



# THE BIG BUDGETING GUIDE

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A COMPREHENSIVE GUIDE TO  
MONEY MANAGING MADE BY  
NEWNHAM STUDENTS

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# INTRO: WHAT IS BUDGETING?

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Hello everyone!

For many of us, our first year at university is also our first time independently money-managing. Being personally responsible for your money can be daunting, so this guide is here to help you with everything to do with budgeting. It will be quite general, but there's information in here that caters to various lifestyles and preferences. From nights out in town to nights in your room – I've got you covered!

Many people come to university and do not really understand what budgeting really is or how it works. In simple terms, it is managing your incoming and outgoing money to ensure that you aren't going into debt, and are prioritising your spending on the things important to you. What it is NOT is being so strict that you cannot ever have fun. It is a way for you to make sure that you prioritise crucial expenses, and then organise the rest of your costs depending on what is important to you. It's great, for example, to save up for a holiday in the summer or even a May Ball (a fancy party at the end of exams)!

I hope this guide makes money managing seem a bit more manageable to you. If you have any questions or concerns about finances, don't hesitate to message me!

Newnham love,

Evelyn (es926)

JCR Access Officer

# IMPORTANT NOTES

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People's **financial positions vary tremendously**, especially in an institution like Cambridge. Some people are privileged enough to have enough money to not even have to think about budgeting, whereas others have no choice but to be strict with what they spend. Nonetheless, **budgeting isn't only for low-income or Class Act students**. It is an **essential part of adult-ing** and can be useful in helping you have money for your savings too. **This guide is for anybody who would like help to money manage!**

People also may feel pressured or have FOMO when they don't have money to spend on expensive things or experiences. Don't ever feel embarrassed if you need to manage money and know that you are not alone — many of us do! It is important to stress that **budgeting is nothing to be ashamed of**. In fact, it takes great responsibility and self-discipline.

Having said this, don't let tight money-managing stop you from having fun every now and then — even if it's a cheaper alternative. **The university experience goes beyond studying**; even if it is occasional, treat yourself to the odd Maccies, or a night at the ADC theatre. **Spending disposable income on yourself, in some instances, might be the form of self-care you need.**

Much of this guide will cater to various lifestyles — drinking and non-drinking, sharing costs with others to paying for them alone. My advice would be to think about what applies to your financial situation and lifestyle. Even then, there are various ways — **and no single right way** — to budget. Apply the ideas you think suit you to your budgeting, and if you think one of the ideas in this isn't for you then you can play around with it — or even completely scrap it!

If anyone is especially worried about their financial situation, please message me (**es926**) or our Class Act Officer, Cazra (**cg811@cam.ac.uk**)

# INCOMING EXPENSES

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Incoming expenses are **any forms of money that help you pay your living costs**. These can be, but are not limited to:

## Student Finance

Most people apply for student loans, including a maintenance loan; this helps with paying for essentials, such as rent, and other day-to-day living expenses. You will be awarded an annual amount in your student finance entitlement letter, which you should have received by the end of August. Your maintenance will be paid to you in three termly instalments.

## Bursaries and scholarships

You may be awarded a bursary or scholarship from the university, college or other external organisations. These are awarded to you, varying from a one-off payment to a termly payment, and you are not expected to pay these back. Most of these are awarded to low-income students. You should have information about this from College, but if you would like more please email me!

## Your personal savings

You may already have savings in an account from previous jobs, your parents or other sources. Though many people choose not to spend this, it can act as a source of income in emergency situations.

## Your parents

Some people will be lucky enough to have parents who are able to support them whilst they are living away from home. Regardless of how much they give you, your parents can add to your income.

# OUTGOING EXPENSES<sup>04</sup>

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Outgoing costs are things that you spend your money on. These can be, but are not limited to:

## Rent and bills

As almost all Newnham first-years live in halls, you will pay your rent to Newnham directly. Newnham charges rent termly, and this amount covers all household bills (e.g. heating, electricity) and facilities (e.g. gym) you have access to. The KFC/BPMP charge is paid separately to rent, but will still be a part of your 'college bill', and is essentially pre-paying for some buttery meals as well as the maintenance of the kitchens.

