Credit Notes

There are various different ways of processing a credit note. The standalone credit note process was covered in AP1 and these are the remaining credit note processes.

<table>
<thead>
<tr>
<th>Process Name</th>
<th>What it enables you to do …</th>
<th>To be aware of …</th>
</tr>
</thead>
</table>
| **Quick Credit to full invoice**    | A new function that allows you to quick match a credit note to the **full amount of the invoice** ensuring it is coded back to the same account as the invoice. | • It has to be for the exact values  
• If the invoice was matched to the order it will reopen the order. |
| **Partial Match credit note to a PO that was matched to an invoice** | This enables a credit note to be matched to selected lines of a purchase order even if it was matched to an invoice. | • If a purchase order was raised and matched to the invoice, the order or line will un-match and re-open.  
• The account code from the order is where the credit will be matched to, which is fine, but not if the code was amended at the invoice stage. If the code was amended at the match stage of the invoice then please use the standalone process as per Part 1. |
| **Standalone**                      | This is when you do not want to link the credit note to the invoice but simply make reference to the original invoice in the description field. Mainly used if the invoice was matched to the Purchase Order and you do not wish for the PO to re-open. | • It does not link to the order and therefore will not re-open it.  
• You must make note of the account codes from the original invoice. |

**Quick Credit – Credit Matched to Total Invoice**

**Pre-Requisite:** Invoice Batch completed and invoice not on any holds.

1. Amend the Type to **Credit Memo**. A pop up note will display regarding Terms, click **OK**. (You must scroll along to the Terms field and check that this has defaulted to Immediate, if not amend it).

2. Complete the following fields:
a. supplier
b. invoice date
c. invoice number
d. gross invoice amount in negatives
e. VAT control amount in negatives
f. description

3. Amend the **Match Action** field to **Invoice**.

4. Tick the **Quick Credit** Field.

5. Enter the **Credited Invoice Number**.

6. Click **Save** and a summary of the item and tax amounts will display on the General tab.

7. If the Invoice was matched to the purchase order then on the **Lines** tab the PO Number field should populate. Remember! The purchase order will be unmatched and the status will be **Approved, Open**.

8. Click **Actions 1 ....** To validate the credit note

9. Click on **Holds** tab and check that it is awaiting secondary invoice approval.

---

**Partial Match credit note to a purchase order**

**Please be aware!** If you match the credit note to the purchase order, the account code that was entered at the PO stage is where the credit will be applied to. **Do not follow this process if the order was matched to the invoice and the code was amended at the invoice stage. Use the Stand Alone process.**

1. Amend the Type to **Credit Memo**. A pop up note will display, click **OK**. (You must scroll along to the Terms field and check that this has defaulted to Immediate, if not amend it)

2. Complete the following fields:
   a. Supplier, Site
   b. Invoice date
   c. invoice number
   d. Gross invoice amount in negatives
   e. VAT control amount in negatives
   f. Description

3. Change the **Match Action** field to **Purchase Order**.

4. Click on **Match** and the **Find Purchase Orders for Matching** screen displays.
5. Complete the **Purchase Order** field.

6. Click **Find** and the **Match to Purchase Order** screen displays with a note advising that the purchase order line is closed. This is because you matched the invoice to the order. Click **OK** to the note.

7. Another note displays advising that the terms differ to the PO, which is fine as credit memos are always immediate. Click **OK** to the note.

8. Ensure you are in the relevant item line and complete the **Match Amount** field with the net amount of the credit.

9. Click **Match** and the **Invoice Workbench** displays, on the **General Tab**.

10. The **Lines** tab shows the negative item line, click **Calculate Tax**.

11. **Actions… 1** to validate the credit memo and check **Holds** which should be **Awaiting Secondary Approval**.
Stand alone

Pre-Requisite:  
- Invoice Batch completed
- Query the invoice the credit note relates to and make note of the relevant account codes for the item/service

1. Amend the Type to Credit Memo. A pop up note will display once you leave that field, click OK.

2. Complete the following fields:
   a. Supplier (this will default in supplier Number)
   b. Select the site from the List of Values, unless it defaults
c. Invoice Date  
d. Invoice number  
e. Gross invoice amount in negatives  
f. VAT Control amount in negatives  
g. Description: Ensure you input the original invoice number the credit note relates to for audit purposes.

3. Check the terms are **Immediate**.

4. Click **Lines** and complete the following fields:  
   a. Net amount, ensuring it’s in negatives  
   b. Tax Name  
   c. Charge Account, if the invoice was originally coded to a GL code, enter the same code as per original invoice for the item/service  
   d. Project fields, if the invoice was originally coded to a project, use the same code as the original invoice of the item/service

5. Click **Calculate Tax**.

6. Click **Actions 1 ....** To validate the credit note.

7. Click on **Holds** tab and check that it is awaiting secondary invoice approval.