Earning Its Shelf Space

A practical check for margin, movement and recorded spoilage. Review one grocery item with a worked example and a worksheet you can keep.

GroceryBrain AI owner field guide / Published by Itsy Bitsy Agency

Version 1.0 / 3 November 2026 / Fictional CAD examples, not live AI analysis.

One item. One period. Fewer mixed-up numbers.

This introductory check separates stock movement from a limited sales-and-cost calculation. It is not a stock valuation policy, a forecast or a recommendation to remove an item. Use one clearly defined unit and a consistent review period.

1. Reconcile the movement first.

Record opening units and receipts, then compare them with sales, known losses and closing units. Count returns, transfers or other movements if they exist. A gap is a question to investigate, not automatic evidence of theft or waste.

Original illustrative CAD example - not live AI analysis

Units available during the example period	24
Sold / recorded spoiled / remaining	18 / 2 / 4
Reconciliation	24 = 18 + 2 + 4

Here there are no returns, transfers or other movements. Actual stores need those records when applicable. Compare like units: a case, a pack and an individual item are different quantities.

2. Separate sales from the costs you have listed.

Assume each unit sells for CAD 5 net of tax and costs CAD 3.20 to purchase throughout this example. There are no markdowns or other losses.

18 sold units x CAD 5	90.00
Sold-unit purchase cost: 18 x CAD 3.20	- 57.60
After sold-unit purchase cost	32.40
Recorded spoilage: 2 x CAD 3.20	- 6.40
Amount after these listed costs	26.00

The four remaining units have an assumed cost of CAD 12.80. They have not been sold or recorded as spoiled in this example. Do not treat all purchased units as sold-unit cost. Labour, fees, overhead, tax treatment and other unlisted costs are outside the CAD 26 calculation; it is not net profit.

3. Mark the questions before making the decision.

Was the unit cost constant? Were there markdowns or returns? Does the closing count reconcile? If costs changed, use a documented valuation method with appropriate accounting advice. This simple constant-cost example does not select that method for your store. One period alone does not establish an appropriate reorder quantity, markdown or delisting decision.

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Your printable worksheet

Copy the prompts or use the printable download. Complete it privately; no business figures are collected here.

Item, unit, period and currency: _____

Opening units and receipts: _____

Sold, lost, returned/transferred and closing units: _____

Unexplained reconciliation difference: _____

Net selling price and markdown treatment: _____

Purchase cost, dates and method: _____

Sales less sold-unit cost: _____

Recorded spoilage cost and other exclusions: _____

The next record or question to check: _____

Sources and limits

Original IBA worksheet, grocery scenario and arithmetic. General inventory-record background: The BC Cook Articulation Committee (2015), Basic Inventory Procedures, in *Basic Kitchen and Food Service Management*, published through BCcampus; CC BY 4.0, except where otherwise noted. It is a food-service reference, not grocery-specific performance evidence. No source examples or tables are reproduced; the grocery illustration is IBA's own. No endorsement is implied.

Source and arithmetic check: 3 November 2026. No store records reviewed. Educational explanation, not accounting advice. Corrections: itsybitsyagency@gmail.com.

What did this leave unanswered?

Owner research is open. Software access is not. Share a general business question at ai.itsybitsyagency.com/grocerybrain/. No financial files or account access, please.