## Food and other essentials

Whilst we need food every day, it's easy to forget to buy it sometimes when you live alone. I just assumed there was already garlic, onions and spices when I first moved in. But nay, you must buy all of your food – whether you're cheffing it up in your kitchen or hunting for curly fries in the buttery. Most students do a weekly shop for food essentials, as well as top up on any necessary toiletries. With these weekly shops, people usually spend anywhere between £15 and £30 depending on how they budget. My advice would be to write down how much you've spent after your first weekly shop to get a rough idea of what your weekly expenses are.

## Books and other academic expenses

If you're an English student (or similar), be prepared to buy a library of books this year. Any books to do with your course are partially reimbursed by College through the book grant (more to come on this). You also may have to spend on other things every now and then, such as printing costs or stationery.

## Subscriptions

You may have monthly subscriptions to things like Spotify, Netflix or Amazon Prime. It's good to set aside any of your money for monthly subscriptions just so you have enough!

## Fun stuff!

Having fun is essential at university, but it, unfortunately, comes at a cost. If your idea of fun is a night out or clubbing, or maybe a Chinese takeaway with your mates, you can budget for this weekly. But if you want to save for something bigger, like a ball or a holiday, it's best to set aside money for this when you first have your income. This way, you can see whether it's feasible for you to save up for it.

# HOW TO BUDGET

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There is no one way to budget. But the basics are organising your incoming and outgoing expenses. Calculate how much money you have, prioritise your outgoing costs depending on how important they are, and then organise how you'll be spending.

It is, however, easier said than done. This spreadsheet can be used to have an overview of your annual budget, budget weekly, and save up for anything you like (credits to Viola Helen for making this). The link is here:

[https://docs.google.com/spreadsheets/d/1PnNb\\_zgKr\\_bl10s5YANjTqp1xPq7L\\_am/edit?usp=sharing&ouid=106947219606415623263&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1PnNb_zgKr_bl10s5YANjTqp1xPq7L_am/edit?usp=sharing&ouid=106947219606415623263&rtpof=true&sd=true)

**Please note that you must make a COPY of the spreadsheet!**

Now, using fake numbers, I'll run through how it works:

# STEP 1: DOCUMENT YOUR ANNUAL INCOME

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INCOMING	£8,200.00
Student Finance	£6,000.00
Scholarship/Bursary	£1,000.00
Money from parents	£1,000.00
Job/own money	£200.00

*In this table on the spreadsheet, add in your annual Student Finance, any bursaries you receive, and any other incoming expenses. This will automatically add up at the top of the column.*

*DO NOT fill in the cell for the total 'INCOMING' as this will be automatically calculated.*



# STEP 2: DOCUMENT YOUR ANNUAL EXPENSES

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OUTGOING	£6,050.00
Rent	£5,200.00
Transport	£200.00
Subscriptions	£250.00
Big thing im saving for	£400.00

*Do the same with the things you will definitely need to pay for (i.e the essentials). These numbers will vary depending on if you travel home a lot, if there even is a 'big thing' you want to save for, or how many subscriptions you have (if at all).*

*Once you input that information, you'll have your net annual money and how much that will be per week.*

TOTAL
£2,150.00

WEEKLY
£71.67

*Though a Cambridge term only has eight weeks, there's ten per term on the spreadsheet. This is because many students choose to come as soon as their rent license starts, or stay a week after term finishes. If you know you'll only be staying for eight weeks, using this spreadsheet you'll have some buffer money saved, too!*

# STEP 3: CALCULATE YOUR WEEKLY EXPENSES

MICHAELMAS	Week 1
	<b>£7.67</b>
Food	£30.00
Travel	£12.00
Going out	£15.00
Miscellaneous	£7.00

Your spreadsheet will **AUTOMATICALLY** show you your weekly budget for all ten weeks. I've put down food, travel, going out, and miscellaneous expenses for my weekly expenses. Feel free to change these depending on what you spend on, but put the most important things towards the top!

