Double Declining Balance

Double Declining Balance determines accelerated depreciation values for an asset, given the initial cost, life expectancy, end value, and depreciation period.

EXAMPLE:

What is the depreciation value for a computer with a life expectancy of three years if it initially cost \$2,000.00 with no expected value at the end of the three years?

Initial Cost = 2000.00 Life Expectancy = 3 years End Value = 0.0 Depreciation Period = 3 years ANSWER: Approximately \$148.15

The answer is obtained using the dialogue box shown below:

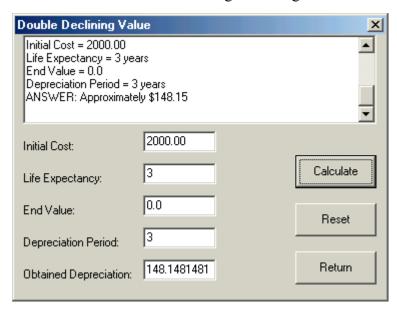


Figure 1 Double Declining Value Dialog