



Reserves and Investments Policy

Policy Owner: Treasurer
Date Approved: 16th October 2025
Review Date: Oct 2028

1. Purpose

This policy sets out the principles by which the United Kingdom Practical Shooting Association (UKPSA) manages its financial reserves and investments. It ensures compliance with the Charity Commission's guidance (CC19: Charities and reserves, CC14: Charities and investment matters) and supports the Association's objectives, stability, and long-term sustainability.

2. Scope

This policy applies to all funds held by the Association, excluding restricted funds that can only be used for specific purposes as directed by donors or funders. This policy is aligned with the Charitable Funds Expenditure Policy.

3. Principles

- Funds must be used to further the Association's charitable objects as set out in its governing document.
- Reserves are held to protect the Association against financial risk, maintain operational continuity, and support future development.
- Investment decisions must prioritise the security of funds, ethical considerations, and the Association's duty to act prudently.
- Transparency and accountability will be maintained through regular reporting to the Board of Trustees and members.

4. Reserves Policy

4.1 Definition

Reserves are the part of the Association's unrestricted funds that are freely available to spend on its charitable purposes. They exclude:

- Restricted funds
- Endowment funds
- Fixed assets held for charity use



4.2 Target Level of Reserves

The UKPSA will aim to hold unrestricted reserves equivalent to 6–12 months of core operating expenditure. (Refer to Expenditure policy) This range is considered sufficient to:

- Ensure continuity of core programmes in the event of income fluctuations.
- Provide a buffer against unforeseen events or emergencies.
- Allow flexibility for strategic development opportunities.

4.3 Use of Reserves

- Reserves may be drawn down only with the approval of the Board of Trustees.
- Use of reserves must be accompanied by a recovery plan or justification.
- The reserves level will be reviewed annually as part of the budgeting process.

5. Investment Policy

5.1 Objectives

The investment of UKPSA funds will aim to:

- Protect the value of funds against inflation.
- Generate a reasonable return while maintaining capital security.
- Ensure investments are aligned with the Association's charitable aims and values.

5.2 Risk and Approach

- The Association has a low to moderate risk appetite.
- Cash deposits may be held in recognised UK banks/building societies, spread across institutions to mitigate risk.
- For longer-term funds, investments may include low-risk managed funds, ethical investment vehicles, or other instruments approved by the Trustees.

5.3 Ethical Considerations

Investments will not knowingly be made in organisations whose activities conflict with the Association's values or charitable purposes, including those linked to unlawful activities or breaches of UK charity law.

5.4 Oversight

- The Finance Committee, on behalf of the Trustees, will monitor reserves and investments.
- Trustees will receive at least quarterly reports on performance, risks, and compliance.
- Professional advice may be sought where appropriate.

6. Monitoring and Review

- This policy will be reviewed annually by the Finance Committee and approved by the Board of Trustees.
- The policy, and the current level of reserves, will be disclosed in the Annual Report and Accounts for transparency.

7. Roles and Responsibilities

- Board of Trustees: Overall responsibility for compliance and approval of reserves/investment decisions.
- Finance Committee: Oversight, monitoring, and reporting on financial matters.
- Treasurer: Day-to-day responsibility for implementation and ensuring adherence to this policy.

