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The Disney Store Limited
(Registered number: 02523767)

Annual report and audited financial statements
For the period from 2 October 2022 to 30 September 2023

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The Disney Store Limited

Contents

The Disney Store Limited

Strategic report for the period from 2 October 2022 to 30 September 2023

The Directors present their Strategic report of The Disney Store Limited (the 'Company') for the period from 2 October 2022 to 30 September 2023 (prior financial period ended 1 October 2022).

Principal activities, business review and future developments

The Company's principal activity during the period was the speciality retail of Disney merchandise and licensed co-branded products via online and bricks and mortar store. These activities are expected to continue for the foreseeable future.

Turnover for the period amounted to £70,803,000 (2022: £70,536,000). The company remains dedicated to enhancing its online presence, and during this period, it streamlined its online platforms for France, Iberia, and Germany, integrating them into the company's main website to improve operational efficiency. The increase in turnover compared to the previous period is primarily attributable to the consolidation of EMEA websites. This was offset by sales to third-party partners at wholesale prices.

In the fiscal year, the Distribution Centre "DC" model changed. The Disney operated DC facilities in the UK (Lutterworth) and Belgium were fully transitioned to a third-party distribution services provider, namely CEVA Logistics. The transition from Disney Belgium DC facility to CEVA Logistics Netherlands took place in February 2023 and from Disney UK DC facility to CEVA Logistics UK took place in August 2023.

Interests in the former UK DC site (Lutterworth) are being closed with Disney's landlord during 2024. The CEVA DC model is operating the full scope of services as expected and will be in a period of stabilisation and optimisation until early 2024.

The profit for the financial period amounted to £4,132,000 (2022: £3,165,000). The promotional deals during the current period have resulted in a lower operating margin. However, this has been offset with an increase in the interest income and a lower tax charge as compared to the previous fiscal period, resulting in an overall higher profit.

The Directors do not recommend that a dividend be paid for the period ended 30 September 2023 (2022: £nil). No dividends were received by the Company during the period (2022: £nil). The Company ended the financial period with net assets of £52,527,000 (2022: £48,395,000).

In response to consumer behaviour shifting to online shopping and our commitment to meeting consumers where they are spending their time, a decision was made in FY2022 to focus on our online business and significantly reduce our physical stores.

Going Concern

The Directors have undertaken an assessment and they expect the Company to be able to meet the day-to-day cash flow needs and its liabilities as they fall due without significant curtailment of operations through the realisation of assets for a period of at least 12 months from the date of these financial statements being signed. In addition, they have also received assurances of continued financial support from a fellow group undertaking, in the form of a letter of support for similar period of at least 12 months from the date of these financial statements being signed.

On the basis of their assessment of the Company's financial position and resources, the Directors believe that the Company is well placed to manage its business risks. Therefore, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Principal risks and uncertainties

From the perspective of the Company, its principal risks and uncertainties and future outlook are integrated with those of The Walt Disney Company ('Group') and are not managed separately. Accordingly, the risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's annual report which does not form part of this report. However, the Directors view the following as being the principal risks facing the Company:

(i) Our sales may be adversely affected by changes in economic factors, pandemics, political uncertainty and changes in consumer spending patterns

Many economic and other factors outside our control, including consumer confidence, consumer spending levels, impacts of pandemics, seasonality, political uncertainty, employment levels, consumer debt levels, inflation, and deflation, as well as the availability of consumer credit, affect consumer spending habits. A significant deterioration in the global financial markets and economic environment, recessions or an uncertain economic outlook adversely affects consumer spending habits and results in lower levels of economic activity. Any of these events and factors could cause consumers to curtail spending and could have a negative impact on our financial performance and position in future financial periods.

The Disney Store Limited

Strategic report for the period from 2 October 2022 to 30 September 2023 (continued)

Principal risks and uncertainties (continued)

(ii) Our industry is highly competitive and competitive conditions may adversely affect our revenues and overall profitability

The retail industry is highly and increasingly competitive and our results of operations are sensitive to, and may be adversely affected by, competitive pricing, promotional pressures, competitor store openings and other factors. As a speciality retailer, we compete with national chains and department stores, local retailers in the market areas we operate and Internet retailers. Competition is principally based on product variety, price, quality, availability, advertising and promotion, convenience or store location, safety and customer support and service.

To mitigate these risks our product range, pricing, physical store location and online sales channels are continually reviewed to ensure we remain competitive within our industry.

(iii) Protection of electronically stored data is costly and if our data is compromised in spite of this protection, we may incur additional costs, lost opportunities and damage to our reputation

We maintain information necessary to conduct our business, including confidential and proprietary information, in digital form. Data maintained in digital form is subject to the risk of unauthorised access, modification, and exfiltration. We develop and maintain information security systems in an effort to prevent this however, despite our efforts, unauthorised access, modification, and exfiltration of data cannot be eliminated entirely, and the risks associated with a potentially material incident remain. If our information security systems or data are compromised in a material way, our ability to conduct our business may be impaired, we may lose profitable opportunities, or the value of those opportunities may be diminished.

Key performance indicators ("KPIs")

The Company's key performance indicators are as follows:

Measure	Description	2023 £'000	2022 £'000
Turnover	Total sales for the financial period	70,803	70,536
Profit	Profit for the financial period	4,132	3,165

The promotional deals during the current period have resulted in a lower operating margin. However, this has been offset with an increase in the interest income and a lower tax charge as compared to the previous fiscal period, resulting in an overall higher profit.

Section 172 statement

As an indirect subsidiary of The Walt Disney Company Limited, the Company is subject to organisational and management systems which enable the Board of Directors ("the Board") to oversee governance of the activities of the Company. As is normal for large companies, the Board delegates authority for day-to-day management to the managers responsible for the management of the Company. The Board ensures that when applying group policies and delegating responsibility for operational matters to the managers, it does so with due regard to its fiduciary duties and responsibilities.

The Directors of the Company are aware of their duty under section 172 of the Companies Act 2006 to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so they have considered (amongst other matters) factors (a) to (f) listed below:

(a) the likely consequences of any decision in the long term,

(b) the interests of the Company's employees (known as "Cast Members"),

(c) the need to foster the Company's business relationships with suppliers, customers (known as "guests") and others,

(d) the impact of the Company's operations on the community and the environment,

(e) the desirability of the Company maintaining a reputation for high standards of business conduct, and

(f) the need to act fairly between members of the Company.

