

Kenton Pub and Community Group SHARES OFFER – August 26



The Dolphin Inn Kenton Ltd
T/A Kenton Pub and Community Group
Registered address: 9 Staffick Close, Kenton, Exeter, EX6 8NS
Registration number: 8286
info@thedolphinkenton.co.uk
www.thedolphinkenton.co.uk

Introduction and summary

We are the Kenton Pub and Community Group (KPCG). We are a group of volunteers whose aim is to raise the money through the purchase of Shares, to secure the freehold of The Dolphin Inn, Kenton and ensure the long term future of Kenton's village pub as a Community Hub.

KPCG is the trading name of The Dolphin Inn Kenton Ltd (TDIK), community benefit society (CBS). In subscribing for Shares you will become a member of TDIK (Member).

This document has been compiled by KPCG and offers you the opportunity to join the project to secure The Dolphin Inn. It outlines:

- The project and its benefits;
- Explains about TDIK and how the share offer works; and
- Invites you to help to play your part in bringing The Dolphin Inn back to life

KPCG is undertaking a share issue to raise the capital to purchase, renovate and operate The Dolphin Inn public house.

This will be done on the basis of Conditional Community Shares, where investors will state how much they are happy to pay. Only when our bid is successful, which we expect to be in August of this year, will you be asked to submit the funds to allow us to complete the purchase. The advantage of this approach is that you will not be required to submit any money until we have secured the purchase of the Dolphin.

In our Business Plan www.thedolphinkenton.co.uk we set out our schedule for purchase and the phases of work to refurbish, reopen and operate the Dolphin as a community hub.

In order to secure the Dolphin, to refurbish and improve the site and to bring it into full operation, as a Community Hub, we have estimated that we will need £400,000. Should the Share offer raise less than this, we would require a minimum of £300,000 whereby we will proceed with a phased opening, where the building is refurbished, but only operates as a basic pub, albeit a modern, friendly pub that will still offer a range of food and drink.

In the event that we raise less than this, then the offer will have failed and the campaign closed. No money for Shares will have been requested. Any donations will be distributed to other local organisations for the benefit of Kenton's residents.

.

About The Dolphin Inn Kenton Limited and our vision

What is The Dolphin Inn Kenton Limited?

KPCG is the trading name of The Dolphin Inn Kenton Limited (TDIK) and is the society formed with the intention of purchasing and re-opening The Dolphin Inn Kenton as a thriving village pub, and to help secure its future. TDIK is a not-for-profit Industrial and Provident Society (CBS) for the benefit of the community working to Plunkett Foundation Model Rules and registered with the Financial Conduct Authority (FCA). A copy of the rules for TDIK (the Rules) is available on our website www.thedolphinkenton.co.uk or contact us (see page 2) and we'll send you a copy.

Background to the share offer

Local people (and those from further afield) are being offered the opportunity to apply for shares in TDIK and become part-owners. As Members with a personal interest they are hopefully more likely to do everything they can to ensure the success of the business by becoming loyal customers, volunteers and supporters of the enterprise. Similar share offers to benefit the community have been used to finance shops, pubs, community buildings, local food schemes, football clubs and even renewable energy initiatives. The legal form of a CBS provides limited liability status (liability is limited to the value of your shareholding), just like a normal private limited company. But unlike companies, shares in a CBS cannot go up in value (but may go down) and the decision making process is arguably more democratic since each member has one vote (irrespective of how many shares they hold).

We have adopted The Plunkett model rules, which ensure the participation of the membership. These also require that the benefit of the wider community is at the heart of the enterprise. Over time, the Management Committee members (max 12) will be replaced through election, with members able to stand for election, to reflect the changing demographic. The values of inclusivity and sustainability underpin the regeneration concept. All will be invited and welcome to become members, stand for the committee, volunteer and become part of the Kenton Pub and Community Group.

You can find more information on the Shares and the rights attaching to them in the "Frequently Asked Questions" section below.

Our vision and the benefits

The Dolphin Inn was rebuilt in its present position in the late 1860s, following the "Great Fire of Kenton" in 1856. After flourishing and trading for well over 100 years, a lack of investment and drive resulted in the pub being closed in 2019 and being put up for auction. A group from the village mobilised and tried to purchase the pub but were unsuccessful, despite raising funds to make a credible offer. After being withdrawn from auction, the pub was sold to a developer.

The premises is a designated Asset of Community Value (ACV). This means that before selling on the open market, the Community KPCG have been given time to raise funds and therefore have a right to bid for the property. Being listed as an ACV, meant the current owner was unsuccessful in attempts to convert partially to residential use. He has, therefore, decided to sell The Dolphin Inn.

