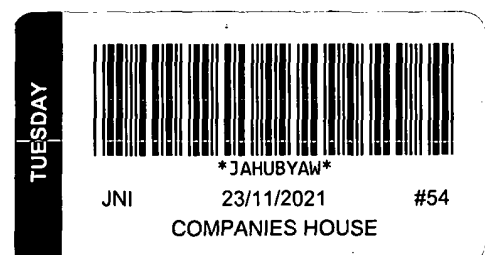


Clear Channel NI Limited

**Annual report and financial statements for the year ended
31 December 2020**

Company Registration Number: NI019690



ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 December 2020

TABLE OF CONTENTS	PAGE
COMPANY INFORMATION	2
STRATEGIC REPORT	3
DIRECTORS' REPORT	5
INDEPENDENT AUDITOR'S REPORT	8
STATEMENT OF COMPREHENSIVE INCOME	11
STATEMENT OF FINANCIAL POSITION	12
STATEMENT OF CHANGES IN EQUITY	13
NOTES TO THE FINANCIAL STATEMENTS	14

COMPANY INFORMATION

DIRECTORS	T. Buckley – Managing Director J. Cochrane D. O'Carroll
SECRETARY	P. Wyse
REGISTERED OFFICE	Unit 2 Ashbank Channel Commercial Park Queens Road Belfast BT3 9DT
REGISTERED NUMBER OF INCORPORATION	NI019690
SOLICITORS	Pinsent Masons Belfast LLP Soloist Building 1 Lanyon Place Belfast BT1 3LP
BANKERS	Barclays Bank PLC Media Banking 1 Churchill Place London E14 5HP
AUDITORS	Ernst & Young, Chartered Accountants Ernst & Young Building Harcourt Centre Harcourt Street Dublin 2 Republic of Ireland

STRATEGIC REPORT

for the year ended 31 December 2020

The directors present their strategic report of Clear Channel NI Limited ('the Company') for the year ended 31 December 2020.

REVIEW OF THE BUSINESS

The rental of advertising structures in public thoroughfares continued to be the principal activity of the Company.

The profit for the year after taxation amounted to £211,690 (2019: £1,559,788).

The Company's key financial and other performance indicators during the year were as follows

	2020	2019	Change %
Turnover	£4,862,236	£7,261,186	(33)%
Operating (loss)/profit*	(£396,275)	£651,720	(161)%
Operating margin**	(8)%	9%	(17)%
Gross profit percentage	26%	39%	(13)%
Net assets	£23,999,267	£23,787,577	0.9%

* Operating profit is defined as profit on ordinary activities before interest and tax.

** Operating margin defined as operating profit as a percentage of turnover.

The Company's 2020 results reflect the initial adverse effects to the economy as a result of COVID-19. Turnover decreased by 33% and gross profit decreased by 55%. The decline in turnover and profitability was driven by our extensive involvement in the out-of-home advertising market which was significantly impacted by the pandemic.

Operating profit decreased by £1,048k to a operating loss of £396k in 2020 due to the reduction in revenue and the Company's cost base being mostly fixed in nature. This was somewhat mitigated by cost saving measures implemented by the Company during the year, including but not limited to, renegotiations of site rents with landlords, utilisation of the governments furlough scheme (note 5), significant reductions in discretionary spending and reduction to staff headcount.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the following are the principal risk factors that could materially and adversely affect the Company's future operating profits or financial position:

- *Loss of contracts or reductions in margins from business activities*

We continue to work closely with our business partners to meet their requirements and expectations, and we will continue to analyse and review the effectiveness of our business operations and activities.

STRATEGIC REPORT
for the year ended 31 December 2020 (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- **COVID-19**

In December 2019, COVID-19 was reported in Wuhan, China. On 11 March 2020, the World Health Organisation declared the outbreak a "pandemic", pointing to the sustained risk of further global spread. During the second and third quarters of 2020 and into 2021, the Company's operations were negatively impacted due to lockdowns, moratoriums, and mobility, travel and tourism restrictions.

The Company has taken and continues to take actions, including cost reduction initiatives such as contract renegotiations, reductions in headcount, to strengthen its financial and support the continuity of its platform and operations.

- ***Exposure to a downturn of the advertising market***

We will continue to closely monitor the trends in the outdoor market and also in the wider advertising market.

- ***Dependence on key relationships with clients***

We are always seeking to improve our relationships with all stakeholders in our business. This includes advertising agencies, specialists, clients, contract awarding bodies and suppliers.

