Registration number: 00530051

The Walt Disney Company Limited

Annual report and audited financial statements

for the period from 3 October 2021 to 1 October 2022

The Walt Disney Company Limited

Contents

The Walt Disney Company Limited

Strategic report for the period from 3 October 2021 to 1 October 2022

The Directors present their Strategic report of The Walt Disney Company Limited (the 'Company') for the period from 3 October 2021 to 1 October 2022 (prior financial period ended 2 October 2021).

Principal activities, business review and future developments
The principal activities of the Company include television licensing, character merchandising and publications, television broadcast activities, film distribution, marketing, sales and distribution of home entertainment products, theatrical productions, direct-to-consumer subscription based video streaming service ("Disney+"), intellectual property development and exploitation and the sale of vacation packages and other ancillary activities. These activities are expected to continue for the foreseeable future.

The Company is a subsidiary within a group of companies of which The Walt Disney Company is the ultimate parent company (the "Group" or "Disney").

The results for the Company show a profit for the financial period of £401,686,000 (2021: loss of £244,485,000) and turnover of £3,125,242,000 (2021: £2,592,986,000). The increase in turnover is mainly driven by Disney+ and recovery of stage plays revenue as COVID-19 restrictions were lifted, offset by a decrease in intercompany revenue due to the curtailment of activities in Russia, due to the war in Ukraine.

The overall profit for the period is driven by the cessation of cost sharing arrangements between Wedco International Holdings Inc. ("WIHI") (a fellow Group company) and the Company and the sale of all Disney+ programming assets and content rights to Buena Vista International, Inc ("BVI Inc") (a fellow Group company) resulting in an Other operating gain of £651,999,000. Refer to note 9 for further details.

Subsequent to management's investment review, no impairment charges were required for the period (2021: £226,025,620 across eleven equity investments). During the period the Company acquired The Walt Disney Company Bulgaria for a total consideration of £92,002,000 and The Walt Disney Company Middle East at a total consideration of £14,160,000. The Company sold all shares held in Walt Disney International France S.A.S. at a gain of £66,074,754. Refer to note 16 for further information.

Disney+
On 24 March 2020 the Company launched its direct-to-consumer subscription based video streaming service ("Disney+") with Disney, Pixar, Marvel, Star Wars, National Geographic and Star branded programming. During the current financial period we continued to expand the content on the platform and have increased subscribers. The services are offered to customers directly or through third-party distributors on mobile and connected devices. Customers are generally billed a monthly or annual subscription fee.

Fox acquisition
On 20 March 2019, our ultimate parent company (The Walt Disney Company) completed its acquisition of TFCF Corporation (previously known as Twenty-First Century Fox, Inc) and its related undertakings (collectively 'Fox'). Activities of related TFCF subsidiaries within the UK & Ireland include: television, pre television broadcast activities, film distribution, and marketing, sales and distribution of home entertainment products. During the current financial period, the Company completed the integration of these entities across our EMEA territories, this included the acquisition of Fox related intellectual property and linear channel programming rights in Bulgaria and the Middle East.

Covid-19
In December 2019 there was an outbreak of COVID-19, which the World Health Organisation declared a pandemic on 11 March 2020. COVID-19 created a short-term significant impact on the operations of the Company. While majority of our businesses show almost full recovery, some businesses continued to be affected.

Principal activities, business review and future developments (continued)
As a business with global investments, worldwide COVID-19 restrictions may adversely impact those investments, for example, we have seen extensive disruptions to park operations in China. Shanghai Disney Resort closed for three months from March 2022 with a subsequent closure for one month from October 2022. The Directors have assessed that these closures have a short term impact on the financial performance of the Shanghai park and do not impact the carrying value of the Company's investment.

Subsequent to the period end a number of events took place. Further details of these transactions are detailed in note 28.

Going Concern
The Directors have undertaken an assessment (including review of strategic priorities and future liquidity requirements) and they expect the Company to be able to meet the day to day cash flow needs and meet 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. Refer to note 2 for further details.

Principal risks and uncertainties
The activities of the Company are broad and complex and as such a wide range of factors could materially affect future developments and performance. The most significant factors affecting our operations include the following:

Changes in UK, Europe, Middle Eastern, African and Asia wide economic and political conditions, including the impact of pandemics
A decline in economic activity and changes in political conditions in the UK and across European, Middle Eastern, African and Asian markets in which we do business or hold investments, such as recession, economic downturn, inflationary conditions, or the impact of pandemics, can adversely affect demand for any of our businesses, thus reducing our revenues. Past declines in economic conditions reduced prices for advertising on our television channels, performance of our home entertainment releases, and purchases of Company-branded consumer products. Economic, political conditions and the impact of pandemics can also impair the ability of those with whom we do business to satisfy their obligations to us. In addition, an increase in price levels generally, as well as 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, which could also adversely affect our revenues and, at the same time, increase our costs. Broader supply chain delays, such as those currently impacting global product distribution may further exacerbate current inflationary pressures and impact our ability to sell and deliver goods or otherwise disrupt our operations. Changes in exchange rates for foreign currencies may reduce the value of revenue we receive from other markets.

Changes in public and consumer tastes and preferences and competitive landscape
Our businesses distribute entertainment and consumer products whose success depends substantially on consumer tastes and preferences that change in often unpredictable ways. The success of our businesses depends on our ability to consistently distribute filmed entertainment, TV programming, online material and consumer products that meet the changing preferences of our broad consumer market. We face substantial competition in each of our businesses from alternative providers of the products and services we offer and from other forms of entertainment.

The Walt Disney Company Limited

Strategic report for the period from 3 October 2021 to 1 October 2022 (continued)

Principal risks and uncertainties (continued)

Changes in technology and in consumer consumption patterns

The media entertainment and internet businesses in which we participate depend significantly on our ability to exploit new technologies to distinguish our products and services from those of our competitors. In addition, new technologies affect the demand for our products, the manner and markets in which our products are distributed to consumers and the time and manner in which consumers acquire and view some of our entertainment products.

Intellectual property rights

The value to us of our rights to intellectual property is dependent on the scope of our rights as defined by applicable laws in the United States of America, the UK, European, Middle Eastern, African and Asian markets and the manner in which those laws are construed. If those laws are drafted or interpreted in ways that limit the extent of our rights, or if existing laws are changed, our ability to generate revenue from our intellectual property rights may decrease. The unauthorised use of intellectual property in the entertainment industry generally continues to be a significant challenge for intellectual property rights holders.

Regulatory environment

Our operations are subject to the laws and regulations of the jurisdictions in which they operate. Laws and regulations can differ in significant respects across jurisdictions and these differences can affect our ability to react to changes in our business and our ability to enforce rights. It may require the Company to spend additional amounts to comply with the regulations, or may restrict the Company's ability to offer products and services in ways that are profitable. There is an increased focus on the environment and climate change. Any actions of the Company that would cause an adverse impact will damage the brand and therefore the Company needs to continue to minimise its impact on the environment through utilising new technologies, increasing efficiency and minimising waste. More can be seen on the Company's environmental goals on page 8.

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.

Damage to our reputation or brands may negatively impact our Company

Our reputation and globally recognisable brands are integral to the success of our business. Because our brands engage consumers across our businesses, damage to our reputation or brands in one business may have an impact on our other brands.

The adverse impact of COVID-19 on our business will continue for an unknown length of time and may continue to impact revenue

COVID-19 impacts that have subsided may again impact our business in the future and new impacts may emerge from COVID-19 developments or other pandemics. COVID-19 created a short-term significant impact on the operations of the Company. While majority of our businesses show almost full recovery, some businesses continue to be affected and makes it more challenging for management to estimate future performance of our business.

Investments

The Company owns investments in several entities that operate in different geographies which are affected by the above risk factors. This could cause impairment in the Company's investments.

With respect to each of the risks noted above the Directors regularly review such matters to mitigate their respective impact on the Company.

Key performance indicators ("KPIs")

The Company's Key performance indicators are as follows:

		2022	**2021**
Measure	**Description**	**£000**	**£000**
Turnover	Total revenue for the financial period	3,125,242	2,592,986
Profit/(loss)	Overall profit/(loss) for the financial period	401,686	(244,485)

The increase in turnover is mainly driven by Disney+ and the recovery of theatrical productions revenue as COVID-19 restrictions were lifted, offset by a decrease in intercompany revenue due to the curtailment of activities in Russia. The overall profit for the period has additionally been driven by the cessation of the cost share arrangement between WIHI and the Company, the sale of all Disney+ programming assets and content rights to BVI Inc, and a gain on the sale of all shares held in Walt Disney International France S.A.S., and no current period investment impairment charges.

Section 172 statement

As a subsidiary within the Group, 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 of the Company 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 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 1 October 2022 ("the Period") each of these factors have been considered by the Board.

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 stakeholder. 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 Walt Disney Company Limited

Strategic report for the period from 3 October 2021 to 1 October 2022 (continued)

Section 172 statement (continued)

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

Following the launch of Disney+ on 24 March 2020 we have continued to expand content on the platform in financial period ended 1 October 2022. On the 12 November 2021 marked Disney+ Day, a global celebration, which confirmed more titles launching on Disney+ in the year; and unveiling new EMEA Original commissions with more content available across Disney, Pixar, Marvel, Star Wars, National Geographic and Star branded programming. The Company continues to invest in EMEA-produced content. The services are offered to customers directly or through third-party distributors on mobile and connected devices. Customers are generally billed a monthly or annual subscription fee.

During the period, the Cost Share Arrangement with WIHI was terminated by mutual agreement for fair market value consideration of £608,192,000. For work in progress titles it was agreed that the Company will continue to share costs in those film titles that were more than 50% complete but would sell all rights to titles that were less than 50% complete for fair value. All rights in incomplete streaming and shorts projects were also sold.

On 21 September 2022, the Board and representatives of the sole member (Wedco EMEA Ventures Limited "WEVL"), mutually approved a payment of £425,000,000 in cash as a dividend to WEVL. The Board considered that sufficient liquidity remained within the Company in order to pay its debts as they fell due having regard to the entirety of the Company's business and actual, contingent and prospective liabilities (present and future) inherent within the business.

Following the change in government guidelines, our offices re-opened to all Cast Members from March 2022 as we embraced "living with COVID" with additional safety measures in place, such as training, guides and signage.

We have incurred and will continue to incur additional costs to address government regulations and the safety of our employees, guests and talent.

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 the Company's Cast Members is a priority. Health and Safety policies already in place were significantly enhanced as a result of the COVID-19 pandemic to ensure a safe environment for Cast Members. We have also carried out some work in the Hammersmith Office for our return to the office.

In addition to a comprehensive benefits 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 and 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 First Aiders: provides mental health support for Cast Members, helping signpost them to tailored mental health support as needed;
- T.R.U.S.T (an affinity Group celebrating positive wellbeing and mental health): empowers all Cast Members to Talk, Recognise, Understand and Support, creating a workplace where all Cast Members can Triumph.

The Group has an ongoing commitment to diversity, equity and inclusion (DEI).

From a content perspective, we scale existing, best-in-class inclusive content practices from across our businesses, increase cultural competency and connection in our storytelling, drive long-term market relevancy and challenge long-held assumptions in content creation and the systems that surround it. This includes improving representation levels both in front of and behind the camera for our local EMEA original productions. We are also increasing the diversity of our dubbing talent to match character ethnicity, and increasing diverse representation in our marketing campaigns.

