



PROPOSED GAAP TAXONOMY IMPLEMENTATION GUIDE

Version 1.0

Issued: April 11, 2022
Comments Due: May 11, 2022

Reorganizations

(2022 GAAP Taxonomy)

GAAP Financial Reporting Taxonomy and SEC Reporting Taxonomy (collectively referred to as the “GAAP Taxonomy”) Implementation Guide Series

This draft is issued by the Financial Accounting Standards Board (FASB) to solicit views on this proposed GAAP Taxonomy Implementation Guide. Written comments should be addressed to:
Chief of Taxonomy Development
File Reference No. 2022-200

Financial Accounting Standards Board

The GAAP Taxonomy Implementation Guide is not authoritative; rather, it is a document that communicates how the GAAP Financial Reporting Taxonomy and the SEC Reporting Taxonomy (collectively referred to as the “GAAP Taxonomy”) is designed. It also provides other information to help a user of the GAAP Taxonomy understand how elements and relationships are structured.

Notice to Recipients of This Draft

The FASB staff invites individuals and organizations to send written comments on all matters in this draft. Responses from those wishing to comment on the proposed Taxonomy Implementation Guide must be received in writing by May 11, 2022. Interested parties should submit their comments by email to xbrlguide@fasb.org, File Reference No. 2022-200. Those without email should send their comments to “Chief of Taxonomy Development, File Reference No. 2022-200, FASB, 401 Merritt 7, PO Box 5116, Norwalk, CT 06856-5116.” Do not send responses by fax.

The FASB will make all comment letters publicly available by posting them to the [GAAP Taxonomy Comment Letters](#).

An electronic copy of this proposed GAAP Taxonomy Implementation Guide is available on the FASB’s [website](#).

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Questions for Respondents

The FASB staff invites individuals and organizations to comment on the content in this proposed GAAP Taxonomy Implementation Guide (Guide) for the GAAP Financial Reporting Taxonomy and SEC Reporting Taxonomy (collectively referred to as the “GAAP Taxonomy”) and, in particular, on the questions below. Respondents need not comment on all of the questions.

Comments are requested from those who agree with the content and those who disagree with the content. Comments are most helpful if they identify and clearly explain the issue or question to which they relate. Those who disagree are asked to describe their suggested alternative(s), supported by specific reasoning and examples, if possible.

1. Do you agree the examples provide sufficient information to apply the GAAP Taxonomy elements and modeling for the reporting of disclosures for Topic 852, *Reorganizations*? If not, why are they not sufficient?
2. Are there other examples for the reporting of disclosures for Topic 852, *Reorganizations* that would be beneficial to include in the Guide? If yes, what are they?
3. Do you agree that the modeling structure within the GAAP Taxonomy for the reporting of disclosures for Topic 852, *Reorganizations* facilitates data consumption and improves comparability? If not, why not?
4. Do you agree that the Guide addresses common reporting practices for the reporting of disclosures for Topic 852, *Reorganizations*? If not, what common reporting practices are not included?
5. Are there difficulties, challenges, or unintended consequences in applying the modeling structure for the reporting of disclosures for Topic 852, *Reorganizations* as illustrated in the Guide? If yes, what are they?
6. Is there another approach that would provide a better modeling structure for the reporting of disclosures for Topic 852, *Reorganizations*? If yes, what alternative would you propose?

Proposed GAAP Taxonomy Implementation Guide on Modeling For Reorganizations

Overview

The purpose of this proposed Guide is to demonstrate the modeling for the reporting of Chapter 11 reorganization under *FASB Accounting Standards Codification*[®] Topic 852. These examples are not intended to encompass all of the potential modeling configurations or to dictate the appearance and structure of an entity's extension taxonomy or disclosures in its financial statements. The examples are provided to help users of the GAAP Taxonomy understand how the modeling for Chapter 11 reorganization is structured within the GAAP Taxonomy. The examples are based on the assumption that the entity meets the criteria for reporting a Chapter 11 reorganization under Generally Accepted Accounting Principles (GAAP) and/or U.S. Securities and Exchange Commission (SEC) authoritative literature. In addition, the reported line items within the examples do not include all reporting requirements and represent only partial disclosures and statements for illustrative purposes.

While constituents may find the information in this Guide useful, users looking for guidance to conform to U.S. Securities and Exchange Commission (SEC) XBRL filing requirements should look to the SEC EDGAR Filer Manual and other information provided on the SEC website at www.sec.gov/structureddata.

This Guide focuses on detail tagging only (Level 4); it does not include elements for text blocks, policy text blocks, and table text blocks (Levels 1–3).

There are two sections included in this Guide:

- **Section 1: Overview of Modeling:** This section provides an overview of the modeling for the reporting of Chapter 11 reorganization under Topic 852.
- **Section 2: Examples of Modeling:** This section includes examples of modeling for the reporting of Chapter 11 reorganization under Topic 852.
 - Example 1—[Disclosure of Condensed Combined Statement of Financial Position—Operating Under Chapter 11 Reorganization](#)
 - Example 2—[Disclosure of Condensed Combined Statement of Operations—Operating Under Chapter 11 Reorganization](#)
 - Example 3—[Disclosure of Condensed Combined Statement of Cash Flows—Operating Under Chapter 11 Reorganization](#)

- Example 4—[Disclosure of Reorganization Value](#)
- Example 5—[Disclosure of Condensed Consolidated Statement of Financial Position upon Emergence from Chapter 11 Reorganization and Adoption of Fresh-Start Accounting](#)
- Example 6—[Consolidated Statement of Financial Position After Emergence from Chapter 11 Reorganization and Adoption of Fresh-Start Accounting](#)

General Information

- (1) A legend for dimensions and domain members has been provided to associate with facts contained in the notes to the financial statements. Extension elements are coded using “Ex.” Legends specific to the examples are provided in Figure x.2 of each example.

Coding	Standard Label	Element Name
A1	Consolidated Entities [Axis]	ConsolidatedEntitiesAxis
	Consolidated Entities [Domain]	ConsolidatedEntitiesDomain
M1	Reorganization, Chapter 11, Debtor-in-Possession [Member]	ReorganizationChapter11DebtorInPossessionMember
A2	Statistical Measurement [Axis]	RangeAxis
	Statistical Measurement [Domain]	RangeMember
M2	Minimum [Member]	MinimumMember
M3	Maximum [Member]	MaximumMember
A3	Reorganization, Chapter 11 [Axis]	FreshStartAdjustmentsTypeOfFreshStartAdjustmentAxis
	Reorganization, Chapter 11 [Domain]	TypeOfFreshStartAdjustmentDomain
M4	Reorganization, Chapter 11, Predecessor, before Adjustment [Member]	ReorganizationChapter11PredecessorBeforeAdjustmentMember
M5	Reorganization, Chapter 11, Plan Effect Adjustment [Member]	ReorganizationChapter11PlanEffectAdjustmentMember
M6	Reorganization, Chapter 11, Discharge of Debt Adjustment [Member]	DischargeOfDebtMember
M7	Reorganization, Chapter 11, Exchange of Stock Adjustment [Member]	ExchangeOfStockForStockMember
M8	Reorganization, Chapter 11, Fresh-Start Adjustment [Member]	ReorganizationChapter11FreshStartAdjustmentMember

- (2) Elements that have an instant period type and elements that have a duration period type are indicated as such in Figure x.2 of each example. Instant elements have a single date context (such as December 31, 20X1) while duration elements have a starting and ending date as their context (such as January 1 through December 31, 20X1).
- (3) The XBRL report view (Figure x.3 in each example) does not include all information that may appear in an entity’s instance document. The XBRL report view is provided for illustrative purposes only.
- (4) For elements contained in the GAAP Taxonomy, the standard label is as it appears in the GAAP Taxonomy. For extension elements, the standard label corresponds to the element name. For information about structuring extension elements, refer to the *SEC EDGAR Filer Manual*.

- (5) Values reported in XBRL are generally entered as positive, with the exception of certain concepts such as net income (loss) or gain (loss).
- (6) Preferred labels (Figure x.3 in each example) are the labels created and used by an entity to show the line item captions in its financial statements.

Section 1: Overview of Modeling

The modeling for disclosures for Topic 852, *Reorganizations*, is designed to use financial statement line items with dimensions to accommodate the reporting requirements and provide flexibility.

“Reorganization, Chapter 11, Debtor-in-Possession [Member]” (M1) is a child of “Consolidated Entities [Axis]” (A1) and is intended to be used to disaggregate values between entities operating and not operating under Chapter 11 reorganization. It is used for the amounts of one or more, but not all, consolidated entities operating under Chapter 11 reorganization. “Reorganization, Chapter 11, Debtor-in-Possession, All Entities [true false]” (L1) is used to indicate whether all consolidated entities are operating under Chapter 11 bankruptcy.