- ***Failure of information systems***

Given the scale of the Company's operations, there is strong reliance on effective IT systems and the Company continues to invest to ensure their ongoing effectiveness.

- ***Competition in the provision of advertising services***

The Board continues to monitor the impact and effectiveness of our main competitors.

- ***Liquidity, recoverability of intercompany receivables and going concern***

The Company has intercompany loans receivable at year-end of £24,355,000. The Company's ultimate parent undertaking, Clear Channel Outdoor Holdings Inc., has provided written confirmation of its intent to provide support that all intercompany receivables are fully recoverable.

This report was approved by the board of directors on 21 November 2021 and signed on behalf of the board by:



T. Buckley
Director

DIRECTORS' REPORT
for the year ended 31 December 2020

The directors present their directors' report of the Company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The rental of advertising structures in public thoroughfares continued to be the principal activity of the Company.

BUSINESS REVIEW

The business review can be found in the strategic report on page 3.

FUTURE DEVELOPMENTS

The directors intend to continue marketing and developing new opportunities with the intention of growing revenue opportunities of the business through continued digital transformation.

DIRECTORS

The directors who served the Company during the year were as follows:

T. Buckley
J. Cochrane
D. O'Carroll

DIVIDENDS

The director do not recommend the payment of a dividend (2019: £Nil).

GOING CONCERN

The financial statements are prepared on a going concern basis. The Company is in a net assets position as of 31 December 2020. Although cash flow forecasts to 31 December 2022 indicate that the Company is expected to generate cash flows from its operations, minimum cash is held at the entity due to the central cash sweeping arrangements for all Clear Channel Outdoor Holding (CCOH) subsidiaries. In order to meet its liabilities as they fall due, the Company is therefore reliant on CCOH providing the Company with sufficient cash as and when needed to settle liabilities.

The Directors of the Company have performed assessments over the following areas and based on these assessments have a reasonable expectation that there are no material uncertainties that may cast doubt on the Company's ability to adopt the going concern basis of accounting:

- The Directors have written assurance from CCOH confirming the provision of financial support to the Company for a period up to 31 December 2022.
- The Directors have considered the impact of COVID-19 on its business in preparing the Company's cash flow forecasts up to 31 December 2022.
- CCOH's ability to fund the working capital, capital expenditures and other obligations depends on the future operating performance and cash flow from operations. CCOH has prepared consolidated cash flow forecasts for a period up to 31 December 2022. These forecasts demonstrate that CCOH will have sufficient cash to provide the financial support to all its subsidiaries and meet its obligations as they become due over the forecast period.

DIRECTORS' REPORT
for the year ended 31 December 2020 (continued)**GOING CONCERN (continued)**

The Directors of the Company and its ultimate parent are also of the view that COVID-19 does not impact the Company's ability to continue as a going concern. The Company has the financial support of CCOH which has sufficient cash and liquidity to fund the Company's operations if necessary.

As disclosed in the latest 10Q and 8K issued by the ultimate parent company for Q3 2021, CCOH has bounced back strongly from the initial negative impact of the COVID-19 pandemic with positive trends in revenue across each business segment. On 1 June 2020, CCOH issued a further \$1.05 billion senior loan notes due 2029, and held \$600m of cash reserves on its balance sheet as at 30 September 2021. Management continues to follow the CCOH's pandemic response plans, while remaining agile enough to adapt to unpredictable events and requirements. Management has taken decisive actions in order to mitigate any unforeseen financial impact. Based on CCOH's cashflow forecasts, no additional financing is required for a period up to 31 December 2022 and it will have sufficient funds to trade and settle liabilities as they fall due for a period up to 31 December 2022.

Therefore, the Directors of the Company conclude that CCOH has the ability to provide financial support to the Company for a period up to 31 December 2022. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

EVENTS SINCE THE BALANCE SHEET DATE

No matters or circumstance has occurred subsequent to the end of the reporting period that has significantly affected the operations of the Company, the results of those operations or the state of affairs of the Company.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, Directors' 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). 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 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT (continued)
for the year ended 31 December 2020

DIRECTORS' RESPONSIBILITIES STATEMENT (continued)

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 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.