We have detailed below how, throughout the financial period ending 30 September 2023 ("the period") each of these factors have been considered by the Board.

Section 172 statement (continued)

a. The likely consequences of any decision in the long term

The Board are aware that their decisions and strategies can have long-term effects on the success of the Company's business and on its stakeholders. They aim to make well-informed decisions whilst being mindful of impacts on its stakeholders. The key stakeholders of the Company include both its member and suppliers, customers, community and Cast Members. Some of the decisions the Board has taken during the course of the period are set out below and show how the decisions have been made both with a view to creating long term success for the Company and taking into consideration the impact on its stakeholders.

The Company is dedicated to further enhancing its online presence, with a focus on both its flagship online store, ShopDisney, and strategic partnerships with reputable third-party platforms. During the current period, the Company has integrated its online websites in France, Iberia, and Germany into its operations to streamline efficiency. Additionally, the Company is in the process of revitalising ShopDisney to offer a more intuitive, personalized, and franchise-centric e-commerce experience. As part of this revitalisation effort, the company has consolidated various Disney-owned retail outlets, e-commerce platforms, shop-in-shops, and outlets under a unified brand: Disney Store. This strategic approach not only creates new entry points for guests but also ensures that storytelling remains at the core of the shopping experience, delivering the magic of Disney to customers across all touchpoints.

The Company's decision to develop the e-commerce experience for guests and increase its online product range reflects its aim to adapt its business to align with changes in consumer preferences, economic and market conditions and advances in technology, in order to remain competitive and satisfy the needs of its guests.

b. The interests of the Company's employees (known as "Cast Members")

The Company strives to provide a safe working environment, a diverse and inclusive culture and ensure adherence to all relevant Disney HR policies and processes for its Cast Members. The health and safety of its Cast Members is a priority. Employees can report a concern by calling our Global Security Communications Centre or an anonymous safety line, or by making a report online through our internal system called The Guideline.

The Group offers a competitive rewards package that helps Cast Members live their best lives and grow personally and professionally. This reward package includes an annual bonus plan which is tied to the Group's fiscal-year performance and recognises the contributions employees make to business results.

In addition to a comprehensive rewards program, the Company also offers Health and Wellness support to its Cast Members. For example, a wellbeing hub with a large variety of resources available to Cast Members in the UK & Ireland. Some examples of those resources are the following:

- **Disney's Employee Assistance Program:** offers free confidential advice on both professional and personal matters all year round, at any time of the day.
- **Mental Health Support:** a variety of easy-to-access and innovative programs for employees and cast members, including access to counsellors, meditation and mindfulness activities, as well as tips for building resilience and getting more restful sleep.
- **BrainBreaks:** The Disney Healthy Pursuits Wellness Team host virtual activities to help employees stay on top of their health.

Throughout the period, employees were surveyed at different points in time. Engagement levels were very high, and employees have pride in working for the Group.

The Group has an ongoing commitment to progress diversity, equity, and inclusion ("DE&I"). The Group's Reimagine Tomorrow endeavour ensures a consistent focus on inclusion and transparency which has inspired leaders across the Company to make diversity, equity, and inclusion a priority across their teams supported by the six-pillar framework: Transparency, Representation, Accountability, Community, Content, and Culture.

The Disney Store Limited

Strategic report for the period from 2 October 2022 to 30 September 2023 (continued)

Section 172 statement (continued)

b. The interests of the Company's employees (known as "Cast Members") (continued)

From a culture perspective, the Business Employee Resource Groups (BERGs) are voluntary, employee-led groups formed around shared identity, interests, and pursuits. The following BERGs are active in the UK:

- **Disney PRIDE:** Advocates, celebrates, and educates on behalf of all LGBTQIA+ and ally employees, fostering a culture of authenticity and inclusivity across the company.
- **Disney DIVERSITY:** Educating and celebrating ethnic and cultural diversity.
- **WOMEN@Disney:** Equips and motivates Women at Disney to build impactful careers.
- **ENABLED:** Committed to supporting disability and neurodiversity awareness across the Company.
- **Disney T.R.U.S.T.:** Celebrating positive wellbeing and mental health by empowering all employees to Talk, Recognise, Understand and Support, so all can Triumph.

c. The need to foster the Company's business relationships with suppliers, service providers, guests and others

The Company prides itself on delivering exceptional service and high-quality products to its guests facilitated, inter-alia, by its strong relationships with its suppliers and service providers.

Suppliers/service providers

The Company has high standards for its service providers and has a thorough tender process designed to obtain the best quality, service and value. The Company adheres to: (i) the Disney International Labour Standards Program which seeks to foster safe, inclusive, and respectful workplaces wherever Disney branded products are made; and (ii) UK government regulations such as UK Modern Slavery Act 2015.

Guests

The Company's continued growth of its online presence and the development of its e-commerce platform will provide a more seamless and personalised guest experience with improved ease of use, access to increased product ranges and an integrated social media experience. Guest feedback is valued and implemented. The online store has a dedicated page to allow guests to provide feedback on the products. Sales data and guest feedback influences the Company's decisions on future products, stock purchasing, relationships with other brands as well as the growth and structure of its business.

d. The impact of the Company's operations on the community and the environment

Community

The Group's global Social Responsibility framework clarifies its mission as: "to inspire a world of belonging by embracing broad representation and respect for every individual at the workplace, storytelling, and communities; a world in balance by taking action to create a cleaner, safer, and healthier world; and a world of hope by supporting the Company's communities, especially children. The Company is also investing in the people and operating responsibly."

The Company achieves this in a number of ways including **Social Purpose** (building emotional resilience, primarily for children, by together, creating moments that matter) and being a **Responsible Business** (commitment to conduct our business and create our products in a responsible and ethical manner). The following are specific examples:

- **The Wishes Come True Blue Colour Collection** which commemorated Disney and Make-a-Wish working together where product sales from the collection across Europe, the US and Canada generated a donation to Make-a-Wish affiliate organisations to help grant wishes for children.