The “Reorganization, Chapter 11 [Axis]” (A3) and the applicable members are intended to be used to tag the values of predecessor and adjustments from the Chapter 11 bankruptcy proceedings. “Reorganization, Chapter 11, Predecessor, before Adjustment [Member]” (M4) is to be used to tag the fact values of the entity before adjustments as the predecessor. “Reorganization, Chapter 11, Plan Effect Adjustment [Member]” (M5) and “Reorganization, Chapter 11, Fresh-Start Adjustment [Member]” (M8) are used to distinguish the different types of adjustments. The report-wide values represent the values of the emerging entity after adjustments as the successor. “Reorganization, Chapter 11, Discharge of Debt Adjustment [Member]” (M6) and “Reorganization, Chapter 11, Exchange of Stock Adjustment [Member]” (M7) are located as children of “Reorganization, Chapter 11, Plan Effect Adjustment [Member]” (M5) for additional detail.

The date context intended to be used for “Reorganization, Chapter 11 [Axis]” (A3), its members and report-wide values is the ending date context of the reorganization. For example, an entity emerged from bankruptcy and adopted fresh-start accounting on June 1, 20x1. The date context used for XBRL tagging is 20x1-06-01 even though the date for the emerging entity or successor is the beginning of June 2, 20x1 from an accounting perspective.

Section 2: Examples of Modeling

Example 1—Disclosure of Condensed Combined Statement of Financial Position—Operating Under Chapter 11 Reorganization

This Example illustrates the modeling for a condensed combined statement of financial position of one or more, but not all, consolidated entities in Chapter 11 reorganization proceedings.

Intercompany transactions among the entities in reorganization proceedings (debtor-in-possession) have been eliminated in the condensed combined statement of financial position. However, transactions between the debtor-in-possession and the subsidiary not in reorganization proceedings are reported in the condensed combined statement of financial position for the debtor-in-possession. Prepetition liabilities subject to compromise are classified as “Liabilities Subject to Compromise” in the condensed combined statement of financial position and the consolidated statement of financial position.

The condensed combined financial statements of the debtor-in-possession in Chapter 11 reorganization proceedings include the financial statements of the ABC company and its consolidated subsidiaries X and Y but exclude the financial statements of the consolidated subsidiary Z not in the reorganization proceedings. ^[1]

ABC Company (Debtor-in-Possession) Condensed Combined Statement of Financial Position As of December 31, 20x1 (in thousands)		
		A1:M1
Cash and cash equivalent	L2	\$ 240
	L3, A1:M1	
Accounts receivable, net of allowance for credit loss \$40	L4	210
Accounts receivable from subsidiary not in Chapter 11	L5	50
Inventories	L6	150
Total current assets	L7	650
Investment in subsidiary not in Chapter 11	L8	235
	L9, A1:M1	
Property, plant and equipment, net of depreciation \$50	L10	275
Goodwill	L11	200
Total non-current assets	L12	710
Total assets	L13	\$ 1,360
Liabilities not subject to compromise:		
Short-term borrowings	L14	\$ 175
Accounts payable	L15	150
Accounts payable to subsidiary not in Chapter 11	L16	50
Total current liabilities	L17	375
Liabilities subject to compromise	L18	1,050
Total liabilities	L19	1,425
Preferred stock	L20	325
Common stock	L21	75
Retained earnings (deficit)	L22	(500)
Total ABC shareholders' equity (deficit)	L23	(100)
Noncontrolling interest	L24	35
Total liabilities and shareholders' (deficit)	L25	\$ 1,360

Legend[†]:

^[1]**L1**

[†]This legend, which is not part of the disclosure, is provided to illustrate the elements associated with values reported.

Figure 1a.1

The following table summarizes the components of total liabilities subject to compromise:

(in thousands)		A1:M1	
Debt and accrued interest	L26	\$	800
Accounts payable and accrued liabilities	L27		150
Pension and postretirement liabilities	L28		60
Other liabilities	L29		40
Total liabilities subject to compromise	L18	\$	1,050

Figure 1b.1

The legend for the elements used to tag these facts follows:

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
A1	Consolidated Entities [Axis]		Duration	ConsolidatedEntitiesAxis
	Consolidated Entities [Domain]		Duration	ConsolidatedEntitiesDomain
M1	Reorganization, Chapter 11, Debtor-in-Possession [Member]		Duration	ReorganizationChapter11DebtorInPossessionMember
L1	Reorganization, Chapter 11, Debtor-in-Possession, All Entities [true false]		Duration	ReorganizationChapter11DebtorInPossessionAllEntities
L2	Cash and Cash Equivalents, at Carrying Value	Debit	Instant	CashAndCashEquivalentsAtCarryingValue
L3	Accounts Receivable, Allowance for Credit Loss, Current	Credit	Instant	AllowanceForDoubtfulAccountsReceivableCurrent
L4	Accounts Receivable, after Allowance for Credit Loss, Current	Debit	Instant	AccountsReceivableNetCurrent
L5	Due from Affiliate, Current	Debit	Instant	DueFromAffiliateCurrent
L6	Inventory, Net	Debit	Instant	InventoryNet
L7	Assets, Current	Debit	Instant	AssetsCurrent
L8	Equity Method Investments	Debit	Instant	EquityMethodInvestments
L9	Accumulated Depreciation, Depletion and Amortization, Property, Plant, and Equipment	Credit	Instant	AccumulatedDepreciationDepletionAndAmortizationPropertyPlantAndEquipment
L10	Property, Plant and Equipment, Net	Debit	Instant	PropertyPlantAndEquipmentNet
L11	Goodwill	Debit	Instant	Goodwill
L12	Assets, Noncurrent	Debit	Instant	AssetsNoncurrent
L13	Assets	Debit	Instant	Assets
L14	Short-Term Debt	Credit	Instant	ShortTermBorrowings
L15	Accounts Payable, Current	Credit	Instant	AccountsPayableCurrent
L16	Due to Affiliate, Current	Credit	Instant	DueToAffiliateCurrent
L17	Liabilities, Current	Credit	Instant	LiabilitiesCurrent
L18	Liabilities Subject to Compromise	Credit	Instant	LiabilitiesSubjectToCompromise
L19	Liabilities	Credit	Instant	Liabilities
L20	Preferred Stock, Value, Issued	Credit	Instant	PreferredStockValue
L21	Common Stock, Value, Issued	Credit	Instant	CommonStockValue
L22	Retained Earnings (Accumulated Deficit)	Credit	Instant	RetainedEarningsAccumulatedDeficit

Figure 1.2 (continues)

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
L23	Stockholders' Equity Attributable to Parent	Credit	Instant	StockholdersEquity
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Credit	Instant	MinorityInterest
L25	Liabilities and Equity	Credit	Instant	LiabilitiesAndStockholdersEquity
L26	Liabilities Subject to Compromise, Debt and Accrued Interest	Credit	Instant	LiabilitiesSubjectToCompromiseDebtAndAccruedInterest
L27	Liabilities Subject to Compromise, Accounts Payable and Accrued Liabilities	Credit	Instant	LiabilitiesSubjectToCompromiseAccountsPayableAndAccruedLiabilities
L28	Liability Subject to Compromise, Pension and Other Postretirement Benefit Plan, Benefit Obligation	Credit	Instant	LiabilitiesSubjectToCompromisePensionAndOtherPostretirementObligations
L29	Liabilities Subject to Compromise, Other Liabilities	Credit	Instant	LiabilitiesSubjectToCompromiseOtherLiabilities

Figure 1.2 (continued)

The XBRL report view created using the modeling structure is provided here:

