



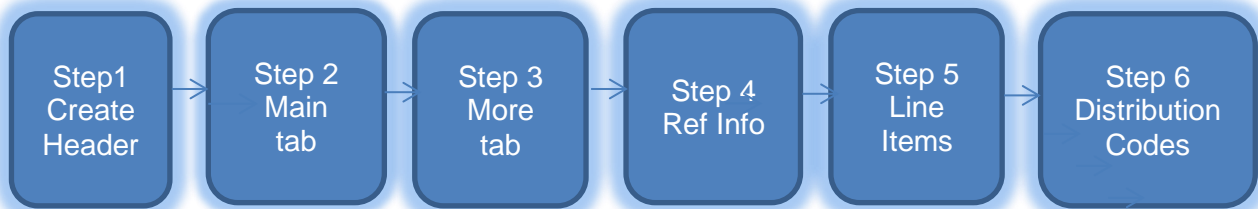
Entering a Credit memo

What are credit memos?

These are stand-alone credit notes which can be raised against a specific invoice or linked to your customers account. If the credit is linked to a specific sales invoice it will appear on the customer's statement. Credit memos can be used for VAT only, external trading and internal trading.

There is an alternative method if you need to credit an invoice directly, in full, to an external customer. This method removes the need to apply the credit note to the invoice as a separate step. [Crediting an invoice in full](#).

CARE: When you are crediting back a line from an invoice or an entire invoice it is important to ensure that the credit is coded back to the same account code that was used on the original invoice. Search for the original invoice and make note of the revenue account code that was created in Distributions.



Step 1: Creating the transaction header

Navigate: Transaction → Transactions

a) Complete following fields :

Class	select Credit Memo .
Type	XXCredit Memo to correct an external invoice or XX Int Trade CM to correct an internal invoice.

b) Review the following fields and update if required:

Reference	This is an optional field and free text. Enter information that you feel may be helpful to you/department.
GL Date	The date the transaction will reflect in your departmental accounts.
Currency	Use GBP, you can use Euro and USD. All losses on exchange rates are the responsibility of the department.



Transactions (Cambridge University : GBP)

Transaction

Source	Manual Invoice	Date	13-JUL-2023
Number		GL Date	13-JUL-2023
Class	Credit Memo	Currency	GBP
Type	AG Credit Memo	Document Num	
Reference		Transaction	[]

Complete

Step 2: Main tab - enter customer details

Bill To: If you know the customer number, enter it in the second line of the bill to section and tab.

or

Place cursor into the first line of the bill to section and click the **list of values**, enter the customer name and click **find** to display matching customers. **Select** the correct customer you wish to use.

Transactions (Cambridge University : GBP)

Transaction

Source	Manual Invoice	Date	13-JUL-2023
Number		GL Date	13-JUL-2023
Class	Credit Memo	Currency	GBP
Type	AG Credit Memo	Document Num	
Reference		Transaction	[]

Complete

Balance Due

Line	
Tax	
Freight	
Charges	
Total	

Details Refresh

Main More Notes Commitment Reference Information

Ship To	Bill To	Sold To
Name	UNIVERSITY OF EAST ANGLIA	
Number	13634	
Address	SCHOOL OF HEALTH SCIENCES	
	RESEARCH PROMOTING COMMUNITY	
	NORWICH RESEARCH PARK, , NORV	
Contact		

Paying Customer

Payment Details

Select Instrument

Line Items Tax Freight Distributions Sales Credits Incomplete



Step 3: More tab – enter Salesperson and optionally purchase order number

Step 4: Reference information – reason and original invoice being credited

You should use this tab to enter the reason you're crediting and any other information such as invoice or reference number.

Reason Select from the List of Values an appropriate option

Customer Reference Free text field (usually enter the invoice number being credited).



Step 5: Line Items – detail items being credited

a) For each line complete:

- | | |
|------------------------------|--|
| Description | This is a free text field where you enter the details of the product or service or any other reference you chose to enter. |
| Unit Of Measure (UOM) | Optional field and chose appropriately |
| Quantity | Either this field or the Unit Price field must be a negative figure . |
| Unit Price | Value of product or service you are providing but as a negative figure. |
| Tax classification | To change the tax classification, click on list of values and select appropriate option |

b) Click on the **Distributions** button once your lines are complete to update the accounting information. **Remember codes must be the same as the original invoice.**

Step 6: Entering distribution codes for the credit

The codes must be the same **as per the original invoice** and you must **only change the revenue line.**

a) Click on the **drop down** arrow and select **Account for all lines**



Trans Line	Detail Line	Class	GL Account	GL Date	%	Distribution Amount
		Receivable	U.00.0000.0000.UBAA.0000	13-JUL-2023	100.0000	(120.00)
1		Revenue	U.AG.ZZZZ.GAAA..0000	13-JUL-2023	100.0000	(100.00)
1	1	Tax	U.00.0000.0000.VCCA.0000	13-JUL-2023	100.0000	(20.00)

- b) The revenue GL account will automatically populate, however, the code must be changed using the list of values to what was on the original invoice.

Entity **U** UC
Department **AG** Finance
Cost Centre **AGBG** Training
Source of Funds **GAAA** External Trading
Transaction **LKAA** Sales/Income - Miscellaneous
Spare **0000** Default

- c) Repeat steps for each revenue line of the invoice
d) **Save**. A transaction number is generated, which you should make a note of.
e) **Complete** - once completed the credit memo can be previewed before printing.
f) **Apply** the credit note to the original invoice customer (see guide on *Applying a credit memo to an invoice*).
g) **Send** a copy of the credit memo to the customer.



Tip: The credit memo can be previewed from the transaction screen

The screenshot shows a software interface for entering a transaction. The title bar reads "Transactions (Cambridge University : GBP)". The main area is titled "Transaction" and contains several input fields and buttons. On the left side, there are fields for "Source" (Manual Invoice), "Number" (1195944), "Class" (Credit Memo), "Type" (AG Credit Memo), and "Reference". On the right side, there are fields for "Date" (13-JUL-2023), "GL Date" (13-JUL-2023), "Currency" (GBP), "Document Num", and "Transaction" (with a small input box and brackets). A "Complete" checkbox is checked. A red box highlights a document icon button located between the "Number" and "Date" fields. At the bottom, there are tabs for "Main", "More", "Notes", "Commitment", and "Reference Information".