The Disney Store Limited

Strategic report for the period from 2 October 2022 to 30 September 2023 (continued)

Section 172 statement (continued)

d. The impact of the Company's operations on the community and the environment (continued)

- **Disney Pride Collection** - In celebration of Pride a brand new, exclusive Disney Rainbow collection was available at ShopDisney in the UK and across Europe, which featured Disney, Pixar, Marvel and Star Wars icons and characters. As part of the Pride collection, Disney is giving funds as part of our ongoing commitment to organisations around the world that support LGBTQIA+ communities including the UK LGBTQIA+ charity Diversity Role Models.
- **Marvel & The Prince's Trust collection** - Across a two-week training programme and six-month mentorship, Disney designers mentored young people aged 18-30 from the Prince's Trust. These young designers created a new line of Marvel The Avengers and women of Marvel products. The collection was available for purchase from the Disney Store and online at ShopDisney in the UK and across Europe. To support the partnership, The Disney Store Limited also contributed £100,000 to The Prince's Trust.
- Working with "In Kind Direct", who help distribute donated products to 3,995 charities across the UK.
- The Disney VoluntEARS Programme gives Cast Members in the Stores and at Head Office the opportunity to help in their local community. They can volunteer as teams or individuals and can support Disney's long-term charities such as Make-A-Wish, Together for Short Lives (including the 54 children's hospices across the UK), MediCinema and Great Ormond Street Children's Charity.

Environmental

The Group is committed to taking meaningful and measurable action to support a healthier planet for future generations as the Disney businesses operate and grow.

In December 2020 and December 2022, the Group established a set of environmental goals that aim to reduce greenhouse gas (GHG) emissions; minimise waste; and create products and packaging with environmentally preferable materials, amongst others. Some of the key 2030 goals of the Group include:

- Reducing absolute emissions from direct operations (scope 1 and 2 emission) by 46.2% against a 2019 baseline.
- Achieving net zero emissions* for direct operations;
- Reducing scope 3 emissions in line with a "well below 2°C scenario";
- Purchasing or producing 100% zero carbon electricity; and

Material goals for Disney-branded products include:

- Use recycled, certified, or verified sustainable paper and wood.
- Use plastic that contains at least 30% recycled content or a lower-impact alternative material.
- Designing packaging for reuse, recycling, or composting.
- Use recycled, sustainably sourced, or lower-impact alternative textiles.
- Ensuring all facilities participate in the Higg Index or maintain a sustainable manufacturing certification.

*More details on the environmental goals, including definitions of 'net emissions' and 'net zero emissions' can be found at the following links: https://impact.disney.com/environment/environmental-sustainability/ and the 2022 CSR Report: https://impact.disney.com/app/uploads/2023/06/2022-CSR-Report.pdf.

For more details on our energy and associated carbon emissions see SECR disclosure pages 9 to 10.

e. The desirability of the Company maintaining a reputation for high standards of business conduct

The Company is committed to operating its businesses with integrity and adopting governance policies that promote the thoughtful and independent representation of its stakeholders' interests. The Board has adopted Corporate Governance Guidelines which address, among other things, the composition and functions of the Board and independence. The Group's Standards of Business Conduct are applicable to all Cast Members of the Company including the Board.

The Disney Store Limited

Strategic report for the period from 2 October 2022 to 30 September 2023 (continued)

Section 172 statement (continued)

e. The desirability of the Company maintaining a reputation for high standards of business conduct (continued)

The Company regularly engages its leaders and Cast Members in these Standards through training and other forms of communication. It is compulsory that all office-based Cast Members complete the mandatory online courses, examples include Standards of Business Conduct, TWDC Agents Policy and Avoiding Corrupt Business Practices.

Acting responsibly and conducting business ethically is an integral part of the Disney brand. The Group's global commitment to conduct business and create products in a responsible and ethical manner focuses on six areas: ethical conduct, responsible content, environmental stewardship, community engagement, civic engagement and respectful workplaces. The Company continues to work toward our goals and regularly set new challenges to ensure it is constantly striving to improve.

The Company is also a member of Toy Industries of Europe ("TIE"), an external group which promotes the right of every child to play safely and securely and to promote fair practices and fair legislation, allowing responsible toy companies to continue to grow. TIE's work is centred around six values which the Company is fully committed to:

- Prioritising the safety of the toys we produce.
- Ethical manufacturing.
- Tailoring our marketing to respect children's sensitivities and advertising responsibly.
- Reducing or eliminating barriers to trade.
- Respecting intellectual property rights in their broadest sense.
- Encouraging environmental sustainability.

f. The need to act fairly as between members of the Company

The Company is a wholly owned subsidiary of Disney Trading B.V. One of the Directors of the Company is also on the Board of Disney Trading B.V. Therefore, the Parent Company is aware of the key decisions and financial performance of the Company and has a keen interest in the strategies and future outlook of the Company.

Approved by the Board and signed on its behalf on 19 February 2024 by

DocuSigned by:
Enda Kelly
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Enda Kelly
Director

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3 Queen Caroline Street
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The Disney Store Limited

Directors' report for the period from 2 October 2022 to 30 September 2023

The Directors present their report and the audited financial statements of the Company for the period ended 30 September 2023 (prior financial period ended 1 October 2022).

Future developments

The Company's future development plans are explained in the Strategic report.

Dividends

There were no dividends proposed or paid by the Company during the period (2022: £nil). The Directors do not propose any final dividends to be paid after the period end. Dividends of £nil (2022: £nil) were received by the Company during the period.

Financial risk management

The Company's operations expose it to financial risks. The most significant are described below.

(i) Credit risk

The Company has implemented policies that require appropriate credit checks on potential online customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is assessed continually by the Company's credit control function.

(ii) Foreign exchange risk

The Company may hold assets and liabilities denominated in foreign currencies. No derivative financial instruments are used to manage the risk of fluctuating exchange rates, so no hedge accounting is applied. The Company has in place a foreign exchange policy, driven by the ultimate parent company, The Walt Disney Company, and will reconsider the appropriateness of this policy should operations change in nature.

(iii) Price risk

(a) Interest rate risk: The Company can have interest bearing assets and liabilities. The Company monitors its portfolio of interest-bearing assets and liabilities and their financial impact. The Company will reconsider the appropriate structure of its portfolio should operations change in size or nature.

(b) Inflation risk: Actions to reduce inflation, including raising interest rates, could result in a reduction of discretionary consumer spend or a shift in consumer demand away from the entertainment and consumer products we offer. In addition, an increase in price levels can increase our costs. The adverse impact on the Company of this inflationary environment will depend, in part, on its severity and duration. The Company's ability to mitigate any profitability impacts will be limited.

