

What does money really mean to you?

Establishing if you have enough for retirement is a fairly simple exercise of determining how much income you need to fund your lifestyle and then calculating how much capital is required to provide for this income using an assumed rate of return, which is governed by your risk/return profile.

Sounds like quite a mouthful, but it's really fairly simple, which is why I think there may be more to the question, "do I have enough for retirement?" than initially meets the eye.

A good starting point may be the favourite question of holistic financial planners, "what does money mean to you?" What is the definition of wealthy? Is it the World Bank's classification for High Net Worth Individuals (HNWI) of



Money Matters

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\$1 million?

A friend who has had his fair exposure to wealthy individuals believes wealth is a state of mind. This seems to endorse my personal client experience, where I have been asked the

question "do I have enough?" by clients, with very little to those with fortunes, which they will not spend in three lifetimes. The answer to the question is certainly not an arbitrary number based on a simple calculation, but definitely something more.

So maybe the question is not "do I have enough?", but rather "what does money mean to me?"

Answering this question may unshackle you from a lifetime of financial slavery exploited by consumerism and the need to keep up with the Joneses. The person who earns more than he spends and is content with his life is wealthier than a rich man who feels poor and will never ever be satisfied.

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