From a culture perspective, the Business Employee Resource Groups (BERGs) are voluntary, employee- led Groups formed around shared identity, interests and pursuits.

The Walt Disney Company Limited

Strategic report for the period from 3 October 2021 to 1 October 2022 (continued)

Section 172 statement (continued)

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

The following BERGs are active in the UK:

- Disney PRIDE: Advocates, celebrates, and educates on behalf of all LGBTQ+ 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.
- Disney T.R.U.S.T: Celebrates positive wellbeing and mental health by empowering all employees to Talk, Recognise, Understand, Support and Triumph.
- Disney ENABLED: Increasing awareness, opportunities, and representation of people with hidden and visible disabilities.

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

We maintain strong relationships with our stakeholders through open, transparent, and responsive dialogue. The Company prides itself on delivering exceptional service and high-quality content to its customers 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; (ii) UK government regulations such as UK Modern Slavery Act 2015. Through engagement with industry leaders and suppliers, we join efforts to create large-scale, industry-wide change, as well as to learn about trends and insights related to our specific businesses. In 2020, the Group set a goal to spend at least $1 billion annually with diverse suppliers by 2024 and introduced new guidelines to help our procurement sourcing professionals embed environmental expectations into vendor contracts and requests for proposals.

Customers and affiliates

As the world's premier entertainment group, we have a unique opportunity to reach a wide global audience through our storytelling. Our customer engagement approach helps us utilize Disney's unique content and experiences to better understand what our consumers expect from us and to inspire millions worldwide to show up as a force for good in our world. The Disney brand is experienced in a number of ways including its direct to consumer service Disney+, in cinemas, on stage, online, on TV screens and through a wide range of consumer products that are sold at mass market retailers and via our website, namely shopDisney. We work very closely with all our distribution partners and affiliates, providing them with quality content.

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 be an honorable Company that provides comfort to those in need and creates inspiration and opportunity for those who want to improve their world".

Section 172 statement (continued)

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

The Company achieves this in a number of ways including Social Purpose (building emotional resilience by together, creating moments that matter) and being a Responsible Business (investing in the health and well-being of people and the planet). The following are specific examples:

- Disney's long-standing partnership with Make-A-Wish is just one example of how, through working with others, we help build emotional resilience. In all, over 145,000 wishes have been fulfilled globally since 1980. 82,678 Moments That Matter were created and delivered in financial period 2022 for socially isolated or seriously ill children and young people across the UK and wider EMEA markets.
- A Disney Wish Event - The Walt Disney Company UK & Ireland, Make-A-Wish UK, and The Kentown Wizard Foundation collaborated for a second year to provide magical Disney Wish experiences for children with serious illnesses. For two weeks in September 2022, the Hoar Cross Hall in Staffordshire was transformed into an Enchanted Manor where more than 225 wishes were granted and included children from both Make-a-Wish UK and Make-A-Wish Ireland. Disney VoluntEARS gave their time and skills, contributing more than 1,100 volunteering hours to these Wish efforts. In addition to Disney experiences, the event also featured accessible activities such as a carousel for kids of all abilities to share everyday family moments together.
- Superhero Series Powered by Marvel - The Superhero Series is the UK's only sports event dedicated to the nation's approximately 14 million People with Disabilities. The family-inclusive event has been powered by Marvel for the past four years. During this time, and despite the pandemic, it has seen 11,000 Superhero participants and 9,800 Sidekick volunteers take part in its signature events, including Superhero Tri, Winter Wonderwheels, and At-Home Superhero Challenge, and helped to raise more than $1 million USD for local charities. Throughout 2021/2022, Disney VoluntEARS joined these superhero teams to help them clock up kilometers and cross both the live and virtual finish lines.
- More details on our Social Purpose can be found at the following link: https://thewaltdisneycompany.eu/social-purpose.

Environmental

The Group is committed to taking meaningful and measurable action to support a healthier planet for future generations.

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

Section 172 statement (continued)

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

- Reducing absolute emissions from direct operations (scope 1 and 2 emissions) 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° scenario;
- Purchasing or producing 100% zero carbon electricity; and
- Material goals for Disney-branded products including:
  - Use of recycled, certified, or verified sustainable paper and wood.
  - Use of plastic that contains at least 30% recycled content or a lower-impact alternative material.
  - Designing packaging for reuse, recycling, or composting.
  - Use of 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 the Company's savings in energy and associated carbon emissions see page 12-14.

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 Company regularly engages its leaders and Cast Members in these Standards through training and other forms of communication. It is compulsory that all 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.

We are committed to producing responsible content. We remain committed to continuing to create characters that are accessible and relatable to all. We create and share compelling storylines from our studios and media networks that entertain with inspirational and aspirational themes and reflect the incredibly rich diversity of the human experience.

Section 172 statement (continued)

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

The Company is a wholly owned subsidiary of Wedco EMEA Ventures Limited. Two of the Directors of the Company are also on the Board of Wedco EMEA Ventures Limited. 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 on 28 July 2023 and signed on its behalf on 31 July 2023 by:

DocuSigned by:

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T A Bermingham
Director

The Walt Disney Company Limited

Directors' report for the period from 3 October 2021 to 1 October 2022

The Directors present their financial statements of The Walt Disney Company Limited (the "Company") for the period from 3 October 2021 to 1 October 2022.

Future developments
The Company's future development plans are explained in the Strategic Report.

Dividends
Dividend income totalling £118,213,000 (2021: £198,591,000) was recognised and dividends totalling £425,000,000 were paid during the period (2021: £nil). The Directors do not propose any final dividends to be paid after the period end.

Branches
The Company has branches in Dubai and Ireland.

Financial risk management objectives and policies
The Company's operations expose it to financial risks. The most significant risks are described below.

(1) *Credit risk:*
The Company has implemented policies that require appropriate credit checks on potential 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.

(2) *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 generally 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.

(3) *Liquidity risk:*

(a) Borrowings: The Company holds borrowings with Disney FTC Services (Singapore) Pte. Ltd., which is a Group undertaking within The Walt Disney Company. The Group's borrowing costs are impacted by debt ratings assigned by independent ratings agencies. Changes to recent ratings have increased the overall Group's cost of borrowing, which may lead to increases in future interest rate costs for the Company when these borrowings reach maturity and are renegotiated. The going concern of Disney FTC Services (Singapore) Pte, Ltd. is monitored by The Walt Disney Company at Group level. The Directors believe that there are only very limited scenarios where these amounts payable to Group undertakings would be repayable earlier than the planned maturity dates.

The Walt Disney Company Limited

Directors' report for the period from 3 October 2021 to 1 October 2022 (continued)

Directors of the Company

The Directors who held office during the period and up to the date of signing the financial statements, except as noted, are as follows:

P L Wiley

S U Bailey

D M Armstrong

S L Williams

F M O Masson (resigned 18 November 2022)

The following director was appointed after the period end:

T A Bermingham (appointed 20 February 2023)

There were no third-party indemnity provisions during the period from 3 October 2021 to 1 October 2022 (period ended 2 October 2021: nil). No compensation for loss of office was paid (2021: one Director was paid £176,000).

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled whilst in employment, 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.

Employee engagement

Consultation with employees has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made which are likely to affect their interests, and that all employees are aware of the financial and economic performance of their business units, and of the Company as a whole. Communication with all employees continues through newsletters, briefing groups and the availability of the annual report and audited financial statements.

Stakeholder engagement

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.

Throughout the period and especially due to the impact of the COVID-19 pandemic, the Company's Cast Members' health, safety and wellbeing have been key to its decision-making. The Company has followed government guidance to ensure the safety of our Cast Members.

The strategic decisions of the Board were made with a view to creating long-term success of the Company and taking into consideration the impact on its stakeholders. This is consistent with the Section 172 statement found within the Strategic report.

Events after the reporting period

Subsequent to the period end a number of events took place. Further details of these transactions are detailed in note 28.

Streamlined energy and carbon reporting disclosure

The Streamlined Energy and Carbon Reporting ('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 to 1 October 2022	Period to 2 October 2021*
Energy consumption used to calculate emissions (kWh)	10,877,962	11,985,948
Emissions from combustion of gas (Scope 1) tCO2e	610	616
Emissions from combustion of fuel for transport purposes (Scope 1) tCO2e	1	-
Emissions from purchased electricity (Scope 2, location-based) tCO2e	1,398	1,785
Emissions from purchased electricity (Scope 2, market-based) tCO2e	-	110
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) tCO2e	69	59
Total gross tCO2e based on above (location-based)	2,078	2,460
Total gross tCO2e based on above (market-based)	680	785
Intensity ratio (tCO2e/net floor area sq ft) (location-based)	0.007317	0.0086607
Intensity ratio (tCO2e/net floor area sq ft) (market-based)	0.002396	0.0027630

**Disclaimer: The 2021 Scope 3 fuel emissions have been recalculated*

Please see the methodology notes on page 15 for more details on the calculation above.

The Walt Disney Company Limited is the owner of the head office at 3 Queen Caroline Street. Companies located within this office are direct subsidiaries and affiliated group entities of The Walt Disney Company Limited. As the financial control approach to the SECR has been used, all energy usage and associated GHG emissions for 3 Queen Caroline Street are reported under The Walt Disney Company Limited.

Explicit reporting on renewable electricity is not an obligation under the SECR legislation. As The Walt Disney Company 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, whereas the market-based approach uses supplier based emission factors. The Walt Disney Company Limited renewable electricity is eligible for zero emissions reporting in the market-based approach based on the GHG protocol.

Energy Efficiency Action Summary for financial period 2022

The Walt Disney Company Limited continues to achieve direct savings in energy and associated carbon emissions, through operational and technological improvements, including;

- Offices working on reduced capacity from October 2021 - February 2022 during continued COVID-19 lockdowns. Equipment, screens and lights were turned off in unused parts of buildings.
- Building operated at reduced capacity from February 2022 to September 2022 whilst building renovations occurred.

The Walt Disney Company Limited

Directors' report for the period from 3 October 2021 to 1 October 2022 (continued)

Streamlined energy and carbon reporting disclosure (continued)

- Continued with our single screen policy, reducing the amount of electrical equipment running in office spaces.
- Consolidation of office space continued in 2022, leading to a corresponding reduction in energy use. Reconfiguring the office space created more open plan spaces, allowing for the more efficient circulation of air and corresponding energy reduction.
- New solar film fitted during Autumn of 2022 on all south-facing windows throughout the building to reduce air-conditioning energy usage.
- Fitted LED lighting to building escape stairwells, that run at reduced light levels until occupied.
- Aged canteen kitchen equipment changed for higher efficiency models (to include walk-in fridge/ freezers, ovens, Dishwashers and fryers).
- Review and monitoring of floor temperatures, controls and set points to achieve optimum HVAC performance.
- Replacing diochroic halogen lighting, with high efficiency LED lighting throughout the building where failures have occurred due to age.

