



The Haven General and Administrative Policy and Procedure	
Policy #	FN-011
Policy Title	Liquidity Disclosure Policy
Issue Date	April 2019
Revision Date/s	9/7/20, 8/10/21, 5/31/22, 5/1/23

**I. Purpose**

To comply with ASU 2016-14 Topic 958 requiring disclosure of qualitative and quantitative information about how the entity manages its liquid resources.

**II. Policy**

To satisfy the minimum disclosure requirement for liquidity, The Haven identifies its financial assets that are available to meet general expenditures within one year of the balance sheet date.

**Definitions**

Accounts Receivable – amounts due for services rendered

Allowance for Doubtful Accounts – an estimate of the amount of Accounts Receivable that may not be collected

ASU – Accounting Standards Update

Liquidity – of the quality of being available for use

Net – the sum of Accounts Receivable and the allowance for doubtful accounts

Qualitative – type

Quantitative - amount

**III. Procedure**

- a. The Haven’s monthly financial statements will include a notation of days’ cash on hand and a current debt to asset ratio
- b. The Haven’s monthly financial statements will include a comparison of actual activity to budgeted activity
- c. The Haven will strive to maintain 1-years’ worth of liquid investment funds and net Accounts Receivable
- d. At less than 6-months’ worth of funds and Receivables, a budget revision may be triggered by the Board of Directors.