



Being a student can be a very daunting experience particularly where money is concerned. It may be the first time you have lived away from home and been in charge of all your expenses, or you may have been financially independent of your parents but now find yourself on a very restricted level of funds and the prospect of a large debt by the time you finish your studies. Do not despair! This leaflet is intended to help you manage your money and take the mystery out of budgeting. It will explain about prioritizing your expenditure and look at tips for saving money and maximizing your income. This will not only help you during your stay at University but also throughout your life. When money is tight, you need to learn how to make your limited resources go a long way.

The FXU Student Advisors are here to help too, either with advice on other avenues of funding, helping you to negotiate with your creditors, or working out a budget. If you have any sort of money query contact us - if we don't know the answer we will know someone who does!

So where do you start.....?

What is Budgeting?

Ensuring that your expenditure does not go above your income. Budgeting is the art of keeping control of your finances - not always as straightforward and simple as you may think. There are many good reasons to budget, not least to give you an accurate view of your money situation, but it will also help you to identify how you can make savings or find extra money. It will also show that you are handling your money wisely - certainly a way to impress your bank manager!

Where Does All the Money Go?

It's amazing how a few pounds spent at the shops, in a bar or newsagent soon mounts up. The only way to truly assess how much money you spend is to keep accurate records of everything. To do this effectively you need to keep a small notebook with you all the time and write down everything you spend including credit card payments, direct debits and cheques. Obviously this is not realistic for life but a good exercise is to do this for a specific time period either one, two or three months. You then have a good idea of your pattern of expenditure.

Why Budget?

1. Makes you aware of your money situation
2. Helps you reduce your spending by identifying the areas where money is being wasted.
3. Prevents you from running up substantial debts which eventually will have to be repaid
4. You stay in control - there is nothing worse than worrying about money or ignoring a problem and hoping it will just disappear.

Priority Payments

Individual priorities vary but it is essential to have shelter, food, water, warmth and light.

Accommodation will probably be your largest expenditure. If you are in University accommodation, make sure you pay your bill at the start of term to avoid paying late fees. If in private rented accommodation, ensure that your bank account has sufficient funds to pay your rent at the agreed date.

Food expenditure can mount up if you don't plan ahead. Relying on takeaways or readymade meals is expensive. Try to organise a menu for a week and write a shopping list to ensure that you only purchase the food you will use.

Water, Warmth & Light – Utility bills can mount up so it is useful to pay these by monthly instalments to spread the cost. Again ensure that there are sufficient funds in your bank account to pay these instalments as non-payment could result in supplies being cut off. If you are in shared accommodation it would be useful to organise one household bank account into which each tenant pays an agreed amount each month. This will ensure that the bills are paid and not inadvertently forgotten.

Apportioning Income/Expenditure

Remember that your student loan instalment has to last at least the weeks of term and maybe the holiday period as well. Calculate how many weeks and divide the money accordingly.

Money Saving Ideas

Food Shopping – It is important that you have a nutritional, balanced diet, so careful thought and planning are required.

- Plan a weekly menu and write a shopping list according to the menu
- Stick to your shopping list when in the shops
- Packed lunches are much cheaper than bought sandwiches or eating out
- Always check out the reduced items at the supermarket
- Use a calculator as you go around the supermarket to ensure you don't overspend and to check that you are not overcharged
- Check sell by dates to ensure that you purchase goods with the longest shelf life as possible to avoid throwing food away.
- Buy in bulk but only when you're sure you will use the product
- Buy seasonal products when in season (strawberries are cheaper in the summer than the winter)

- Buy fresh vegetables from the local market or greengrocer who are often cheaper than the supermarket
- Washing and preparing fruit and vegetables yourself is much cheaper than purchasing prepared goods
- Readymade meals are expensive so avoid them
- Own brand products are usually cheaper
- Use money-off coupons
- Visit supermarkets at the end of the day when fresh produce is often reduced for a quick sell

Other Money Saving Tips

- ° Only pay by cash. If you can't afford it immediately save up for it.
- ° Keep on top of your financial records
- ° Ask yourself whether you really need an item or whether you just want it. Remember tomorrow's needs are more important than today's wants.
- ° Shop around for the best deal
- ° If you are paying in cash it is always worth haggling
- ° Only buy items that have a functional use
- ° Restaurants and fast food establishments are expensive
- ° When using the washing machine/tumble drier/oven always ensure that they are full to their maximum potential
- ° Buy in the sales – Christmas cards are cheaper in January
- ° Can you make Christmas/Birthday Presents?
- ° Always look to maximise your income and minimise your expenditure
- ° Keep a record of your expenditure and always check it against your bank statement
- ° Keep receipts and guarantees in case goods become faulty
- ° Always budget for irregular expenditure – Christmas/birthdays
- ° Don't be afraid to ask your friends how they manage their finances
- ° If sharing a house see if you can share certain items such as an iron or hairdryer
- ° Award yourself a token prize/reward (like a special meal/book or whatever) if you under spend each month.