The Walt Disney Company Limited

Directors' report for the period from 3 October 2021 to 1 October 2022 (continued)

Streamlined energy and carbon reporting disclosure (continued)

Methodology notes

Reporting Period	3 October 2021 - 1 October 2022
Boundary (consolidation approach)	Financial control approach
Alignment with financial reporting	SECR disclosure has been prepared in line with The Walt Disney Company Limited financial statements made up to 1 October 2022.
Reporting method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
Emissions factor source	DEFRA, 2022 for all emissions factors https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022
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	Where applicable consumption was converted to kWh using conversion factors linked above, while emissions were calculated with the DEFRA emission factors. Transport data was calculated from litres and mileage to kWh and GHG emissions using the method above. In absence of the exact engine sizes of the vehicles average conversion factors were used to calculate emissions. In the absence of the exact fuel types for employee mileage Vehicle Licensing Statistics' average percentage was used to estimate the diesel and petrol fuel proportion.
Reason for the intensity measurement choice	Following the recommendations of the SECR legislation and based on the nature of our business, Net Floor Area (tCO2e /net floor area sq ft) gives the best overview on our efficiency performance on a longer scale.
Rounding	Due to rounding there might be a minor difference compared to the actual GHG emissions (no more than 1%).
Amount of renewable electricity (kWh) imported from the grid and backed by REGOs.	7,230,614 kWh

The Walt Disney Company Limited

Directors' report for the period from 3 October 2021 to 1 October 2022 (continued)

Statement of Corporate Governance arrangements

This section sets out the Company's corporate governance controls, policies and procedures as required by The Companies (Miscellaneous Reporting) Regulations 2018.

As a subsidiary within the Group of companies of which The Walt Disney Company is the ultimate parent Company (the "Group" or "Disney"), the Company adheres to the Group's governance ethos and practices. The Company operates in accordance with its Memorandum and Articles of Association; The Walt Disney Company Standards of Business Conduct (https://thewaltdisneycompany.eu/responsible-business/#ethical-conduct); and the governance principles set out below.

The Group strategy is set and managed by The Walt Disney Company and, as a subsidiary of the Group, the Company is responsible for the implementation of all local elements of the Group strategy, as necessary and where appropriate. The Board and wider Disney leadership oversee the Company's alignment with the Group's purpose, goals, strategies, ethics and compliance with the Group's Standards of Business Conduct and associated policies.

Owing to the extensive governance protocols already in place, it was decided that the Wates Principles for Large Private Companies should not be formally adopted by the Company but used as useful principles of good governance by which to measure its own existing corporate governance practices.

These corporate governance practices are detailed below:

Board composition

The composition of the Board aims to reflect a balance of skills, experience and knowledge. There is a diverse range of skillsets and experience amongst the Board. Members come from different backgrounds, for example: legal and regulatory, finance, tax, marketing and sales. Members of the Board also have strong backgrounds in media, which combined with their varied skillsets, enables them to make effective decisions and to meet the strategic needs and overcome strategic challenges faced by the Company.

The Walt Disney Company has an ongoing commitment to progress diversity and inclusion, including board composition. Disney promotes a multi-faceted plan for achieving diversity and inclusion which comprises of six pillars: Transparency, Representation, Accountability, Community, Content, and Culture. The Company is committed to moving these efforts forward. An example is our Reimagine Tomorrow endeavor which continued to execute a multi-faceted plan to drive brave, meaningful change across the Company through initiatives such as the CEO Diversity and Inclusion Council.

Board members must abide by The Walt Disney Company's Standards of Business Conduct and must exhibit high standards of integrity, commitment and independence of thought and judgement. Directors have sufficient time, energy and attention to ensure the diligent performance of his or her duties, including attending meetings of the Board.

Directors also receive regular updates on new legislation, regulatory requirements and other changes, to ensure that they are fully equipped when making decisions about the business.

The Board ensures its composition is appropriate given the size and interests of the Company and all board composition changes are approved by the Board.

Statement of Corporate Governance arrangements (continued)

Director responsibilities

The Directors are primarily responsible for overseeing the delivery of the Group strategy in the UK and EMEA through the Company by directing the management of the business, including the day-to-day running of the Company's business and operations. Directors work closely with management to ensure strategy is implemented and the Board monitors progress, including via Board meetings and more informal meetings with senior management.

The Board review and approve the Company's major financial objectives, plans and actions. They review accounting principles and practices to be used in the preparation of the Company's financial statements and meet with the auditors to discuss any audit findings. They also assess major risk factors relating to the Company and its performance, and review measures to address and mitigate such risks. Some of the risks the Board consider are changes in economic conditions, impact of the pandemic and investments.

The Board typically approves corporate actions through Board meetings held on a regular basis. Meetings can also be held on an ad-hoc basis if there is a need to approve certain resolutions. All meetings are minuted, signed and approved by the Chairperson.

Board members receive information on the Company's financial performance and presentations from different departments such as legal, tax and compliance on new legislation, strategy, corporate governance and regulatory requirements in order to make well-informed decisions. The formal responsibility of reviewing feedback and engagement from stakeholders has been delegated to management.

Remuneration

Directors' emoluments and any associated annual bonuses (whether cash or equity-based) are determined by assessing individual performance against financial, strategic and individual targets and are ultimately determined by US-based management of the Group. This enables Directors to be rewarded for annual financial performance delivered for the wider Group as a whole as well as performance against key strategic priorities. Directors are also part of the long term incentive plan. Additionally, benchmarking for senior level roles is undertaken using external consultants to ensure appropriate levels of remuneration. Directors do not receive any additional direct compensation for their service as Directors.

Purpose, Culture and Values

The mission of the Group is to entertain, inform and inspire people around the globe through the power of unparalleled storytelling, reflecting the iconic brands, creative minds and innovative technologies that make ours the world's premier entertainment company. We aim to conduct our business with honesty, integrity and in compliance with the laws everywhere we operate.

We believe that our stakeholders value the way we conduct our business. We have a global commitment to conduct our business and create our products in a responsible and ethical manner focusing on six areas: ethical conduct, responsible content, environmental stewardship, community engagement, civic engagement and respectful workplaces.

The Group has a whistleblowing hotline where Cast Members can report unethical, improper or illegal behaviour or questionable activities regarding the Company's business. The messages are then investigated by an independent group function with any issues cascaded up to senior management and the Board where appropriate. All employees also complete training on a variety of compliance related courses including but not limited to: Standards of Business Conduct, "TWDC Agents Policy Explained" and "Avoiding Corrupt Business Practices FCPA".

Our key stakeholders include our Cast members, shareholder, suppliers, customers, production partners and our community. The Board aims to make well-informed decisions whilst being mindful of impacts on its stakeholders, long-term consequences and the values of the Group.

The Walt Disney Company Limited

Directors' report for the period from 3 October 2021 to 1 October 2022 (continued)

Statement of Corporate Governance arrangements (continued)

The Board, via management, communicate strategy and business updates covering a range of topics, from health and safety announcements to news on business developments, through Town Halls and Newsletters. Town Halls offer the opportunity for Cast Members to submit questions to senior leadership.

Leadership, Opportunity & Risk, Stakeholder Relationships & Engagement

The Company focusses on providing quality products and best in class service to its customers and operating its business responsibly. The Company continues to maintain strong relationships and open communication with all of its stakeholders (please see our 'Section 172 statement' on pages 4-9 for more detail). We engage with our stakeholders in many different forms, some examples include: Town Halls and Newsletters for our employees, social media and online, our supplier portal, direct and in person communication.

The Board continues to monitor risk factors relating to the Company and its performance, and regularly reviews measures to address and mitigate such risks. It also monitors how the Group strategy is implemented and communicated.

Financial risks are managed through careful monitoring of performance against budget, rolling quarterly forecasts as well as a long range planning process.

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the Directors to prepare financial statements for each financial 52 week 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 is deemed to be reappointed for the next financial period.

Approved by the Board on 28 July 2023 and signed on its behalf on 31 July 2023 by:

DocuSigned by:
T.B.
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T A Bermingham
Director

The Walt Disney Company Limited

Independent auditors' report to the members of The Walt Disney Company Limited

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the company's affairs as at 1 October 2022 and of its profit for the period from 3 October 2021 to 1 October 2022;
- 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 1 October 2022; Income statement, Statement of comprehensive income 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, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 12, we have provided no non-audit services to the company in the period under audit.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We considered the nature and extent of the support that may be required and obtained and read the letter of support from the other group Company to assess the period of support and whether the support was committed;
- We reviewed the Company's performance up to and as at the date of signing the financial statements, considering both the financial performance and liquidity; and
- We also reviewed key transactions during the year and assessed post balance sheet events that were considered in the Director's assessment, including granting a revolving credit facility to a related entity within the Group.

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

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.

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 1 October 2022 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.

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

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 tax legislation and employment law, 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. 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 of inappropriate manual journals, management bias in accounting estimates and judgemental areas of the financial statements such as the impairment assessment. Audit procedures performed by the engagement team included:

- Inquiries with management of known or suspected instances of non-compliance with laws and regulations, and fraud;
- Inquiries with management of any pending litigation;
- Identifying and testing journal entries and, including those with unusual account combinations or those with unexpected users;
- Challenging assumptions and judgements made by management in accounting estimates and judgements, specifically in relation to sales of assets in the year, termination of cost share agreements, review of indicators of impairments in the Company's assets; and
- Incorporating, as appropriate, an element of unpredictability into our testing.

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.

The Walt Disney Company Limited

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

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
Date: 1 August 2023

The Walt Disney Company Limited

Income statement
For the period from 3 October 2021 to 1 October 2022

	Note	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Turnover	4	3,125,242	2,592,986
Cost of sales		(2,939,780)	(2,419,802)
Gross profit		185,462	173,184
Administrative expenses		(491,520)	(373,022)
Other operating gains	9	651,999	-
Operating profit / (loss)	5	345,941	(199,838)
Income from shares in group undertakings	7	118,213	198,591
Net gain from sale of fixed asset investments	16	63,338	-
Other interest receivable and similar income	6	2,279	2,066
Amounts written off investments	16	-	(226,025)
Interest payable and similar expenses	8	(73,224)	(74,744)
Profit/(loss) before taxation		456,547	(299,950)
Tax on profit/(loss)	13	(54,861)	55,465
Profit/(loss) for the financial period		401,686	(244,485)

The above results were derived from continuing operations.

The notes on pages 28 to 65 form an integral part of these financial statements.

The Walt Disney Company Limited

Statement of comprehensive income
For the period from 3 October 2021 to 1 October 2022

	Note	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Profit/(loss) for the period		401,686	(244,485)
Remeasurement (loss)/gain on defined benefit pension scheme	25	(5,078)	559
Deferred tax charge to equity - pension	20	1,269	-
		(3,809)	559
Total comprehensive income/(expense) for the period		397,877	(243,926)

The notes on pages 28 to 65 form an integral part of these financial statements.

The Walt Disney Company Limited

Statement of financial position
As at 1 October 2022

	Note	1 October 2022 £ 000	2 October 2021 £ 000
Fixed asset			
Intangible assets	14	391,080	546,769
Tangible assets	15	78,571	78,466
Investments	16	1,832,140	1,900,199
Defined benefit pension scheme	25	2,471	3,029
		2,304,262	2,528,463
Current assets			
Inventories	17	2,351	4,410
Debtors	18	1,081,776	1,433,944
Cash at bank and in hand		133,130	130,506
		1,217,257	1,568,860
Creditors: amounts falling due within one year	19	(858,056)	(1,342,924)
Net current assets		359,201	225,936
Total assets less current liabilities		2,663,463	2,754,399
Creditors: amounts falling due after more than one year	19	(1,081,612)	(1,153,683)
Net assets		1,581,851	1,600,716
Capital and reserves			
Called up share capital	22	1	1
Share premium account		947,916	947,916
Merger reserve	22	(63,612)	(79,515)
Profit and loss account		697,546	732,314
Total shareholders' funds		1,581,851	1,600,716

The financial statements on pages 23 to 65 of The Walt Disney Company Limited (registration number: 00530051) were approved by the Board of Directors and authorised for issue on 28 July 2023.

