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## Calculation of Cost of Flowering Products

*G.B.Tursunkulova*

*senior lecturerat, Accounting, Analysis and the audit department,  
Tashkent State Agrarian University*

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**Abstract.** This article discusses the organizational and methodological aspects of the importance of calculating the cost of floriculture. In particular, the cost of growing floriculture products is based on accurate practical data. The features of calculating the costs of floriculture are also highlighted. The article concludes with proposals to improve the cost of floriculture products.

**Keywords** *cost, cost, calculation, agriculture, floriculture, greenhouse, open field, protected area, growing season, specialized farms.*

The Netherlands produces three-quarters of the flowers sold worldwide, which brings in \$ 25 billion for the government each year. brings in money in US dollars. Three-quarters of the tulips sold worldwide originate in this nation, which serves as proof of this.

In recent years, floriculture has received particular attention in our nation as a subdivision of agriculture. The floriculture industry should grow, especially close to cities. By giving them a job, this will aid in the reduction of poverty.

In this regard, President Sh.M.Mirziyoev said that "the most effective factor in reducing poverty and increasing the income of the rural population is a sharp increase in productivity and efficiency in agriculture." [1]

Indeed, in the context of deepening reforms, the development of farms specializing in floriculture, employment will play an important role.

Floriculture is one of the main components of landscaping. In addition to giving people aesthetic pleasure, they are of great sanitary importance, such as protecting towns and villages from smoke, exhaust gases, and so on.

"In order to properly organize floriculture, it is necessary to take into account the climatic characteristics of the given area, as it will be easier to choose varieties of ornamental plants" [2]

Finding ways to lower production costs, accounting for production expenses, in particular, the system of accounting and internal control on the farms themselves, is essential for further increasing productivity and efficiency in this floriculture industry. In turn, this necessitates the development of farm optimization methodology as well as production cost accounting and costing.

In contemporary philosophy, the idea of costs differs in certain ways from the idea of costs, which is represented in the accounting records of the corporate entity's operations. Because the techniques, concepts, and officially recognized standards of the discipline provide the foundation upon which expenses in accounting are built. It will be required to define the definition of "cost" precisely in light of the aforementioned factors. Costs are the monetary equivalent of the expenses incurred when different resources (raw materials, supplies, labor, services, and finances) are used in the creation and movement of commodities [3].

The cost indicator is a crucial component of the overall system of metrics measuring the effectiveness of production operations within the business entity and each of its divisions. Because the aggregate of the matching expenses that make up the cost structure constitutes the cost structure. Cost is a significant economic measure of financial and economic activity [4].

When expanding already-existing greenhouses and greenhouses, it is important to structure the production cost calculation effectively. Along with different calculation types, differentiating calculation objects is also done in floriculture. The term "object of calculation" refers to a distinct category or group of identical goods, the price of which is predetermined, as well as certain tasks.

The nature of the production process and the features of the product influence the choice of calculational objects in floriculture, thus the specified analytical accounting objects to some extent necessitate the use of one or more methods for determining the cost of the product. The appropriate calculation facilities comprise the costs accounted for by their facilities.

The same type of crop may have many calculation objects (same crop group). The expenses in this situation are split across the calculation's inputs. As a result, the item for which costs are accounted for influences both the subject of computation and the approaches used to determine the product's cost.

Due to the wide variety of products—up to 1000 distinct names for some—and the circumstances specific to floriculture, it is more difficult. Therefore, plants with distinct names but comparable growth requirements, care requirements, and other features should be combined into aggregate groups to facilitate appropriate accounting and cost determination.

In floriculture, the following list of suggested calculation groups will be available:

1. Annuals;
2. Biennials;
3. Perennials
4. Native-onion;
5. Shrubby flowers;
6. Industrial long-term
7. Evergreen flowers;
8. Flower seedlings.

Costs are often included on farms that specialize in the cultivation of flowers in two analytical accounts: "open field floriculture" and "protected area floriculture" in the 2014 report.

An operational account (based on the income and expenditure concept) runs concurrently with the accounting and represents the area occupied by each crop, the number of plants, natural decline, extinction, and other natural indicators.

Element in general analytical reports that indicate floriculture expenditures. Then, in proportion to the space each element occupies, expenditures from these accounts are moved to the analytical accounts of the plant groupings.

For instance, the farm spent 70,000 to care for 4,000 m<sup>2</sup> of flowers outdoors for a month.

According to the cost distribution account, which is compiled at least once a quarter, the above costs are distributed by cost items in proportion to the value of 1m<sup>2</sup> area in proportion to the area occupied by each plant group (Table 1).