Directors

The Directors of the Company who were in office during the period and up to the date of signing the financial statements are as follows:

Tracy Bermingham (appointed on 14 February 2023 and resigned on 29 November 2023)
Enda Kelly
Travis Gray (appointed on 23 May 2023)
Sarah Louise Williams (resigned on 29 November 2023)
Duniyul Imtiaz Dossa (appointed on 23 May 2023)
Nigel Anthony Cook

There was no qualifying third-party indemnity provision in force, for the benefit of any of the Directors, at any time during the financial period. No compensation for loss of office was paid (2022: £nil).

Events after the reporting period

Rebranding

The Company is in the process of revitalising ShopDisney to offer a more intuitive, personalized, and franchise-centric e-commerce experience. As part of this revitalisation effort, the company has consolidated various Disney-owned retail outlets, e-commerce platforms, shop-in-shops, and outlets under a unified brand: Disney Store. This strategic approach not only creates new entry points for guests but also ensures that storytelling remains at the core of the shopping experience, delivering the magic of Disney to customers across all touchpoints.

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Directors' report for the period from 2 October 2022 to 30 September 2023 (continued)

Employment policy

The Company is an Equal Opportunity Employer - no Cast Member or job applicant will receive less favourable treatment on the grounds of race, colour, religion, ethnic or national origins, sex, age or disability.

This policy will be applied in the context of all conditions of work, including selection, employment, pay and benefit, facilities, promotion and training by the management, cast and its agents.

In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues, and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

The Company places considerable value in the involvement of its employees and has continued its previous practice of keeping them well informed on matters affecting them as employees and the financial and economic performance of their business units and of the Company as a whole. This is achieved through formal and informalmeetings.

Stakeholder and employee engagement

The Company focusses on providing quality products and best in class service to its guests and operating its business responsibly. The Company continues to maintain strong relationships and open communication with all of its stakeholders. The Company's efforts to communicate transparently to its stakeholders allows them to provide feedback and allows the Company to make well-informed decisions.

The Company endeavours to provide a safe working environment, a diverse and inclusive culture and ensures adherence to all relevant Disney HR policies and processes for its Cast Members.

The Company offers a wide range of Health and Wellness support to cast members and to promote and progress diversity, equity and inclusion. More information on these areas can be found in the Company's Section 172 statement in the Strategic report.

Information on supplier and service provider engagement can be found in the Company's Section 172 statement in the Strategic report.

The strategic decisions of the Board were made with a view to creating long term success for the Company and taking into consideration the impact on its stakeholders.

The Disney Store Limited

Directors' report for the period from 2 October 2022 to 30 September 2023 (continued)

Streamlined energy and carbon reporting (SECR) disclosure

The SECR disclosure presents our carbon footprint within the United Kingdom across Scope 1, 2 and to some extent scope 3 emissions, an appropriate intensity metric, the total energy use of electricity, gas and transport fuel and an energy efficiency actions summary taken during the relevant financial period.

	Period ended 30 September 2023	Period ended 1 October 2022
Energy consumption used to calculate emissions (kWh)	1,938,930	1,925,527
Emissions from combustion of gas (Scope 1) tCO_2e	103	90
Emissions from combustion of fuel for transport purposes (Scope 1) tCO_2e	2	2
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) tCO_2e	5	5
Emissions from purchased electricity (Scope 2, location-based) tCO_2e	243	234
Emissions from purchased electricity (Scope 2, market-based) tCO_2e	0	0
Total gross tCO_2e based on above (Location-based)	353	331
Total gross tCO_2e based on above (Market-based)	110	97
Intensity ratio (tCO_2e/floor area ft^2) (Location-based)	0.01227	0.01235
Intensity ratio (tCO_2e/floor area ft^2) (Market-based)	0.00383	0.00362

Please see the methodology notes mentioned on page 10 for more details on the calculation above.

All emissions from our head office at 3 Queen Caroline Street have been included in our parent company's SECR disclosure. The parent company is the owner of the building and all invoices are billed to The Walt Disney Company Limited and therefore we have disclosed all emissions in their financial statements.

Explicit reporting on renewable electricity is not an obligation under the SECR legislation. As The Disney Stores Limited would like to reflect their renewable electric consumption a dual reporting approach has been used. The location-based approach above uses UK Defra grid factors to calculate emissions, meanwhile in the market-based approach, a supplier-based emissions factor was used. The Company's purchased renewable electricity is considered zero-emissions under the market-based reporting, based on the GHG protocol.

Energy efficiency action summary

The minimal increase in energy usage from previous year as shown above is due to weather factors altering electricity and gas requirements within the Distribution Centre and the sole Bricks and Mortar retail location.

The following action has partially offset this increase:

- Continued benefit from the Distribution Centre rolling program of LED light fitting upgrades.

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The Disney Store Limited

Directors' report for the period from 2 October 2022 to 30 September 2023 (continued)

Streamlined energy and carbon reporting (SECR) disclosure (continued)

Methodology notes

Reporting period	2 October 2022 – 30 September 2023
Boundary (consolidation approach)	Financial control approach
Alignment with financial reporting	SECR disclosure has been prepared in line with The Disney Store Limited's financial statements made up to 30 September 2023
Reporting method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
Emissions factor source	DEFRA, 2023 for all emissions and conversion factors https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023
Conversion factor source	Natural Gas and Gasoline: Federal Register EPA; 40 CFR Part 98; e-CFR, June 13, 2017 EPA GHG Emission Factors Hub Diesel U.S. Energy Information Administration – British Thermal Unit Conversion factors 2020
Calculation method	Activity Data x Emission Factor = GHG emissions Activity Data x Conversion Factor = kWh consumption
Other relevant information on calculation	Transport data was calculated from cost data to litres to kWh and GHG emissions using the method above. In the absence of the exact vehicle types we have used the Vehicles statistics' table VEH1103a, issued by the Department for Transport to separate the diesel and petrol cars. In the absence of the exact engine sizes of the vehicles average conversion factors were used to calculate emissions.
Reason for the intensity measurement choice	Following the recommendations of the SECR legislation and based on the nature of our business, floor area (tCO_2e/floor area ft^2) gives the best overview on our efficiency performance on a longer scale.
Estimation	The report contains some estimated electricity consumption. Depending on the nature of the missing data the following estimation methods were used: Average value of +/-2 surrounding months; Average value from past 3 months; Value from same month of prior period. Maximum of 2 years prior.
Rounding	The results in the table are rounded therefore minor differences compared to the actual emissions might occur.
Amount of renewable electricity (kWh) imported from the grid and backed by REGOs.	1,344,073 kWh

The Disney Store Limited

Directors' report for the period from 2 October 2022 to 30 September 2023 (continued)

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

Independent auditors

An elective resolution has been passed to dispense with the obligation to annually reappoint the auditors, and therefore PricewaterhouseCoopers LLP are deemed to be reappointed for the next financial period.