They were signed on its behalf on 31 July 2023 by:

DocuSigned by:

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T A Bermingham

Director

The Walt Disney Company Limited

Statement of changes in equity
For the period from 3 October 2021 to 1 October 2022

	Called up share capital £ 000	Share premium account £ 000	Merger reserve £ 000	Profit and loss account £ 000	Total shareholders' funds £ 000
At 4 October 2020	1	947,916	-	982,169	1,930,086
Loss for the period	-	-	-	(244,485)	(244,485)
Remeasurement gain on defined benefit pension scheme	-	-	-	559	559
Total comprehensive loss	-	-	-	(243,926)	(243,926)
Merger reserve additions	-	-	(87,467)	-	(87,467)
Merger reserve movements	-	-	7,952	(7,952)	-
Credit relating to equity-settled share-based payments	-	-	-	10,808	10,808
Charge from parent for equity-settled share-based payments	-	-	-	(8,785)	(8,785)
At 2 October 2021	1	947,916	(79,515)	732,314	1,600,716

The notes on pages 28 to 65 form an integral part of these financial statements.

Statement of changes in equity
For the period from 3 October 2021 to 1 October 2022 (continued)

	Called up share capital £ 000	Share premium account £ 000	Merger reserve £ 000	Profit and loss account £ 000	Total Shareholders' funds £ 000
At 3 October 2021	1	947,916	(79,515)	732,314	1,600,716
Profit for the period	-	-	-	401,686	401,686
Remeasurement loss on defined benefit pension scheme	-	-	-	(3,809)	(3,809)
Total comprehensive income	-	-	-	397,877	397,877
Dividends	-	-	-	(425,000)	(425,000)
Merger reserve movements	-	-	15,903	(15,903)	-
Credit relating to equity-settled share-based payments	-	-	-	26,391	26,391
Credit from parent for equity-settled share-based payments	-	-	-	(18,133)	(18,133)
At 1 October 2022	1	947,916	(63,612)	697,546	1,581,851

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022

1 General information

The Walt Disney Company Limited (the "Company") is a private company limited by shares. It is incorporated and domiciled in England, United Kingdom.

The address of its registered office is:
3 Queen Caroline Street
Hammersmith
London
W6 9PE

The Company is a wholly owned subsidiary of Wedco EMEA Ventures Limited, 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 activities of the Company include television licensing, character merchandising and publications, television broadcast activities, film distribution, marketing, sales and distribution of home entertainment products, theatrical productions, direct-to-consumer subscription based video streaming service, intellectual property development and exploitation and the sale of vacation packages and other ancillary activities.

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, with registered address 500 South Buena Vista St.Burbank, California, 91521-9722 USA and is included within that company's consolidated financial statements.

2 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.

Basis of preparation
These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the UK on a basis consistent with the prior period.

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' (note 3).

Statement of compliance
The financial statements of The Walt Disney Company 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.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

2 Summary of significant accounting policies (continued)

Going concern

The Directors have undertaken an assessment (including review of strategic priorities and future liquidity requirements) and they expect the Company to be able to meet the day to day cash flow needs and meet 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.

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. The Company is a qualifying entity as its results are consolidated into the financial statements of The Walt Disney Company which are publicly available.

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;

iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102;

v) from the requirement to provide certain share-based payments disclosures as required by paragraphs 26.18(b), 26.19, 26.20, 26.21 and 26.23 of FRS 102, concerning its own equity instruments; and

vi) from the requirement to provide transition exemption under paragraph 35.10(p) of FRS 102 to recognise the existing lease incentives at the transition date on the same basis as previous UK GAAP.

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 1 October 2022 has been adopted for the current period. The financial period represents the 52 weeks ended 1 October 2022 (prior financial period was the 52 weeks ended 2 October 2021).

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

2 Summary of significant accounting policies (continued)

Foreign currency

(i) Functional and presentation currency

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

Turnover

Television licensing income is recognised in the period in which the features are available for immediate delivery, the license period has begun and the arrangement fee is reasonably assured.

Television subscription turnover is recognised in the month of subscription.

Licensing income from character merchandising, publications, home entertainment and games is recognised in the period in which the licensee makes the equivalent sale. Minimum guarantees and advances on such licences are deferred and offset against licensing income as it is earned. Any minimum guarantee which is not earned out by the end of each period is recognised on that date, to the extent cash is assured.

Income from advertising is recognised on the publishing of advertisements.

Media distribution advances on licenses are deferred, then offset against income when the license period begins.

Income from sales and distribution of home entertainment products, films and television series, which arises mainly in the United Kingdom, is recognised on the later of the date when goods are delivered to customers or the release date. Provision has been made for estimated returns in the period that revenue is recognised.

Income from film distribution is based on a percentage share of Gross Box Office and is recognised when the film is exhibited.

Income from theatrical productions are recognised on the date of the performance.

Income from hotel and park admission is recognised on the arrival date of the customer.

Direct-to-consumer subscription based streaming service revenues (Disney+). Income generated from subscription services are recognised ratably over the subscription period elected by end consumer.

Intercompany revenue is predominantly derived from operating fees paid by Europe, Middle East and Africa ('EMEA') subsidiary and affiliate companies to the Company for access to the Company's and to the Group's intellectual property, for exploitation by those subsidiary and affiliate Companies in various EMEA markets. Operating fees are calculated to achieve an arm's length profit margin, under the relevant local accounting framework.

2 Summary of significant accounting policies (continued)

Income from shares in group undertakings

Income from shares in group undertakings is recognised in the Income Statement using the effective interest method.

Income from shares in group undertakings is included to the extent of dividends and distributions received. The accounting treatment of distributions is determined by whether the distribution paid or received is considered to represent a return of the capital of the subsidiary or not. Where it is deemed to represent a return of capital, a reduction in the parent's investment balance in that subsidiary is recorded rather than the recognition of dividend income in the Income Statement. The factors considered by the Directors when determining whether a distribution represents a dividend or return of capital include the following:

- The amount of the distribution relative to the original investment value;
- The legal form of the distribution; and
- The future operating plans for the subsidiary after the distribution.

If the amount of the distribution exceeds the carrying value of the investment balance, the excess gain is recognised in the Income Statement, to the extent that it is realised or in the Statement of changes in equity to the extent that it is unrealised. If the distribution is considered to represent a dividend the parent recognises the dividend in the Income Statement.

Production and development costs

Internally generated film, television, theatrical and ancillary production and development costs and information technology development costs are expensed as incurred.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. The tax expense/(income) is recognised either in the Income statement, other comprehensive income or equity depending on the transaction that resulted in the tax expense/(income).

Current or deferred taxation assets and liabilities are not discounted.

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.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of financial position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Statement of financial position date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that they will be recovered against the reversal of deferred tax liability or other future taxable profits.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Statement of financial position date. Deferred tax is measured on a non- discounted basis.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

2 Summary of significant accounting policies (continued)

Fixed asset investments and investment income
Fixed asset investments are stated at historical cost. Provision is made where in the opinion of the Directors an investment is impaired. Income from investments is included to the extent of dividends and distributions received. Investments are reviewed for any impairment indicators at the reporting date.

The accounting treatment of the distribution is determined by whether the distribution received is considered to represent a return of the capital of the subsidiary or not. Where it is deemed to represent a return of capital, a reduction in the parent's investment balance in that subsidiary is recorded rather than the recognition of dividend income in the Income statement. The factors considered by the Directors when determining whether a distribution represents a dividend or return of capital include the following:

- The amount of the distribution relative to the original investment value;
- The legal form of the distribution; and
- The future operating plans for the subsidiary after the distribution.

If the amount of the distribution exceeds the carrying value of the investment balance, the excess gain is recognised in the Income statement, to the extent that it is realised or in the Statement of comprehensive income to the extent that it is unrealised. If the distribution is considered to represent a dividend the parent recognises the dividend in the Income statement.

Goodwill and other intangible assets
When the costs of an acquisition exceed the fair values attributable to the net assets acquired, the difference is treated as goodwill. Under FRS 102, intangible assets are reviewed for any impairment indicators at the reporting date.

Acquired brands and other intangible assets which are controlled through custody or legal rights and could be sold separately from the rest of the business are capitalised where the fair value can be reliably measured. The acquisition value of intangible assets are often identified in the contractual documentation but subsequent events are also carefully monitored to ensure any contractual terms which may change the value are incorporated as and when appropriate. Any changes to the acquisition amount are accounted for under a cost accumulation model, whereby contingent consideration is not considered upon initial recognition of the asset, but is added to the cost of the asset when incurred.

Impairment reviews are carried out to ensure that goodwill and intangible assets are not carried at above their recoverable amounts. Any amortisation or impairment write downs are charged to the Income statement. Amortisation is reported within operating profit in the Income statement.

Amortisation on intangible assets including goodwill is calculated on a systematic basis at rates estimated to write off the cost of the assets over their estimated useful lives. The useful economic life of intellectual property rights for Marvel and Lucas is ten years for film rights, fifteen years for all other rights and these rights are amortised on a straight line basis. Amortisation of Pixar and Disney Feature Animation is calculated over their applicable product life cycle based upon the ratio of the current period's revenues to the estimated remaining total revenues (Ultimate Revenues) for each period. Fox Networks Group related intellectual property rights are amortised over three years using 50% in year one, 30% in year two and 20% in year three for original script and global series contents and over three years using 25% in the first month and 75% over 35 months for unscripted inhouse local production contents. All other intangible assets are amortised on a straight line basis over their useful economic life, typically between 3-5 years.

2 Summary of significant accounting policies (continued)

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 cash flows before interest and tax obtainable as a result of the asset's continued use. These 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 or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Income statement.

Tangible assets and depreciation

Tangible assets are stated at historical purchase cost less accumulated depreciation and less any impairment. Costs that are directly attributable to the development of new business application hardware and software, which are incurred during the year 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. The principal useful lives in use are:

Asset class	Depreciation method and rate
Office equipment, furniture, fixtures and fittings	10 years
Information systems	3 years, depreciation commencing when systems are placed into operational use
Buildings	39.5 years
Leasehold improvements	over the term of the lease

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.

Inventories

Inventories of finished goods and goods for resale are stated at the lower of cost and estimated selling price less cost to complete and sell. Estimated selling price is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation. Provisions have been made for obsolescence, based upon aging of inventory, historical and forecasted sales, estimated margins and current events or changes in market conditions. The cost of inventory is determined through the use of weighted average methodology.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

2 Summary of significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents includes cash at bank and in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Financial instruments
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 where applicable.

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.

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.

Financial liabilities
Basic financial liabilities, including trade and other creditors, bank loans 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.

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.

2 Summary of significant accounting policies (continued)

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.

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 period of the lease.

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

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.