**Table 1**

**Account of the distribution of expenses on the account of floriculture in the open field**

Indicators	Flower clusters				
	Annual	Biennials	Perennials	Native-onion	Total
Occupied area, m <sup>2</sup>	800	1200	1600	400	4000
Expenses, soums / m <sup>2</sup>	17500	175 00	17500	17500	17500
Material costs,	2110	3220	4260	1050	10640

soums	000	000	000	000	000
Basic and additional salary, soums	9321 000	13940 000	18619 000	4666 000	46546 000
Social insurance payments, soums	1865000	2790	3725	934	9314
Services of ancillary productions, soums	704 000	1050 000	1396 000	350 000	3500 000
Total, sum.	14000 000	21000 000	28000 000	7000 000	70000 000

The value of sowed seeds is put into the group's analytical account, and the operational account card of the group reflects records of the name of the seeds or cuttings, the area they occupy, and their position.

The expenses of production, excluding seeds and planting materials, are often the same and are represented in general analytical accounting based on the area occupied and the length of time the plants are in production.

However, it is advisable to include flowers directly in a separate analytical account of these crops, such as the cost of care and the cost of seeds and cuttings, in big floriculture farms where the major crops (gladiolus, chrysanthemums, etc.) are cultivated in huge quantities.

Spending on the upkeep of blooming plants in the open and indoor spaces is often represented every three months, every month in terms of technology, and once a season in terms of soil preparation and greenhouse maintenance.

The entire complex expenses are distributed using information on the area occupied by the plants. The name, amount, area occupied, and temperature of the flower group or species are compiled in the production units. Accounting adds to this information by calculating the heating service in line with the cost distribution from various analytical accounts by flowering plant species.

In floriculture, a thorough and correct reflection of indicators, both in terms of expenses and product income, is examined before beginning to produce report calculations. Crop rotation in different places causes expenditures to be dispersed among the inventory of work in progress.

Following the prescribed method for calculating the right kind of goods is required in floriculture. This is because certain product categories might be employed in other productions within the same sector. For instance, indoor-grown seedlings are viewed as a finished good and are subsequently utilized as planting material in open fields. Therefore, the cost of cutting flowers should be estimated before figuring out the real cost of seedlings.

The cost of perennial agricultural products is calculated progressively across the years, starting with the flower crops that started to bloom in the preceding period.

The presence of incomplete output is a technologically specific aspect of floriculture. Its accounting and assessment are essential for the subsequent determination of the cost of the manufactured product since up to 90% of expenses come into this category.

Planting dates, the amount of time until sales start, the productivity period, and associated expenditures should all be considered when accounting for and valuing work in progress.

In floriculture, for instance, the growing season—which is spent prior to cutting the plants—is where the majority of the expenses are incurred. These include shelving purchases, knotting, and other things. Just as when cutting flowers, this expense is dispersed equally throughout the entire crop until the conclusion of the growth cycle. The value of a work in progress therefore decreases according to the planting age.

Example Cloves have a Biennials phase. For 18 months, the blooms open under certain conditions. Accordingly, the blossoming period lasts for six months (24-18). Therefore, the monthly expense before to flowering is 5.56 percent (100/18). The quantity of work in progress will drop by 5.56 percent per month by the conclusion of the growing season. Unfinished output in the first month of cut flower sales should be written off if the cost of cultivating carnations is 35,500 per 1,000 bushes before it is harvested, or for 6 months. In other words,  $1973.80 (35500 * 5.56\% / 100)$ . Cloves have a variable growth season, thus it is vital to account for this aspect in the figures above. For example, if a rose has an 8-year growth season and it takes one year from planting to harvesting, the calculations are made as follows for assessing the incomplete output of blooming crops with extended growing seasons.

The value of unfinished output declined by 14.29 percent (100 percent / 7) every year when the roses were planted in late December of the first year to 1 thousand roses in January of the second year if the cost of producing a thousand balls of roses in the first year was 160,000.  $(16000 - (16000 * 14.29) * 2/100) = 114272$  is the value of the job in progress.

During each month's rose sales, 1.19 percent of the costs for the first year of vegetation are subtracted. Monthly sales comprise all current costs incurred throughout the blooming season.

The approach for assessing and accounting for work in progress described above enables the expenses to be dispersed fairly across the full growing season of a certain floral product, which in turn improves the accuracy of determining the cost of each plant species.

In big floriculture, the cost of producing perennials, such as bulbs (tulips, daffodils, hyacinths, crocuses), bulbs (gladiolus, lilies), other perennial flowers (delfinium, chamomile), astra, phlox, tsumekiya, aquilegia, etc., is estimated separately in groups using comparable agronomic procedures. The production of onion flowers, which are also cultivated inside, is the most popular of the various floral crops.

Onion flower digging occurs in June and July, and after a few months, they are planted in other places, with the exception of locations where narcissus flowers are cultivated, which are dug up a year later. Production expenses are estimated for the following year's crop after planting and are computed from the beginning of the year before digging onions to the conclusion of the year. No cost calculation and cost calculation will be done before and after digging if onion blossoms are cultivated in scientific fields on the farm.

Example Table 2 below provides the method for determining the cost of perennial bulbs (cut flowers and onions).

