

The legacy

Resource sheet 3

Model C

What does this model do?

Things to think about

- By what factor is the expenditure increasing?
- The model stops after 20 years. What happens if you extend it to 50 years? Can you explain what you see?

Experiment with changing the factor by which the expenditure is increasing.

- What factor will enable the model to last 50 years (with little or no balance left)? What is the total expenditure after 50 years with this factor and at this interest rate?
- Why is it difficult to end with a balance that is nearly zero?

Experiment with changing the number of years.

- The will allows you to spend the money over a period of less than 50 years as long as your total expenditure is over £2 000 000. What would you recommend?
- What are the strengths and weaknesses of this model? What could you do to improve it?

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