The Management Committee wants TDIK to purchase the freehold of The Dolphin Inn Kenton and re-open it as a thriving village pub and community hub to help secure its future within the community. We're planning to raise the money from The Dolphin Inn supporters in the form of applications for shares in TDIK. This possibly represents a once-in-a-lifetime opportunity to continue to transform the vibrancy and sustainability of our village and the surrounding area by:

- Re-opening and securing a place to meet friends and neighbours, and improving the sense of belonging and community
- Creating more jobs for local people
- Providing an extended outlet for local food producers and brewers
- Protecting our venue where we can have a bite to eat and / or a drink with friends and neighbours

The Dolphin Inn Kenton Inn has a beer garden and the advantage of the free village car park next door. The premises are in a picturesque village providing an idyllic setting for ramblers, cyclists and families.

The Dolphin Inn was a thriving pub, attracting custom from Kenton and surrounding villages, as well as tourists visiting Powderham Castle and surrounding seaside towns. It is conveniently situated on the main A379 road from Exeter towards Dawlish and other towns located on the South Devon coast. We aim to provide good quality food and drink, a warm and welcoming atmosphere and a focal point for local people and visitors. We will work closely with other organisations within the village to provide catering services for functions and general meetings. In the future, we will look to offer services such as prescription and parcel collection, library book exchange point, WiFi, and a youth club. We've got lots of ideas, but once you buy Shares in TDIK it'll be your pub too, and you can help decide how it's developed and run!

The plan for ownership of the pub by the community has already given a new sense of pride and confidence to the local residents. There is a growing belief that we can do this and failure would be devastating. Once the doors are open and the planned activities are happening, Kenton will be seen as a model of rural regeneration.

The Shares Offer

This offer of shares is made by The Dolphin Inn Kenton Limited, (TDIK) a Community Benefit Society registered on 30th December 2019 under the Co-operative and Community Benefit Societies Act with the Financial Conduct Authority (registration number 8286). The registered address is: 9 Staffick Close, Kenton, Exeter, EX6 8NS.

By subscribing for shares issued by the society in this share offer you will become a member of, and thus an owner of, the society and its assets along with other members. Our rules and other supporting documents are available on our website at: www.thedolphinkenton.co.uk

Community Shares are withdrawable shares that cannot be sold, traded or transferred between Members, unlike shares in a typical company. All Members are entitled to one vote – regardless of how many shares they hold. Members can be paid interest on their shares if the Management committee believe it would be sensible to do so, and can also withdraw their shareholding, along with any interest accrued, again subject to the approval of the Management committee, after a period of five years.

Community shares are fully at risk and you could lose some or all of your money. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.

Please don't invest any money you cannot afford to lose.

Conflicts of interest. We are unaware of any conflicts of interest concerning the share offer process. In the event that any conflict of interest situation does arise, the committee will be responsible for ensuring that this is dealt with at the earliest opportunity.

The Business Plan

In our business plan, we set out the phases of the operation to bring the Dolphin back to a standard where we can begin trading. We then set out further phases that will open up more of the building and the services we may be able to offer.

We have generated initial financial projections, based on the opening of TheDolphin within 3-months of purchase.

The budgeting and cashflow figures are based on information we have received from other pubs that have been bought by their communities as well as operations with a similar demographic and population.

The capital expenditure figures i.e. those required to make repairs and structural changes, as well as refurbishing and the provision of, for example, kitchen equipment and beer pumps and optics have also been tested, based on local builders' estimates.

It is our expectation that we will raise not only the price of purchase, but also a significant contribution to the cost of refurbishment and bringing into operation.

This is all laid out in more detail in our full business plan, available on our website at www.thedolphinkenton.co.uk

How You Can Help

You may have already told us that you would consider investing in, or making a donation, towards reopening The Dolphin Inn. We are now asking all members of the community to confirm what you would be prepared to contribute.

The more people who can contribute, and the wider the section of the community that is involved in our project, the greater the likelihood of success. We appreciate that some people may prefer to only make a donation instead, for which we would also be extremely grateful.

To help us judge the level of support we have, we would be grateful if you would complete the form on our website:

www.thedolphinkenton.co.uk

Whilst we are not asking for your money at this stage, please state the amount you are prepared to commit, once we get to the point when our offer for the Dolphin has been accepted.

More financial information and details of the proposals will be provided before you decide whether you would like to buy shares or make a donation.

Please read the document carefully in full before making your decision on how many shares you are happy to buy.