**Table 2**

**Calculate the cost of perennial bulbs (cut flowers and onions) products**

Indicators	Cut flowers	Onions					Total (slice d onions)
		Total	Extra analy sis	analy sis	analy sis	Piec es yiel d	
Taken, pieces	38180	9285	2159	2192	2481	245	X
	0	30	52	73	40	165	
Woven, pcs	11462	3598	1505	6179	2492	122	X
		3	5			57	
Taken in view of the stitching, pcs	37033	8925	2008	2130	2456	232	X
	8	47	97	94	48	908	
Selling price,	11,55	X	19,40	14,11	7,04	5,65	X
Product value,	42774	9953	3898	3007	1730	131	14230
	04	106	332	275	499	7000	510
The ratio of production costs to the value of the	30,1	69,9	27,4	21,1	12,2	9,2	X

product at the selling price,%								
Actual costs,	20405 38	4745 420	1858 674	1433 873	8251 73	627 700	67859 58	
Cost of 1 piece,	5,51	X	9,25	6,73	3,36	2,70	X	

According to calculations, the balance of onions at the beginning of the year was 575855 pieces and amounted to 4584580. Expenditures for the current year amounted to 3871910, including the cost of purchased planting material (97670 pieces) 936740. Expenses before digging onions amounted to  $2901378 = ((3871910-936740) * 75\% / 100)$ . Expenditures from the time of planting to the end of the year  $733792 = ((3871910-936740) * 29\% / 100)$  so that the current year's expenditures  $6785978 = (4584 + 2201378)$  The calculation of the cost of a flower product of Vazonnaya variety has its own peculiarities. A quantitative balance of plant movement is used to calculate the cost (Table 3).

Table 3

### Quantitative balance of the movement of floricultural products

Year of planting	Beginning of the year		Reproduction	Destroyed	sold	warehouse	Seed family	End of the year residue	
	Piece	Soum						Piece	Soum
1 <sup>st</sup> year	1523	136360	-	-	593	30	1000	-	-
2 <sup>nd</sup> year	-	105000	23000	1000	9319	-	-	12681	633796
Total	1623	241360	23000	1000	9912	30	1000	12681	633796

For instance, a floricultural group spent \$994,350 this year on cultivating and caring for cyclamen flowers. The current residue was used to extract 1000 seeds ( $1000 * 105$ ) with a value of 105000.  $1130710 = (241360 + 994350-105000)$  is the total cost of all completed goods.  $22623 = (1623-1000 + 23000-1000)$  plants are taken into account in the computation. The price per plant is thus  $49.98 = (1130710/22623)$ . The cost of work in progress at the end of the year is  $633,796 = (49.98 * 12681)$ . 496914 is the item under the brand ( $1130710-633796$ ).

The actual cost of flower harvests cultivated in pots is determined in the same order.

Calculating the cost of cut flowers is a crucial stage in the indoor floriculture calculation.

Each of them is independently computed for this purpose while accounting for the crop's technological qualities.

On a 2600 sq. metres plot of land at the example farm, roses are produced for pruning, and the quantitative balance of plant movement was as follows: (Table 4).

Table 4

### Quantitative balance of the movement of roses at the exit of cut flowers

Year of planting	Beginning of the year residue		Taken, pieces	Woven, pcs	End of the year residue	
	Piece	Soum			Piece	soum
1 <sup>st</sup> year	7247	710220	-	200	7047	493290
2 <sup>nd</sup>	3530	345940	-	100	3430	240100

year						
3 <sup>rd</sup> year	12279	103145 0	-	2481	9798	685860
4 <sup>th</sup> year	-	-	7150	-	7150	753553
Total	23056	208761 0	7150	2781	27425	217280 3

The flowers required 1,853,740 in maintenance and growth costs. 166955 pieces of cut flowers were produced, and their retail value was 2947700. The worth of plants is diminished annually by the amount of depreciation (1/4 of their initial value), taking into consideration the length of the growth season.

At the start of the year, one plant costs 90.55 ( $\$2087610/23056$ ), and depreciation costs 11.32 ( $\$26095/23056$ ). Consequently, the price per plant at the end of the year is  $79.23 = (90.55 - 11.32)$ . For the current year, plant depreciation equals  $260951 = (2087610/8)$ . The price of all cut flower finished goods is  $1768547 = (2087610 + 1853740 - 2172803)$ . As a result, one cut plant really costs  $10.59$  ( $\$1768\ 547/\$166\ 995$ ). The price of other cut crops (such as chrysanthemums, cloves, etc.) is established in a similar manner.

### Conclusion

Based on the foregoing, we believe it is appropriate to put into practice the following suggestions: divide costs into separate cost objects by type of products grown and organize the account on these account objects; use an account that takes into account the costs of production of floriculture products and output; set the boundaries of work in progress at the end of the year and compile separate cost estimates for each type of floriculture product.

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