DB FUNCTION IN EXCEL

DB FUNCTION IN EXCEL is used to calculate depreciation using the fixed declining balance method. It uses fixed rate of depreciation.

SYNTAX & ARGUMENTS

=DB(cost, salvage, life, period, [month])

- **cost** – Specify initial cost of fixed asset.
- **salvage** - Specify the scrap value.
- **life** - Specify the useful life of asset.
- **period** - Specify period of depreciation.
- **[month]** - Specify number of months to depreciate during first year of life.

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EXAMPLE

Let's say you want to depreciate an asset having an initial cost of 50,000 for 5 years duration. The salvage value is 5,000.

- 1st year - =DB(50000,5000,5,1)
- 2nd year - =DB(50000,5000,5,2)

	Period 1	Period 2	Period 3	Period 4	Period 5
Initial Asset Cost	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Salvage Value	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Useful Life	5	5	5	5	5
Period of depreciation	1	2	3	4	5
Depreciation	18,450.00	11,641.95	7,346.07	4,635.37	2,924.92