Defined contribution pension plans
The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid, the Company has no further payment obligations. The pension cost charge represents contributions payable by the Company to the personal plans of certain employees in respect of the accounting period. The contributions are recognised as an expense and charged to the Income statement when they are due. Amounts not paid are shown in accruals in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Share based payments
The fair value of grants made under the equity settled employee share option plans is calculated at the date of grant using an appropriate lattice model. Compensation expense for restricted stock units ("RSUs") is based on the market price of the shares underlying the awards on the grant date. In accordance with FRS 20 'Share based payments', the fair value of equity-based awards is charged to the income statement over the vesting period of the awards with a corresponding credit to the profit and loss reserve. The value of the charge is adjusted to reflect expected and actual levels of option vesting. At each reporting date, the entity revises its estimates of the number of options that are expected to vest.

Defined benefit scheme
The amounts charged to operating profit are the current service costs, gains and losses on settlements and curtailments. If the benefits are vested, past service costs are recognised immediately and if benefits are not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on assets are shown as net of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised in the statement of other comprehensive income.

Defined benefit schemes are funded by the Company, with the assets of the scheme held separately from those of the Company, in a separate trustee administered fund. Pension scheme assets are measured at fair value, with scheme liabilities measured on an actuarial basis using the projected credit unit method, adjusted for inflation, salary increases and updates to the discount rate.

The scheme's asset/liability amounts are updated to the Statement of financial position date using an actuarial valuation. The resulting net defined benefit asset or liability is presented separately within Fixed Assets/Creditors: amounts falling due within one year on the face of the statement of financial position. Deferred tax balances arising on the asset or liability are included in the provisions for liabilities or debtors as appropriate.

2 Summary of significant accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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 26.

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 FRS 102.

Mergers and acquisitions accounting

Internal group reconstruction transactions where an affiliate of the Company has its equity holding purchased by the Company are accounted by applying the merger method. Where a purchase under common control has occurred for an affiliate, the value of the affiliate is recognised as an Investment. In certain situations assets and liabilities of an acquired entity may be transferred into the company in exchange for cash consideration. In these situations where the fair value of trade and assets acquired exceeds the price paid for the net book value of the trade and assets, the difference is recognised as a merger reserve and the fair value of the trade and assets is taken out of the Investments balance. The merger reserve is held as a non-distributable reserve.

The merger reserve is charged to Retained Earnings (Profit and Loss account) annually in-line with the expected future economic benefits of the entity's acquired assets. Currently, the reserve is to be released to Retained Earnings using a straight-line method over a period of 5.5 years, which is considered to be the useful economic life of the underlying assets. Management evaluate this period annually to ensure continued appropriateness.

3 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.

Estimates and underlying assumptions are continually evaluated and 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.

Useful economic lives of intangible assets (E)

The annual amortisation for 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. Impairment reviews are carried out, if trigger assessment indicates a need, to ensure that assets are not carried at above their recoverable amounts. See notes 14 for the carrying amount of intangible assets and policy notes for the useful economic lives for each class of asset.

3 Critical accounting judgements and key source of estimation uncertainty (continued)

Investments (E), (J)
The Company's fixed asset investments are held at historical cost, as it relates to its investments in the Company's undertakings, adjusted for impairment where applicable. Investments are reviewed for impairment indicators at the reporting date. Management has reviewed the impairment indicators and concluded that no indicators exist, therefore a detailed impairment assessment review has not been performed.

With respect to the Company's equity investment in WD Holdings (Shanghai), LLC for £834,300,000. Management has reviewed the impairment indicators and concluded no significant indicators exist and hence no detailed impairment assessment review has been performed. See note 16 for the carrying amount of the Company's investments.

Recognition of revenue relating to subscription video on demand services (J)
Direct-to-consumer subscription video on demand services revenues include an element for business to customer sales where the Company recognises these on a gross basis, for which we have made certain judgements in our assessment as to whether the Company is, on balance, acting as the principal or agent in these transactions as considered in FRS102.

Intercompany revenue (E)
Certain receivables are calculated and recognised with reference to operating margins generated by fellow group companies, as reported in their annual financial statements. Where final accounts are not available, Management estimates the amounts receivable on the basis of the figures calculated in the latest draft financial statements amended for any known changes in the business operations or performance, or other anticipated and known adjustable items. Estimated values are subject to adjustment once the annual financial statements of fellow group companies are finalised.

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

4 Turnover

Turnover comprises television licensing, royalties received from character merchandising and publications, subscription and advertising revenue related to television broadcasting, film distribution revenue, sale of home entertainment products, theatrical productions, direct-to-consumer subscription based video streaming service, the sale of vacation packages, intercompany EMEA operating fees for the commercial exploitation of the Company's and the Group's intellectual property and other ancillary activities.

The analysis of the Company's turnover for the period by geographical destination during the period was as follows:

4 Turnover (continued)

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
UK & Ireland	993,235	612,134
Rest of Europe	1,938,991	1,661,602
Rest of World	193,016	319,250
	3,125,242	2,592,986

The analysis of the Company's turnover for the period by business segment during the period was as follows:

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Disney Media and Entertainment Distribution ('DMED')*	2,578,678	2,142,751
Disney Parks, Experiences and Products ('DPEP') ~	546,564	450,235
	3,125,242	2,592,986

*DMED includes businesses such as television licensing, television broadcast activities, film distribution, marketing, sales and distribution of home entertainment products, theatrical productions, direct-to-consumer subscription based video streaming service (Disney+), intellectual property development and exploitation.

~ DPEP includes businesses such as character merchandising and publications, sale of vacation packages and other ancillary activities.

Turnover above includes amounts received from fellow group companies in respect of their distribution activities.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

5 Operating profit/(loss)

Operating profit is stated after charging/(crediting)

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Depreciation expense	8,894	8,972
Amortisation expense	184,105	153,408
Impairment/(reversal of impairment) of trade debtors	38,300	(9,239)
Foreign exchange (gains)/losses	(1,439)	41,383
Inventories recognised as an expense	1,901	4,042
Operating leases - land and building	645	192
Operating leases - other assets	50	33

Cost of sales includes £1,901,000 inventory expense for the period (2021: £4,042,000).

Amortisation of intangible assets is included in administrative expenses.

6 Other interest receivable and similar income

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Bank interest receivable	2,279	2,066

7 Income from shares in group undertakings

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Dividends received	118,213	198,591

During current financial period 2022, the following dividends were received:

£2,800,000 (2021: £nil) from Disney XD Poland Limited.

£4,067,000 (SEK 50,000,000) (2021: £840,000 (SEK 10,000,000)) from The Walt Disney Company Nordic AB.

No dividend (2021: £9,929,000 (EUR 11,000,000) from The Walt Disney Company (Germany) GmbH.

£2,646,000 (CHF 3,000,000) (2021: £nil) from The Walt Disney Company (Switzerland) GmbH.

£29,571,000 (EUR 33,000,000) (2021: £31,593,000 (EUR 35,000,000)) from The Walt Disney Company Italia S.r.l.

7 Income from shares in group undertakings (continued)

Two dividends totalling £15,264,000 (USD 20,205,000) (2021: £8,861,000 (USD 12,181,000)) from WD Holdings (Shanghai), LLC.

£20,628,000 (AUD 35,000,000) (2021: £22,398,000 (AUD 40,000,000)) from The Walt Disney Company (Australia) Pty Limited.

No dividend (2021: £124,971,000 (EUR 146,272,000)) from The Walt Disney Company (Iberia) S.L.

£400,000 (USD 481,000) (2021: £nil)) from Disney Trading.

£2,464,000 (PLN 13,700,000) (2021: £nil)) from FNG Poland SP.

£40,373,000 (2021: £nil) from NGC UK Holdings Limited.

8 Interest payable and similar expenses

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Interest payable to other group companies	73,224	74,744

9 Other operating gains

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Reimbursement of expenses on termination of the cost share arrangement with WIHI	608,192	-
Gain on sale of D+ programming and content rights and other costs	43,807	-
	651,999	-

10 Staff costs and numbers

The aggregate payroll costs (including Directors' remuneration) were as follows:

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Wages and salaries	191,476	162,765
Social security costs	22,148	19,185
Other pension costs	10,466	9,355
Defined benefit pension cost	458	228
Share-based payment expenses	26,391	10,808
	250,939	202,341

10 Staff costs and numbers (continued)

The average monthly number of persons (including Directors) employed by the Company during the period was as follows:

	Period ended 1 October 2022 No.	Period ended 2 October 2021 No.
Employees		
Disney Media and Entertainment Distribution	1,346	1,269
Disney Parks, Experiences and Products	372	329
Corporate & other	160	102
	1,878	1,700

11 Directors' remuneration

The Directors' remuneration for the period was as follows:

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Aggregate emoluments	2,983	2,798
Other Director benefits	1,338	3,654
Company contributions paid to pension scheme	16	20
	4,337	6,472

In respect of the highest paid Director:

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	686	594
Other director benefits	541	1,169

Five (2021: eight) Directors in service during the period were remunerated directly by The Walt Disney Company Limited and retirement benefits accrued to five (2021: six) Directors. Five (2021: seven) Directors received and exercised share options under long term incentive schemes during the period. No Director received payment for loss of office in the period (2021: one totaling £176,000).

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

12 Auditors' remuneration

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Audit of the financial statements	696	620
Other fees to auditors		
Taxation compliance services	-	107
Other services	25	22
	25	129

13 Tax on profit/(loss)

The credit for taxation is based on the taxable profit/(loss) for the period, and comprises:

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Current tax:		
UK corporation tax	60,548	1,723
Adjustments in respect of previous periods	(9,503)	(6,082)
Double tax relief	(18,362)	-
	32,683	(4,359)
Foreign tax		
Current tax on income for the period	23,603	4,405
Adjustment in respect of previous periods	-	15
	23,603	4,420
Total current tax	56,286	61
Deferred tax		
Origination and reversal of timing differences	(334)	(35,671)
Prior period adjustment	(1,091)	(3,556)
Changes in tax rates current year	-	(13,811)
Changes in tax rates prior year	-	(2,488)
Total deferred tax	(1,425)	(55,526)
Tax on profit/(loss)	54,861	(55,465)

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

13 Tax on profit/(loss) (continued)

The tax assessed for the period is lower (2021: higher) than the standard rate of corporation tax in the UK for the period ended 1 October 2022: 19% (2021: 19%). The differences are explained as follows:

	Period ended 1 October 2022 £ 000	Period ended 2 October 2021 £ 000
Profit/(loss) before tax	456,547	(299,950)
Corporation tax at standard rate	86,744	(56,991)
Dividend income	(22,460)	(37,732)
Other permanent differences	1,497	(1,849)
Expenses not deductible for tax purposes	5,472	5,491
Non deductible impairment of investments	-	42,945
Non taxable gain on sale of WDIF	(12,306)	-
CFC income apportionment	2,036	1,723
Branch exemption adjustment	(688)	-
Utilisation of tax losses from group companies	-	4,400
Difference in tax rates - current period	(80)	(13,811)
Difference in tax rates - prior period	-	(2,488)
Prior year adjustment - current	(9,503)	(6,082)
Prior year adjustment - deferred	(1,091)	(3,556)
Prior period adjustment - foreign taxes suffered	-	15
Excess foreign taxes suffered	5,240	4,406
Write off of deferred tax asset no longer considered recoverable	-	8,064
Total tax charge/(credit)	54,861	(55,465)

The Finance Act 2022 introduced provisions to increase the tax rate from 19% to 25% from 1 April 2023.