This offer for Shares opened on 24th June 2025.

The Enterprise Investment Scheme

The subscription for Shares may be eligible for income tax relief at 30% of the value of shares purchased, if they are held for at least three years. An application has been made for Advance Assurance from HMRC. Members will be notified of the outcome. If we're successful, and after we've been trading for 4 months, TDIK will issue each eligible Member with the appropriate form (EIS3) to enable them to claim tax relief. It is the responsibility of each Member to make their own enquiries and to satisfy themselves as to their eligibility for such tax relief. It is not guaranteed that the tax reliefs

under the Enterprise Investment Scheme will be available to Members irrespective of whether Advance Assurance is given although it would give comfort that HMRC consider the proposal as it currently stands as eligible.

How much money do we need to raise from this share offer?

Our target is £250,000 which we calculate will be enough to purchase the freehold of The Dolphin Inn Kenton, pay for any necessary refurbishments, buy initial stock, advertise for and employ staff, etc. We've prepared a comprehensive business plan which includes a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, and detailed financial information (Business Plan). You can download the Business Plan from our website www.thedolphinkenton.co.uk or contact us (see page 2) and we'll send you a copy.

Frequently Asked Questions

What sort of organisation is The Dolphin Inn Limited?

TDIK is a Community Benefit Society registered under the Co-operative and Community Benefit Societies Act with the Financial Conduct Authority. This structure should ensure that the pub continues to be owned and run by the community for the foreseeable future.

Who will benefit from this venture?

The community of Kenton, the surrounding villages, and towns, and supporters of The Dolphin Inn Kenton all over the world.

Is it a good business proposition?

We believe so, based on the record of The Dolphin Inn Kenton before its current ownership, and the success of other nearby village pubs and community run pubs across Devon. However, you should of course consider the SWOT analysis and other information set out in the Business Plan before committing to apply for Shares. All commercial activities carry risk and any subscription for Shares is not a loan or a deposit and the rates of return are not guaranteed. Also, the Shares may not be readily convertible to cash should you need to withdraw them.

What happens if the business gets into financial difficulties?

If this occurs then TDIK may be placed into liquidation, in which case a liquidator would be appointed who would realise the assets and distribute them to creditors. Effectively, this would mean selling the freehold of The Dolphin Inn Kenton (on the basis that the pub would be the main asset at the relevant point) and the creditors would be paid from the proceeds. After the payment of the creditors and the costs of the liquidator, then if there was any surplus, this would be returned to the Members. You should note that if TDIK gets into financial difficulties, then:

- the Management Committee may have to suspend your rights to withdraw your Shares;
- the Management Committee may have to write down the value of your Shares;
- you may lose all the money you paid for your Shares.

What is the limit of my liability, should I subscribe for Shares?

Your liability as a Member is limited to the value of your shareholding.

How can I get the amount I have paid for my Shares back if I need to?

The only way you can get the value of your shareholding back is to apply to withdraw your shares from the business. Withdrawals will be at the discretion of the Management Committee, and can only take place after five years of trading. Withdrawals are also likely to be limited to 10% of the total share capital in any one year. Withdrawals will be dealt with in order of application. Please refer to the Rules for further information relating to withdrawals.

Can I lose more than the value of my subscription amount if the business fails?

No, not from your position as a Member.

What protection do I have if I subscribe for Shares?

This share offer is exempt from the Financial Services and Markets Act 2000; this means you have no right of complaint to an ombudsman. A CBS is registered with but not authorised by the FCA and therefore the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme.

Who are the people organising this? Do they have a personal interest?

The people organising this share offer is a group of local people who believe passionately in preserving The Dolphin Inn Kenton and increasing its customer base and profitability (their details are set out on our website. These people are also the initial Management Committee of TDIK. Collectively there is a wealth of business and community experience within the Committee. None of

the Committee Members have any personal interest in the current ownership of the freehold of The Dolphin Inn Kenton.

What will you do with my personal details and data?

Your personal details as submitted on the application form will be held by the society and used in accordance with the provisions of the rules and of the 2014 Co-operative and Community Benefit Societies Act. The society will not share, sell or provide your details to any other individual or organisation and will ensure compliance with the GDPR regulation in accordance with its responsibility as a data controller. The society also has the obligation to notify HMRC of certain share interest payments.

Are there any restrictions on becoming Members?

Members must be aged 18 or over and hold at least one fully paid up share.. There is no requirement to be resident in the community - just a desire to support the cause.

Who are the Members of The Dolphin Inn Limited?

