

Double-Declining Balance Depreciation Table

Year	Beginning Book Value	Depreciation Rate	Depreciation Expense	Ending Book Value
1	\$10,000	40%	\$4,000	\$6,000
2	\$6,000	40%	\$2,400	\$3,600
3	\$3,600	40%	\$1,440	\$2,160
4	\$2,160	40%	\$864	\$1,296
5	\$1,296	40%	\$296	\$1,000

Important Notes:

- Double-declining balance is an accelerated depreciation method, front-loading the expense in early years.
- The depreciation rate is twice the straight-line rate (e.g., for a 5-year asset, $2 \times 1/5 = 40\%$).
- Depreciation stops once the book value equals the asset's salvage value.
- This method better matches expenses with revenue for assets that lose value more quickly in initial years.
- Be sure to review applicable accounting standards before applying DDB for financial reporting.