Once you input how much money you will spend/have spent that week, your **remaining budget will automatically show itself at the top of the column**. Repeat this process for the rest of the weeks to track where your money is going, whether you have enough, and perhaps where you could cut down.

For example, I found myself buying a lot of takeaways in my last term because exam season made me too stressed to cook. This sheet helped me see I was doing too much with the eating out so I capped my spending on takeaways! In the words of an anonymous student, 'don't eat out all the time. It will keep you and your wallet healthy.'

It's up to you what costs you include, how you prioritise them, and whether you want to fill this out as you go or plan ahead of the week. It's all about personal preference. I'd say play around with it when you first start and don't worry if you go over budget sometimes! You might have saved from previous weeks to replenish this, or you might want to see if you can adjust your weekly spend/budget.

Any remaining money can be put into a savings account, or you could even make a category purely for saving!

# FRESHERS WEEK: WILL I GO BROKE?

Freshers week can be expensive, especially if you're planning on going out a lot. Luckily, Cambridge nightlife isn't as expensive as other parts of the UK. And almost all freshers events hosted by colleges and societies are free of charge. Here are three tips from current students about freshers week and money-managing:

- Save money before you come if you can! Student Finance usually doesn't drop until after Freshers week, so try and save up before you come. If your absolute last resort is overdraft, make sure you are keeping it in mind when planning your annual spending.

If you bring all of your stuff from home, you only really need to pay for food and events. As most events are free, try to set aside around £30 for events, £30 for food, and £40 to cover anything you left at home/emergency travel. It's easy to spend a lot more than this and everyone is different, so try and think what applies to you.

- Don't spend too much at the expense of your own self care. It's tempting to want to non-stop have fun in freshers week, which is definitely possible. But if you're leaning to the type of fun which can easily get expensive, like clubbing or eating out, make sure that you're prioritising your essentials e.g. food, toiletries, night-out aftercare. I may sound like a lame mum to you when I say this but: have fun, but be as responsible as you can with having fun!

- Avoid falling for fresher ticket scams/unofficial wristbands. There'll be loads of Facebook events or flashy ads which offer you the best freshers experience at a ridiculous price. They're often not very good and definitely not worth the money. So make sure you're going to events and places that are known to be good (feel free to ask some older students, or the JCR, for guidance) and not ridiculously overpriced. You can but really don't need to buy things in advance, and it is also entirely possible to do an active Freshers' Week without any paid events, as the (2023) Freshers' Committee have planned events, including quite a few pre-purchased tickets for a couple of club nights, throughout each day of the week.

Entrance for nights out are generally £5-£7. But drinks are expensive. If you pre-drink at home and don't buy drinks at the club you'll be saving a lot of money — there's no travel costs and a cheap entrance. However you could easily spend £30+ on drinks if you bought them at the club. A smart budgeting move is to pre at home or at the college bar (where drinks are a lot cheaper).

# ALEXIA'S ADVICE

And now some fab advice from our 2022 Class Act officer  
Alexia!

*The JCR **Class Act officer** aims to listen to, represent, and promote solidarity for all students at Newnham who identify as having faced any kind of **social, cultural, economic or educational disadvantage**, which includes **first generation, low income, state educated and care experienced students**.*

'Learning to manage your finances consistently for the rest of your entire life starting from October is quite daunting, so don't feel the need to do every single thing all at once. Instead, start with a budget and keep experimenting to see what works for you and what doesn't. Whatever you choose to do, please save this guide to refer back to in the future.

[...]

Happy budgeting and lots of Newnham Love.'