	Standard Label	Preferred Label	20X1-12-31	20X1-01-01 to 20X1-12-31
	Date context		20X1-12-31	20X1-01-01 to 20X1-12-31
	Consolidated Entities [Axis] A1		Reorganization, Chapter 11, Debtor-in-Possession [Member] M1	Report-Wide Value
L1	Reorganization, Chapter 11, Debtor-in-Possession, All Entities [true false]	The condensed combined financial statements for debtor-in-possession in Chapter 11 reorganization exclude the financial statements of the consolidated subsidiary Z		false
L2	Cash and Cash Equivalents, at Carrying Value	Cash and cash equivalent	240000	
L3	Accounts Receivable, Allowance for Credit Loss, Current	Accounts receivable, allowance for credit loss	40000	
L4	Accounts Receivable, after Allowance for Credit Loss, Current	Accounts receivable, net of allowance for credit loss	210000	
L5	Due from Affiliate, Current	Accounts receivable from subsidiary not in Chapter 11	50000	
L6	Inventory, Net	Inventories	150000	
L7	Assets, Current	Total current assets	650000	
L8	Equity Method Investments	Investment in subsidiary not in Chapter 11	235000	
L9	Accumulated Depreciation, Depletion and Amortization, Property, Plant, and Equipment	Property, plant and equipment, depreciation	50000	
L10	Property, Plant and Equipment, Net	Property, plant and equipment, net of depreciation	275000	
L11	Goodwill	Goodwill	200000	
L12	Assets, Noncurrent	Total non-current assets	710000	
L13	Assets	Total assets	1360000	
L14	Short-Term Debt	Short-term borrowings	175000	
L15	Accounts Payable, Current	Accounts payable	150000	
L16	Due to Affiliate, Current	Accounts payable to subsidiary not in Chapter 11	50000	
L17	Liabilities, Current	Total current liabilities	375000	
L18	Liabilities Subject to Compromise	Liabilities subject to compromise	1050000	
L19	Liabilities	Total liabilities	1425000	
L20	Preferred Stock, Value, Issued	Preferred stock	325000	
L21	Common Stock, Value, Issued	Common stock	75000	
L22	Retained Earnings (Accumulated Deficit)	Retained earnings (deficit)	-500000	
L23	Stockholders' Equity Attributable to Parent	Total ABC shareholders' equity (deficit)	-100000	
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Noncontrolling interest	35000	
L25	Liabilities and Equity	Total liabilities and shareholders' (deficit)	1360000	

Figure 1a.3

The XBRL report view created using the modeling structure is provided here:

	Standard Label	Preferred Label	
	Date context		20x1-12-31
	Consolidated Entities [Axis] A1		Reorganization, Chapter 11, Debtor-in-Possession [Member] M1
L26	Liabilities Subject to Compromise, Debt and Accrued Interest	Debt and accrued interest	800000
L27	Liabilities Subject to Compromise, Accounts Payable and Accrued Liabilities	Accounts payable and accrued liabilities	150000
L28	Liability Subject to Compromise, Pension and Other Postretirement Benefit Plan, Benefit Obligation	Pension and postretirement liabilities	60000
L29	Liabilities Subject to Compromise, Other Liabilities	Other liabilities	40000
L18	Liabilities Subject to Compromise	Total liabilities subject to compromise	1050000

Figure 1b.3

Notes:

- “Consolidated Entities [Axis]” (A1), “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (M1) and the applicable line items are intended to be used to tag the fact values of the condensed combined statement of financial position of the one or more, but not all, consolidated debtors operating under Chapter 11 bankruptcy. This dimension would no longer be needed if all consolidated debtors are operating under the Chapter 11 bankruptcy. “Reorganization, Chapter 11, Debtor-in-Possession, All Entities [true false]” (L1) would be used to indicate if all consolidated entities are operating under Chapter 11 bankruptcy.
- The \$1,050 thousand is a total of liabilities subject to compromise for the debtors operating under Chapter 11 bankruptcy and is tagged with “Consolidated Entities [Axis]” (A1) and “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (M1). It is also the total as the report-wide value for the reporting entity that is not presented in Example 1. This dimension is not needed for the report-wide value presented in the consolidated statement of financial position.

Example 2—Disclosure of Condensed Combined Statement of Operations—Operating Under Chapter 11 Reorganization

This Example illustrates the modeling for the condensed combined statement of operations of one or more, but not all, consolidated entities in Chapter 11 reorganization proceedings. The condensed combined statement of operations excludes intercompany transactions among the entities operating in reorganization proceedings (debtor-in-possession) but includes transactions between the debtor-in-possession and the subsidiary not in reorganization proceedings. Incremental income and costs incurred directly as a result of the Chapter 11 bankruptcy filing are classified as “reorganization items, net” in the condensed combined statement of operations and the consolidated statements of operations.

ABC Company
(Debtor-in-Possession)
Condensed Combined Statement of Operations
For the year ended December 31, 20x1
(in thousands except per share amount)

	A1:M1	
Revenue	L30	\$ 1,400
Revenue from subsidiary not in Chapter 11	L31	50
Cost of revenue	L32	(810)
Cost of revenue for subsidiary not in Chapter 11	L33	(40)
Gross profit	L34	600
Selling and administrative	L35	(500)
Operating income (loss)	L36	100
	L37, A1:M1	
Interest expense (contractual interest expense \$ 5)	L38	(3)
Reorganization items, net	L39	(299)
Equity in earnings from subsidiary not in Chapter 11	L40	50
Loss from continuing operations before income tax	L41	(152)
Income tax benefit	L42	10
Net loss	L43	(142)
Net loss attributable to noncontrolling interest	L44	(22)
Net loss attributable to ABC	L45	\$ (120)
Earnings per common share:		
Basic loss per share	L46	\$ (1.16)
Diluted loss per share	L47	\$ (1.16)

Figure 2a.1

The following table summarizes the total organization items presented in condensed combined statement of operations:

(in thousands)		A1:M1
Interest earned on accumulated cash resulting from Chapter 11 proceeding	L48	\$ 100
Legal and professional advisory fees	L50	(300)
Write-off of debt issuance costs and discount on debt subject to compromise	L52	(65)
Other reorganization expenses	L53	(34)
Total reorganization items, net	L39	<u>\$ (299)</u>

Figure 2b.1

The legend for the elements used to tag these facts follows:

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
A1	Consolidated Entities [Axis]		Duration	ConsolidatedEntitiesAxis
	Consolidated Entities [Domain]		Duration	ConsolidatedEntitiesDomain
M1	Reorganization, Chapter 11, Debtor-in-Possession [Member]		Duration	ReorganizationChapter11DebtorInPossessionMember
L30	Revenues	Credit	Duration	Revenues
L31	Revenue from Related Parties	Credit	Duration	RevenueFromRelatedParties
L32	Cost of Revenue	Debit	Duration	CostOfRevenue
L33	Related Parties Amount in Cost of Sales	Debit	Duration	RelatedPartiesAmountInCostOfSales
L34	Gross Profit	Credit	Duration	GrossProfit
L35	Selling, General and Administrative Expense	Debit	Duration	SellingGeneralAndAdministrativeExpense
L36	Operating Income (Loss)	Credit	Duration	OperatingIncomeLoss
L37	Contractual Interest Expense on Prepetition Liabilities Not Recognized in Statement of Operations	Debit	Duration	ContractualInterestExpenseOnPrepetitionLiabilitiesNotRecognizedInStatementOfOperations
L38	Interest Expense	Debit	Duration	InterestExpense
L39	Reorganization Items	Debit	Duration	ReorganizationItems
L40	Income (Loss) from Equity Method Investments	Credit	Duration	IncomeLossFromEquityMethodInvestments
L41	Income (Loss) from Continuing Operations before Income Taxes, Noncontrolling Interest	Credit	Duration	IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsNoncontrollingInterest
L42	Income Tax Expense (Benefit)	Debit	Duration	IncomeTaxExpenseBenefit
L43	Net Income (Loss), Including Portion Attributable to Noncontrolling Interest	Credit	Duration	ProfitLoss
L44	Net Income (Loss) Attributable to Noncontrolling Interest	Debit	Duration	NetIncomeLossAttributableToNoncontrollingInterest
L45	Net Income (Loss) Attributable to Parent	Credit	Duration	NetIncomeLoss
L46	Earnings Per Share, Basic		Duration	EarningsPerShareBasic
L47	Earnings Per Share, Diluted		Duration	EarningsPerShareDiluted
L48	Debtor Reorganization Items, Interest Income on Accumulated Cash	Credit	Duration	DebtorReorganizationItemsInterestIncomeOnAccumulatedCash1

Figure 2.2 (continues)

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
L50	Debtor Reorganization Items, Legal and Advisory Professional Fees	Debit	Duration	DebtorReorganizationItemsLegalAndAdvisoryProfessionalFees
L52	Debtor Reorganization Items, Write-off of Debt Issuance Costs and Debt Discounts	Debit	Duration	DebtorReorganizationItemsWriteOffOfDeferredFinancingCostsAndDebtDiscounts
L53	Debtor Reorganization Items, Other Expense (Income)	Debit	Duration	DebtorReorganizationItemsOtherExpenseIncome

Figure 2.2 (continued)

The XBRL report view created using the modeling structure is provided here:

Standard Label		Preferred Label	
Date context			20X1-01-01 to 20X1-12-31
Consolidated Entities [Axis] A1			Reorganization, Chapter 11, Debtor-in- Possession [Member] M1
L30	Revenues	Revenue	1400000
L31	Revenue from Related Parties	Revenue from subsidiary not in Chapter 11	50000
L32	Cost of Revenue	Cost of revenue	810000
L33	Related Parties Amount in Cost of Sales	Cost of revenue for subsidiary not in Chapter 11	40000
L34	Gross Profit	Gross profit	600000
L35	Selling, General and Administrative Expense	Selling and administrative	500000
L36	Operating Income (Loss)	Operating income (loss)	100000
L37	Contractual Interest Expense on Prepetition Liabilities Not Recognized in Statement of Operations	contractual interest expense	5000
L38	Interest Expense	Interest expense	3000
L39	Reorganization Items	Reorganization items, net	299000
L40	Income (Loss) from Equity Method Investments	Equity in earnings from subsidiary not in Chapter 11	50000
L41	Income (Loss) from Continuing Operations before Income Taxes, Noncontrolling Interest	Loss from continuing operations before income tax	-152000
L42	Income Tax Expense (Benefit)	Income tax benefit	-10000
L43	Net Income (Loss), Including Portion Attributable to Noncontrolling Interest	Net loss	-142000
L44	Net Income (Loss) Attributable to Noncontrolling Interest	Net loss attributable to noncontrolling interest	-22000
L45	Net Income (Loss) Attributable to Parent	Net loss attributable to ABC	-120000
L46	Earnings Per Share, Basic	Basic loss per share	-1.16
L47	Earnings Per Share, Diluted	Diluted loss per share	-1.16

Figure 2a.3

The XBRL report view created using the modeling structure is provided here:

	Standard Label	Preferred Label	
	Date context		20X1-01-01 to 20X1-12-31
	Consolidated Entities [Axis] A1		Reorganization, Chapter 11, Debtor-in- Possession [Member] M1
L48	Debtor Reorganization Items, Interest Income on Accumulated Cash	Interest earned on accumulated cash resulting from Chapter 11 proceeding	100000
L50	Debtor Reorganization Items, Legal and Advisory Professional Fees	Legal and professional advisory fees	300000
L52	Debtor Reorganization Items, Write-off of Debt Issuance Costs and Debt Discounts	Write-off of debt issuance costs and discount on debt subject to compromise	65000
L53	Debtor Reorganization Items, Other Expense (Income)	Other reorganization expenses	34000
L39	Reorganization Items	Total reorganization items, net	299000

Figure 2b.3

Notes:

- “Consolidated Entities [Axis]” (**A1**), “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (**M1**) and the applicable line items are intended to be used to tag the fact values of the condensed combined statement of income of one or more, but not all, consolidated debtors operating under Chapter 11 bankruptcy. This dimension would no longer be needed if all consolidated entities are operating under the Chapter 11 bankruptcy. “Reorganization, Chapter 11, Debtor-in-Possession, All Entities [true false]” (**L1**) would be used to indicate if all consolidated entities are operating under Chapter 11 bankruptcy as noted in Example 1.
- The \$299 thousand is a total of the net reorganization items for the debtors operating under Chapter 11 bankruptcy and is tagged with “Consolidated Entities [Axis]” (**A1**) and “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (**M1**). It is also the total as the report-wide value for the reporting entity that is not presented in Example 2. This dimension is not needed for the report-wide value presented in the consolidated statement of operations.

Example 3—Disclosure of Condensed Combined Statement of Cash Flows—Operating Under Chapter 11 Reorganization

This Example illustrates the modeling for the condensed combined statement of cash flows of one or more, but not all, consolidated entities in Chapter 11 reorganization proceedings, including the details of noncash and cash reorganization items disclosed in the notes to the financial statements.

ABC Company
(Debtor-in-Possession)
Condensed Combined Statement of Cash Flows
For the year ended December 31, 20x1
(in thousands)

	A1:M1
Cash flows from operating activities:	
Net loss	L43 \$ (142)
Adjustments to reconcile net loss to net cash provided by operating activities	
Depreciation, depletion and amortization	L55 40
Non-cash reorganization item	ExL60 99
Equity in earnings of subsidiary not in Chapter 11	L40 (50)
Increase in accounts receivable	L56 (65)
Increase in accounts receivable from subsidiary not in Chapter 11	L57 (50)
Increase in accounts payable	L58 235
Increase in accounts payable due to subsidiary not in Chapter 11	L59 50
Net cash provided by operating activities	L62 117
Cash flows from investing activities:	
Payment to purchase property and equipment	L63 (69)
Proceed from sale of fixed assets	ExL64 20
Proceed from sale of facility due to Chapter 11 proceeding	ExL65 65
Net cash provided by investing activities	L66 16
Cash flows from financing activities:	
Proceed from short-term borrowing	L67 30
Repayment of short-term debt	L68 (60)
Net cash used by financing activities	L69 (30)
Net increase in cash, cash equivalents and restricted cash	L70 103
Cash, cash equivalents, and restricted cash at the beginning of year	L71 137
Cash, cash equivalents, and restricted cash at the end of year	L71 \$ 240

Figure 3a.1

The following table summarizes the details of the non-cash reorganization items for the year end of December 31, 20x1:

(in thousands)		A1:M1	
Write-off of debt issuance costs and discount on debt subject to compromise	L52	\$	(65)
Noncash other reorganization expenses	ExL54		(34)
Noncash reorganization item	ExL60	\$	(99)

Figure 3b.1

The following table summarizes the details of operating cash receipts and payments resulting from the reorganization for the year end of December 31, 20x1:

(in thousands)		A1:M1	
Interest received on cash accumulated due to Chapter 11 proceeding	ExL49	\$	100
Professional fee paid for services rendered for Chapter 11 proceeding	ExL51		(300)
Cash reorganization items, net	ExL61	\$	(200)

Figure 3c.1

The legend for the elements used to tag these facts follows:

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
A1	Consolidated Entities [Axis]		Duration	ConsolidatedEntitiesAxis
	Consolidated Entities [Domain]		Duration	ConsolidatedEntitiesDomain
M1	Reorganization, Chapter 11, Debtor-in-Possession [Member]		Duration	ReorganizationChapter11DebtorInPossessionMember
L40	Income (Loss) from Equity Method Investments	Credit	Duration	IncomeLossFromEquityMethodInvestments
L43	Net Income (Loss), Including Portion Attributable to Noncontrolling Interest	Credit	Duration	ProfitLoss
L48	Debtor Reorganization Items, Interest Income on Accumulated Cash	Credit	Duration	DebtorReorganizationItemsInterestIncomeOnAccumulatedCash1
ExL49	Debtor Reorganization Items, Proceeds from Interest Income on Accumulated Cash	Debit	Duration	DebtorReorganizationItemsProceedsFromInterestIncomeOnAccumulatedCash
L50	Debtor Reorganization Items, Legal and Advisory Professional Fees	Debit	Duration	DebtorReorganizationItemsLegalAndAdvisoryProfessionalFees
ExL51	Debtor Reorganization Items, Payments for Legal and Advisory Professional Fees	Credit	Duration	DebtorReorganizationItemsPaymentsForLegalAndAdvisoryProfessionalFees
L52	Debtor Reorganization Items, Write-off of Debt Issuance Costs and Debt Discounts	Debit	Duration	DebtorReorganizationItemsWriteOffOfDeferredFinancingCostsAndDebtDiscounts
L53	Debtor Reorganization Items, Other Expense (Income)	Debit	Duration	DebtorReorganizationItemsOtherExpenseIncome
ExL54	Debtor Reorganization Items, Noncash Other Expense (Income)	Debit	Duration	DebtorReorganizationItemsNoncashOtherExpenseIncome
L55	Depreciation, Depletion and Amortization	Debit	Duration	DepreciationDepletionAndAmortization
L56	Increase (Decrease) in Accounts Receivable	Credit	Duration	IncreaseDecreaseInAccountsReceivable
L57	Increase (Decrease) in Due from Affiliates, Current	Credit	Duration	IncreaseDecreaseInDueFromAffiliatesCurrent
L58	Increase (Decrease) in Accounts Payable	Debit	Duration	IncreaseDecreaseInAccountsPayable
L59	Increase (Decrease) in Due to Affiliates, Current	Debit	Duration	IncreaseDecreaseInDueToAffiliatesCurrent
ExL60	Reorganization Item, Noncash Transaction	Debit	Duration	ReorganizationItemNonCashTransaction
ExL61	Reorganization Item, Cash Transaction	Debit	Duration	ReorganizationItemCashTransaction
L62	Net Cash Provided by (Used in) Operating Activities		Duration	NetCashProvidedByUsedInOperatingActivities
L63	Payments to Acquire Property, Plant, and Equipment	Credit	Duration	PaymentsToAcquirePropertyPlantAndEquipment
ExL64	Proceeds from Sale of Property, Plant, and Equipment, Excluding Sale due to Chapter 11	Debit	Duration	ProceedsFromSaleOfPropertyPlantAndEquipmentExcludingSaleDueToChapter 11