Approved by the Board and signed on its behalf on 19 February 2024 by

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Enda Kelly
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Enda Kelly
Director

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The Disney Store Limited

Independent auditors' report to the members of The Disney Store Limited

Report on the audit of the financial statements

Opinion

In our opinion, The Disney Store Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2023 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Statement of financial position as at 30 September 2023; Income statement and Statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

The Disney Store Limited

Independent auditors' report to the members of The Disney Store Limited (continued)

Report on the audit of the financial statements (continued)

Reporting on other information (continued)

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 30 September 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of employment laws and data protection, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussing with management including consideration of known or suspected instances of non-compliance with laws and regulations;

The Disney Store Limited

Independent auditors' report to the members of The Disney Store Limited (continued)

Report on the audit of the financial statements (continued)

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements(continued)

- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations; and
- Challenging assumptions and judgements made by management in their significant accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Paul Wheeler (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
19 February 2024

The Disney Store Limited

Income statement for the period from 2 October 2022 to 30 September 2023

	Note	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Turnover	4	**70,803**	70,536
Cost of sales		**(45,533)**	(37,608)
Gross profit		**25,270**	32,928
Administrative expenses		**(21,992)**	(29,122)
Operating profit	5	**3,278**	3,806
Interest receivable and similar income	8	**345**	-
Interest payable and similar expenses	9	**-**	(16)
Profit before taxation		**3,623**	3,790
Tax on profit	10	**509**	(625)
Profit for the financial period		**4,132**	3,165

All of the above transactions relate to continuing operations.

The Company has no recognised gains or losses for the period other than the results above.

The notes on pages 18 to 33 represent an integral part of the financial statements.

The Disney Store Limited

Statement of financial position as at 30 September 2023

	Note	As at 30 September 2023 £'000	As at 1 October 2022 £'000
Fixed assets			
Intangible assets	11	**2,344**	1,329
Tangible assets	12	**214**	3,197
Investments	13	**-**	-
		2,558	4,526
Current assets			
Stock	14	**31,158**	36,000
Debtors: amounts falling due within one year	15	**47,995**	35,490
Debtors: amounts falling due after more than one year	15	**4,445**	3,530
Cash at bank and in hand		**21,679**	31,011
		105,277	106,031
Creditors: amounts falling due within one year	16	**(43,131)**	(53,655)
Net current assets		**62,146**	52,376
Total assets less current liabilities		**64,704**	56,902
Creditors: amounts falling due after more than one year	16	**-**	(12)
Provisions for liabilities	18	**(12,177)**	(8,495)
Net assets		**52,527**	48,395
Capital and reserves			
Called up share capital	22	**18,000**	18,000
Share premium account	22	**43,309**	43,309
Capital contribution	22	**18,000**	18,000
Accumulated losses	22	**(26,782)**	(30,914)
Total Shareholders' funds		**52,527**	48,395

The notes on pages 18 to 33 represent an integral part of the financial statements.

The financial statements on pages 15 to 33 were approved by the Board of Directors on 19 February 2024 and signed on its behalf by

DocuSigned by:
Enda Kelly
C4373CD20671496...

Enda Kelly
Director

3 Queen Caroline Street
Hammersmith
London
W6 9PE
Company registered number: 02523767

The Disney Store Limited

Statement of changes in equity for the period from 2 October 2022 to 30 September 2023

	Called up share capital £'000	Share premium account £'000	Capital contribution £'000	Accumulated losses £'000	Total Share-holders' funds £'000
At 3 October 2021	18,000	43,309	18,000	(34,079)	45,230
Profit for the financial period	-	-	-	3,165	3,165
Total comprehensive income for the period	-	-	-	3,165	3,165
Balance as at 1 October 2022	18,000	43,309	18,000	(30,914)	48,395
Profit for the financial period	-	-	-	4,132	4,132
Total comprehensive income for the period	-	-	-	4,132	4,132
Balance as at 30 September 2023	**18,000**	**43,309**	**18,000**	**(26,782)**	**52,527**

The notes on pages 18 to 33 represent an integral part of the financial statements.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023

1. General information

The Disney Store Limited (the "Company") is a private company limited by shares and is incorporated and registered in England, United Kingdom. The registered office is 3 Queen Caroline Street, Hammersmith, London, W6 9PE.

The Company is a wholly owned subsidiary of Disney Trading B.V., whose ultimate parent company is The Walt Disney Company, incorporated in the United States of America. The consolidated financial statements of The Walt Disney Company are publicly available.

The Company's principal activity during the period was the speciality retail of Disney merchandise and licensed co-branded products, via online and bricks and mortar store.

The Company has taken advantage of the exemption under section 401 of the Companies Act 2006 from preparing group financial statements as it is a wholly owned subsidiary of The Walt Disney Company and is included within that Company's consolidated financial statements. The address of which can be found in note 23 of these financial statements.

2. Statement of compliance

The financial statements of The Disney Store Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared on the going concem basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102').

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in 'Critical accounting judgements and key sources of estimation uncertainty' section.

b) Going concern

The Directors have undertaken an assessment and they expect the Company to be able to meet the day-to-day cash flow needs and its liabilities as they fall due without significant curtailment of operations through the realisation of assets for a year of at least 12 months from the date of these financial statements being signed. In addition, they have also received assurances of continued financial support from a fellow group undertaking, in the form of a letter of support for similar year of at least 12 months from the date of these financial statements being signed.

On the basis of their assessment of the Company's financial position and resources, the Directors believe that the Company is well placed to manage its business risks. Therefore, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

3. Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a Group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

As a qualifying entity, the Company has taken advantage of the following exemptions in its financial statements:

(i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
(ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
(iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
(iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

d) Accounting reference date

The Company has taken advantage of flexibility under the Companies Act 2006 to end the accounting year on the closest Saturday to 30 September each year. An accounting reference date of 30 September 2023 has been adopted for the current period. The financial period represents the 52 weeks ended Saturday 30 September 2023 (prior financial period was the 52 weeks ended Saturday 1 October 2022).

e) Foreign currency

(i) Functional and presentation currency

The Company's functional and presentation currency is the pound sterling and is rounded to thousands.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

f) Turnover

Turnover represents the amounts receivable for goods supplied to customers during the period exclusive of value added tax and net of any returns. Revenue from the provision of the sale of goods on the internet is recognised at the point that the risks and rewards of the inventory have passed to the customer, which is the point of dispatch.

g) Interest receivable and similar income and interest payable and similar expenses

Other interest receivable and similar income include interest receivable on funds invested.

