

“The Ultimate Request”

How Dykhuis Farms, Inc. prepares
Cost Build Ups for a Frost, PLLC audit

Dykhuis Farms, Inc. Overview

- Based in Holland, MI
- 16,000 sows farrow to finish
- Sows are all on family owned and DFI managed sites
- Most of our finishing uses contract growers in MI and IN
- All of our feed is toll milled
- Crops are raised in a Partnership, no crops in DFI

Our Setup in FBS

- 3 Entities: DFI, RLD, DCP
- We use multiple company files in FBS
 - DFI-INC (people, admin, equipment, anything not pigs)
 - DFI-MI (Sows, Gilts, MI finishing)
 - DFI-IN (IN Finishing)
 - RLD (farm real estate)
 - DCP (Crops)

Divisions

- Each company files has a division for its own activity with outside vendors
- Div. 30 is used for intercompany activity within DFI's 3 FBS companies
- Div. 30 is used for intercompany activity within RLD and DCP FBS companies
- Div. 70 is used for activity between DFI and RLD/DCP
- Div. 35 is used for FBS calculated entries

Basic Setups

- Ledgers/Vendors/Report Macros/Ration codes/Ingredient codes
 - Same Across all company files
- Centers are unique to company
 - Follow same logic everywhere
 - Production Center are 4 digits (1604)
 - WIP Center = W+Production Center code (W1604)
 - Facility center = F+Production Center code (F1604)
 - Locations use Center root #
 - Center 1604 has 2 1,000 head buildings (1601, 1602)

Basic Setups

- Groups: 12 digit number (1238A4161M31)
- 12-38-A-4-161-M-3-1
- YR-Week Started-day-production phase-building-pig gender-sow source-mill
- Used for comparative production analysis

Audit Reports

(INC13) Balance Sheet Parameters

Use a percent of each Div.

Division range: 1,2,3,15,30,70

Start of fiscal year: 01/01/2012

Ending date for report: 12/31/2012

Columns to include: 7 YTD by Company

Use date cash exchanged: 1 Use entries in time period

Report type: 2 Financial Report

Report definition: 0 Use ledger accounts

Inventory Register: 1 Include IF present

Companies to include: 1,2,3

Periods to print (1-50): 1

Print lines with zero amount:

Print ledger numbers:

Include Net Change line:

Include hidden rows:

Ignore Division Fiscal Year:

Examine report on screen:

Report Macro Options:

- Do nothing
- Update macro
- Save as new macro
- Save after report runs

15 Dykhuis Farms, Inc.
30 Intercompany Transfe
35 System Auto Entries
70 DFIRLD

Ok Cancel

Audit Reports

(INC13) Income Statement Parameters

Use a percent of each Div.

Division range: 1,2,3,15,30,70

Center range: 0-zzzzzz

Columns to include: A YTD by Company

LCB Scenario: 1 First Scenario

Start of fiscal year: 01/01/2012

Beginning month: 01/01/2013

Ending month: 12/31/2012

Use date cash exchanged: 1 Use entries in time period

Report type: 2 Financial Report

Report definition: 0 Use ledger accounts

Companies to include: 1,2,3

Periods to print (1-50): 1

Print lines with zero amount:

Print ledger numbers:

Include hidden rows:

Examine report on screen:

Report Macro Options:

- Do nothing
- Update macro
- Save as new macro
- Save after report runs

15 Dykhuis Farms, Inc.
30 Intercompany Transfe
35 System Auto Entries
70 DFIRLD

Ok Cancel

Cost Build Ups

- AKA: Hog inventory value testing
- Balance Sheet has total hog value
- WIP Change Report show by center
 - Head Count
 - Value/head
 - Total Value
- I add to the WIP report weaning date of each center (all our centers are all-in all-out)

Cost Build Ups

- That report is turned in and Frost selects which centers I need to provide detail at the invoice level
- Then I build the following spreadsheet for each center that gets selected