CREDIT NOTE:

Summary: A Credit Note is a document used to adjust or rectify errors made in a sales invoice which has already been processed and sent to a customer. If you have already sent an invoice to a customer but now need to provide a credit for that invoice, you would send them a Credit Memo. Credit note can be called as a "negative invoice."

When to raise Credit Note:

Fees Amount overcharged or over-billed: For ex: you issued an invoice for Fees of S$2500 when the correct amount of the entity should have been S$2000 instead. Therefore you need to issue Credit Note to give a credit of S$500 for the amount over-billed.

To Write-off Short Payments: For an invoice of S$1500, a partial payment of S$1000 is received and we do not wish to recover the shortfall amount but receivables indicates that S$500 is still pending on this invoice. You can then issue a credit note of S$500 to write-off the shortfall amount.

Discounts given after the invoice is issued: For an invoice of S$750. If it is decided to waive the S$50 making the net invoice amount to S$700. You would then issue a credit note for S$50 to adjust for the discount given.

Working:

1. Credit Memo should be raised only…
   a. against an Invoice
   b. and for an entity or multiple entities in an Invoice
2. Amount for adjustment can't be greater than an entity amount
3. Adjustment amount and tax on it should be maintained separately
4. A general comment is required while generating Credit Memo.
5. Option for entering entity wise comment
6. Multiple memo can be raised for an Invoice

Reflections:

1. **Receipt Generation**: While generating a Receipt against an Invoice, the balance amount should be displayed considering any partial payment or amount adjusted through Credit Note.
   Giro system should also have checks for balance amount of the invoice, which includes any partial payment done and credit note issued.
2. **View or Void Invoice**: Display adjusted amount through credit Note in case it is applicable for an Invoice.
3. **Reports**
   a. All Pendings: All receivables (Pending List or Invoice Status) should be based on partial payment and Credit Note.
      i.e Pending Amount = Invoice Amount – (Amount Paid + Credit Note)
   b. Pendings Classwise: same as above
   c. All Invoices where we are displaying balance amount for an invoices should consider the amount adjusted through credit Note. Like Weekly report, Ageing report, Outstanding report,..

4 **New Report**:
   a. List Credit Note
      i. Option to list All Credit Note between two dates
      ii. Option to check credit Note for an Invoice
      iii. Option by Student
   b. List Invoice Number, Inv Amount, Student Name, Class-Section, Credit Note Number, CN Date, CN Amount, Total Balance Amount for the Invoice
   c. Option to display Entity wise report, if chose to display entity then in point b, the entity column should also be included and the amount should also be displayed entity wise.

5 **ACCPAC**: Integrating Credit Note adjustment.

Database Change:

	Table	Description			
1.	ICSFInvoice	**Field Name**	**Data Type**	**Default**	**Remarks**
		IsCreditNote	bit	0	
		CNTotalAmt	money	0	Total amount adjusted for the Invoice
2.	ICSFCreditNote	**Field Name**	**Data Type**	**Default**	**Remarks**
		CNID	bigint	0 – identity	Credit Note ID
		InvID	bigint	0	Invoice ID from ICSFInvoice table
		CNTotalAmt	money	0	Total amount adjusted for the Invoice
		CNDate	Datetime		Date credit note issued
		CNRemarks	varchar(200)		General Comment for credit note to be displayed in Credit Memo printout
		CNBy	bigint		UserID, who issued the credit note

		Field Name	Data Type	Default	Remarks
3.	ICSFCreditNoteDet	CNID	bigint	0	Credit Note ID.
		CNFEntityId	bigint	0	Entity ID. Should match with Invoice entity ID
		CNAmt	money	0	Amount adjusted for an entity.
		CNGSTAmt	money	0	GST value for the adjusted amount for an entity.
		CNComment	varchar(100)		Comment for the entity against which the adjustment is being done.

Interface

Credit Memo

Select Academic Year : [2007-2008 ▼]

Select Class : [Kindergarten II G ▼]

Select Student : [VENKATESH VIGNESH ▼]

Credit Note Against Invoice : [I07022697 ▼] [View Receipt(s) against Invoice]

Total Invoice Amt : [＿＿＿]

Total Balance Amt : [＿＿＿]

Credit Note No : **CN0730410**

Credit Note Date: [＿＿＿] (dd/mm/yyyy)   [View Previous Payments]

Select Fees	Fees Description	Fee Amount	Fees Paid	Max CN Amt to be adjusted	Is GST Ap'ble?	GST Amount	CN Amount	Comment
☑	**Tuition Fee 2nd Term '07**	1400	1000	400	Yes	28		
☑	**Bus Fee 2nd Term '07 (Zone 2)**	540	0	540	Yes	37.8		
					Total (S$):			

Comment: [＿＿＿＿＿＿＿＿＿]

CREDIT MEMO

Credit Memo Date	Credit Memo No.
31/01/2007	QT - CN07017468

Global Indian International School
1, Mei Chin Road
Queenstown , Singapore 149253
Tel +65-6479-1511,Fax: +65-6479-1248
MOE School Registration No:1940
GST Registration No:20 - 0301352 - N
CBSE Affln No:7330001/2003
www.giisingapore.org

Invoice Ref: I07017468

Parent Particulars	Student Particulars
Mr/Mrs. Jacintha D'silva	Name : **Kevin Dsilva** RegNo: S062918 Class : Standard 3 A

Item	Description	Amount (without GST)	GST	Amount (with GST)
	[Main Comments should be displayed here]			
1	Tuition Fee 3rd Term '06 [individual entity comment, if any]	820.00	41.00	861.00
2	Bus Fee 3rd Term '06 (Zone 2) [individual entity comment, if any]	135.00	6.75	141.75

TOTAL   **S $1,002.75**