Anyone who owns a share is a Member and the current members are those people set out in the "Who are we?" on our website,(who also form the current Management Committee).

What are the rights attaching to the Shares?

Each Member has only one vote at general meetings, irrespective of the number of shares they own. Further details regarding the rights attaching to the Shares are set out in the Rules.

How will the pub be run?

The pub will be run by a Manager, other full or part-time paid staff, employed by the Management Committee, on behalf of TDIK. Staffing will be supplemented by a team of volunteers. The key decisions in relation to the running of the pub will be made by the Management Committee.

Only Members may be elected to serve on the Management Committee. Members of the Management Committee elected by the Members shall hold office (unless vacated beforehand) until the conclusion of the third Annual Members Meeting after their appointment.

The Management Committee is elected each year by and from the Members at the Annual Members Meeting. The Board may co-opt other members onto the Management Committee but these appointments are only valid until the next Annual Members Meeting. Further information regarding the Management Committee (its composition, the appointment of its members and the regulation of its meetings etc) are set out in the Rules.

What is the minimum and maximum number of Shares that I can buy?

You can subscribe for between 1 and 500 shares. This amounts to a subscription price of between £100 (for 1 share) and £50,000 (for 500 shares).

What do I receive from my subscription for Shares?

As stated in the Rules: "Holders of shares will be rewarded primarily through a social dividend rather than a monetary dividend." The first return is the knowledge that your subscription will be helping the community keep a pub open in Kenton – where it's been at the heart of the village for the last 350 years. However, TDIK can pay interest on share capital up to a level sufficient to attract and retain the investment (although our rules at clause 8.5.2 set a maximum rate of 5% or 2% above bank base rate, whichever is greater). The Management Committee anticipates that TDIK may pay interest at a rate similar to that which you would receive from a savings account, if and when the management committee believes to be financially prudent. There is, however, no commitment or guarantee to that at this stage. All interest payments will be at the discretion of the Management Committee, who will make their decisions based on the needs of the business. As mentioned before, we also hope that subscriptions for Shares in TDIK will qualify for tax relief under the Enterprise Investment Scheme.

Can my Shares go up and down in value?

The value of your Shares cannot increase beyond their face value. Their value may be reduced if the liabilities of the business increase or the value of its assets decrease. Rule 8.6 of the Rules states that “on the solvent winding-up of the Society, holders of shares will have no financial entitlement beyond the payment of outstanding interest and repayment of paid up share capital.”

Can I transfer my shares to someone else?

No, only in the event of your death or bankruptcy.

Can my investment be gift aided?

No, gift aid is not payable on shares. However, any donations you make will also not be eligible for gift aid because we aren't a charity.

Will I get a Share Certificate?

Once payments are received, everyone who invests in shares will be admitted into membership, allotted shares and will receive a community share certificate.

What happens if we don't raise enough money to enable the purchase to take place, or negotiations with the current owner fail?

If this share issue doesn't meet the sum required, or we fail to reach an agreement with the current owner of The Dolphin Inn Kenton, then the share issue will be deemed to have failed.

Will I have a say in what happens at the pub? What happens if I don't like how the business is being run?

Each Member will have a vote at Annual and Special Members Meetings. 12 Members or 10% of all Members (whichever is less) can require the Secretary of TDIK to convene a Special Members Meeting to consider any matter which concerns them.

Will meetings of the Management Committee be open to shareholders?

Whether or not Management Committee meetings are open to Members is at the discretion of the Management Committee.

Will Members be expected to volunteer their services?

The Business Plan doesn't rely on Members volunteering but we certainly hope to provide opportunities behind the bar and in the kitchen for those that are interested. There should also be plenty of opportunities for Members to get involved in cleaning, decorating, gardening and general DIY efforts to get the pub up and running again.

Has this sort of thing been done before?

Yes! Have a look at www.thedolphinkenton.co.uk to find links to the websites of many other community owned pubs that appear to be thriving.

Terms and Conditions and Legal Statement

Shares will be allotted once payment has been received. You will not then be able to withdraw your application for Shares once you have paid. The Management Committee does not have to accept your application for Shares. They may decide not to issue Shares to you or allocate fewer Shares than you applied for. They do not have to give any reasons for their decision, but will consider applications in the order in which they are received and are likely to accept those who have applied first, so the earlier the application, the more likely it is to be successful. TDIK will acknowledge receipt of your application form if requested.

If this Share issue doesn't raise the sum required, or we fail to reach an agreement with the current owner of The Dolphin Inn Kenton, then all those who have paid for Shares will be reimbursed in full and the Share issue will be deemed to have failed.

