
Amounts payable to group undertakings	83	106
	<u>118</u>	<u>117</u>
Non-current		
Amounts payable to group undertakings	14,510	16,375

[#] In the prior year, amounts due from related undertakings of £16.4m were recognised within current debtors. In the current year, the Company has reviewed the amounts due from group undertakings and determined that for certain amounts it is not the intention to require payment within the next 12 months. Therefore £16.4m recognised within current debtors in the prior year has been presented as non-current in the current year.

BHL Eurasia Limited

Year ended 30 June 2020

Notes to the accounts (continued)

10. Share Capital

	Authorised 2020 £	Authorised 2019 £
Opening share capital	1	1
Ordinary shares of £1 each issued in year	-	-
Closing share capital	1	1

The Company has one class of ordinary shares, all of which carry equal voting rights and was issued to BHL (UK) Holdings limited on 22 November 2013.

11. Financial instruments

The directors are of the opinion that carrying value approximates to the fair value. The carrying value of financial assets at the reporting date represents the maximum credit exposure.

12. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to consider judgements, estimates and assumptions that affect the reported revenues, expenses and assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made the judgement that the carrying values of the Company's investments in subsidiaries are impaired. See note 7 for further details.

13. Related party transactions

The Company has taken the exemption available under paragraph 8(k) FRS 101 from the disclosure requirements of IAS 24 in relation to entities which are wholly owned members of the same group.

The Company is a wholly owned subsidiary of the BHL (UK) Holdings Group. As such exemption from disclosing related party transactions with BHL (UK) Holdings Group Limited has been taken in the current year. All intercompany transactions are charged at a rate comparable to prevailing market rates.

Transactions

During the year, the company loaned Alper Ziyal, the 75% shareholder in Telesure Kurumsal, TL825k (£98k) which was invested in Telesure Kurumsal by way of paid in capital (2019: TL2,340k, £343k). The loan is interest free and is repayable in full on 31/12/2021.

There were no other related party transactions outside the BHL (UK) Holdings Group during the year ended 30 June 2020.

Directors' emoluments and interests

None of the directors were remunerated primarily for their services to the company, and it is not possible to determine the proportion of remuneration which relates to the Company. The directors are remunerated by related parties of the Company and their remuneration is disclosed within the accounts of those companies.

BHL Eurasia Limited**Year ended 30 June 2020****Notes to the accounts (continued)****14. Events after the reporting date**

There have been no events since the reporting date that materially affect the position of the Company.

15. Ultimate and immediate parent companies

The Company is a subsidiary undertaking of BHL (UK) Holdings Limited which is a company incorporated in England and Wales.

The ultimate controlling party is BHL Holdings Limited.

The largest group in which the results of the Company are consolidated is that headed by BHL (UK) Holdings Limited. No other group financial statements include the results of the Company.

The consolidated financial statements of BHL (UK) Holdings Limited are available to the public and may be obtained from BHL (UK) Holdings Limited, Bath House, 16 Bath Row, Stamford, Lincolnshire, PE9 2QU.