AUDITOR

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

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The auditor, Ernst & Young, Chartered Accountants, is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 21 November 2021 and signed on behalf of the board by:



T. Buckley
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEAR CHANNEL NI LIMITED

Opinion

We have audited the financial statements of Clear Channel NI Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 31 December 2020 and of its profit 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. 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included evaluating the reasonableness of management's assessment of going concern. The Company is reliant on a letter of financial support from its ultimate parent, Clear Channel Outdoor Holdings Inc. (CCOH). We assessed whether the ultimate parent has the ability to provide the financial support to the Company for a period to 31 December 2022, which included a review of liquid funds and facilities available to the ultimate parent throughout the forecast period. Based on the procedures performed, we have concluded that the ultimate parent has the ability to provide financial support to the Company in order for the Company to remain as a going concern for a period to 31 December 2022.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period to 31 December 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEAR CHANNEL NI LIMITED (continued)

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 contained within the annual report.

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.

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 course of 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 themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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 the directors' report has 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 the 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, 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 pages 6 and 7, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEAR CHANNEL NI LIMITED (continued)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

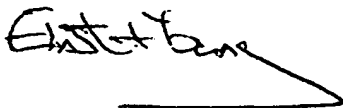
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its domestic operations, including health and safety, employees, data protection and anti-bribery and corruption.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override in relation to improper recognition of revenue to be a fraud risk. We incorporated data analytics into our testing of manual journal entries, including segregation of duties and we tested specific transactions back to source documentation.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of management, review of board minutes and review of management's policies and procedures that have been established to prevent non-compliance with such laws and regulations.

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.



Dermot Quinn (Senior statutory auditor)
for and on behalf of Ernst & Young Chartered Accountants, Statutory Auditor

Dublin

22 November 2021

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2020

	<i>Note</i>	<i>2020</i> £	<i>2019</i> £
Turnover	3	4,862,236	7,261,186
Cost of sales		(3,601,367)	(4,441,917)
Gross profit		1,260,869	2,819,269
Administrative expenses		(1,724,832)	(2,167,549)
Other operating income	5	67,688	-
Operating (loss)/profit	5	(396,275)	651,720
Interest receivable and similar charges	9	607,965	908,068
Profit on ordinary activities before taxation		211,690	1,559,788
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		211,690	1,559,788

All the activities of the Company are from continuing operations.

There were no items of other comprehensive income for either period and therefore no separate statement of other comprehensive income has been prepared.

STATEMENT OF FINANCIAL POSITION
at 31 December 2020

	<i>Note</i>	<i>2020</i> £	<i>2019</i> £
FIXED ASSETS			
Tangible assets	7	251,389	328,364
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	8	368,987	295,202
Debtors	9	27,014,555	25,990,301
Cash at bank and in hand		98,482	76,297
		<hr/>	<hr/>
		27,482,024	26,361,800
CREDITORS (amounts falling due within one year)	10	(3,734,146)	(2,902,587)
		<hr/>	<hr/>
NET CURRENT ASSETS		23,747,878	23,459,213
		<hr/>	<hr/>
TOTAL ASSETS LESS TOTAL LIABILITIES		23,999,267	23,787,577
		<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES			
Called up share capital	11	300,000	300,000
Profit and loss account		23,699,267	23,487,577
		<hr/>	<hr/>
TOTAL EQUITY		23,999,267	23,787,577
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the board of directors and authorised for issue on 21 November 2021 and are signed on behalf of the board by:



T. Buckley
 Director

STATEMENT OF CHANGES IN EQUITY
at 31 December 2020

	<i>Called up share capital £</i>	<i>Profit and loss account £</i>	<i>Total equity £</i>
At 1 January 2019	300,000	21,927,789	22,227,789
Profit for the year	–	1,559,788	1,559,788
At 31 December 2019	300,000	23,487,577	23,787,577
Profit for the year	–	211,690	211,690
At 31 December 2020	300,000	23,699,267	23,999,267

NOTES TO THE FINANCIAL STATEMENTS
31 December 2020**1. ACCOUNTING POLICIES****(a) *Statement of compliance***

Clear Channel NI Limited is a limited company incorporated in the United Kingdom. The registered office is Unit 2 Ashbank, Channel Commercial Park, Queens Road, Belfast BT3 9DT.

The Company's financial statements have been prepared in accordance with the Companies Act 2006 and accounting standards issued by the Financial Reporting Council, including FRS 102 Reduced Disclosure Framework – '*The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland*' ('FRS 102').

The Company's business activities together with the factors likely to affect its future development and performance have been included in the Directors' Report.

