THE CASH FLOW AUDIT

Your next decisions

Kennesaw Kitchen Co. | Kennesaw (Main)
Reporting period: July 1-31, 2026 | Prepared by Gabriel Wind, Founder & Analyst

$84,210	61.2%	$3,180
July sales Up 6.4% vs. June	Gross margin Down 1.8 points vs. June	Illustrative flagged stock At cost; not recovered cash

Three findings that matter

1. Sales grew while margin weakened. July revenue rose 6.4%, but gross margin fell 1.8 percentage points. Validate product mix and item costs before attributing the decline.

2. Five items need a keep, change or remove decision. Low sales and weak margins justify review; shared ingredients, shelf life and customer demand affect the final action.

3. Three Slow Movers and two Slowing items deserve investigation. Check availability, seasonality and promotions before concluding demand is permanently lower.

Action plan for the next seven days

Order	Owner	Action	Decision
1	Owner / kitchen lead	Review five low-volume items and shared ingredients.	Approve keep, change or remove.
2	Gabriel + owner	Reconcile category totals and check recipe costs.	Confirm the margin priorities.
3	Owner / manager	Check the five velocity flags against availability and promotions.	Choose one action per item.

This is a demonstration of the report format, using fictional business figures. Opportunities are estimates, not achieved results. Your impact summary separates inventory value, one-time cash recovery and recurring operating improvement.

01 / THE CASH TRAP REPORT

What needs attention

Kennesaw (Main) | Supporting figures and review candidates

Metric	May	June	July
Sales	$76,800	$79,150	$84,210
Gross margin	63.5%	63.0%	61.2%
Flagged stock at cost	$2,180	$2,540	$3,180

Sales increased 9.6% from May to July. Gross margin fell **2.3 percentage points** across the same period. The illustrative flagged-stock balance increased $1,000; that is a balance change, not a monthly savings estimate.

Five items to review before the next order

Menu / stock item	July units	Source coverage estimate (days)	Margin
Beet & Goat Cheese Salad	18	62	22%
Imported Sparkling Water	24	58	19%
Seasonal Squash Side	11	71	15%
Truffle Fries (limited)	9	66	24%
Housemade Kombucha	15	54	21%

Decision: review all five items. For packaged stock, confirm saleable quantity and unit cost before clearance. For prepared dishes, review ingredient use, recipe profitability and menu demand before removal.

The source sample supplied these coverage estimates. For prepared dishes, they are not physical shelf-life measurements or verified stock age. Ingredient-level inventory and recipe mapping are needed to validate them. Inventory turnover is withheld because the source did not establish its period or average-inventory basis.

What cannot yet be concluded

A fall in menu sales does not by itself establish excess physical stock. A month-end count can support stock value and days-of-supply analysis; turnover also needs a defined period, COGS and a defensible average inventory measure.

02 / THE PRICING & PURCHASING PLAYBOOK

Investigate, then act

Clear signals with explicit checks before purchasing or pricing changes

Item	July units	Trailing average	Change	Flag
Blackened Mahi Tacos	40	102	-60.8%	Slow Mover
Buffalo Cauliflower Bites	61	118	-48.3%	Slow Mover
Seasonal Sangria	52	95	-45.3%	Slow Mover
Sweet Potato Fries	74	121	-38.8%	Slowing
House Side Salad	68	90	-24.4%	Slowing

Flag rules: Slow Mover = 40%+ below (change <= -40%); Slowing = 20-39% below; Steady = -19% to +9%; Rising = +10% or above. Change = (July units / trailing average) - 1. Use comparable periods. A zero or missing average cannot support a percentage flag.

Margin review by category

Category	Illustrative item/category signal	Next action
Entrées	Cost pressure on protein inputs	Check recipe costs and sales mix.
Beverages	Review realized item profitability	Protect availability; monitor supplier prices.
Sides	Priority for a recipe-cost review	Check portions, yield, waste and pricing.
Desserts	Check contribution before promotion	Confirm gross-profit dollars and demand.

Before changing prices: reconcile category revenue and COGS to the business total. The category review above describes investigation priorities; it does not assign an unverified share of the overall margin decline to any category.

Protect strong contributors

The source highlights Salmon Plate, House Burger, Craft Draft Beer, Fish Tacos, Classic Margarita and Loaded Fries. Protect availability and confirm gross-profit dollars before choosing which items to promote.

03 / YOUR GROWTH CAPACITY NUMBER

Size the opportunity

A transparent opportunity register, not a single mixed savings total

Opportunity	Amount	Timing / basis	What supports the estimate
Stock flagged at cost	$3,180	Balance at month-end	Source example balance; verify item quantities, costs and saleability.
One-time cash recovery	Not quantified	When stock is sold / returned	Need saleable quantity, recovery price, credits and disposal costs.
Avoided waste / purchasing	Not quantified	Potential recurring change	Need a baseline and evidence that reductions will persist.
Sides improvement	Not quantified	Potential recurring change	Need reconciled category data, recipe costs and a specific action.

How to read this summary

Do not add stock balances to monthly income. Cash release is not the same as profit. A sales increase is not automatically a gross-profit increase. Do not count the same SKU benefit twice under clearance, waste reduction and category improvement.

Only quantify a benefit when the calculation has a clear baseline, action, timing and owner. Items marked not quantified are opportunities to validate, not promised savings.

What happens next

Approve the action list, supply the missing evidence, and record what changed. The next report should compare outcomes with the baseline rather than repeating the same opportunity as new value.

Sample scope and assumptions

This fictional example demonstrates the report format, not actual client performance. For a live audit, figures are checked against the sales export, costs and inventory records. Each estimate must identify its baseline and assumptions; operational changes remain subject to client approval.

ClearIndex provides operational data analysis. This report does not provide financial, tax, legal or investment advice. Recommendations depend on source-data quality and stated assumptions; the client approves operational changes.