

Portland Works Saved!

**PORTLAND
WORKS**

Help renovate the Works with

Share Offer - 2nd issue - 2015 continuation



Share Offer Document

Portland Works Little Sheffield Limited

A Registered Society under the Co-operative and Community Benefit Societies Act 2014, registered number: 31143R

Portland Works has been saved from development

Now we need to secure its future!

We purchased this wonderful building, the birthplace of stainless steel, on 28 February 2013. It is now home to a thriving community of businesses, including metalworkers, engravers, woodworkers, artists and musicians. We could not have done this without the support of hundreds of people who bought Community Shares, raising over £270,000.

We have great plans to develop the potential of Portland Works, whilst ensuring the rents stay affordable, and have already completed the most important repairs and refurbished new areas for rental. But the Works will need more work in 2015 and 2016, to renovate the roofs, repair or replace gutters and downpipes, fix windows and frames and refurbish other parts of the building. We hope most of the cost will come from grants and donations, but money raised from this share issue will also help to complete the work.

How you can help: join us!

The Works is now owned by Portland Works Little Sheffield Limited, a Registered Society under the Co-operative and Community Benefit Societies Act 2014[#], with over 500 shareholding members. We welcome new members who wish to support this project.

[#] We formed the Society in 2010, under the Industrial and Provident Societies Acts 1965-2002, the legislation existing at that time. This legislation was replaced by the Co-operative and Community Benefit Societies Act 2014. If we had been formed under the 2014 Act, we could call ourselves a "Community Benefit Society", but because we were formed under the earlier Acts, we must call ourselves a Registered Society! Please forgive us using the term community benefit society in this document – it's how we see ourselves.

What are Community Shares?

Community Shares are an established means by which solid community projects can fund aims they value and support. They provide a way of raising large amounts of capital through the investments of small sums by many members of the community.

They offer communities an ethical way of investing in social projects that matter. To find out more about the many projects which have funded themselves in this way, please look at the Community Shares website: www.communityshares.org.uk.

When you invest in a community share issue, you are doing so for the long term. You may ask to withdraw your shares, but any withdrawal is at the discretion of the Board of Directors – and, currently, the Board will not repay any shares before February 2018, except on the death of a member. We advise you to read the small print of this document closely before investing.

What happens to my money?

Upon receipt, your cheque will be cashed, a receipt issued, and the money placed in our bank account. Shortly afterwards a share certificate will be issued to you.

Join us and be part of a living building, where Sheffield's past meets its future!

Who are we?

We are a group of over 500 people, made up of tenants of Portland Works and members of the community who have already bought Community Shares in Portland Works Little Sheffield Limited. We want to support the traditional craft skills of Sheffield, and we care about the future of Portland Works and share a belief in its potential. We formed Portland Works Little Sheffield Limited (the “Society”) to buy the building and manage its future. Within our team we have expertise in property management, architecture, accountancy, legal matters, planning and conservation.

Our Supporters

In our campaign to save Portland Works from closure and redevelopment, and then to purchase it, we galvanized cross-party political support, and received the backing of prominent local and national organisations such as Sheffield Civic Trust, The Architectural Heritage Fund, the Victorian Society and the Heritage Craft Association. We particularly benefited from close collaborations with academic departments at the University of Sheffield, whose students and lecturers continue to work with us.

We also received expert advice from the Cooperative Enterprise Hub (part of the Cooperative Group) who helped us to with our Business Plan; and financial support from Sheffield Town Trust, Sheffield City Council, the South Yorkshire Community Foundation, the JG Graves Trust, the Freshgate Foundation and The University of Sheffield via a Knowledge Transfer grant.

On the way we have picked up some celebrity support too with **John Craven**, **Griff Rhys Jones** and **Ade Edmondson** making televised visits to the Works. Griff even ordered a knife from Stuart Mitchell (bespoke cutler and knife maker).

'Communities need the life that your plans would bring, good luck!' – **Ken Loach**.

'I agree totally with keeping Portland Works out of developers' hands and keeping it in the hands of Sheffield people... for the record I fully support any efforts to save this wonderful building' – **Richard Hawley**.

Our development plans for Portland Works

We have great plans to develop the potential of Portland Works by:

- repairing and restoring the building, eventually bringing it back to its former glory;
 - bringing dilapidated parts into use, thereby increasing the number of tenancies and helping to create new jobs; and
 - developing it as an inspirational educational and cultural resource to bring the story of the Works and of stainless steel to diverse audiences.
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Our Financial Plan

The money raised from the 2015 issue of Community Shares will help to fund important repair and refurbishment work, which will safeguard the fabric of the building, comply with Health & Safety legislation and enable us to raise our income by creating additional workspaces for new tenants. Rents from the businesses within the Works will be the most important source of regular future income. By early 2015, rental income will be enough to cover the day-to-day costs of running the building, including management, utilities, insurance, minor repairs and interest on loans. But it will not be enough to cover important renovation works. We are seeking additional grant aid, donations and share investments to cover the cost of these major works.