Figure 3a.2 (continues)

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
ExL65	Proceeds from sale of facility due to Chapter 11 Proceeding	Debit	Duration	ProceedsFromSaleOfFacilityDueToChapter 11Proceeding
L66	Net Cash Provided by (Used in) Investing Activities	Debit	Duration	NetCashProvidedByUsedInInvestingActivities
L67	Proceeds from Short-Term Debt	Debit	Duration	ProceedsFromShortTermDebt
L68	Repayments of Short-Term Debt	Credit	Duration	RepaymentsOfShortTermDebt
L69	Net Cash Provided by (Used in) Financing Activities	Debit	Duration	NetCashProvidedByUsedInFinancingActivities
L70	Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents, Period Increase (Decrease), Including Exchange Rate Effect	Debit	Duration	CashCashEquivalentsRestrictedCashAndRestrictedCashEquivalen tsPeriodIncreaseDecreaseIncludingExchangeRateEffect
L71	Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents	Debit	Instant	CashCashEquivalentsRestrictedCashAndRestrictedCashEquivalen ts

Figure 3a.2 (continued)

The XBRL report view created using the modeling structure is provided here:

Standard Label		Preferred Label	20X1-01-01 to 20X1-12-31	20X1-12-31	20X0-12-31
Date context					
Consolidated Entities [Axis]			Reorganization, Chapter 11, Debtor-in-Possession [Member]		
A1			M1		
L43	Net Income (Loss), Including Portion Attributable to Noncontrolling Interest	Net loss	-142000		
L55	Depreciation, Depletion and Amortization	Depreciation, depletion and amortization	40000		
ExL60	Reorganization Item, Noncash Transaction	Non-cash reorganization item	99000		
L40	Income (Loss) from Equity Method Investments	Equity in earnings of subsidiary not in Chapter 11	50000		
L56	Increase (Decrease) in Accounts Receivable	Increase in accounts receivable	65000		
L57	Increase (Decrease) in Due from Affiliates, Current	Increase in accounts receivable from subsidiary not in Chapter 11	50000		
L58	Increase (Decrease) in Accounts Payable	Increase in accounts payable	235000		
L59	Increase (Decrease) in Due to Affiliates, Current	Increase in accounts payable due to subsidiary not in Chapter 11	50000		
L62	Net Cash Provided by (Used in) Operating Activities	Net cash provided by operating activities	117000		
L63	Payments to Acquire Property, Plant, and Equipment	Payment to purchase property and equipment	69000		
ExL64	Proceeds from Sale of Property, Plant, and Equipment, Excluding Sale due to Chapter 11	Proceed from sale of fixed assets	20000		
ExL65	Proceeds from sale of facility due to Chapter 11 Proceeding	Proceed from sale of facility due to Chapter 11 proceeding	65000		
L66	Net Cash Provided by (Used in) Investing Activities	Net cash provided by investing activities	16000		
L67	Proceeds from Short-Term Debt	Proceed from short-term borrowing	30000		
L68	Repayments of Short-Term Debt	Repayment of short-term debt	60000		
L69	Net Cash Provided by (Used in) Financing Activities	Net cash used by financing activities	-30000		
L70	Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents, Period Increase (Decrease), Including Exchange Rate Effect	Net increase in cash, cash equivalents and restricted cash	103000		
L71	Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents	Cash, cash equivalents, and restricted cash at the beginning of year			137000
L71	Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents	Cash, cash equivalents, and restricted cash at the end of year		240000	

Figure 3a.3

The XBRL report view created using the modeling structure is provided here:

	Standard Label	Preferred Label	
	Date context		20X1-01-01 to 20X1-12-31
	Consolidated Entities [Axis] A1		Reorganization, Chapter 11, Debtor-in-Possession [Member] M1
L52	Debtor Reorganization Items, Write-off of Debt Issuance Costs and Debt Discounts	Write-off of debt issuance costs and discount on debt subject to compromise	65000
ExL54	Debtor Reorganization Items, Noncash Other Expense (Income)	Noncash other reorganization expenses	34000
ExL60	Reorganization Item, Noncash Transaction	Noncash reorganization item	99000

Figure 3b.3

	Standard Label	Preferred Label	
	Date context		20X1-01-01 to 20X1-12-31
	Consolidated Entities [Axis] A1		Reorganization, Chapter 11, Debtor-in-Possession [Member] M1
ExL49	Debtor Reorganization Items, Proceeds from Interest Income on Accumulated Cash	Interest received on cash accumulated due to Chapter 11 proceeding	100000
ExL51	Debtor Reorganization Items, Payments for Legal and Advisory Professional Fees	Professional fee paid for services rendered for Chapter 11 proceeding	300000
ExL61	Reorganization Item, Cash Transaction	Cash reorganization items, net	-200000

Figure 3c.3

Notes:

- “Consolidated Entities [Axis]” (**A1**), “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (**M1**) and the applicable line items are intended to be used to tag the fact value of the condensed combined statement of cash flows of one or more, but not all, consolidated debtors operating under Chapter 11 bankruptcy. This dimension would no longer be needed if all consolidated debtors are operating under the Chapter 11 bankruptcy. “Reorganization, Chapter 11, Debtor-in-Possession, All Entities [true false]” (**L1**) would be used to indicate if all consolidated entities are operating under Chapter 11 bankruptcy as noted in Example 1.
- The \$99 thousand is a total of the noncash reorganization items as an adjustment to net loss for the debtors operating under Chapter 11 bankruptcy and is tagged with “Reorganization Item, Noncash Transaction” (**ExL60**), “Consolidated Entities [Axis]” (**A1**), “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (**M1**). It is also the total as the report-wide value for the reporting entity that is not presented in Example 3. This dimension is not needed for the report-wide value of the total noncash reorganization value presented in the consolidated statement of cash flows.
- The \$200 thousand is a total of the cash reorganization items for the debtors operating under Chapter 11 bankruptcy and is tagged with “Reorganization Item, Cash Transaction” (**ExL61**), “Consolidated Entities [Axis]” (**A1**), “Reorganization, Chapter 11, Debtor-in-Possession [Member]” (**M1**). It is also the total as the report-wide value for the reporting entity that is not presented in Example 3. This dimension is not needed for the report-wide value of total cash reorganization value if presented in the consolidated statement of cash flows.
- “Net Income (Loss), Including Portion Attributable to Noncontrolling Interest” (**L43**) is intended to be used to tag the net income including non-controlling interest as the starting point to reconcile from net income to the operating cash flows for the period. This element is intended to be used as the starting point for net income in the indirect cash flow statement when “Net Income (Loss), Including Portion Attributable to Noncontrolling Interest” (**L43**) and “Net Income (Loss) Attributable to Parent” (**L45**) have the same value.
- In the condensed combined statement of cash flows, a number of items are summed to

“Net Cash Provided by (Used in) Operating Activities” (L62) including “Net Income (Loss), Including Portion Attributable to Noncontrolling Interest” (L43) which is modeled as a credit concept. However, it is used in the cash flow statement as a positive value if the cash flow is positive. In order for the XBRL calculation to be correct, “Net Cash Provided by (Used in) Operating Activities” (L62) does not have a balance type. The calculation would fail if a balance type was included on the total, given that a credit item cannot be added to a debit parent in XBRL calculations.

- It is important to define the correct calculation weights when reconciling net income to net cash provided (used) by operating activities. “Net Income (Loss), Including Portion Attributable to Noncontrolling Interest” (L43) is modeled as a credit item. The income should be entered as a positive amount and a loss should be entered as a negative amount for the XBRL value. This element has a positive calculation weight and a negative XBRL value of -142000 for a loss in the calculation for this example. Generally, it is an error if the descendant element of an operating cash flow element has a credit balance type and a positive effective calculation weight. However, there is an exception for the net income element as the starting point for the calculation of operating cash flow.

XBRL calculation weight		Element	Balance type	HTML value (in thousands)	XBRL value
+	L43	Net Income (Loss), Including Portion Attributable to Noncontrolling Interest	Credit	-142	-142000
+	L55	Depreciation, Depletion and Amortization	Debit	40	40000
+	ExL60	Reorganization Item, Noncash Transaction	Debit	99	99000
-	L40	Income (Loss) from Equity Method Investments	Credit	-50	50000
-	L56	Increase (Decrease) in Accounts Receivable	Credit	-65	65000
-	L57	Increase (Decrease) in Due from Affiliates, Current	Credit	-50	50000
+	L58	Increase (Decrease) in Accounts Payable	Debit	235	235000
+	L59	Increase (Decrease) in Due to Affiliates, Current	Debit	50	50000
	L62	Net Cash Provided by (Used in) Operating Activities		117	117000

- The element “Net Cash Provided by (Used in) Operating Activities” (L62) is treated as if it had a debit balance for items other than “Net Income (Loss), Including Portion Attributable to Noncontrolling Interest” (L43). Debit balance items rolling into it should have a positive calculation weight. In the calculation table above, “Depreciation, Depletion and Amortization” (L55) is modeled as a debit balance item with a positive weight in the

calculation and the XBRL value of this element is entered as a positive amount.