This offer and any agreement entered into for the subscription of shares in TDIK is governed by the Laws of England & Wales. The courts of England shall have exclusive jurisdiction. You will be bound by the Rules if Shares are issued to you.

Important points about the Share Offer that you MUST be aware of before deciding whether to take part

At this stage, we are asking you to state how much you are prepared to commit prior to actual share purchase. We are, therefore, relying on investors to honour their commitment at the point where we have a figure where we can go ahead and purchase and initially renovate the pub. It is at this point that your purchase of Shares takes place and you become shareholders.

When considering taking part, it is VITAL to realise this is an investment in our community – creating a unique asset for us all, and helping to make Kenton parish and village a more vibrant, thriving and sustainable place. It is not a conventional financial “investment” with an expectation of direct financial returns. The full details are set out in the Rules of TDIK which can be downloaded from our website www.thedolphinkenton.co.uk.

1. The minimum shareholding is 1 (one) Share. Each Share has a value of £100 and the statutory maximum that can be held by an individual is 500 (with an aggregate value of £50,000). Members must be over 18 years of age and shares must be paid for in full on application (form attached).
2. Shares are not transferable (except on death or bankruptcy) – you cannot sell these Shares except to TDIK itself for their original value of £100 per share.
3. The value of Shares cannot increase beyond their nominal value of £100. However, their value may reduce and are fully at risk.
4. Your liability as a Member is restricted to the value of your Shareholding. In the event that the business should fail, you would have no further liability by virtue of being a Member.
5. In the future, we may be in a position to pay interest on these Shares but the share subscription should be viewed as a “social investment”.
6. The only way to recover the sum initially invested (or any reduced value) is to give notice of withdrawal. This cannot happen until five years have elapsed from the date of issue, or such other period as the Management Committee decides.
7. The specific conditions for withdrawal include (full details are set out in the Rules):
 - a. withdrawals must be funded from trading surpluses or new share capital – and are discretionary (i.e. subject to the Management Committee being satisfied this is consistent with the long-term interests of TDIK);
 - b. the total repayable in any year may be specified by the Management Committee; and
 - c. three months notice must be given.
8. The Dolphin Inn Limited is registered with the Financial Conduct Authority (FCA). However, this offer of Shares is not regulated by the FCA; there is no right of complaint to the Financial Ombudsman, nor can you apply to the Financial Services Compensation Scheme.
9. You should pay special attention to the risks highlighted within the “Frequently Asked Questions” section above and the SWOT Analysis within the Business Plan.
10. The Rules set out the detailed provisions relating to TDIK , reading the Frequently Asked Questions should not be considered a substitute for reading these and the business plan in full. The Rules are important and will be binding on you, as a Member, should your application for Shares be successful.

Before deciding to subscribe, please consider seeking independent financial or legal advice in relation to the terms of this offer.

If you need further information on the project itself, please do not hesitate to contact us

The Dolphin Community Pub: Conditional Share Application Form

This form is available on our website at www.thedolphinkenton.co.uk

Thank you for your interest in investing in The Dolphin as a community-owned pub and hub. This application form allows you to make a formal, conditional commitment to purchase community shares, payable only if our offer on the Dolphin property is accepted and we proceed with the purchase.

SECTION 1: Your Details

Name: _____

Address: _____

Postcode: _____ Email: _____

Phone Number: _____

Date of Birth (must be 18+): _____

SECTION 2: Share Application

I apply to purchase community shares in The Dolphin Inn Kenton Limited Community Benefit Society.

I understand:

- The minimum investment is £100 (one share)
- The maximum investment per individual is £50,000 (500 shares)
- Shares are non-transferable and withdrawable only in accordance with the rules of the Society.

I wish to invest: £_____

(Please write amount in words: _____)

SECTION 3: Conditional Agreement

I understand and agree that:

- This application is binding, but payment will only be requested if and when the CBS confirms acceptance of its offer to purchase The Dolphin.

- I will receive a payment request by email and will have 14 days to make payment.
- If the CBS does not proceed with the purchase, this application will lapse with no payment due.
- I have read the Share Offer Document and understand the nature of this investment.

Signed: _____ Date: _____

SECTION 4: Payment Details

You will receive payment instructions if and when the share offer conditions are met. Do not send money now.

PRIVACY NOTICE: Your details will be securely stored and used solely for purposes relating to this share offer and membership of the CBS. They will not be shared with third parties.

Need help?

Please contact us at KentonPCG@gmail.com or speak to a member of the committee.

A copy of the Rules of the Society is available on request.