Interest payable and similar expenses include interest payable recognised in profit or loss using the effective interest method.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

3. Summary of significant accounting policies (continued)

h) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

i) Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Income statement, unless the asset has been revalued when the amount is recognised in the other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Income statement.

j) Intangible assets

Intangible assets are made up of computer software. Under FRS 102, intangible assets are reviewed for any impairment indicators at the reporting date. Impairment reviews are carried out to ensure that intangible assets are not carried at above their recoverable amounts. Any amortisation or impairment write downs are charged to the Income statement.

The useful economic life of the computer software is three years and is amortised on a straight-line basis.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

3. Summary of significant accounting policies (continued)

k) Tangible assets and depreciation

Tangible assets are stated at historical purchase cost less accumulated depreciation and accumulated impairment losses. Costs that are directly attributable to the development of new business application hardware and software, which are incurred during the period prior to the date that the systems are placed into operational use, are capitalised. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated on a straight-line basis at rates estimated to write off the cost of the assets over their estimated useful lives. Depreciation is not provided on construction in progress.

The principal useful lives in use are:

Leasehold improvements:	the lesser of 10 years or the remaining term of the lease
Office equipment, furniture, fixtures and fittings:	3 -10 years

Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Income statement and included in 'Gain/loss on disposal of tangible assets'.

l) Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

m) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. As at 30 September 2023 the Company does not hold short-term highly liquid investments or bank overdrafts.

n) Stocks

Stocks of finished goods and goods for resale are valued at the lower of cost and estimated selling price less cost to complete and sell after making due allowance for any obsolete or slow-moving items. The cost of stock is determined through the use of a weighted average methodology. At the end of each reporting period stocks are assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the Income statement. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the income statement.

o) Financial instruments

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income statement.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

3. Summary of significant accounting policies (continued)

o) Financial instruments (continued)

(i) Financial assets (continued)

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow Group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The Company does not hold or issue derivative financial instruments and as at 30 September 2023 does not hold bank loans. The Company does not hold loans from fellow Group companies as at 30 September 2023.

(iii) Offsetting

Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has taken exemption from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102.

p) Prepaid expenses

Prepaid expenses primarily comprise advance payments made to vendors and related parties for rent, property taxes and inventory.

q) Leased assets

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Operating lease rentals are charged to the Income statement on a straight-line basis over the year of the lease. Leased assets primarily represent retail space rental.

(ii) Lease incentives

Lease incentives primarily include up-front cash receipts or rent-free years. Lease incentives are deferred and spread over the shorter of the lease term and year to the next market rent review.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

3. Summary of significant accounting policies (continued)

r) Property related and other reserves

Provisions for dilapidation are estimated on the basis of the terms of the lease and independent advice or management's best estimate of total liabilities. The costs are provided for upon entering the lease and the provision is recognised in the Statement of financial position initially. The costs associated with removing improvements on exit are capitalised within leasehold improvements and depreciated in line with the accounting policy set out in (k) above.

s) Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangement and defined contribution pension plans.

(i) Short term benefits

Short term benefits are recognised as an expense in the period in which the service is received. Holiday pay is not recognised as an expense in the period in which the service is received because it is considered immaterial.

(ii) Defined contribution pension plan

Pension contributions are made to a defined contribution scheme. Contributions are charged to the Income statement as they fall due. The assets of the scheme are held separately from those of the Company in an independently administered fund.

(iii) Severance payments

Under Existing Severance Programs, an expense is recognised when the severance payment is probable and estimable.

Additional costs incurred to facilitate a restructuring are expensed as incurred.

t) Related party transactions

The Company has taken the exemption as provided by paragraph 33.1A of FRS 102 and does not disclose transactions with members of the same Group that are wholly owned. The Company also does not disclose transactions with related parties which are not wholly owned with the same Group in note 24.

The Company has also taken exemption from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS102.

u) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates, which could lead to material revisions to these estimates in future periods.

Estimates and underlying assumptions are continually evaluated to mitigate the risk of misstatements. These evaluations are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Inventory provisioning (E)

The Company specialises in the retail of Disney merchandise and is subject to changing customer demands. As a result, it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of inventory. See note 14 for the net carrying amount of the inventory.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

3. Summary of significant accounting policies (continued)

u) Critical accounting judgements and key sources of estimation uncertainty (continued)

(ii) Useful economic lives of tangible and intangible assets (E)

The annual depreciation or amortisation charge for tangible and intangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets. Impairment reviews are carried out, if a trigger assessment indicates a need, to ensure that assets are not carried at above their recoverable amounts. See notes 11 and 12 for the carrying amount of intangible and tangible assets and 3j and 3k for the useful economic lives for each class of asset.

(iii) Dilapidations (E)

An obligation to incur asset retirement costs occurs when the Company enters a lease, legally obligating the Company to restore the condition of the leased space to the original state at the end of the lease. Asset retirement costs are estimated on the basis of the terms of the leases, valuations and past experience. During the period, there has been an increase in the dilapidations provision as a result of the Company taking active steps to exit one of its leases. See note 18 for details.

**(E - critical accounting estimates and assumptions; J - critical judgements in applying the Company's accounting policies)*

4. Turnover

All turnover arises from the speciality retail of Disney merchandise in the United Kingdom as well as the online retail of Disney merchandise and licensed co-branded products to the United Kingdom, and countries both inside and outside Europe.

The split of turnover into geographical destination during the period was as follows:

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
United Kingdom	**54,864**	61,698
Rest of Europe	**15,784**	7,664
Rest of World	**155**	1,174
Total	**70,803**	70,536

The split of turnover into online and bricks and mortar stores during the period was as follows:

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Online	**59,478**	59,530
Bricks and mortar stores	**11,325**	11,006
Total	**70,803**	70,536

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

5. Operating profit

Operating profit is stated after charging/(crediting):

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Depreciation of tangible assets	**1,679**	387
Amortisation of intangible assets	**1,114**	772
Operating lease rentals		
- Land and buildings	**11,189**	4,091
- Plant and equipment	**9**	30
Inventory recognised as an expense	**38,832**	27,358
Foreign exchange (gain)/loss	**(1,012)**	1,703

Auditors' remuneration in relation to the audit of the Company for the current period was £159,000(2022:£142,000). This is paid by another group entity and not recharged to the Company.