(b) *Basis of preparation of financial statements*

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

The financial statements are prepared in Pound Sterling which is the functional currency of the Company.

The Company has taken advantage of the following disclosure exemptions under FRS 102:

- A cash flow statement on the grounds that the Company is a wholly owned subsidiary and its ultimate parent Clear Channel Outdoor Holdings, Inc. produces a publicly available consolidated cash flow statement.
- Related party transactions on the grounds that these are also disclosed in the Clear Channel Outdoor Holdings, Inc. publicly available information.
- Requirement to disclose details of remuneration of the key management personnel of the Company as their remuneration is included in the totals for the group as a whole.
- The Company has selected to follow the provisions and disclosure requirements of section 11 and 12 of the FRS 102 Financial Instruments standards.
- The requirements to disclose details in respect of the Company's share-based payment arrangements.

(c) *Going concern*

The financial statements are prepared on a going concern basis. The Company is in a net assets position as of 31 December 2020. Although cash flow forecasts to 31 December 2022 indicate that the Company is expected to generate cash flows from its operations, minimum cash is held at the entity due to the central cash sweeping arrangements for all Clear Channel Outdoor Holding (CCOH) subsidiaries. In order to meet its liabilities as they fall due, the Company is therefore reliant on CCOH providing the Company with sufficient cash as and when needed to settle liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2020**1. ACCOUNTING POLICIES (Continued)****(c) *Going concern (continued)***

The Directors of the Company have performed assessments over the following areas and based on these assessments have a reasonable expectation that there are no material uncertainties that may cast doubt on the Company's ability to adopt the going concern basis of accounting:

- The Directors have written assurance from CCOH confirming the provision of financial support to the Company for a period up to 31 December 2022.
- The Directors have considered the impact of COVID-19 on its business in preparing the Company's cash flow forecasts up to 31 December 2022.
- CCOH's ability to fund the working capital, capital expenditures and other obligations depends on the future operating performance and cash flow from operations. CCOH has prepared consolidated cash flow forecasts for a period up to 31 December 2022. These forecasts demonstrate that CCOH will have sufficient cash to provide the financial support to all its subsidiaries and meet its obligations as they become due over the forecast period.

The Directors of the Company and its ultimate parent are also of the view that COVID-19 does not impact the Company's ability to continue as a going concern. The Company has the financial support of CCOH which has sufficient cash and liquidity to fund the Company's operations if necessary.

As disclosed in the latest 10Q and 8K issued by the ultimate parent company for Q3 2021, CCOH has bounced back strongly from the initial negative impact of the COVID-19 pandemic with positive trends in revenue across each business segment. On 1 June 2020, CCOH issued a further \$1.05 billion senior loan notes due 2029, and held \$600m of cash reserves on its balance sheet as at 30 September 2021. Management continues to follow the CCOH's pandemic response plans, while remaining agile enough to adapt to unpredictable events and requirements. Management has taken decisive actions in order to mitigate any unforeseen financial impact. Based on CCOH's cashflow forecasts, no additional financing is required for a period up to 31 December 2022 and it will have sufficient funds to trade and settle liabilities as they fall due for a period up to 31 December 2022.

Therefore, the Directors of the Company conclude that CCOH has the ability to provide financial support to the Company for a period up to 31 December 2022. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

(d) *Revenue recognition*

Turnover is represented by gross billings net of agents' commissions, and excludes value added tax. This is recognised in the period in which the service is performed.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 December 2020

1. ACCOUNTING POLICIES (continued)

(e) *Tangible fixed assets*

All fixed assets are initially recorded at cost less any impairment.

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives as follows:

Motor, plant and equipment	3 to 10 years
Advertising structures	2 to 10 years

(f) *Foreign currencies*

The financial statements are expressed in Pound Sterling (£).

Transactions during the year denominated in foreign currencies have been translated at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to sterling at the rates of exchange ruling at the balance sheet date. The resulting profits or losses are dealt with in the profit and loss account.

(g) *Stocks*

Stocks are stated at the lower of cost and net realisable value.

(h) *Taxation*

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current period or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(i) *Operating leases*

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2020

1. ACCOUNTING POLICIES (continued)

(j) Pension costs

The Company operates two pension schemes, one is a defined benefit scheme and the other is a defined contribution scheme. Retirement benefits for employees in the Company are funded by contributions from the Company and employees. The cost of the defined contribution scheme is charged against profits as they arise.

