

## **Retirement: A new chapter in the story of your life**

There is an old adage that says “*retirement is not closing the book, it is just a brand new chapter*”. This saying is especially true because it correctly implies that you have the ability to author and take control of this chapter in your life. The extent to which you will enjoy your retirement depends largely on the financial decisions and other support structures you have put in place before and during your retirement. Whether you have prepared well or not, it is never too late to improve your current retirement living. The few pointers and wise practices below will help you achieve just that.

### **1. Reduce your living expenses without reducing your quality of life**

Living within your means does not necessarily imply that you reduce your living standards; it simply means that you make smart decisions to adjust to your new lifestyle and income. Small changes like trading in for a fuel efficient car or using water and electricity wiser can make a big difference.

### **2. Use your lump sum wisely**

At retirement, your lump sum has the ability to provide financial relief for you when it is used for productive reasons. Ideally, your lump should be invested in interest bearing instruments such as shares, bonds, unit trusts and other income generating assets. However, If you haven't yet cleared all your debt, your lump sum can be used to clear this debt seeing that there is not ideal to be earning interest on your lump sum when you are paying higher interest debt. A balance between these two options is a must.

### **3. Prioritize housing and healthcare expenses**

Housing and healthcare will, in all likelihood, take a significant portion of your post retirement income. Make wise decisions regarding these two important areas of your retirement life. Drastically increasing housing expenses or neglecting healthcare will have long lasting negative ramifications on your financial wellbeing and quality of life.

After conquering the mountain of employment, retirement is supposed to be the beautiful view you can enjoy as a result of your hard work. It is never too late to take wise financial and lifestyle decisions to improve your quality of life.