



MONEY MATTERS



Mystified by money? Bad with a budget? You're not alone! We spoke to Phillipa Cook, who graduated in 2009 and now works for the Financial Ombudsman Service – the free service set up by law to sort out problems between customers and financial businesses – for the top money tips she wishes she'd known before she began student life...



As you're getting ready to start – or head back – to college or university, you might be thinking about reviewing your finances for the coming year. Whether this is your first taste of financial freedom away from home or you're already used to managing your own money, it's always worth knowing where others have fallen down before.

BUDGET!

While it might sound boring, making a budget – and sticking to it – will make your life as a student, and eventually a graduate, much easier. Plan for essentials like food, bills and rent on a weekly or monthly basis – and don't forget to keep some cash aside for socialising!

To help keep on top of your money, take cash on a night out to avoid overspending, and shopping around for second hand textbooks can save you a fortune too. If you'd like a little extra cash – and your course allows it – getting a job near uni can help, and it'll look great on your CV.

INSURANCE

While you may think you're saving money by not buying insurance, you might regret it if something goes wrong. For example, could you afford to buy a new laptop if yours was stolen and you weren't insured? Shop around for the best deals – but make sure you read your insurance documents to check it provides the cover you need.

It pays to check if there are any conditions you need to meet to be covered, like using a particular lock to secure your bike. And, always tell the truth – if you say your mum or dad is the main driver on your car, when in fact they aren't, your insurer might not pay out if you have an accident.

CREDIT CARDS AND OVERDRAFT

While it's tempting to make use of the offers for student credit cards or to go for the account with the biggest overdraft as a source of extra cash

– remember it's not 'free money'. Anything that you spend on a credit card or overdraft will have to be paid back later on.

If you're lucky enough to get an interest free offer, keep an eye on when the interest free period ends, as repayments after this date can be expensive. And keep a track of your spending, as going over your limit could mean you end up paying high charges.

Keeping your student finances under control this year means you can concentrate on your studies and social life. If you do face a problem which you can't sort out with the business directly, the Financial Ombudsman Service may be able to help on 0300 123 9 123 or www.financial-ombudsman.org.uk.