- “Income (Loss) from Equity Method Investments” (L40) is modeled as a credit item and income should be entered as a positive amount and a loss should be a negative amount in the instance document. It is a reversal to net income of the noncash amount in Figure 3a.1, as noncash income is deducted from net income, or noncash loss is added back to net income for the cash portion of net income. Thus, a negative weight is used with the positive XBRL value for the income in the calculation. If a positive weight was used, it would incorrectly add the value to “Net Income (Loss), Including Portion Attributable to Noncontrolling Interest” (L43) when it should be subtracted.

Example 4—Disclosure of Reorganization Value

This Example illustrates the modeling for the disclosure of the reorganization value.

The Bankruptcy Court confirmed ABC’s plan of reorganization as of June 1, 20x2. It was determined that ABC’s reorganization value computed immediately before June 1, 20x2, the date of plan confirmation, consisted of the following:

ABC Company	
(in thousands)	
	June 1, 20x2
Present value of discounted cash flows of emerging entity	L76 \$ 1,075
Plus: cash in excess of normal operation	L77 150
Plus: net realizable value of asset disposition	L78 75
Reorganization value of successor assets	L75 \$ <u>1,300</u>

Figure 4a.1

The DEF Company’s reorganization value was derived from the estimated enterprise value. The DEF Company’s enterprise value represents the estimated fair value of its interest-bearing long-term debt and stockholders’ equity. The DEF Company estimated the enterprise value of the Successor was \$775 thousand^[1] at the Effective Date, which was in the Bankruptcy Court approved range of \$720 thousand^[2] and \$830 thousand^[3]. The enterprise value was derived from an independent valuation with the assistance of a third-party valuation advisor.

The following table reconciles the DEF Company’s enterprise value to the reorganization value as of the Effective Date:

DEF Company	
(in thousands)	
	April 6, 20x2
Estimated enterprise value	ExL72 \$ 775
Plus: cash and cash equivalents	L2 150
Plus: current liabilities excluding short-term borrowing and current portion of long-term debt	ExL73 250
Plus: non-current liabilities excluding interest-bearing long-term debt	ExL74 200
Reorganization value of successor assets	L75 \$ <u>1,375</u>

Legend[†]:

^[1] **ExL72**

^[2] **ExL72, A2:M2**

^[3] **ExL72, A2:M3**

[†]This legend, which is not part of the disclosure, is provided to illustrate the elements associated with values reported.

Figure 4b.1

The legend for the elements used to tag these facts follows:

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
A2	Statistical Measurement [Axis]		Duration	RangeAxis
	Statistical Measurement [Domain]		Duration	RangeMember
M2	Minimum [Member]		Duration	MinimumMember
M3	Maximum [Member]		Duration	MaximumMember
L2	Cash and Cash Equivalents, at Carrying Value	Debit	Instant	CashAndCashEquivalentsAtCarryingValue
ExL72	Enterprise Value	Debit	Instant	EnterpriseValue
ExL73	Adjustment for Liability Excluding Current Portion of Long-Term Debt and Short-term Borrowing, Current	Debit	Instant	AdjustmentForLiabilityExcludingCurrentPortionOfLongTermDebtAndShortTermBorrowingCurrent
ExL74	Adjustment for Liability Excluding Interest-bearing Long-Term Debt, Noncurrent	Debit	Instant	AdjustmentForLiabilityExcludingInterestBearingLongTermDebtNoncurrent
L75	Reorganization Value	Debit	Instant	ReorganizationValue
L76	Reorganization Value, Present Value of Discounted Cash Flows of Emerging Entity	Debit	Instant	ReorganizationValuePresentValueOfDiscountedCashFlowsOfEmergingEntity
L77	Reorganization Value, Cash in Excess of Normal Operating Needs	Debit	Instant	ReorganizationValueCashInExcessOfNormalOperatingNeeds
L78	Reorganization Value, Net Realizable Value of Asset Dispositions	Debit	Instant	ReorganizationValueNetRealizableValueOfAssetDispositions

Figure 4.2

The XBRL report view created using the modeling structure is provided here:

	Standard Label	Preferred Label	
	Date context		20x2-06-01
L76	Reorganization Value, Present Value of Discounted Cash Flows of Emerging Entity	Present value of discounted cash flows of emerging entity	1075000
L77	Reorganization Value, Cash in Excess of Normal Operating Needs	cash in excess of normal operation	150000
L78	Reorganization Value, Net Realizable Value of Asset Dispositions	net realizable value of asset disposition	75000
L75	Reorganization Value	Reorganization value of successor assets	1300000

Figure 4a.3

	Standard Label	Preferred Label	20x2-04-06		
	Date context				
	Statistical Measurement [Axis]		Minimum [Member]	Maximum [Member]	Report-Wide Value
	A2		M2	M3	
ExL72	Enterprise Value	Estimated enterprise value	720000	830000	775000
L2	Cash and Cash Equivalents, at Carrying Value	Cash and Cash Equivalents			150000
ExL73	Adjustment for Liability Excluding Current Portion of Long-Term Debt and Short-term Borrowing, Current	current liabilities excluding short-term borrowing and current portion of long-term debt			250000
ExL74	Adjustment for Liability Excluding Interest-bearing Long-Term Debt, Noncurrent	non-current liabilities excluding interest-bearing long-term debt			200000
L75	Reorganization Value	Reorganization value of successor assets			1375000

Figure 4b.3

Notes:

- “Enterprise Value” (**ExL72**), “Statistical Measurement [Axis]” (**A2**) and the applicable members are intended to be used to tag the range of the estimated enterprise value as the basis to derive the reorganization value of the successor. “Minimum [Member]” (**M2**) is used to tag the minimum value and “Maximum [Member]” (**M3**) is used to tag the maximum value.
- The HTML values for “Adjustment for Liability Excluding Current Portion of Long-Term Debt and Short-term Borrowing, Current” (**ExL73**) and “Adjustment for Liability Excluding Interest-bearing Long-Term Debt, Noncurrent” (**ExL74**) are modeled as a debit balance type as the adjustments for the liabilities to be added to sum to “Reorganization Value” (**L75**) in Figure 4b.1, which has a debit balance type. In XBRL calculation, the descendant elements **ExL72**, **L2**, **ExL73** and **ExL74** with a debit balance type have a positive calculation weight.

XBRL calculation weight		Element	Balance type	HTML value (in thousands)	XBRL value
+	ExL72	Enterprise Value	Debit	775	775000
+	L2	Cash and Cash Equivalents, at Carrying Value	Debit	150	150000
+	ExL73	Adjustment for Liability Excluding Current Portion of Long-Term Debt and Short-term Borrowing, Current	Debit	250	250000
+	ExL74	Adjustment for Liability Excluding Interest-bearing Long-Term Debt, Noncurrent	Debit	200	200000
	L75	Reorganization Value	Debit	1,375	1375000

Example 5—Disclosure of Condensed Consolidated Statement of Financial Position upon Emergence from Chapter 11 Reorganization and Adoption of Fresh-Start Accounting

This Example illustrates the modeling for the disclosure of the condensed consolidated statement of financial position of a qualifying entity emerging from Chapter 11 bankruptcy and adopting fresh-start accounting. The adjustments reflect the effect of reorganization plan and adjustments as a result of the adoption of fresh-start accounting.