- Alexia



If you'd like some more tips, or if you'd like to learn more about the Class Act campaign, please check out the **class act handbook** or feel free to contact the current officer, Cazra, at [jcr.classact@newn.cam.ac.uk](mailto:jcr.classact@newn.cam.ac.uk)

# ALEXIA'S ADVICE

## GOOD IDEAS

- **DEVELOP 'FINANCIAL LITERACY'** - The **Money Saving Expert** is a fab place to start. Understanding how banking works will help you make the most of every last penny you have. Understanding what FSCS protection is and how credit scores work (and why they are so important) are really good places to start!
- **FIXED TERM SAVINGS ACCOUNT** - Your bog standard savings account likely doesn't offer good interest, however a fixed term savings account does. It also stops you spending that money whilst it's in the savings account. Moneybox is great for this, with terms ranging from 32 to 120 days. Many mainstream banks offer 6 months to 1 year plans. If you're going to save money, you should make money from it :)
- **USE ROUNDUPS!** - This is where your bank rounds up the cost of every purchase to the nearest pound, and saves the change to one of your savings pots. You'd be amazed how much you get every month from just putting pennies aside! If your bank doesn't offer this, Monzo, and Moneybox are great options.
- **WORKING DURING HOLIDAYS** - working over the Christmas and Easter holidays is difficult. Bear in mind you are still expected to revise, read and do academic related things as well as rest and recover from the previous term. Don't spend money during term time intending to earn it all back over the holidays; rather try to save as much as you can during the holidays so you have more during term time. Instead, **try to work over the Summer holiday (the 'long vacation')**. Even if it's just 1 month full time or 2 months part time, it is a great time to clear your overdraft (if needed) and get your savings up. Plus it's easier to get a job when you'll be around for more than 5 weeks.

## STUFF TO AVOID

- **STUDENT CREDIT CARDS** - I know those student credit cards seem so tempting but don't do it, it's not worth it. If you want to **build your credit score**, a good place to start would be a **sim-only phone contract** (you can get one for £10 a month)
- **INCREASING YOUR OVERDRAFT LIMIT** - As great as an overdraft is, there is **no benefit to being 2K or even 3K in negative**. If you ask for an increase to your overdraft, your bank will do a hard credit check and unless you have a good credit score will most likely reject you. **Hard checks and being denied credit will negatively affect your credit score** and undo all your work building it.
- **0% BUY NOW PAY LATER SCHEMES (eg KLARNA AND CLEARPAY)** - It can feel great to split up a big purchase into smaller ones and there is no interest so you're not paying more money overall. However, this can mean the money doesn't feel real, and there is a **real risk of falling into debt**. Try saving for big purchases and factor this saving into your weekly budget. I personally have a 'shopping spree' pot on Monzo since I like to do a couple of big purchases, especially when there's a big sale on.

# EASY SAVING TACTICS

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## Cheaper places to shop!

Sainsbury's in town (affectionately called Mainsbury's), is widely loved, but isn't always the cheapest place to buy food. And whilst Superdrug is conveniently next door, it also doesn't always do one's wallet favours. Here are some cheaper alternatives:

- **ALDI:** Whilst it is a bit of a trek, it's worth the bargain and the quality. Not sponsored.
- **WILKO:** A great place for the essentials you forget you need. Whether it's stationary, pans, or even towels...WILKO has it all at beautiful prices. Also not sponsored :)
- **SAVERS:** Only a fifteen to twenty minute walk from Newnham, Savers is the go-to for any cleaning products or toiletries. You can buy branded items here at very cheap prices to clean anything: your kitchen, your room or yourself.
- **ONLINE FOOD SHOPS:** A lot of the cheaper alternatives for groceries are a bit far out from Newnham. It is understandable not wanting to hold a week's worth of food for a forty minute walk. Online food shopping at cheaper supermarkets (ASDA being a Newnham favourite) can save you a bit more money. Note, these places do have a minimum spend so you may want to order with your friends if you can! Orders also need to be picked up from outside Plodge; the Porters unfortunately will not look after your Birdseye peas for you.

## Student discounts!

When in doubt, check for student discounts. Loads of Cambridge restaurants and shops do student discounts, from local businesses to franchise shops. **Unidays** and **Student Beans** are good places to look for online discounts, too! They have loads of great ones for big brands which can save you quite the bit.