6. Directors' emoluments

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Aggregate emoluments	**507**	595
Other director benefits	**114**	221
Company contributions paid to pension scheme	**19**	7
Highest paid Director		
Total amount of emoluments and amounts (excluding shares) receivable under long term incentive schemes	**363**	509
Other director benefits	**65**	208
Company contributions paid to pension schemes	**14**	3

All Directors are employed and remunerated by other group companies. No recharges were paid by the Company in 2023 (2022: £nil) in relation to the services of these Directors. The emoluments of the highest paid Director in the table above, whilst not charged directly to the Company, are disclosed as the Director spent the majority of their time working on The Disney Store Limited. One other Director's remuneration is disclosed above as the Director spent the majority of their time working on the Company. For the remaining Directors it is not possible to determine an allocation of their remuneration for services to the Company as their duties are incidental to their overall role for the Group.

In 2023, retirement benefits were accrued in relation to all Directors under a money purchase scheme (2022: all); all Directors received share options under long term incentive schemes (2022: all); and no Director exercised options over Company shares in The Walt Disney Company (2022: nil). However, these are accounted for in the other group companies, where they are employed. No compensation for loss of office was paid (2022: £nil).

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

7. Staff Costs

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Wages and salaries	**12,886**	15,444
Severance costs*	**(389)**	4,815
Social security costs	**1,079**	1,382
Other pension costs	**675**	755
Total	**14,251**	22,396

*During the period, the Company had lower severance costs than expected, resulting in a provision release of £460,000.

The average monthly number of employees during the period including the Directors was made up as follows:

	Period ended 30 September 2023 Number	Period ended 1 October 2022 Number
Administration	**107**	124
Retail - full time	**13**	19
- part time	**50**	59
Distribution	**84**	165
Total	**254**	367

8. Interest receivable and similar income

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Bank interest receivable	**345**	-
Total	**345**	-

9. Interest payable and similar expenses

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Other interest payable	-	16
Total	-	16

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

10. Tax on profit

The tax charge for taxation based upon the taxable profit for the period is comprised of:

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Current tax		
UK corporation tax at 22.01% (2022: 19.00%)	**-**	-
Adjustments in respect of prior periods	**406**	-
Total current tax charge	**406**	-
Deferred tax		
Origination and reversal of timing differences	**(912)**	(483)
Adjustments in respect of prior periods	**(3)**	1,108
Total deferred tax (credit)/charge (note 19)	**(915)**	625
Tax (credit)/charge on profit	**(509)**	625

The tax assessed for the period is lower (2022: lower) than the standard rate of corporation tax in the UK for the period ended 30 September 2023: 22.01% (2022: 19.00%). The differences are explained as follows:

	Period ended 30 September 2023 £'000	Period ended 1 October 2022 £'000
Profit before taxation	**3,623**	3,790
Profit before taxation multiplied by the standard rate in the UK of 22.01% (2022: 19.00%)	**797**	720
Effects of:		
Expenses not deductible for tax purposes	**7**	34
Fixed asset differences	**133**	96
Group relief claimed	**(1,741)**	(1,216)
Adjustments to tax charge in respect of previous periods	**406**	-
Remeasurement of deferred tax for changes in tax rates	**(109)**	(116)
Adjustments to tax charge in respect of previous periods - deferred tax	**(2)**	1,107
Total tax (credit)/charge for the period	**(509)**	625

The main rate of UK corporation tax was 25.00% during the period.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

11. Intangible assets

	Computer Software £'000
Cost	
At 2 October 2022	5,813
Additions	562
Disposals	(907)
Transfers	1,567
At 30 September 2023	**7,035**
Accumulated amortisation	
At 2 October 2022	4,484
Charge for the period	1,114
Disposals	(907)
At 30 September 2023	**4,691**
Net book value	
At 30 September 2023	**2,344**
At 1 October 2022	1,329

During the period, a review of the software assets in use was performed. As a result of this review, certain assets were identified with a £nil net book value which are no longer in use. Consequently, £907,000 of gross book value and accumulated depreciation were derecognised. There is no impact on the Statement of financial position or Statement of comprehensive income.

Amortisation is recognised in administrative expenses in the Income statement.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

12. Tangible assets

	Leasehold improvements £'000	Office equipment, furniture, fixtures and fittings £'000	Construction in progress £'000	Total £'000
Cost				
At 2 October 2022	7,119	6,601	1,264	14,984
Additions	263	-	-	263
Disposals	(87)	(2,389)	-	(2,476)
Transfers	-	(303)	(1,264)	(1,567)
At 30 September 2023	**7,295**	**3,909**	-	11,204
Accumulated depreciation				
At 2 October 2022	5,594	6,193	-	11,787
Charge for the period	1,574	105	-	1,679
Disposals	(87)	(2,389)	-	(2,476)
At 30 September 2023	**7,081**	**3,909**	-	10,990
Net book value				
At 30 September 2023	**214**	-	-	**214**
At 1 October 2022	1,525	408	1,264	3,197

During the period, a review of the assets in use was performed. As a result of this review, certain assets were identified with a £nil net book value which are no longer in use. Consequently, £2,476,000 of gross book value and accumulated depreciation was derecognised. There is no impact on the Statement of financial position or Statement of comprehensive income.

13. Investments

	Total £'000
Cost	
At 2 October 2022	4,379
At 30 September 2023	**4,379**
Impairment	
At 2 October 2022	4,379
At 30 September 2023	**4,379**
Net book value	
At 30 September 2023	-
At 1 October 2022	-

The company has the following investments in subsidiaries:

Company	Registered address	Class of Shares held	Ownership 30 September 2023 %	Ownership 1 October 2022 %
The Disney Store (Germany) GmbH	Lilli-Palmer-Strasse 2, Munich, 80636, Germany	Ordinary	100	100

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

14. Stock

	30 September 2023 £'000	1 October 2022 £'000
Consumables	**144**	210
Goods for resale	**31,014**	35,790
Total	**31,158**	36,000

There is no material difference between the carrying amount of stock and the replacement cost.