The Company is a member of the Clear Channel Retirement Benefit Scheme, which is a multi-employer defined benefit scheme. The contribution rate for each employer does not reflect the individual experience of the Company's members in isolation, as it is not possible to identify accurately or consistently from year to year the share of pension assets relating to the Company. Consequently, the Company has accounted for its contributions to the plan as if it were a defined contribution scheme. Contributions to the fund of the defined benefit scheme are charged to the profit and loss account as they become payable.

(k) Government grants

Government grants are accounted under the accrual model as permitted by FRS 102 and the grant income and related costs are shown gross in the statement of comprehensive income. Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the relates costs, for which it is intended to compensate, are expenses.

(l) Critical accounting estimates and judgements

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements, or no sources of estimation uncertainty involved that have a significant effect on the amounts recognised in the financial statements

2. EMPLOYEES

The average number of persons employed by the Company (including directors) during the year was as follows:

	2020 Number	2019 Number
Sales and marketing	11	10
Production and maintenance	9	12
Administration	3	3
	<u>23</u>	<u>25</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2020

2. EMPLOYEES (continued)

	2020	2019
	£	£
The staff costs comprise:		
Salaries	576,709	758,575
Social security costs	56,672	66,110
Other pension costs (note 13)	33,404	31,172
	<u>666,785</u>	<u>855,857</u>

3. TURNOVER

Turnover, all of which arises from continuing operations, represents amounts invoiced by the Company in respect of goods and services (net of specialist commissions), excluding value added tax. The entire turnover relates to sales in the Northern Ireland market. The Company's turnover arises in one class of business, which is outdoor advertising.

4. DIRECTORS' AND AUDITOR'S REMUNERATION

The directors' and auditor's remuneration expenses are borne by a fellow group undertaking.

5. OPERATING (LOSS)/PROFIT	2020	2019
	£	£
Operating (loss)/profit is stated after charging/(crediting):		
Depreciation of tangible assets (note 7)	76,975	102,991
Loss on disposal of tangible assets	–	495
Foreign exchange loss/(gain)	63,708	(59,720)
Operating lease rentals on motor vehicles	55,435	58,575
Operating lease rentals on property	37,750	37,434
Operating lease rentals – others	–	178
Other operating income – furlough grant	(67,688)	–
	<u>–</u>	<u>–</u>

Grants received in 2020 relate to utilisation of the government COVID-19 furlough scheme. At the balance sheet date there are no unfulfilled conditions or contingencies relating to these grants.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2020

6.	TAX ON PROFIT ON ORDINARY ACTIVITIES	2020 £	2019 £
(a)	<i>Analysis of tax charge in the year</i>		
	<i>Current tax:</i>		
	Tax on profit for the year	-	-
		<hr/>	<hr/>
	Total current tax	-	-
		<hr/>	<hr/>
	<i>Deferred tax:</i>		
	Origination and reversal of timing differences	-	-
		<hr/>	<hr/>
	Total deferred tax	-	-
		<hr/>	<hr/>
	Total tax charge	-	-
		<hr/>	<hr/>

(b) *Factors affecting the current tax charge for the year*

The tax assessed on the profit on ordinary activities differs from the standard rate of corporation tax in the United Kingdom of 19% (2019: 19%). This is explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	211,690	1,559,788
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 19% (2019: 19%)	40,221	296,360
<i>Effects of:</i>		
Expenses not deductible for tax purposes	1,273	3,546
Group relief surrend	(52,853)	(281,405)
Deferred tax not recognised	12,016	(3,130)
Other	(657)	(15,371)
	<hr/>	<hr/>
Tax charge for the year	-	-
	<hr/>	<hr/>

From 1 April 2023, the main rate of corporation tax will rise from 19% to 25%. This rate change received Royal Assent on 10 June 2021.

The total value of deductible temporary differences which have not been recognised is £172,000 (2019: £181,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2020

7. TANGIBLE FIXED ASSETS

	<i>Motor, plant and equipment</i> £	<i>Advertising structures</i> £	<i>Total</i> £
<i>Cost:</i>			
At 1 January 2020	150,777	1,044,704	1,195,481
Additions	-	-	-
Disposals	-	(26,893)	(26,893)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	150,777	1,017,811	1,168,588
	<hr/>	<hr/>	<hr/>
<i>Depreciation:</i>			
At 1 January 2020	78,475	788,642	867,117
Charge for the year	12,086	64,889	76,975
Disposals	-	(26,893)	(26,893)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	90,561	826,638	917,199
	<hr/>	<hr/>	<hr/>
<i>Net book amounts:</i>			
At 31 December 2020	60,216	191,173	251,389
	<hr/>	<hr/>	<hr/>
At 31 December 2019	72,302	256,062	328,364
	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 December 2020

8. STOCKS

Stocks represent goods purchased for the construction and maintenance of advertising structures. The replacement value of stocks is not considered to be materially different from that shown in the balance sheet.