ABC Company's Consolidated Statement of Financial Position as of October 1, 20x2

	Predecessor	Debt discharge	Exchange of stock	Fresh-start adjustment	Successor
(in thousands)	A3:M4	A3:M6	A3:M7	A3:M8	
Cash and cash equivalent	L2 \$ 335	\$ (150)			\$ 185
Accounts receivable, net of allowance for credit loss	L4 350				350
Inventories	L6 175			\$ 50	225
Total current assets	L7 860	(150)		50	760
Property, plant and equipment, net of depreciation	L10 175			175	350
Goodwill	L11 200			(25)	175
Total non-current assets	L12 375			150	525
Total assets	L13 \$ 1,235	\$ (150)		\$ 200	\$ 1,285
Short-term borrowings	L14 \$ 175				\$ 175
Accounts payable	L15 275				275
Total current liabilities	L17 450				450
Liabilities subject to compromise	L18 1,050	\$ (1,050)			
Senior debt, non-current	L79	275			275
Subordinated debt, non-current	L80	175			175
Total long-term debt	L81	450			450
Total liabilities	L19 1,500	(600)			900
Preferred stock	L20 325		\$ (325)		
Common stock	L21 75	86	(61)		100
Additional paid-in capital	L82	215	386	\$ (351)	250
Retained earnings (deficit)	L22 (700)	149		551	
Total ABC shareholders' equity (deficit)	L23 (300)	450	—	200	350
Noncontrolling interest	L24 35				35
Total liabilities and shareholders' (deficit)	L25 \$ 1,235	\$ (150)	\$ —	\$ 200	\$ 1,285

Figure 5a.1

DEF Company's Consolidated Statement of Financial Position As of December 15, 20x2

	Predecessor	Reorganization plan adjustment	Fresh-start adjustment	Successor
(in thousands)	A3:M4	A3:M5	A3:M8	
Cash and cash equivalent	L2 \$ 335	\$ (150)		\$ 185
Accounts receivable, net of allowance for credit loss	L4 350			350
Inventories	L6 175		\$ 50	225
Total current assets	L7 860	(150)	50	760
Property, plant and equipment, net of depreciation	L10 175		175	350
Goodwill	L11 200		(25)	175
Total non-current assets	L12 375		150	525
Total assets	L13 \$ 1,235	\$ (150)	\$ 200	\$ 1,285
Short-term borrowings	L14 \$ 175			\$ 175
Accounts payable	L15 275			275
Total current liabilities	L17 450			450
Liabilities subject to compromise	L18 1,050	\$ (1,050)		
Senior debt, non-current	L79	275		275
Subordinated debt, non-current	L80	175		175
Total long-term debt	L81	450		450
Total liabilities	L19 1,500	(600)		900
Preferred stock	L20 325	(325)		
Common stock	L21 75	25		100
Additional paid-in capital	L82	601	\$ (351)	250
Retained earnings (deficit)	L22 (700)	149	551	
Total ABC shareholders' equity (deficit)	L23 (300)	450	200	350
Noncontrolling interest	L24 35			35
Total liabilities and shareholders' (deficit)	L25 \$ 1,235	\$ (150)	\$ 200	\$ 1,285

Figure 5b.1

The legend for the elements used to tag these facts follows:

Standard Label	Balance Type	Period Type	Element Name
A3 Reorganization, Chapter 11 [Axis]		Duration	FreshStartAdjustmentsTypeOfFreshStartAdjustmentAxis
Reorganization, Chapter 11 [Domain]		Duration	TypeOfFreshStartAdjustmentDomain
M4 Reorganization, Chapter 11, Predecessor, before Adjustment [Member]		Duration	ReorganizationChapter11PredecessorBeforeAdjustmentMember
M5 Reorganization, Chapter 11, Plan Effect Adjustment [Member]		Duration	ReorganizationChapter11PlanEffectAdjustmentMember
M6 Reorganization, Chapter 11, Discharge of Debt Adjustment [Member]		Duration	DischargeOfDebtMember
M7 Reorganization, Chapter 11, Exchange of Stock Adjustment [Member]		Duration	ExchangeOfStockForStockMember
M8 Reorganization, Chapter 11, Fresh-Start Adjustment [Member]		Duration	ReorganizationChapter11FreshStartAdjustmentMember
L2 Cash and Cash Equivalents, at Carrying Value	Debit	Instant	CashAndCashEquivalentsAtCarryingValue
L4 Accounts Receivable, after Allowance for Credit Loss, Current	Debit	Instant	AccountsReceivableNetCurrent
L6 Inventory, Net	Debit	Instant	InventoryNet
L7 Assets, Current	Debit	Instant	AssetsCurrent
L10 Property, Plant and Equipment, Net	Debit	Instant	PropertyPlantAndEquipmentNet
L11 Goodwill	Debit	Instant	Goodwill
L12 Assets, Noncurrent	Debit	Instant	AssetsNoncurrent
L13 Assets	Debit	Instant	Assets
L14 Short-Term Debt	Credit	Instant	ShortTermBorrowings
L15 Accounts Payable, Current	Credit	Instant	AccountsPayableCurrent
L17 Liabilities, Current	Credit	Instant	LiabilitiesCurrent
L18 Liabilities Subject to Compromise	Credit	Instant	LiabilitiesSubjectToCompromise
L19 Liabilities	Credit	Instant	Liabilities
L20 Preferred Stock, Value, Issued	Credit	Instant	PreferredStockValue
L21 Common Stock, Value, Issued	Credit	Instant	CommonStockValue
L22 Retained Earnings (Accumulated Deficit)	Credit	Instant	RetainedEarningsAccumulatedDeficit

Figure 5.2 (continues)

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
L23	Stockholders' Equity Attributable to Parent	Credit	Instant	StockholdersEquity
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Credit	Instant	MinorityInterest
L25	Liabilities and Equity	Credit	Instant	LiabilitiesAndStockholdersEquity
L79	Senior Notes, Noncurrent	Credit	Instant	SeniorLongTermNotes
L80	Subordinated Long-Term Debt, Noncurrent	Credit	Instant	SubordinatedLongTermDebt
L81	Long-Term Debt, Excluding Current Maturities	Credit	Instant	LongTermDebtNoncurrent
L82	Additional Paid in Capital	Credit	Instant	AdditionalPaidInCapital

Figure 5.2 (continued)

The XBRL report view created using the modeling structure is provided here:

Standard Label		Preferred Label		20x2-10-01			Report-Wide Value
Date context		Reorganization, Chapter 11, Predecessor, before Adjustment [Member]	Reorganization, Chapter 11, Discharge of Debt Adjustment [Member]	Reorganization, Chapter 11, Exchange of Stock Adjustment [Member]	Reorganization, Chapter 11, Fresh-Start Adjustment [Member]		
A3	Reorganization, Chapter 11 [Axis]	M4	M6	M7	M8		
L2	Cash and Cash Equivalents, at Carrying Value	Cash and cash equivalent	335000	-150000			185000
L4	Accounts Receivable, after Allowance for Credit Loss, Current	Accounts receivable, net of allowance for credit loss	350000				350000
L6	Inventory, Net	Inventories	175000			50000	225000
L7	Assets, Current	Total current assets	860000	-150000		50000	760000
L10	Property, Plant and Equipment, Net	Property, plant and equipment, net of depreciation	175000			175000	350000
L11	Goodwill	Goodwill	200000			-25000	175000
L12	Assets, Noncurrent	Total non-current assets	375000			150000	525000
L13	Assets	Total assets	1235000	-150000		200000	1285000
L14	Short-Term Debt	Short-term borrowings	175000				175000
L15	Accounts Payable, Current	Accounts payable	275000				275000
L17	Liabilities, Current	Total current liabilities	450000				450000
L18	Liabilities Subject to Compromise	Liabilities subject to compromise	1050000	-1050000			
L79	Senior Notes, Noncurrent	Senior debt, non-current				275000	275000
L80	Subordinated Long-Term Debt, Noncurrent	Subordinated debt, non-current				175000	175000
L81	Long-Term Debt, Excluding Current Maturities	Total long-term debt				450000	450000
L19	Liabilities	Total liabilities	1500000	-600000			900000
L20	Preferred Stock, Value, Issued	Preferred stock	325000			-325000	
L21	Common Stock, Value, Issued	Common stock	75000	86000		-61000	100000
L82	Additional Paid in Capital	Additional paid-in capital		215000		386000	250000
L22	Retained Earnings (Accumulated Deficit)	Retained earnings (deficit)	-700000	149000			551000
L23	Stockholders' Equity Attributable to Parent	Total ABC shareholders' equity (deficit)	-300000	450000		0	200000
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Noncontrolling interest	35000				35000
L25	Liabilities and Equity	Total liabilities and shareholders' (deficit)	1235000	-150000		0	200000

Figure 5a.3

The XBRL report view created using the modeling structure is provided here:

Standard Label		Preferred Label		20x2-12-15			
Date context				Reorganization, Chapter 11, Predecessor, before Adjustment [Member]	Reorganization, Chapter 11, Plan Effect Adjustment [Member]	Reorganization, Chapter 11, Fresh-Start Adjustment [Member]	Report-Wide Value
Reorganization, Chapter 11 [Axis]				M4	M5	M8	
L2	Cash and Cash Equivalents, at Carrying Value	Cash and cash equivalent		335000	-150000		185000
L4	Accounts Receivable, after Allowance for Credit Loss, Current	Accounts receivable, net of allowance for credit loss		350000			350000
L6	Inventory, Net	Inventories		175000		50000	225000
L7	Assets, Current	Total current assets		860000	-150000	50000	760000
L10	Property, Plant and Equipment, Net	Property, plant and equipment, net of depreciation		175000		175000	350000
L11	Goodwill	Goodwill		200000		-25000	175000
L12	Assets, Noncurrent	Total non-current assets		375000		150000	525000
L13	Assets	Total assets		1235000	-150000	200000	1285000
L14	Short-Term Debt	Short-term borrowings		175000			175000
L15	Accounts Payable, Current	Accounts payable		275000			275000
L17	Liabilities, Current	Total current liabilities		450000			450000
L18	Liabilities Subject to Compromise	Liabilities subject to compromise		1050000	-1050000		
L79	Senior Notes, Noncurrent	Senior debt, non-current			275000		275000
L80	Subordinated Long-Term Debt, Noncurrent	Subordinated debt, non-current			175000		175000
L81	Long-Term Debt, Excluding Current Maturities	Total long-term debt			450000		450000
L19	Liabilities	Total liabilities		1500000	-600000		900000
L20	Preferred Stock, Value, Issued	Preferred stock		325000	-325000		
L21	Common Stock, Value, Issued	Common stock		75000	25000		100000
L82	Additional Paid in Capital	Additional paid-in capital			601000	-351000	250000
L22	Retained Earnings (Accumulated Deficit)	Retained earnings (deficit)		-700000	149000	551000	
L23	Stockholders' Equity Attributable to Parent	Total ABC shareholders' equity (deficit)		-300000	450000	200000	350000
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Noncontrolling interest		35000			35000
L25	Liabilities and Equity	Total liabilities and shareholders' (deficit)		1235000	-150000	200000	1285000

Figure 5b.3

Notes:

- “Reorganization, Chapter 11 [Axis]” (A3), “Reorganization, Chapter 11, Predecessor, before Adjustment [Member]” (M4) and the applicable line items are intended to be used to tag the fact values before the effect of the plan of reorganization and fresh-start adjustments as the predecessor.
- “Reorganization, Chapter 11 [Axis]” (A3), “Reorganization, Chapter 11, Plan Effect Adjustment [Member]” (M5) and the applicable line items are intended to be used to tag the fact values of adjustments resulting from the effect of the reorganization plan, including the discharge of debt adjustment tagged with “Reorganization, Chapter 11, Discharge of Debt Adjustment [Member]” (M6) and stock exchange adjustment tagged with “Reorganization, Chapter 11, Exchange of Stock Adjustment [Member]” (M7).
- “Reorganization, Chapter 11 [Axis]” (A3), “Reorganization, Chapter 11, Fresh-Start Adjustment [Member]” (M8) and the applicable line items are intended to be used to tag the fact values of the adjustments as a result of the adoption of fresh-start accounting.
- The date contexts used for tagging in Figure 5a.3 and Figure 5b.3 are 20x2-10-01 and 20x2-12-15, respectively, even though the dates for emerging entity are the beginning of October 2, 20x2 and December 16, 20x2, respectively, from an accounting perspective.

Example 6—Consolidated Statement of Financial Position After Emergence from Chapter 11 Reorganization and Adoption of Fresh-start Accounting

This Example illustrates the modeling for the consolidated statement of financial position after emergence from Chapter 11 reorganization and adoption of fresh-start accounting.

The ABC Company applied the effects of the reorganization plan and adopted fresh-start accounting on October 1, 20x2 in Figure 5a.1. The consolidated statement of financial position in Figure 6.1 only presents the values of the successor entity at the end of December 31, 20x2 for illustrative purpose.

ABC Company		
Consolidated Statement of Financial Position as of December 31, 20x2		
(in thousands)		
	L83	Successor
Cash and cash equivalent	L2 \$	265
Accounts receivable, net of allowance for credit loss	L4	320
Inventories	L6	245
Total current assets	L7	830
Property, plant and equipment, net of depreciation	L10	350
Goodwill	L11	175
Total non-current assets	L12	525
Total assets	L13 \$	1,355
Short-term borrowings	L14 \$	175
Accounts payable	L15	295
Total current liabilities	L17	470
Senior debt, non-current	L79	275
Subordinated debt, non-current	L80	175
Total long-term debt	L81	450
Total liabilities	L19	920
Common stock	L21	100
Additional paid-in capital	L82	250
Retained earnings (deficit)	L22	50
Total ABC shareholders' equity (deficit)	L23	400
Noncontrolling interest	L24	35
Total liabilities and shareholders' (deficit)	L25 \$	1,355

Figure 6.1

The legend for the elements used to tag these facts follows:

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
L2	Cash and Cash Equivalents, at Carrying Value	Debit	Instant	CashAndCashEquivalentsAtCarryingValue
L4	Accounts Receivable, after Allowance for Credit Loss, Current	Debit	Instant	AccountsReceivableNetCurrent
L6	Inventory, Net	Debit	Instant	InventoryNet
L7	Assets, Current	Debit	Instant	AssetsCurrent
L10	Property, Plant and Equipment, Net	Debit	Instant	PropertyPlantAndEquipmentNet
L11	Goodwill	Debit	Instant	Goodwill
L12	Assets, Noncurrent	Debit	Instant	AssetsNoncurrent
L13	Assets	Debit	Instant	Assets
L14	Short-Term Debt	Credit	Instant	ShortTermBorrowings
L15	Accounts Payable, Current	Credit	Instant	AccountsPayableCurrent
L17	Liabilities, Current	Credit	Instant	LiabilitiesCurrent
L19	Liabilities	Credit	Instant	Liabilities
L21	Common Stock, Value, Issued	Credit	Instant	CommonStockValue
L22	Retained Earnings (Accumulated Deficit)	Credit	Instant	RetainedEarningsAccumulatedDeficit
L23	Stockholders' Equity Attributable to Parent	Credit	Instant	StockholdersEquity
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Credit	Instant	MinorityInterest
L25	Liabilities and Equity	Credit	Instant	LiabilitiesAndStockholdersEquity
L79	Senior Notes, Noncurrent	Credit	Instant	SeniorLongTermNotes
L80	Subordinated Long-Term Debt, Noncurrent	Credit	Instant	SubordinatedLongTermDebt
L81	Long-Term Debt, Excluding Current Maturities	Credit	Instant	LongTermDebtNoncurrent
L82	Additional Paid in Capital	Credit	Instant	AdditionalPaidInCapital
L83	Financial Designation, Predecessor and Successor [Fixed List]		Duration	FinancialDesignationPredecessorAndSuccessorFixedList

Figure 6.2

The XBRL report view created using the modeling structure is provided here:

	Standard Label	Preferred Label	Report-Wide Value
	Date context		20x2-10-02– 20x2-12-31
L83	Financial Designation, Predecessor and Successor [Fixed List]		Successor
	Date context		20x2-12-31
L2	Cash and Cash Equivalents, at Carrying Value	Cash and cash equivalent	265000
L4	Accounts Receivable, after Allowance for Credit Loss, Current	Accounts receivable, net of allowance for credit loss	320000
L6	Inventory, Net	Inventories	245000
L7	Assets, Current	Total current assets	830000
L10	Property, Plant and Equipment, Net	Property, plant and equipment, net of depreciation	350000
L11	Goodwill	Goodwill	175000
L12	Assets, Noncurrent	Total non-current assets	525000
L13	Assets	Total assets	1355000
L14	Short-Term Debt	Short-term borrowings	175000
L15	Accounts Payable, Current	Accounts payable	295000
L17	Liabilities, Current	Total current liabilities	470000
L79	Senior Notes, Noncurrent	Senior debt, non-current	275000
L80	Subordinated Long-Term Debt, Noncurrent	Subordinated debt, non-current	175000
L81	Long-Term Debt, Excluding Current Maturities	Total long-term debt	450000
L19	Liabilities	Total liabilities	920000
L21	Common Stock, Value, Issued	Common stock	100000
L82	Additional Paid in Capital	Additional paid-in capital	250000
L22	Retained Earnings (Accumulated Deficit)	Retained earnings (deficit)	50000
L23	Stockholders' Equity Attributable to Parent	Total ABC shareholders' equity (deficit)	400000
L24	Stockholders' Equity Attributable to Noncontrolling Interest	Noncontrolling interest	35000
L25	Liabilities and Equity	Total liabilities and shareholders' (deficit)	1355000

Figure 6.3

Note:

- “Financial Designation, Predecessor and Successor [Fixed List]” (**L83**) is intended to be used to identify the successor in the filing. Values of successor are the report-wide values for the reporting entity and would not be dimensionalized.