

The legacy

Resource sheet 4

Model D

What does this model do?

Things to think about

This model is front-end loaded – you can spend more at the beginning than later. It is not satisfactory as it stands because it results in a negative balance after 14 years.

- Can you explain how the expenditure is being calculated (it uses two different methods)?
- Experiment with the model – can you find a similar model which will last for 50 years without resulting in a negative balance?
- How much in total will be spent with your model?
- Can you improve on your model?
- What are the strengths and weaknesses of this type of model?

Prepare a presentation on the strengths and weaknesses of this model and why the school might choose it.