9. DEBTORS (amounts falling due within one year)	2020 £	2019 £
Trade debtors	2,043,417	3,009,701
Amounts owed by group undertakings	24,355,000	22,400,000
Prepayments and accrued income	616,138	580,600
	<u>27,014,555</u>	<u>25,990,301</u>

On 25 October 2017, the Company entered into a loan agreement with Clear Channel International Limited which shall not exceed £50,000,000. As at 31 December 2020, an amount of £24,355,000 is drawn under this agreement and this amount is included in amounts owed by group undertakings above. The loan is repayable on demand and is subject to interest at 3 months EURO LIBOR plus 2.25% and is unsecured.

10. CREDITORS (amounts falling due within one year)	2020 £	2019 £
Amounts owed to group undertaking	1,433,701	1,345,024
Other creditors	670,806	816,585
Trade creditors, accruals and deferred income	1,425,897	602,169
VAT	203,742	138,809
	<u>3,734,146</u>	<u>2,902,587</u>

11. CALLED UP SHARE CAPITAL	2020 £	2019 £
<i>Authorised, allotted, called up and fully paid:</i> 300,000 ordinary shares of £1 each	<u>300,000</u>	<u>300,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 2020

12. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than one year	93,185	94,510
Later than one year and not later than five years	122,092	154,526
Later than five years	-	-
	<u>215,277</u>	<u>249,036</u>

13. PENSION COMMITMENTS

The Company participates in group defined benefit and group defined contribution pension schemes. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £33,404 (2019: £31,172). There were no contributions payable to the fund at the year end.

The Clear Channel Retirement Benefit Scheme is a multi-employer defined benefit plan, managed by Clear Channel International Limited. The total overall combined contribution rate from employers to the plan will vary depending on the experience of the plan and hence any surplus or deficit in the plan will be revealed when actuarial valuations are completed from time to time. Following the full actuarial valuation at 1 January 2019, the contribution rate payable by the Company has been set based on discussions among the participating companies, so that the total contributions from all employers equal the required funding rate. As a result of discussions among the participating companies, Clear Channel NI Limited ceased making contributions to this Scheme from 1 January 2020, with contributions now being made in full by its immediate parent undertaking, Clear Channel International Limited.

The assets of the plan are invested as a whole and are not segregated by participating employer. Consequently, information concerning that part of the plan's assets attribution to Clear Channel NI Limited is not available.

The Company has discussed the position with the plan's actuaries and, in accordance with FRS 102 has taken advice that the Company treat its participation in the plan as if it were a defined contribution scheme.

The scheme was closed to future accrual in 2016.

Employer contributions of £653,000 (2019: £1,289,000) were made to the plan in 2020 by the immediate parent company. The present value of the funded obligation for the whole plan at 31 December 2020 was £97,715,000 (2019: £88,150,000). The fair value of scheme assets of the whole plan at 31 December 2020 was £82,107,000 (2019: £80,584,000).

NOTES TO THE FINANCIAL STATEMENTS**31 December 2020 (continued)****14. PARENT UNDERTAKINGS, CONTROLLING PARTIES AND RELATED PARTY TRANSACTIONS**

The results of the company are included within the publicly available group financial statements of Clear Channel Outdoor Holdings Inc. (CCOH). As a result, the Company has taken advantage of the exemptions within Section 33 of FRS 102 and has not disclosed details of related party transactions with entities in the CCOH group.

The immediate parent company of Clear Channel NI Limited is Clear Channel International Limited, a company incorporated in the UK.

The largest group and the Company's ultimate parent undertaking for which group financial statements are prepared and of which the company is a member is Clear Channel Outdoor Holdings Inc. which is incorporated in the United States of America. Copies of its consolidated financial statements are available from 4830 North Loop 1604 West, Suite 111, San Antonio Texas 78249, United States of America.

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 21 November 2021.