Inventories are stated after provisions for impairment of £3,897,000 (2022: £4,616,000).

15. Debtors

Amounts falling due within one year

	30 September 2023 £'000	1 October 2022 £'000
Amount owed by group undertakings	**43,517**	32,435
Trade and other debtors	**1,209**	523
Prepayments and accrued income	**3,269**	2,532
Total	**47,995**	35,490

The amounts owed by group undertakings are unsecured, repayable on demand and do not bear interest.

Amounts falling due after more than one year

	30 September 2023 £'000	1 October 2022 £'000
Deferred tax asset (note 19)	**4,445**	3,530
Total	**4,445**	3,530

16. Creditors

Amounts falling due within one year

	30 September 2023 £'000	1 October 2022 £'000
Trade creditors	**7,113**	7,453
Amounts owed to group undertakings	**23,274**	20,875
Taxation and social security	**136**	616
Corporation tax	**405**	-
Other creditors	**412**	6,306
Accruals and deferred income	**11,791**	18,405
Total	**43,131**	53,655

The full amount owed to group undertakings is unsecured, repayable on demand and interest free.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

16. Creditors (continued)

Amounts falling due after more than one year

	30 September 2023 £'000	1 October 2022 £'000
Amounts owed to group undertakings	-	12
Total	-	12

17. Financial instruments by category

	Note	30 September 2023 £'000	1 October 2022 £'000
Financial assets measured at amortised cost:			
Amounts owed by group undertakings	**15**	**43,517**	32,435
Trade and other debtors	**15**	**1,209**	523
Cash at bank and in hand		**21,679**	31,011
Total		**66,405**	63,969
Financial liabilities measured at amortised cost:			
Trade creditors	**16**	**7,113**	7,453
Amounts owed to group undertakings	**16**	**23,274**	20,875
Other creditors	**16**	**412**	6,306
Accruals	**16**	**11,716**	18,104
Amounts owed to group undertakings after more than one year	**16**	-	12
Total		**42,515**	52,750

18. Provisions for liabilities

	Property related and other reserves £'000	Restructuring £'000	Total £'000
At 2 October 2022	6,340	2,155	8,495
Provided during the period	4,815	-	4,815
Utilised/reversed during the period	-	(1,133)	(1,133)
At 30 September 2023	**11,155**	**1,022**	**12,177**

The property related and other provision includes contractual obligations of the Company on surrender of various property leases to reinstate the premises to the same state and condition as before occupancy including making good all damage caused by the removal and this also applies to certain stores. The provision will be utilised as the Company's property leases expire.

The restructuring provision relates to severance costs arising from a change in the Company's warehousing facilities.

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

19. Deferred tax asset

Deferred taxation provided for at 25% (2022: 25%) in the financial statements is set out below:

	30 September 2023 £'000	1 October 2022 £'000
Accelerated capital allowances	**(1,656)**	(1,923)
Short term timing differences	**(2,789)**	(1,607)
Total deferred tax asset	**(4,445)**	(3,530)
At 2 October 2022 / 3 October 2021	**(3,530)**	(4,155)
Origination and reversal of timing differences	**(912)**	(483)
Adjustments in respect of prior periods	**(3)**	1,108
At 30 September 2023 / 1 October 2022	**(4,445)**	(3,530)

20. Commitments and contingencies

The Company has the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	30 September 2023 £'000	1 October 2022 £'000
The maturity of these amounts is as follows:		
Within one year	**9,442**	9,259
Within two to five years	**30,946**	34,212
After five years	**6,716**	13,058
Total	**47,104**	56,529

21. Employee benefits

Defined contribution plans

Pension benefits for employees are provided under The Walt Disney Retirement Savings Plan (the 'Plan'). The Plan is a defined contribution arrangement with contributions being made by members and the Company on an age-related basis.

The pension cost charge represents the contribution payable by the Company under the rules of the Plan. Pension costs incurred by the Company for the period amounted to £675,000 (2022: £755,000).

Amounts prepaid in relation to the pension scheme at period ended 30 September 2023 were £nil (1 October 2022: £nil). Amounts outstanding in relation to the pension scheme at period ended 30 September 2023 were £nil (1 October 2022: £nil).

The Disney Store Limited

Notes to the Financial Statements for the period from 2 October 2022 to 30 September 2023 (continued)

22. Called up share capital and reserves

	30 September 2023 £'000	1 October 2022 £'000
Allotted and fully paid		
18,000,102 Ordinary shares of £1 each (2022: 18,000,102)	**18,000**	18,000

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital, each share has equal voting rights.

Reserves

Share capital:

Represents the nominal value of shares issued.

Share Premium:

Represents the excess paid over the nominal value of shares issued.

Accumulated losses

Represents the reserve for net gains and losses recognised in the Income Statement.

Capital contribution

The historic capital contribution of £18,000,000 relates to a loan which was forgiven on 11 August 2009 when The Disney Store Limited was sold by Walt Disney International Limited to Disney Trading B.V. This sale took place on 9 April 2009.

23. Ultimate parent undertaking and related undertaking

The Company's immediate parent company is Disney Trading B.V.

The ultimate parent undertaking of the smallest and largest group for which group financial statements are prepared, and of which The Disney Store Limited is a member, is The Walt Disney Company (tax identification number: 83-0940635). Copies of their financial statements can be obtained from 500 South Buena Vista Street, Burbank, California 91521-9722 United States of America.

The Company has one related undertaking being The Disney Store (Germany) GmbH which is a wholly owned direct subsidiary registered in Germany. This entity is registered at the following address: Lilli-Palmer-Strasse 2, Munich, 80636, Germany.

24. Related party transactions

The Company is a wholly owned subsidiary of Disney Trading B.V., whose ultimate parent is The Walt Disney Company and utilises the exemption contained in paragraph 33.1A of FRS102, 'Related party disclosures', not to disclose any transactions with entities that are included in the consolidated financial statements of The Walt Disney Company.

There were no other related party transactions during the period.

25. Events after the reporting period

Rebranding

The Company is in the process of revitalising ShopDisney to offer a more intuitive, personalized, and franchise-centric e-commerce experience. As part of this revitalisation effort, the company has consolidated various Disney-owned retail outlets, e-commerce platforms, shop-in-shops, and outlets under a unified brand: Disney Store. This strategic approach not only creates new entry points for guests but also ensures that storytelling remains at the core of the shopping experience, delivering the magic of Disney to customers across all touchpoints.