



# TAXONOMY IMPLEMENTATION GUIDE

**Version 2.0**  
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## **Liquidation Basis of Accounting**

(Taxonomy Version 2015)

**FASB U.S. GAAP Financial Reporting Taxonomy (Taxonomy)**  
**Implementation Guide Series**

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**Financial Accounting Standards Board**

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

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# **Taxonomy Implementation Guide on Modeling Liquidation Basis of Accounting**

## **Overview**

The purpose of this Taxonomy Implementation Guide is to demonstrate the modeling of disclosures for the liquidation basis of accounting. 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. The examples are provided to help users of the U.S. GAAP Financial Reporting Taxonomy (Taxonomy) understand how the modeling for disclosures reported under the liquidation basis of accounting is structured within the Taxonomy. The examples are based on the assumption that the entity meets the criteria to apply the liquidation basis of accounting under U.S. GAAP and/or SEC authoritative literature. In addition, the reported line items within the examples are not all inclusive and represent only partial statements for illustration purposes.

*While constituents may find the information in this guide useful, users looking for guidance to conform to SEC XBRL filing requirements should look to the SEC EDGAR Filer Manual and other information provided on the SEC website at [xbrl.sec.gov](http://xbrl.sec.gov).*

The modeling has been completed using the elements in the Taxonomy. Additional extension member elements are created to report certain disclosures. This guide focuses on detail tagging only (Level 4); it does not include any elements for text blocks, policy text blocks, and table text blocks (Levels 1 through 3).

This Taxonomy Implementation Guide includes the following two examples:

- Example 1—[Statement of Net Assets in Liquidation](#)
- Example 2—[Statement of Changes in Net Assets in Liquidation](#)

## **Modeling Liquidation Basis of Accounting**

“Liquidation Basis of Accounting [Member]” under “Scenario [Axis]” is available to dimensionally qualify primary line item elements that are reported under a liquidation basis. Users of the Taxonomy will need to select “Liquidation Basis of Accounting [Member]” in order to distinguish any fact value reported under a liquidation basis.

## General Information

*Company ABC adopted the liquidation basis of accounting as of November 18, 20X0.*

*ASU 2013-07 “Presentation of Financial Statements – The Liquidation Basis of Accounting” became effective for annual reporting periods beginning after December 15, 20X0, and therefore the company adjusted the beginning balance of net assets as of January 1, 20X1 under liquidation basis to conform to the new standards prescribed by the ASU when preparing the 10-Q for the first quarter of 20X1.*

*The Company prepared Statements of Net Assets in Liquidation as of March 31, 20X1 and Statements of Changes in Net Assets in Liquidation for the three months ended March 31, 20X1.*

- (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.

<b>Coding</b>	<b>Standard Label</b>	<b>Element Name</b>
<b>A1</b>	<b>Scenario [Axis]</b>	<b>StatementScenarioAxis</b>
	Scenario, Unspecified [Domain]	ScenarioUnspecifiedDomain
<b>M1</b>	Liquidation Basis of Accounting [Member]	LiquidationBasisOfAccountingMember

- (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 March 31, 20X1) while duration elements have a starting and ending date as their context (such as January 1 to March 31, 20X1).
- (3) Instance documents (Figure x.3 in each example) do not include all information that may appear in an entity’s instance document. The instance documents are provided for illustrative purposes only.
- (4) For elements contained in the Taxonomy, the standard label is as it appears in the Taxonomy. For extension elements, the standard label corresponds to the element name. For information about structuring extension elements, refer to the *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). Negated labels may be used to have values render in the instance document as presented.

## Example 1—Statement of Net Assets in Liquidation

This example illustrates the modeling of a portion of a Statement of Net Assets in Liquidation.

<b>COMPANY ABC</b> <b>STATEMENT OF NET ASSETS IN LIQUIDATION</b> <b>As of March 31, 20X1</b>			
<b>Assets</b>			
Cash and cash equivalents	<b>L2, A1:M1</b>	\$	2,750
Trade receivables	<b>L3, A1:M1</b>		1,280
<hr/>			
Property, plant and equipment	<b>L4, A1:M1</b>		5,432
Items previously unrecognized	<b>L5, A1:M1</b>		682
<b>Total assets</b>	<b>L6, A1:M1</b>		<b>15,140</b>
<b>Liabilities</b>			
Accounts payable	<b>L7, A1:M1</b>		180
Taxes payable	<b>L8, A1:M1</b>		55
<hr/>			
Due to affiliates	<b>L9, A1:M1</b>		290
Estimated costs to liquidate	<b>L10, A1:M1</b>		27
<b>Total liabilities</b>	<b>L11, A1:M1</b>		<b>1,782</b>
<b>Net assets</b>	<b>L1, A1:M1</b>	<b>\$</b>	<b>13,358</b>