# EASY SAVING TACTICS (CONTINUED)

## Meal prepping

If you know you'll be cooking, an easy way to save money is to prepare meals for the week. Cooking in large batches means you're spending not only less money on those late night takeaways, but also less time cheffing it up in the kitchen. It's hard sometimes to cook one portion for only one person and it often leads to excess food waste; meal prepping will ensure you're getting your money's worth!

## Sharing costs

If you and your household are homies, an easy way to save money is to share costs for communal essentials like dish soap, milk, kitchen towels, butter etc. This can be done through splitting costs, or making a rota for buying them. It's a good way to save and also ensures perishable items don't get wasted.

## Monzo (or any second bank account)

Have a second card that you transfer your weekly allowance to. Use it when you go out, spend online etc. Having a limited amount of funds can help you save up; seeing a big number can sometimes tempt us to overspend, so this will avoid that!





# TIPS FROM STUDENTS

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**As mentioned earlier in this guide, there is no one way to budget. For this reason, I asked current students for their advice. Here's a collection of advice from them; they're all from different backgrounds with varying budgets, so take on whatever you think will work for you!**

*"Don't be too stingy with your budget if you can afford it. Giving yourself a greater allowance and choosing to spend less and put the rest in savings is easier and feels a lot better than forcing yourself to be an absolute miser, and makes you less likely to go over budget"*

*"Shop daily and not weekly/monthly for perishables. Stuff like rice, pasta and tinned goods you can buy in bulk but if you are planning to cook something with fresh food/meat buy it on the day. Sometimes life gets in the way and you might not cook the meal plan you set out for the week, so the perishable fresh food will go bad. if you buy it on the day you plan to cook it's cheaper and less wasteful!"*

*"Newnham's bursaries are great. As someone who isn't eligible for parental income-based support, but would not be able to afford rent or food just on my maintenance loan, Newnham's grants and bursaries mean I don't have to worry about finances. I wish I could tell my past self to worry less about financial support!"*

*"Keep track of your spending and don't turn a blind eye to it until term is up!"*

*"Be honest about how much you plan on spending - it's okay to spend a scandalous amount on cafe treats as a reward for waking up before 10 am every other day"*

*"Start thinking about whether you like to cook and when! I would advise to have some meals at the buttery first term of first year because you can't predict how unwilling to cook you will be when it gets busy (for me it's the opposite, love to take a cooking break); I personally budget better when I don't have to make sure I cook enough"*

# TIPS FROM STUDENTS (CONTINUED)

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*"Maybe you could have a term or even a month of spending as you will and then tracking can be very helpful to set goals for the following terms"*

*"Drunk me has no self-control and should have limited access to funds. Before a night out, I transfer all but £20 into the savings part of my bank account (if drunk me is sober enough she can still add money but it provides some degree of control)"*

*"Most people do their main shop at Sainsbury's so it can be worth setting up a nectar card."*

*"Don't get freaked out about spending! you don't need to live super frugally or never spend money ever, just be sensible"*

*"I wish I knew there was a Lidl in Cambridge! It's so much cheaper than Sainsbury's and Coop, and is only a 15 minutes cycle from Newnham. Like Sains and Coop, it also has an app with discounts so you can save even more"*

*"Anticipate unexpected costs especially if you have a larger group of friends-people will always be wanting to get pizza/go out to eat etc."*

*"Watch where your money is going- it's good to spend on experiences and memories, not so much on things in my opinion"*

*"Wish I looked up prices of household items in advance (ex. filters, crockery), but this is mainly because I'm an international student and don't know how much the prices would be"*

# END NOTE

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I hope you found at least some of this information useful! Remember, money managing for the first time isn't easy and sometimes is up to trial and error.

College is normally really nice about money and is willing to help you when you're struggling with finances. If you have any particular questions, however, or any suggestions as to how this guide can be updated for future students, please message me! (Evelyn Surman on Facebook or es926 on email)

If you have any questions regarding the Class Act, or have questions about finances, you can also contact our lovely Class Act Officer Cazra (cg811)

Have a lovely academic year!