Also, starting in 2015, we plan to replace with long term borrowings the short term loans taken when we purchased the Works.

Our Business Plan sets out a detailed programme for management of the Works, our planned restoration projects and how we hope to fund them, and our expectations for the future financial operation of the Society. We refresh the Business Plan periodically and the 2015 update will be found at www.portlandworks.co.uk once it has been finalised.

What's in it for me?

You will be making a long term investment in an exciting project to safeguard a crucial part of Sheffield's heritage and create a dynamic future for Portland Works. We aim to protect the value of your investment over the long term and to keep you up to date with the progress of our project.

Holding shares will make you a member of Portland Works Little Sheffield Limited. As a member of the Society, you can take part in democratic decision-making. Each member has an equal say, regardless of the value of their shareholding. You can also elect the Board of Directors who oversee the work of the Society.

Please see the '**Membership**', '**Shareholding**', '**Dissolution**' and '**Interest**' sections of the **Terms and Conditions** (below) for more information.

What is a community benefit society?

Community benefit societies are set up to conduct a business or trade for public benefit. Instead of being distributed among members or external shareholders, profits from these social enterprises are returned to the community. They raise funds by issuing community shares to the public, and are run and managed by their members. You can read more about them on the Financial Conduct Authority website at:

<http://www.fca.org.uk/firms/firm-types/mutual-societies/industrial>

Share Offer 2 – Terms and Conditions

Contact details

Portland Works Little Sheffield
Portland Works
Randall Street
Sheffield S2 4SJ

shares@portlandworks.co.uk

www.portlandworks.co.uk

The Society

Portland Works Little Sheffield Limited (hereinafter referred to as the “Society” or “PWLS”) is registered with the Financial Conduct Authority under the number 31143R as a society for the benefit of the community. The registered office is Portland Works, Randall Street, Sheffield, S2 4SJ. A copy of the Society’s Rules is available on request and may also be found at www.portlandworks.co.uk. In this document the terms “we”, “us” and “our” refer to the Society.

Membership

The Society is owned by and accountable to its members. All members have an equal say based on the principle of one member one vote. Membership is open to all persons and organisations that agree with the aims and objectives of the Society. To be a member, individuals must be a natural person of at least 16 years of age or a legal person (such as a company). Members participate in decision making at general meetings. Members elect the Board of Directors to manage the Society and oversee the work of staff and/or contractors. Members will be kept informed of the work of the Society at the annual general meeting and via the annual report and accounts, the newsletter and website.

Shareholding

All shares have a nominal value of £1. The minimum shareholding is £100. You can buy additional shares up to a maximum of £1,000 in this share issue. The shares are not transferable, except on the death of a member. The notice period for withdrawals is three months. The Board of Directors can reduce the amount payable on each share when withdrawn if the auditors of the Society certify that there are more liabilities than assets. The Board of Directors does not currently intend to apply this Rule, but if it had been applied based upon the financial statements as at 31 March 2014, the amount payable per share would have been approximately £0.56. The amount payable on each share can never increase above £1 even if assets exceed liabilities.

The Directors can also suspend withdrawal for such periods as they think fit and have currently suspended withdrawals until February 2018, except on the death of a member. Any shares withdrawn would be on a first come first served basis.

Dissolution

In the event of the Dissolution of the Society any assets remaining after all liabilities have been met and all share capital has been repaid shall not be distributed among the members, but shall be transferred instead to some other non-profit body or bodies subject

to at least the same degree of restriction on the distribution of surpluses and assets as is imposed on the Society by virtue of its Rules, as may be decided by the members at the time of or prior to the dissolution. (This is known as an 'asset lock' and safeguards the community's ownership Portland Works, of the Society's principal asset.)

Interest

Under the Rules of the Society, interest may be payable on share capital out of any accumulated surplus. Currently, there is no such surplus and it may be many years before the Society is able to pay interest. Any interest will be allocated to your share account unless immediate payment is specifically requested.

Governing law and Investor protection

PWLS is not an authorised institution under the Banking Act 1987 and does not accept deposits. This means there is no share deposit protection scheme for investors. PWLS is an exempt person from the regulated activity of deposit taking by its issue of shares pursuant to Paragraph 24 of Part II of the Schedule to the Financial Services and Markets Act 2000 ("FSMA") Exemption (Order 2001). The shares are not a specified investment for the purposes of Section 22 of FSMA (What is a Regulated Activity) pursuant to Paragraph 76 of FSMA (Regulated Activities) Order 2001.