Figure 1.1

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

	<u>Standard Label</u>	<u>Balance Type</u>	<u>Period Type</u>	<u>Element Name</u>
<b>A1</b>	Scenario [Axis]		Duration	StatementScenarioAxis
	Scenario, Unspecified [Domain]		Duration	ScenarioUnspecifiedDomain
<b>M1</b>	Liquidation Basis of Accounting [Member]		Duration	LiquidationBasisOfAccountingMember
<b>L1</b>	Net Assets	Debit	Instant	AssetsNet
<b>L2</b>	Cash and Cash Equivalents, at Carrying Value	Debit	Instant	CashAndCashEquivalentsAtCarryingValue
<b>L3</b>	Accounts Receivable, Net	Debit	Instant	AccountsReceivableNet
<b>L4</b>	Property, Plant and Equipment, Net	Debit	Instant	PropertyPlantAndEquipmentNet
<b>L5</b>	Liquidation Basis of Accounting, Items Previously Not Recognized	Debit	Instant	LiquidationBasisOfAccountingItemsPreviouslyNotRecognized
<b>L6</b>	Assets	Debit	Instant	Assets
<b>L7</b>	Accounts Payable	Credit	Instant	AccountsPayableCurrentAndNoncurrent
<b>L8</b>	Taxes Payable	Credit	Instant	TaxesPayableCurrentAndNoncurrent
<b>L9</b>	Due to Related Parties	Credit	Instant	DueToRelatedPartiesCurrentAndNoncurrent
<b>L10</b>	Liquidation Basis of Accounting, Accrued Costs to Dispose of Assets and Liabilities	Credit	Instant	LiquidationBasisOfAccountingAccruedCostsToDisposeOfAssetsAndLiabilities
<b>L11</b>	Liabilities	Credit	Instant	Liabilities

**Figure 1.2**

The instance document created using the modeling structure is provided here:

Standard Label		Preferred Label**	
Scenario [Axis]		Liquidation Basis of Accounting [Member]	Entity-wide Amount
<b>A1</b>		<b>M1</b>	
<b>L2</b>	Cash and Cash Equivalents, at Carrying Value	Cash and cash equivalents	2750
<b>L3</b>	Accounts Receivable, Net	Trade receivables	1280
<b>L4</b>	Property, Plant and Equipment, Net	Property, plant and equipment	5432
<b>L5</b>	Liquidation Basis of Accounting, Items Previously Not Recognized	Items previously unrecognized	682
<b>L6</b>	Assets	Total assets	15140
<b>L7</b>	Accounts Payable	Accounts payable	180
<b>L8</b>	Taxes Payable	Taxes payable	55
<b>L9</b>	Due to Related Parties	Due to affiliates	290
<b>L10</b>	Liquidation Basis of Accounting, Accrued Costs to Dispose of Assets and Liabilities	Estimated costs to liquidate	27
<b>L11</b>	Liabilities	Total liabilities	1782
<b>L1</b>	Net Assets	Net assets	13358

**Figure 1.3**


Notes:

- Assets and liabilities are reported on an unclassified basis and therefore line item elements selected are unclassified assets and liabilities elements accordingly.
  - “Liquidation Basis of Accounting, Items Previously Not Recognized” (L5) is used to tag the fact value for items the Company had previously not recognized but expects to sell in liquidation.
  - “Liquidation Basis of Accounting, Accrued Costs to Dispose of Assets and Liabilities” (L10) is used to tag the fact value for the accrual of estimated costs to dispose of assets and liabilities.
  - As a general principle, “Liquidation Basis of Accounting [Member]” (M1) should be used in conjunction with each primary line item elements to indicate a fact value is reported under liquidation basis.
- \*\* Preferred Labels are the labels created and used by the company to show the line item captions in its financial statements.



## Example 2—Statement of Changes in Net Assets in Liquidation

This example illustrates the modeling of a portion of a Statement of Changes in Net Assets in Liquidation.

<b>COMPANY ABC</b> <b>STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION</b> <b>For three months ended March 31, 20X1</b>		
<b>Net assets as of January 1, 20X1 under liquidation basis</b>	<b>L1, A1:M1</b>	<b>\$ 15,478</b>
Cumulative effect adjustment for adoption of liquidation basis of accounting	<b>L12, A1:M1, A2:M2</b>	(7,329)
<b>Net assets adjusted as of January 1, 20X1 under liquidation basis</b>	<b>L13, A1:M1</b>	<b>8,149</b>
Adjustment for accrued liquidation costs	<b>L14, A1:M1</b>	(557)
		
Subsequent period remeasurement adjustment on assets	<b>L15, A1:M1</b>	2,439
Unrealized loss on items previously not recognized	<b>L16, A1:M1</b>	(439)
<b>Net assets as of March 31, 20X1 under liquidation basis</b>	<b>L1, A1:M1</b>	<b>\$ 13,358</b>

