#### DB

[Syntax](Syntax.docx):

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

Description: Computes the depreciation of an asset for a specified period using the fixed-declining balance method.

Mathematical Formula:

The fixed-declining balance method computes depreciation at a fixed rate. DB uses the following formulas to calculate depreciation for a period:

(cost - total depreciation from prior periods) \* rate

where:

rate = 1 - ((salvage / cost) ^ (1 / life)), rounded to three decimal places

Depreciation for the first and last periods is a special case. For the first period, DB uses this formula:

cost \* rate \* month / 12

For the last period, DB uses this formula:

((cost - total depreciation from prior periods) \* rate \* (12 - month)) / 12

Arguments:

|  |  |  |
| --- | --- | --- |
| Name | Type | Description |
| cost | number | The initial cost of the asset. |
| salvage | number | The value at the end of the depreciation. (This is sometimes called the salvage value of the asset.) |
| life | number | The number of periods over which the asset is being depreciated. (This is sometimes called the useful life of the asset.) |
| period | number | The period for which the depreciation is to be calculated. (period shall use the same units as life.) |
| month | number | The number of months in the first year. If omitted, a value of 12 is used. |

Return Type and Value: number – The depreciation of an asset for a specified period using the fixed-declining balance method.

However, if

* cost, salvage, life, or period < 0, #NUM! is returned.
* month is outside the range 1–12, #NUM! is returned.

[Example:  
  
DB(1000000,100000,6,1,7) results in 186,083.33  
DB(1000000,100000,6,2,7) results in 259,639.42  
DB(1000000,100000,6,3,7) results in 176,814.44  
DB(1000000,100000,6,4,7) results in 120,410.64  
DB(1000000,100000,6,5,7) results in 81,999.64  
DB(1000000,100000,6,6,7) results in 55,841.76  
DB(1000000,100000,6,7,7) results in 15,845.10  
  
end example]