

# CASE STUDY

## Lack of confidence in financial statement reporting prompts owner of family-owned Missouri independent pharmacy to make a change

Since purchasing Eldon Drug Co. in 2013, the owner, Miranda Henley, and her banker were concerned about the financial reporting of the pharmacy. Miranda decided to begin the search for a new accountant and turned to her banker with Live Oak Bank for suggestions.

### OVERVIEW

After discovering that the pharmacy's accounts payable and inventory were not accurately being reported on the company's financial statements and tax returns, Miranda Henley, owner of Eldon Drug Co., started searching for a new accountant. After a conversation with her banker with Live Oak Bank, she ultimately narrowed the search down to Fleming Advisors.

### CHALLENGES

Eldon Drug Co. just couldn't seem to find an accounting firm that was a good fit. After using a local accountant that lacked expertise in the pharmacy industry and then changing to a firm that had industry expertise but came at a high price point, Eldon Drug Co. continued to struggle with their tax and accounting needs. However, after discovering significant mistakes in the company's accounting records, she was forced to make a change.

The [Fleming Advisors] team took advantage of tax credits that weren't being taken from my previous pharmacy specific accounting firm, fixed errors on my income tax return, and improved my overall monthly accounting. They provide accurate and timely monthly financials that help me run my pharmacy."

Miranda Henley | Owner, Eldon Drug Co. - Eldon, MO



### RESULTS

The team at Fleming Advisors came highly recommended from a loan officer at Live Oak Bank that had industry insight required and at a reasonable price point. After interviewing several accounting firms, Fleming Advisor's was selected. Fleming Advisors began work and immediately identified tax savings that had been overlooked on prior year tax returns.

**They prepared amended tax returns for tax years 2016, 2017 & 2018 resulting in combined refunds exceeding \$79,000. The refunds would ultimately cover the pharmacy's accounting fees for over three years.**

### SPOTLIGHT ON ELDON DRUG CO

- Miranda began working at Eldon Drug as a high-school student in 2002 as a pharmacy technician.
- After attending pharmacy school at UMKC School of Pharmacy, Miranda returned to Eldon Drug as a pharmacist in 2010.
- In 2013, Miranda purchased the pharmacy from current owner Dennis Bond who had owned the pharmacy since 1984.



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