DIANO

DIANO ACADEMY · MODULE COURSE M04

Credit notes

Correct part of an issued invoice, with a reason and an approval

For: Company Admin and Finance User · **Length:** 20 minutes · **Track:** M: Per module · **Version:** 5 November 2026

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Credit notes

WHO IT IS FOR
Company Admin and Finance User

LENGTH
20 minutes

BEFORE THIS COURSE
M03 Sales invoices.

YOU WILL BE ABLE TO
Choose between a void and a credit note, raise a credit note, and approve or decline one.

An issued invoice is final. When part of it is wrong, or goods come back, you raise a credit note. This course follows **Raise a credit note for an invoice** (diano.co.za/help/app/credit-note.html) and **Void or cancel an invoice** (diano.co.za/help/app/void-invoice.html).

Who does what

- A **Company Admin or Finance User** raises and approves credit notes.
- The **Accountant and Auditor** can see them.
- Sales users don't see credit notes.

Void or credit?

The situation	What you do
A Draft invoice	Cancel it (⋯, then Cancel…) with a reason
Issued, completely wrong, no payments, no credit notes	Void it (⋯, then Void…) with a reason
Issued, part of it wrong, or goods returned	Raise a credit note
A payment is recorded against it	Reverse the receipt first

Raise a credit note

1. Open the invoice (**Sales**, then **Sales invoices**). It must be issued.
2. Press ⋯, then **Raise credit note** (or **Copy to ▸ Credit note**).
3. Type the **Reason for the credit**. Change the lines to what you are crediting. A credit note can't be more than the invoice.
4. If you track stock and the goods came back, tick **Goods returned to stock**.
5. Press **Save**. The credit note is **Pending approval**.

Approve it

1. A Company Admin or Finance User opens it and presses **Approve**, or ⋯, then **Decline…** with a reason.
2. Approving your own credit note asks for a reason.

3. A credit note pending approval can't be printed or sent. Approve it first.
4. An approved credit note can be voided (⋯, then **Void…**) if it was a mistake.

Common mistakes

- **Voiding an invoice that was partly right.** Credit the wrong part instead.
- **Crediting more than the invoice.** DIANO refuses it.
- **Forgetting Goods returned to stock** when goods came back: the stock level stays wrong.
- **Trying to send a credit note before it is approved.**

Exercise (practice company)

1. As **Ayesha Patel (Finance User)**, issue an invoice to **Kopano Construction CC (example)** for 10 × STL-AN50.
2. The customer returns 2 lengths. Raise a credit note for 2 × STL-AN50, reason "2 lengths returned, wrong size", and tick **Goods returned to stock**.
3. Sign in as **Pieter van Wyk (Company Admin)** and approve it.
4. Open the invoice and check what is still owed. Try to void the invoice: what does DIANO say?

Where to read more

- Help Centre: Raise a credit note for an invoice · Void or cancel an invoice · "An issued invoice can't be changed" · "Payments are recorded against this document"
- Next course: M07 Receipts and payments