The OECD has announced a suite of rules to combat Base Erosion and Profit shifting. The OECD have announced model rules which are being implemented in the countries who have signed up to the BEPS regime. The UK are due to introduce their Pillar 2 legislation over the summer 2023. The company is doing an exercise to evaluate the impact of the Pillar 2 legislation in the UK and other relevant territories.

14 Intangible assets

	Goodwill £ 000	Film rights £ 000	Other rights £ 000	Channels programming rights £ 000	Other £ 000	Total £ 000
Cost						
At 3 October 2021	136,248	482,540	515,798	193,473	128,358	1,456,417
Additions	41,080	-	-	51,738	443,091	535,909
Disposals	-	-	-	(3,741)	(571,449)	(575,190)
At 1 October 2022	177,328	482,540	515,798	241,470	-	1,417,136
Accumulated amortisation						
At 3 October 2021	136,248	361,456	240,802	145,842	25,300	909,648
Charge for the period	17,540	39,051	34,387	54,471	38,656	184,105
Disposals	-	-	-	(3,741)	(63,956)	(67,697)
At 1 October 2022	153,788	400,507	275,189	196,572	-	1,026,056
Carrying amount						
At 1 October 2022	23,540	82,033	240,609	44,898	-	391,080
At 2 October 2021	-	121,084	274,996	47,631	103,058	546,769

14 Intangible assets (continued)

On 26 September 2014 the Company acquired Marvel and Lucas intellectual property rights for commercial exploitation within EMEA at a combined value of £849,868,000.

On 3 April 2016 the Company acquired certain Pixar intellectual property rights for commercial exploitation within EMEA for £93,650,000. These Pixar intellectual property rights are amortised over applicable product life cycle based upon the ratio of the current period's revenues to the estimated remaining total revenues (Ultimate Revenues) for each production.

On 3 July 2016 the Company acquired certain Disney Feature Animation intellectual property rights for commercial exploitation within EMEA for £54,820,000. These Disney Feature Animation intellectual property rights are amortised over applicable product life cycle based upon the ratio of the current period's revenues to the estimated remaining total revenues (Ultimate Revenues) for each production.

During the current financial period the Company acquired General Entertainment programming intellectual property rights for their commercial exploitation within EMEA for £51,738,000 (2021: £32,810,000) in relation to production licences created by third party producers. These intellectual property rights are amortised on an accelerated or straight-line basis over their useful life or over the number of times the programme is expected to be aired, as appropriate.

Intangible assets amounting to £443,091,278 (2021: £107,093,000) were acquired in the year in relation to subscription video-on-demand ("SVOD") programming rights and programme licences created by third party producers. Assets are amortised throughout the licencing period on a straight line basis or stepped reducing balance. Amortisation begins once the title is released on our subscription video-on-demand ("SVOD") service.

During the period the Company sold all SVOD programming and content rights to BVI Inc, for a total consideration of £550,172,393. A gain on the disposal of assets of £41,728,992 was recognised in Other Income.

Goodwill of £41,080,000 has been acquired as part of the acquisition of General entertainment programming from TWDC Bulgaria, EOOD. This will be amortised on a systematic basis over the life of the programming.

The Company disposed of Channels programming rights in relation to already fully-amortised production licenses created by third party producers of gross cost and accumulated amortisation of £3,741,000 (2021: £8,576,000). No gain or loss resulted from these disposals.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

15 Tangible assets

	Office equipment, furniture, fixtures and fittings £ 000	Information systems £ 000	Buildings £ 000	Leasehold improvements £ 000	Total £ 000
Cost					
At 3 October 2021	15,654	39,997	107,200	13,970	176,821
Additions	4,169	3,296	-	1,912	9,377
Transfer	79	(79)	-	-	-
Disposals	(1,760)	(12,585)	(687)	(1,476)	(16,508)
At 1 October 2022	18,142	30,629	106,513	14,406	169,690
Accumulated depreciation					
At 3 October 2021	7,233	27,951	56,415	6,756	98,355
Charge for the period	2,168	2,671	3,247	808	8,894
Transfer	24	(24)	-	-	-
Disposal	(2,348)	(13,014)	(86)	(682)	(16,130)
At 1 October 2022	7,077	17,584	59,576	6,882	91,119
Carrying amount					
At 1 October 2022	11,065	13,045	46,937	7,524	78,571
At 2 October 2021	8,421	12,046	50,785	7,214	78,466

15 Tangible assets (continued)

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. As a result, we derecognised £14,177,878 of gross book value and accumulated depreciation. Of the £14,177,878 an amount of £8,917,622 had a £nil net book value in prior period and should have been derecognised in the period then ended. There is no impact on the Statement of financial position or Statement of comprehensive income.

16 Investments

	2022 £ 000	2021 £ 000
Cost		
At start of the period	1,900,199	2,061,948
Additions	179,640	151,743
Transfer to merger reserve	-	(87,467)
Disposals	(247,699)	-
Impairment of investments	-	(226,025)
At end of period	1,832,140	1,900,199
Carrying amount		
At end of period	1,832,140	1,900,199

Investment additions during the period included the acquisition on 29 April 2022 of The Walt Disney Company Bulgaria EOOD for a fair market value of $114,900,000 (£92,002,000). The Company also acquired The Walt Disney Company Middle East FZ-LLC on 20 December 2021 for a fair market value of $543,000 (£410,000). On 25 July 2022 there was an additional capital contribution to The Walt Disney Company Middle East FZ-LLC of AED 68,860,000 (£13,750,000).

Additions in the period also include a capital contribution in Walt Disney International France SAS of €87,000,000 (£73,478,000) on 1 December 2021.

Investment disposals during the period included a return of investment from NGC UK Holdings Limited on 30 September 2022 of £15,586,000 as a result of the entities liquidation. In addition, disposals in the period included the reorganization of the Company's holding in Walt Disney International France SAS for an arms length consideration of £298,188,000, on 26 September 2022, where a total gain of £66,074,754 has been recognised.

As a result of management's investment review, undertaken in financial period 2022, no investment impairments have been identified. The Directors believe that the carrying value of the investments is supported by their underlying net assets or the net present value of their discounted future cash flows.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

16 Investments (continued)

Details of investments are set out below:

Subsidiaries

Shares in group undertakings	Nature of business	Country of registration/ incorporation	Proportion of nominal value of voting shares held 2022	2021
The Walt Disney Company (Austria) GmbH	Distribution and marketing services	Austria	100%	100%
The Walt Disney Company (Benelux) BVBA	Distribution and marketing services	Belgium	100%	100%
The Walt Disney Company (Germany) GmbH	Distribution and marketing services	Germany	100%	100%
The Walt Disney Company Italia S.r.l.	Distribution and marketing services	Italy	100%	100%
Disney DTC EM Limited	Distribution and marketing services	United Kingdom	100%	100%
Wedco Benelux Holdings (Netherlands) B.V.	Holding company	Netherlands	100%	100%
The Walt Disney Company (Benelux) B.V.	Distribution and marketing services	Netherlands	100%	100%
Disney Trading B.V.	Holding Company	Netherlands	100%	100%
The Walt Disney Company (Switzerland) GmbH	Distribution and marketing services	Switzerland	100%	100%
The Walt Disney Company (Australia) Pty Limited	Distribution and marketing services	Australia	100%	100%
Walt Disney International France S.A.S.	Holding company	France	0%	100%
The Walt Disney Company Nordic AB	Distribution and marketing services	Sweden	100%	100%
The Walt Disney Company Medya Eglence ve Ticaret Limited Sirketi	Distribution and marketing services	Turkey	100%	100%
The Walt Disney Company (Portugal) L.D.A	Distribution and marketing services	Portugal	100%	100%
The Walt Disney Company (Iberia) S.L.U	Distribution and marketing services	Spain	100%	100%
The Walt Disney Company Greece Single Partner EPE	Distribution and marketing services	Greece	100%	100%

16 Investments (continued)

Shares in group undertakings	Nature of business	Country of registration/ incorporation	Proportion of nominal value of voting shares held 2022	2021
The Walt Disney Company (Hong Kong) Limited	Distribution and marketing services	Hong Kong	100%	100%
Banner Productions Limited	Holding company	United Kingdom	100%	100%
Disney XD Poland Limited	Distribution and marketing services	Isle of Man	80%	80%
Disney Trading Limited	In liquidation	United Kingdom	100%	100%
The Walt Disney Company Israel Limited	Distribution and marketing services	Israel	100%	100%
The Walt Disney Company (Polska) Sp Zoo	Distribution and marketing services	Poland	100%	100%
Walt Disney Hungary Media and Entertainment Services Limited Liability Company	Marketing and information technology services	Hungary	100%	100%
Walt Disney Imagineering Asia Limited	Design and construction services	Hong Kong	100%	100%
The Walt Disney Company Nigeria Limited	Distribution and marketing services	Nigeria	100%	100%
NGC Network UK Holdco LLC	In liquidation	USA	100%	100%
Disney Middle East FZ-LLC	Distribution and marketing services	UAE	100%	N/A
The Walt Disney Company Bulgaria EOOD	Distribution and marketing services	Bulgaria	100%	100%
Disney Televizyon Yayincilik A.S.	Distribution and marketing services	Turkey	100%	100%

Branches

The Walt Disney Company Bulgaria EOOD Serbia Ogranak Beograd	Serbia	100%
The Walt Disney Company Bulgaria EOOD – branch office Ljubjana	Slovenia	100%
The Walt Disney Company Bulgaria EOOD – branch Zagreb	Croatia	100%

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

16 Investments (continued)

The registered address of the subsidiaries are:

Subsidiary	Registered address
The Walt Disney Company (Austria) GmbH	Handelskai 94-96, Top 392, 1200 Wien, Austria
The Walt Disney Company (Benelux) BVBA	Avenue du Port 86C/217, Havenlaan, 1000 Brussel, Belgium
The Walt Disney Company (Germany) GmbH	Lilli-Palmer-Strasse 2, 80636 Muenchen, Germany
The Walt Disney Company Italia S.r.l.	Via Ferrante Aporti, 6/8 - 20125 Milano, Italia
Disney DTC EM Limited	3 Queen Caroline Street, Hammersmith, London W6 9PE, United Kingdom
Wedco Benelux Holdings (Netherlands) B.V.	De Passage 144, 1101 AX Amsterdam, Netherlands*
The Walt Disney Company (Benelux) B.V.	De Passage 144, 1101 AX Amsterdam, Netherlands*
The Walt Disney Company (Switzerland) GmbH	Hoeschgasse 45, 8008 Zuerich, Switzerland
The Walt Disney Company (Australia) Pty Limited	Building 10, Level 3, 658 Church St, Richmond, VIC 3121, Australia
Walt Disney International France S.A.S.	25 quai Panhard et Levassor 75013 Paris, France
The Walt Disney Company Nordic AB	Box 181, 101 23 Stockholm, Sweden
The Walt Disney Company Medya Eglence Ve Ticaret Limited Sirketi	Kazlicesme Mah.Kennedy Cad. No. 44 Zeytinburnu 34020 Istanbul, Turkey
Disney Trading B.V.	De Passage 144, 1101 AX Amsterdam, Netherlands*
The Walt Disney Company (Portugal) L.D.A.	Avda Liberdade 200, Edificio Victoria 5°DTO 1250-147 Lisboa - Portugal
The Walt Disney Company Iberia S.L.	Jose Bardasano Baos, 9. Edificio GORBEA 3. 28016 Madrid, Spain
The Walt Disney Company Greece Single Partner EPE	7 Fragkoklisias Str, 15125 Marousi, Greece
The Walt Disney Company (Hong Kong) Limited (Formerly known as The Walt Disney Company (Asia Pacific) Limited)	Suites 1101-1103, 11th Floor, Three Exchange Square, 8 Connaught Place, Central, Hong Kong
Banner Productions Limited	3 Queen Caroline Street, Hammersmith, London W6 9PE, United Kingdom
The Walt Disney Company Bulgaria	55 Nikola Y. Vaptsarov blvd.,Expo 2000, building 4, fl. 6 1407 Sofi
Disney XD Poland Limited	First Name House, Victoria Road, Douglas, Isle of Man