It is therefore not authorised by the Financial Conduct Authority. If the Society fails you have no right of complaint to the Financial Ombudsman or the Financial Services Compensation Scheme and no right to financial compensation.

An investment in the withdrawable and non-transferable shares of the Society is not treated as a controlled investment for the purposes of Section 21 of FSMA (The Financial Promotion Prohibition) pursuant to Paragraph 14(3) of Schedule 1 of the FSMA (Financial Promotion) Order 2005. PWLS has taken all reasonable care to ensure that every statement of fact or opinion included in this information document is true and not misleading.

Risk

Membership of the Society and the purchase of shares should be seen as a social investment to support the aims of the Society and not an investment for personal gain or profit. Membership is not suitable for anyone who needs income from investments or immediate access to their capital. Although the Board of Directors will implement prudent management policies, there is always the risk you could lose some or all of your share capital. Due care has been taken in preparing this document and the business plan, a process which has been overseen by the directors, who can vouch that the information it contains is in accordance with the facts and that there are no omissions likely to affect its import. You should buy shares only with money you can afford to have tied up, without interest, and without capital appreciation, for several years. You should buy shares only with money that you are prepared to lose. If you are in any doubt about your investment you should consult an Independent Financial Advisor authorised under the Financial Services and Markets Act 2000.

Data Protection

By completing the application for membership you consent to the Society and our contractors and agents holding personal data about you in accordance with the Data Protection Act 1998. We do not sell or exchange mailing lists.

Terms and Conditions for Applying for Shares

You cannot withdraw your application for shares after we receive your application form. The Directors do not have to accept your application for shares. They may decide not to issue shares to you or may allocate you fewer shares than you applied for. They do not have to give any reason for their decision. Your application will be considered for approval at the first convenient Board of Directors meeting after your application, and therefore you should not expect an immediate response. The Directors will acknowledge receipt of your cheque and application. They may cash your cheque as soon as it is received. The Directors will return your money to you (within twenty eight days of the Board of Directors meeting at which we consider your application) if they decide not to issue shares to you. If they decide to issue fewer shares to you than you applied for, they will return the balance to you (within twenty eight days of that Board of Directors meeting). The money will belong to the Society (and the Directors will no longer hold it on trust for you) as soon as the Directors issue shares to you (to the extent that they take it as payment for shares). The Society will not pay you interest on any money it returns to you. You promise that:

- Your cheque will be honoured on presentation.
- You, as an individual, are at least 16 years of age.
- You have authority to sign the application form. If you are signing it for another person, you will provide the Directors with evidence of your authority to sign if they ask to see it.
- You will supply us with proof of your identity and address, if the Directors ask for it. We may need to do this to comply with the Money Laundering Regulations 2003. The Directors may have to hold back your shares until they see this.

The law of England applies to these terms. The courts of England and Wales have non-exclusive jurisdiction. You will be bound by the Rules of the Society (as may be amended from time to time) if the Directors issue shares to you.

PORTLAND WORKS SHARE ISSUE No 2 – APPLICATION FORM 2015

Any individual aged 16 or over and any organisation may apply to become a member of Portland Works Little Sheffield Ltd (PWLS), and may invest in PWLS by applying to buy shares. Applications under this offer must be for a minimum of 100 shares [£100] and for a maximum of 1,000 shares [£1,000].

By applying to buy shares you will also be applying to be a member of Portland Works Little Sheffield Limited.

Applications for shares must be made on this form, and must be accompanied by a cheque made out to Portland Works Little Sheffield Limited in payment. Acceptance of your application will be notified by issue of a receipt, which will be emailed as soon as possible.

The Directors reserve the right to reject any applicant in whole or in part, in which case the application monies will be returned by cheque through the post at the applicant's risk.

Name of applicant _____

Address _____

Postcode _____ Telephone _____ Email _____

I agree to be bound by the Rules of the Society (see website for a copy of our rules)

I have read, accepted and understand the Terms and Conditions set out in this offer and I am aware of the risks involved in investing in PWLS. I consent to your holding information in accordance with the Data Protection Act: (please mark with a tick)

I enclose a cheque for £ _____ (payable to **Portland Works Little Sheffield Limited**)

for the purchase of _____ shares (minimum 100) at a value of £1 each

signed _____ date _____

PRINT NAME _____

Please return this form with cheque to:

Portland Works Little Sheffield Limited
Portland Works
Randall Street
Sheffield
S2 4SJ

shares@portlandworks.co.uk www.portlandworks.co.uk

Applicants and members should be aware that share capital in a Registered Society is risk capital and there is a possibility of loss. This investment is not suitable for those who require income or ready access to their capital. This is a social investment, not a financial investment. Please note the value of your investment can go down. The value of your investment will not go up.