Do

- √ Ensure you know how the Student Loan system works
- √ Budget
- √ Keep a record of what and where you spend
- √ Have a list of priority spending – differentiating between needs and wants
- √ Take advantage of your bank's free banking facilities
- √ Reply to all letters from your bank, building society or any creditors and keep a copy of all correspondence
- √ Acknowledge that if things go wrong financially, it can affect you emotionally and seriously distract you from your studies
- √ Seek advice speedily. The longer you leave a problem the harder it will be to sort it out
- √ Allow some money for recreation and pleasure

Don't

- × Overspend at the beginning of your first term. Remember your money has to see you through the year.
- × Buy non-essential when struggling to pay for essentials
- × Ignore signs that spending is getting out of control
- × Guess at what you are spending
- × Be afraid to talk to someone and seek advice if you are having problems financially. Talk to family, the Students' Union Advisors, bank staff etc.
- × Cut yourself off from family and friends
- × Make rash promises to pay when you know that you can't
- × Exceed your overdraft limit without previous authorisation. Unauthorised overdraft rates are very high when compared with what is offered if you stick within agreed limits
- × Get paranoid. Remember even if you are struggling, your bank or building society will see you as a good long-term investment, so approach them with confidence. COMMUNICATION is vital. Don't be afraid to communicate with your bank/building society. Remember their staff have probably been in the same situation as yourself and will try and help as much as they can.

Setting your budget

The budgeting sheet overleaf will help you to set down details of the money you will receive this year and all the expected costs you will need to meet. Don't forget to allow an amount for unexpected costs if possible. Even if it is only a few pounds a month it will give you a cushion and something to fall back on in those situations you could not have foreseen, e.g. due to family illness. Do not worry if your contingency fund is not enough to cover the full cost as you may be able to get extra help through assistance schemes such as the Access to Learning Fund.

If you do find yourself in such a situation please come and see the Students' Union Advisors.

Hopefully you will find that $\text{Income} - \text{Expenditure} = \text{NIL}$, or, even better a plus amount. Use any surplus to build up your contingency fund and/or savings and pat yourself on the back- you know how to budget!

If you find yourself with a negative amount go back and review the figures. Are there any costs you can reduce or cut altogether? Is there any income you receive that you have forgotten to include?

Remember that setting a budget is not a one off exercise - you will need to regularly review your spending and adjust to meet your changing needs, but you will find this exercise gets easier with practice.

And don't forget - if you need help then come and see the FXU Student Union Advisors.

FXU Advice Service

Help with: Money, Hardship Fund (Access to Learning Fund), Benefits, Childcare, Housing, Tenancy Agreements, Academic problems, student life!

We are here to help you!

FXU Advice Service Available (Term time only):

Tremough Find us in the Annex (opposite the Refectory/Bar)
Ring: 01326 370447 for an appointment

Woodlane Find us in the Library Building, Woodlane
Ring: 01326 213742 for an appointment

Email advice@fxu.org.uk

BUDGETING SHEETS - Expenditure & Income

Expenditure	Weekly	Monthly	Termly
Home			
Halls/Rent/mortgage			
Gas			
Electricity			
Water			
Telephone			
TV Licence			
Food & household items			
Clothes/shoes			
Other			
Academic			
Tuition Fees			
Books/equipment			
Photocopying/printing			
Field trips			
Other			
Travel			
Visits home to relatives or friends			
Car tax			
Car Insurance			
Petrol			

Car servicing/MOT			
Bus train travel costs			
Financial			
Credit card			
Store card			
Bank charges			
Loan repayments			
Other			
Cigarettes/Alcohol			
Sports/Clubs/Societies			
Meals/drinks out			
DVD's/Cinema			
Newspapers/magazines/ Subscriptions			
Holidays			
Savings			
Prescriptions			
Birthdays/Christmas			
Mobile telephone			
Haircuts			
Other expenses			
Total Expenses			

INCOME	Weekly	Monthly	Termly
Student Finance			
Student Loan			
Tuition Fees Loan			
Maintenance Grant or			
Special Support Grant			
Adult Dependants Grant			
Childcare Grant			
Parental Contribution			
Scholarships			
Bursaries			
Other			
Employment			
Vacation earnings			
Term-time earnings			
Benefits			
Income Support/JSA/ESA			
Housing Benefit			
Disability Benefits			
Tax Credits			
Other			
Other Income			
Christmas/Birthday Money			
Savings Interest			
Other			
TOTAL INCOME			