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

16 Investments (continued)

Subsidiary	Registered address
Disney Trading Limited	3 Queen Caroline Street, Hammersmith, London W6 9PE, United Kingdom
The Walt Disney Company Israel Limited	6 Ha'hilazon St, Ramat-Gan, Israel
The Walt Disney Company (Polska) Sp Zoo	Al. Armii Ludowej 26, 00-609 Warszawa, Poland
Walt Disney Hungary Media and Entertainment Services Limited Liability Company	1068 Budapest, Dozsa Gyorgy street 84/a 4th Floor, Hungary
Walt Disney Imagineering Asia Limited	38/F, Oxford House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
The Walt Disney Company Nigeria Limited	8th Floor, Civic Towers, Plot GA 1, Ozumba Mbadiwe Avenue, Victoria Island, Lagos, Nigeria
NGC Network UK Holdco LLC	1145 17th Street NW, Washington DC, 20036, USA
Disney Networks Group Poland Sp Zoo	Prosta 68, 00-838 Warszawa, Poland
NGC UK Holdings Company Limited	Third Floor 10 Hammersmith Grove Hammersmith London, W6 7AP
Disney Middle East FZ-LLC	47th Floor Tower B Business Central Towers, Dubai U.A.E

* registered address of these entities changed to Asterweg 15S 1031 HL Amsterdam, The Netherlands with effect from 1 July 2023.

Affiliates

Shares in group undertakings	Nature of business	Country of registration/ incorporation	Proportion of nominal value of voting shares held 2022	2021
WD Holdings (Shanghai), LLC	Holding Company	USA	47%	47%

The registered address of the affiliate is:

Affiliates	Registered address
WD Holdings (Shanghai), LLC	500 South Buena Vista Street, Burbank, CA 91521, USA

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

16 Investments (continued)

Indirect Subsidiaries and Associates

Name	Country	Ownership
The Disney Store Limited	UK	100%
Absolem Productions Limited	UK	100%
ABC Studios International Limited	UK	100%
Badduns Productions Limited	UK	100%
Blackbeard Productions Limited	UK	100%
Briar Rose Productions Limited	UK	100%
Burning Windmills Pictures Limited	UK	100%
Cherry Tree Lane Productions Limited	UK	100%
Cogsworth Productions Limited	UK	100%
Coronation Bay Productions Limited	UK	100%
Dark Forest Productions Limited	UK	100%
David Productions Limited	UK	100%
Down River Productions Limited	UK	100%
Exit 8 Productions Limited	UK	100%
Five Beans Productions Limited	UK	100%
Gilded Curve Productions Limited	UK	100%
Glittery Gown Productions Limited	UK	100%
Goliath Productions Limited	UK	100%
Grand Central Productions Limited	UK	100%
Iceberg Productions Limited	UK	100%
Jade Productions Limited	UK	100%
Medici Productions Limited	UK	100%
Mistletoe Pictures Limited	UK	100%
Monstro Productions Limited	UK	100%
More Muppets Productions Limited	UK	100%
Mystical Productions Limited	UK	100%
Raksha Productions Limited	UK	100%
Magic Lamp Productions Limited	UK	100%
Think Thark Productions Limited	UK	100%
Vita Ray Productions Limited	UK	100%
Time Freeze Productions Limited	UK	100%

16 Investments (continued)

Indirect Subsidiaries and Associates (continued)

Name	Country	Ownership
Merryweather Productions Limited	UK	100%
Trueborn Heir Productions Limited	UK	100%
Tea Cup Productions Limited	UK	100%
Frost Fair Productions Limited	UK	100%
Sand Castle Pictures Limited	UK	100%
Fincayra Productions Limited	UK	100%
Hidden Heart Productions Limited	UK	100%
Asgard Productions IV Pty Limited	Australia	100%
Mukiri Productions Pty Limited	Australia	100%
Slingshot Pictures Pty. Limited	Australia	100%
Touchstone Productions (Australia) Pty Limited	Australia	100%
Woozle Productions Pty Limited	Australia	100%
Awesome Post Production Pty Ltd.	Australia	100%
Channel Cross Productions Pty. Ltd	Australia	100%
Freelance Restorations Pty Ltd.	Australia	100%
LFL Productions (AU) Pty. Ltd.	Australia	100%
The Disney Store (France) S.A.S.	France	100%
The Disney Store Germany GmbH	Germany	100%
Buena Vista International Film Production (Germany) GmbH	Germany	100%
TDS Disney Ireland Limited	Ireland	100%
The Disney Store (Italia) Srl	Italy	100%
TV 10 B.V.	Netherlands	50%
The Disney Store Spain S.L. - Sucural em Portugal	Portugal	100%
The Disney Store Spain S.L.U	Spain	100%
Sociedad Gestora de Television Net T.V. SA	Spain	20%
Pulsa Media Consulting	Portugal	51%

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

16 Investments (continued)

Indirect Subsidiaries and Associates (continued)

Name	Country	Ownership
Disney Trading (Sweden) Filial	Sweden	100%
Dısney Televizyon Yayincilik AS	Turkey	100%
Disney XD Televizyon Yayincilik AS	Turkey	100%
TV 10 Holdings LLC	USA	50%
Walt Disney Imagineering (Shanghai) Company Limited	China	100%
Shanghai International Theme Park and Resort Management Company Limited	China	70%
Shanghai International Theme Park Company Limited	China	43%
Shanghai International Theme Park Associated Facilities Company Limited	China	43%
Ante Productions Limited	UK	100%
Arctic Fox Productions Limited	UK	100%
Dog Paddle Productions Limited	UK	100%
Hours Productions Limited	UK	100%
Memory Tree Productions Limited	UK	100%
Never Grow Up Productions Limited	UK	100%
Take The Lift Production Limited	UK	100%
Water Bug Productions Limited	UK	100%
NGC Overseas Holdings Limited	UK	100%
NGC Europe Limited	UK	100%
Fox Crime Medya Hizmetleri Anonim Sirketi	Turkey	100%
National Geographic Channel Wild Medya Hizmetleri Anonim Sirketi	Turkey	100%
24 Kitchen Medya Hizmetleri A.S.	Turkey	100%
Fox Life Medya Hizmetleri Anonim Sirket	Turkey	100%
FX Medya Hizmetleri Anonim Sirketi	Turkey	100%
National Geographic Channel Medya Hizmetleri Anonim Sirketi	Turkey	100%
National Geographic Channel Adventure Medya Hizmetleri A.S.	Turkey	100%
NGC Netherlands BV	Netherlands	100%
National Geographic Channel Denmark Aps	Denmark	100%
NGC Denmark Norway Branch Aps	Norway	100%
NGC Network (Australia) Pty Limited	Australia	100%
NGC Israel Limited Partnership	Israel	100%
The Disney Store Turkey	Turkey	100%

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

16 Investments (continued)

Indirect Subsidiaries and Associates (continued)

Name	Country	Ownership
TWDC Nordic AB, Finland	Finland	100%
TWDC Nordic AB, Norway	Norway	100%
Disney Networks Group Sweden AB	Sweden	100%
Disney Middle East FZ-LLC	United Arab Emirates	100%
The Walt Disney Company Bulgaria EOOD	Bulgaria	100%
Branches		
The Walt Disney Company Bulgaria EOOD Serbia Ogranak Beograd	Serbia	100%
The Walt Disney Company Bulgaria EOOD – branch office Ljubjana	Slovenia	100%
The Walt Disney Company Bulgaria EOOD – branch Zagreb	Croatia	100%

17 Inventories

	1 October 2022 £ 000	2 October 2021 £ 000
Finished goods and goods for resale	2,351	4,410

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

Inventories are stated after provisions for impairment of £1,880,000 (2021: £612,000).

18 Debtors

Current	Note	1 October 2022 £ 000	2 October 2021 £ 000
Trade debtors		161,091	130,188
Provision for impairment of trade debtors		(4,350)	(2,706)
Net trade debtors		156,741	127,482
Amounts owed by group undertakings	26	675,010	1,033,554
Corporation tax asset		-	27,586
Deferred tax asset	20	66,098	63,403
Prepayments and accrued income		183,927	181,919
		1,081,776	1,433,944

Included within amounts owed by group undertakings are loans to group undertakings for £21,927,692 (2021: £205,648,193). These loans are unsecured, repayable on demand and interest bearing. Also included within amounts owed by group undertakings is a provision for impairment of £36,455,000 in respect of balance due from Russian group companies, which has been provided for in full. The deferred tax asset is expected to be realised after more than one year.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

19 Creditors

	1 October 2022 £ 000	2 October 2021 £ 000
Amounts falling due within one year		
Trade creditors	94,825	68,762
Amounts owed to group undertakings	216,880	839,534
Taxation and social security	22,094	40,672
Other creditors	4,505	347
Corporation tax	36,525	-
Accruals and deferred income	483,227	393,609
	858,056	1,342,924

Amounts owed to group undertakings includes a short term unsecured loan of £80,125,000, bearing interest at the rate of EURIBOR + 72BPS and is repayable on demand. All other amounts within amounts owed to group undertakings are unsecured, repayable on demand and are not interest bearing.

	1 October 2022 £ 000	2 October 2021 £ 000
Amounts falling due after more than one year		
Amounts owed to group undertakings	1,081,578	1,153,683
Accruals and deferred income	34	-
	1,081,612	1,153,683

Amounts owed to group undertakings are unsecured, interest bearing and comprised of the following:

Counter party	Issue date	Maturity date	Principal £ 2022 £ 000	Principal £ 2021 £ 000	Interest rate
Disney FTC Services (Singapore) Pte. Ltd.	13 August 2009	15 December 2024	269,667	287,645	5.50%
Disney FTC Services (Singapore) Pte. Ltd.	07 August 2014	20 November 2024	148,300	157,993	5.50%
Disney FTC Services (Singapore) Pte. Ltd.	22 September 2014	20 November 2024	30,091	30,091	5.50%
Disney FTC Services (Singapore) Pte. Ltd.	26 September 2014	26 September 2024	633,520	677,954	6.50%

20 Provisions for liabilities

	Deferred tax asset £ 000
At 3 October 2021	(63,403)
Additional provisions	(2,695)
At 1 October 2022	(66,098)

Deferred tax

Deferred taxation provided for at 25% (2021: 25%) in the financial statements is set out below:

Deferred tax assets and liabilities:

	1 October 2022 £ 000	2 October 2021 £ 000
Accelerated capital allowances	(857)	3,320
Short term timing differences	8,739	4,809
Deferred tax asset	(618)	-
Tax losses	58,834	55,274
Undiscounted deferred tax asset	66,098	63,403

	1 October 2022 £ 000	2 October 2021 £ 000
Net deferred tax asset at the start of period	63,403	7,879
Amount credited/(charged) to profit and loss	334	35,671
Deferred tax charge to equity	1,270	-
Prior period under provision	1,091	3,555
Tax rate change - current year adjustment	-	13,811
Tax rate change - prior year adjustment	-	2,487
Net deferred tax asset at end of period	66,098	63,403

The enactment of The Finance Bill 2021 has increased the rate at which deferred tax will be recognised at from 19% to 25% (2021: 25%).

