

Credits



Sometimes your customers will want to pay in advance for services when they have no open invoices. How does PestaRoo track this money so that it is immediately available for other payments? This is what Credits are for...

Credits Overview

Credits are the opposite of invoices. Instead of a service awaiting a payment, Credits are payments awaiting a service. Credits are associated with a single customer. One credit can be used to pay one or many invoices. A credit, like an invoice, has a balance which eventually becomes zero.

Credits are commonly generated by customers who prefer to pay some amount ahead so that any small invoices can be taken care of without their having to receive an invoice or a statement. Typically they are used by customers who would rather pay in advance instead of receiving multiple smaller bills during the year.

PestaRoo supports the creation of, and use of, Credits from within any Payment Data Screen.

Creating a Credit

Credits are created from any unposted payment. A Credit can be the only thing on a payment, or the credit may be combined with the payment of one or more invoices being paid, all on the same payment. Once a payment is posted it can not be changed, so previously posted payments can not be used to create new credits. In the upper right corner of Payment Data Entry is button 'Create Credit' that creates a blank credit for the Customer of the current payment. After clicking this button, your cursor lands inside the 'Credits' portal in the **Original Amount** field. Type in the credit amount and you will have created a Credit. When you have posted that payment, the Credit will be available on any future payment to pay invoices.

The sum of all available credits show up on Customer Choose Name in Red. Their **Balance Due** of all invoices show in Blue.

Using Credits

Once a Credit exists, it can be used to pay any unpaid invoice for that customer. In the upper right corner of Payment Data Entry is a portal of available credits inside a tab. The tab label shows the available Credit count.

Credits to 'Use' are added to a payment just like invoices and can be adjusted to match the amounts needed. In the Credit portal, click on 'Use' to have it 'jump' down to the Payment Line portal.

A typical example: Lets say you have an invoice for \$65 to pay and an existing Credit with a balance of several hundred dollars. First, you will click on the 'Pay' button of the invoice to make it 'jump' down to the payment lines portal. Notice that PestaRoo assumes you'll be paying the full amount. (You can easily change the **Amount to Pay**.) Next, go to the upper right and click 'Use' in the Credits portal to make the credit also 'jump' down to the lower portal. Notice that the **Amt to Pay or Use** comes down as a negative and in red. Adjust the **Amt to Pay or Use** to match the Invoice amount (or the total of several invoices you are paying). Go to the **How Pay** field and type in 'Credit'. Go to the **Check Amount** and set it to be a zero since you are not using a check for the payment. Post the payment, and you are done! It is important to know that **Check Amount** and **Sum of Payment Lines** must always match before you can Post a payment. And since the Credit amount to use will cancel out the **Amount to Pay** on the invoice,

the **Sum of Payment Lines** will be zero. Note that **Check Amount** (over at the left side of the screen) is required to have some value, but in this case that value is a zero.

Another example: Once again, lets assume you have an invoice to pay for \$65. But, this time imagine you only have \$50 left on the credit. So, we will bring down the invoice, and we'll bring down to Credit to use. On the invoice, you'll change the **Amt to Pay** to \$50. You'll set the **Check Amount** to zero, **How Pay** to 'credit' and **Post**. After the Payment is posted your invoice will have a balance due of \$15.

How about combination payments? Yes, you can do it. You can have an invoice for \$65 and pay it with \$50 from a credit PLUS \$15 from a check or cash. In this example, you would type "Credit & Ck 123" in the **How Paid**, and the actual check amount of 15 in **Check Amount**.

Correcting a Credit

You can edit a credit by going to Manager's Access and finding the Credit you want to edit. From the 'Credit Data Entry (Admin only)' layout, you can change the **Credit Amount**, the **Customer ID** who owns it, and several other fields. If you change the **Credit Amount**, you must also click the button 'Retype'. There is a **Change Log** for this screen to permanently record the history of any changes made.