**Figure 2.1**

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

	<b><u>Standard Label</u></b>	<b><u>Balance Type</u></b>	<b><u>Period Type</u></b>	<b><u>Element Name</u></b>
<b>A1</b>	Scenario [Axis]		Duration	StatementScenarioAxis
	Scenario, Unspecified [Domain]		Duration	ScenarioUnspecifiedDomain
<b>M1</b>	Liquidation Basis of Accounting [Member]		Duration	LiquidationBasisOfAccountingMember
<b>A2</b>	Adjustments for New Accounting Pronouncements [Axis]		Duration	AdjustmentsForNewAccountingPronouncementsAxis
	Type of Adoption [Domain]		Duration	TypeOfAdoptionMember
<b>M2</b>	Accounting Standards Update 2013-07 [Member]		Duration	AccountingStandardsUpdate201307Member
<b>L1</b>	Net Assets	Debit	Instant	AssetsNet
<b>L12</b>	Cumulative Effect of New Accounting Principle in Period of Adoption	Credit	Instant	CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption
<b>L13</b>	Net Assets, Adjusted Balance	Debit	Instant	NetAssetsAdjustedBalance
<b>L14</b>	Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Accrued Costs to Dispose of Assets and Liabilities	Credit	Duration	LiquidationBasisOfAccountingRemeasurementGainLossOnAccruedCostsToDisposeOfAssetsAndLiabilities
<b>L15</b>	Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Asset	Credit	Duration	LiquidationBasisOfAccountingRemeasurementGainLossOnAsset
<b>L16</b>	Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Items Previously Not Recognized	Credit	Duration	LiquidationBasisOfAccountingRemeasurementGainLossOnItemsPreviouslyNotRecognized

**Figure 2.2**

The instance document created using the modeling structure is provided here:

Standard Label		Preferred Label**	Liquidation Basis of Accounting [Member]		Entity-wide Amount
Scenario [Axis]			M1		
Adjustments for New Accounting Pronouncements [Axis]				Accounting Standards Update 2013-07 [Member]	
A1				M2	
A2					
L1	Net Assets	Net assets as of January 1, 20X1 under liquidation basis	15478		
L12	Cumulative Effect of New Accounting Principle in Period of Adoption	Cumulative effect adjustment for adoption of liquidation basis of accounting		7329	
L13	Net Assets, Adjusted Balance	Net assets adjusted as of January 1, 20X1 under liquidation basis	8149		
L14	Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Accrued Costs to Dispose of Assets and Liabilities	Adjustment for accrued liquidation costs	-557		
L15	Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Asset	Subsequent period remeasurement adjustment on assets	2439		
L16	Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Items Previously Not Recognized	Unrealized loss on items previously not recognized	-439		
L1	Net Assets	Net assets as of March 31, 20X1 under liquidation basis	13358		

Figure 2.3

Notes:

- “Cumulative Effect of New Accounting Principle in Period of Adoption” (L12) along with “Accounting Standards Update 2013-07 [Member]” (M2) is used to tag the cumulative effect adjustment for a company, that applied a form of liquidation basis of accounting before ASU 2013-07 became effective, to make the transition to liquidation basis of accounting under ASU 2013-07 when preparing the Statement of Change in Net Assets in Liquidation. The opening amount of net assets under liquidation basis has been adjusted as illustrated in the example above.
  - Fact value \$7,329 was entered as a positive amount because “Cumulative Effect of New Accounting Principle in Period of Adoption” (L12) has credit balance attribute. As indicated in the element’s definition, it represents a deduction from “Net Assets” (L1) to the adjusted amount “Net Assets, Adjusted Balance” (L13).
  - The adjusted net assets balance is tagged by element “Net Assets, Adjusted Balance” (L13) along with “Liquidation Basis of Accounting [Member]” (M1).
  - As a general principle, “Liquidation Basis of Accounting [Member]” (M1) should be used in conjunction with primary line item elements to indicate that a fact value is reported under a liquidation basis.
  - “Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Accrued Costs to Dispose of Assets and Liabilities” (L14), “Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Asset” (L15) and “Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Items Previously Not Recognized” (L16) are used to tag subsequent changes in measurement after initial recognition.
  - “Liquidation Basis of Accounting, Remeasurement, Gain (Loss) on Asset” (L15) could be further dimensionally qualified using members (or extension members) under “Asset Class [Axis]” if a company separately reports individual asset categories for adjustment in the subsequent period after initial recognition, for example, “Property, Plant and Equipment [Member]” and “Indefinite-lived Intangible Assets [Member]”.
- \*\* Preferred Labels are the labels created and used by the company to show the line item captions in its financial statements.