A deferred tax asset of £63,082,868 relating to trading losses carried forward, accelerated capital allowances, expense adjustments and share scheme adjustments has been recognised on the basis that the directors are of the opinion that it will be recoverable against future taxable profits and deferred tax liabilities.

A deferred tax asset of £8,064,126 on losses relating to an acquired channel which are streamed against profits of the same channel has not been recognised on the basis that it is not likely to be recoverable against future profits.

21 Financial instruments

Financial assets measured at amortised cost:	Note	1 October 2022 £ 000	2 October 2021 £ 000
Trade debtors	18	161,091	130,188
Provision for impairment of debtors		(4,350)	(2,706)
Net trade debtors	18	156,741	127,482
Amounts owed by group undertakings	18	675,010	1,033,554
Cash at bank and in hand		133,130	130,506
		964,881	1,291,542

	Note	1 October 2022 £ 000	2 October 2021 £ 000
Financial liabilities measured at amortised cost:			
Trade creditors	19	94,825	68,762
Amounts owed to group undertakings	19	216,880	839,534
Amounts owed to group undertakings after more than one year	19	1,081,578	1,153,683
Accrued expenses	19	165,298	185,343
		1,558,581	2,247,322

22 Called up share capital and reserves

Allotted and fully paid

	1 October 2022		2 October 2021	
	No.	£	No.	£
Ordinary shares of £1 each	1,051	1,051	1,051	1,051

Reserves

Profit and loss account

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

Share premium account

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

22 Called up share capital and reserves (continued)

Reserves (continued)

Merger reserve

The merger reserve represents a non-distributable amount reserved due to the fair value of shares purchased in a group reconstruction transaction being higher than the book value of net assets acquired.

In April 2021, a merger reserve was created due to the acquisition of trade and assets of NGC Europe Limited ("NGCE"). This business earned affiliate and advertising revenues from the distribution of factual Channels. The merger reserve is being written back to Retained Earnings (Profit and loss account) over a period of 5.5 years.

Following a review in fiscal year 2022, this time period continues to be appropriate as representing the time period when future economic benefits from the National Geographic business assets will continue to accrue. As at 1 October 2022, 4.5 years remain.

	Merger reserve £ 000
At 3 October 2021	79,515
Movement in reserve	(15,903)
At 1 October 2022	63,612
At 2 October 2021	79,515

23 Commitments and contingencies

Operating leases

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

	1 October 2022 £ 000	2 October 2021 £ 000
Within one year	367	580
Between two and five years	573	440
	940	1,020

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

24 Share-based payments

Under the Disney Discretionary Stock Option Scheme, certain employees of the Company may be granted options to acquire shares of stock in the ultimate parent Company, The Walt Disney Company, at exercise prices equal to or exceeding the market price at the date of grant. Options are exercisable ratably over a three-year period from the grant date (exercisable ratably over a four-year period from the grant date prior to fiscal 2021). Restricted stock units (RSUs) generally vest ratably over three years (four years for grants prior to fiscal 2021) and Performance RSUs generally fully vest after three years, subject to achieving market or performance conditions. The share options are settled using the equity instruments of the Company's ultimate parent Company, The Walt Disney Company. The share-based payment expense for the period is £26,390,759 (2021: £10,807,646).

25 Pensions

Defined contribution scheme

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 £10,466,000 (2021: £9,355,000).

Amounts prepaid in relation to the pension scheme at period ended 1 October 2022 were £nil (2 October 2021: £nil). Amounts outstanding in relation to the pension scheme at period ended 1 October 2022 were £nil (2 October 2021: £nil).

Defined benefit scheme

On 25 February 2021, the Company agreed to undertake a Pensions Reorganisation with the Trustees of the Twentieth Century Fox Film Pension scheme. The Company agreed to become a participating employer of this scheme and all liabilities of each previous participating employer have been apportioned to The Walt Disney Company Limited.

Current employees do not earn any further benefits in this scheme, as it closed to earning any further benefits in 2015.

The Company recognises the net defined benefit cost of the schemes in full in its separate financial statements as it is the sponsoring employer of the defined benefit schemes.

The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out at 1 October 2022 by Mercer, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

The significant actuarial assumptions used for the respective valuations are detailed on page 63.

25 Pensions (continued)

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	1 October 2022 £ 000	2 October 2021 £ 000
Fair value of scheme assets	80,735	142,602
Present value of defined benefit obligation	(78,264)	(139,573)
Defined benefit pension scheme surplus	2,471	3,029

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	£ 000
Fair value at 3 October 2021	142,602
Interest income	2,916
Employer contributions	4,978
Benefits paid	(1,575)
Administrative expenses paid from plan assets	(557)
Return on plan assets (excluding interest income)	(67,629)
Fair value at 1 October 2022	80,735

Analysis of assets

The major categories of scheme assets are as follows:

	1 October 2022 £ 000	2 October 2021 £ 000
Cash and cash equivalents	380	2,300
Equity instruments	6,384	31,254
Debt instruments	61,061	90,993
Property	2,168	5,272
Other	10,742	12,783
	80,735	142,602

Return on scheme assets

	1 October 2022 £ 000
Return on scheme assets	(64,713)

The pension scheme has not directly invested in any of the Company's own financial instruments or in properties or other assets used by the Company or the Group.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

25 Pensions (continued)

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	£ 000
Present value at 3 October 2021	139,573
Interest expense	2,817
Benefits paid	(1,575)
Effect of changes in assumptions	(61,108)
Effect of experience adjustments	(1,443)
Present value at 1 October 2022	78,264

Principal actuarial assumptions

The principal actuarial assumptions used to determine defined benefit obligations at the statement of financial position date are as follows:

	1 October 2022 %	2 October 2021 %
Discount rate	5.03	2.03
Future salary increases	5.01	4.84
RPI inflation	3.51	3.34
CPI inflation	3.01	2.84
Pension increases in payment		
- RPI inflation capped at 5% p.a.	3.25	3.15
- RPI inflation capped at 2.5% p.a.	2.05	2.05
- CPI inflation capped at 3% p.a.	2.20	2.15

Mortality assumptions	1 October 2022 Years	25 October 2021 Years
Male pensioner currently aged 65	23.00	23.00
Male participant currently aged 45	25.00	25.00
Female pensioner currently aged 65	25.00	25.00
Female participant currently aged 45	26.00	26.00

25 Pensions (continued)

Cost relating to the defined benefit plan

	1 October 2022 £ 000
Cost (excluding interest)	
Total cost	-
Net interest income	
Interest expense on obligation	2,817
Interest income on plan assets	(2,916)
Total net interest income	(99)
Administrative expenses and/or taxes (not reserved within obligation)	557
Cost relating to defined benefit plans included in the profit and loss account	458
Remeasurements (recognised in other comprehensive income)	
Effect of changes in assumptions	(61,108)
Effect of experience adjustments	(1,443)
(Return) on plan assets (excluding interest income)	67,629
Total measurements included in other comprehensive income	5,078
Total costs related to defined benefit plans recognised in the profit loss account and other comprehensive income	5,536

26 Related party transactions

The Company is a wholly owned subsidiary of Wedco EMEA Ventures Limited whose ultimate parent undertaking and controlling party is The Walt Disney Company. Consequently the Company utilises the exemption contained in paragraph 33.1A of FRS 102, 'Related party disclosures', not to disclose any transactions with entities that are included in the consolidated financial statements of The Walt Disney Company. The address at which the consolidated financial statements of the ultimate parent Company are publicly available is included in note 27.

The Company has taken advantage of the exemption from providing certain related party transaction disclosures as mentioned in the accounting policy.

Key management includes the Directors and members of senior management. The Company has taken the exemption from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

The Walt Disney Company Limited

Notes to the financial statements
For the period from 3 October 2021 to 1 October 2022 (continued)

26 Related party transactions (continued)

Ultimate parent
The Walt Disney Company Limited is a wholly owned subsidiary of Wedco EMEA Ventures Limited whose ultimate parent is The Walt Disney Company, incorporated in the United States of America.

27 Parent and ultimate parent undertaking

Parent undertaking
The largest and smallest group for which consolidated financial statements are prepared and of which the Company is a member is as follows:

Name (Tax ID Number)	The Walt Disney Company (83-0940635)
Country of incorporation	United States of America
Address from where copies of the group financial statements can be obtained	500 South Buena Vista St. Burbank, California 91521-9722 USA

The ultimate parent undertaking at the period-end date was The Walt Disney Company incorporated in the United States of America.

The Company's related undertakings including direct and indirect subsidiaries and associates, and branches are disclosed in note 16.

28 Events after the reporting period

Acquisition of Baby Network Holdings Limited and Baby Network Limited
On 18 May 2023, the Company issued 1000 ordinary shares of £1 each at a premium of £45,498,505.44 ($57,500,000) to Wedco EMEA Ventures Limited as consideration for contribution of shares of Baby Network Holdings Limited. Baby Network Holdings Limited is a 100% parent of Baby Network Limited ("BNL"). BNL operates the Baby TV channel which airs and distributes Baby TV content (targeted at under 4s) across the globe. Following the contribution of shares, on 31 May 2023, BNL sold its business and assets as a going concern, at its carrying value, to the Company.

Acquisition of Disney Network Group (UK) Limited
On 23 May 2023, the Company acquired shares in Disney Network Group (UK) Limited ("DNG UK") for a cash consideration of £59,464,328 ($ 74,000,000) from Wedco International Holdings, Inc. DNG UK is the operator and distributor of general entertainment channels in countries such as Poland, Greece, Hungary and other European countries. Following the acquisition, on 31 May 2023, DNG UK sold its business and assets as a going concern, at its carrying value, to the Company.

28 Events after the reporting period (continued)

Revolving credit facility with Disney Enterprises, Inc.

In accordance with the terms of the revolving credit facility agreement between the Company and Disney Enterprises, Inc. (a group company) entered into on 17 March 2023, the Company has advanced a loan of $1,070,000,000 to DEI as at 31 July 2023, at an interest rate of Secured Overnight Financing Rate + 33 bps.

Business segment restructure

On 8 February 2023, our group CEO Bob Iger, announced a change to the group's core business segments, being: Disney Entertainment, ESPN, and Disney Parks, Experiences and Products. Turnover, as currently reported under DMED, will be reported under the Disney Entertainment segment. At the date the financial statements are approved there are no other material or known impacts of this decision on the Company.