Strengthening of accounting and tax knowledge directed to the Foundation, Investment and Cooperation Ecuador, Canton Santa Elena, Province of Santa Elena.

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Abstract: The updating of knowledge plays an important role in the development of necessary competences to face significant challenges, and which are fundamental in the economy of the population. This research work aims to strengthen knowledge in accounting, tax, and financial areas of the partners of the Ecuador Investment and Cooperation Foundation of the Province of Santa Elena, year 2019. Through in-depth research, those who received advice and technical assistance financial to fight for the economic development of their ventures to access good living. To carry out the work, the information gathering techniques such as the survey and the interview with their respective instruments will be used, obtaining reliable information from all the partners, which is considered as a source since they are completely related to the object of study. The research was carried out as part of projects to link with the community of the Accounting and Auditing Program at the Santa Elena Peninsula State University, establishing as a result the deficiency of accounting and tax knowledge of the foundation workers, becoming a major problem in the social development of a probation.

Keywords: Accounting and tax knowledge, Foundation, Investment, good living.

DOI Number: 10.14704/nq.2022.20.13.NQ88167 **Neuro Quantology 2022; 20(13):1339-1345**

1 INTRODUCTION

In today's society, the struggle for power, not only within a country but in front of the world, is given by the economic value of knowledge and its distribution among the inhabitants; in the 29 countries where 80% of the world's wealth is concentrated, their well-being is due 67% to intellectual capital (education, scientific and technological research), which is why the performance of today's societies increasingly depends on what manage to do to prepare their population, through the development of their research and innovation capacity, creation of systems to access, store and process information, that is, investment in the formation of their intellectual capital. Higher education institutions face the new challenge of training based on areas of great relevance, accounting being one of the most requested fields, since it is part of a large market that requests and requires to be informed of latest updates based on providing new notions on the subject.

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Ecuador maintains a high index of entrepreneurial activity and on a global scale it is the second most entrepreneurial country according to the Global Entrepreneurs -hip Monitor (GEM), however, certain parameters need to be met to achieve quality entrepreneurship based on technological and financial innovation, to keep it healthy. It is extremely important that activities are developed within the country to enhance the vision and improve education or training on issues of local interest, since one of the main causes of the failure of these projects is the lack of knowledge necessary to improve their management.

The province of Santa Elena, being a tourist place, concentrates a large part of the enterprising population of Ecuador, distributed in each of its health resorts, for this reason the following project is presented with the objective of presenting a true diagnosis of the level of knowledge in accounting, tax and financial areas of the partners of the Ecuador Investment and Cooperation Foundation, based on activities of economic and social inclusion, cooperation for comprehensive development and the promotion of the social economy through the development of advisory initiatives and financial technical assistance, without stop promoting sustainable economic development and equitable redistribution of resources and nature.

The concept of fiscal citizenship is defined as: "the capacity of the members of a community, the citizens, to decide on the ways of contributing to government expenses, whose requirement is undoubtedly plain citizenship; that is, the capacity of citizens to participate in public affairs".(Bertrand, M., & Moutoukias, Z., 2018)

According (Amasifuen Reátegui, 2015) to it states that "The tax culture is not only knowing what the obligations are as a taxpayer, but that knowledge must be applied in the fulfillment of the tax duties as a good taxpayer".

General objective

Strengthen knowledge in accounting, tax and financial areas of the partners of the Ecuador Investment and Cooperation Foundation, Province of Santa Elena.
(Year, 2019)

1.1 Theoretical and Conceptual References

1.1.1 Accounting

One of the tools not only business but also personal is accounting since it allows keeping a record of all operations or economic activities that are carried out in an orderly and systematic manner. (Córdova, 2016)

Accounting is the language and decision support of businessmen. Not keeping accounts in accordance with International Financial Reporting Standards is like guiding an airplane without a fuel gauge, altimeter, speed, or compass. (Martínez Fierro , 2015, page 30)

The failure of many ventures or establishments is the absence of information with a general purpose, causing obligations that may be decisive for the organization not to be fulfilled on time and not making relevant decisions, that is, the business owner will not be able to take advantage of the opportunities offered by the environment in which the economic activity is carried out.

1.1.2 Counting cycle

The accounting cycle in accounting, as the set of activities carried out within a company in order to obtain, analyze and interpret the necessary financial information, to communicate to users the economic situation of the entity in order to determine if it is solvent or not. (Bernal, 2016)

For this reason, it (Ayala Cárdenas & Serrano Fino, 2015, pág. 74)states that the accounting cycle "is the process that must be fulfilled in a company in order to guarantee that they recognize all the economic events that occur in it, as well as being able to comply with the adequate and timely communication to internal and external users of accounting information".

In addition, the accounting cycle promotes the order of the records of commercial transactions and the processing of economic data that ranges from the initial registration of transactions to the issuance of financial statements, and which can be carried out on a monthly, quarterly, and annual basis. the latter being the most used by entities.

1.1.3 Taxation.

In Ecuador, one of the sources of income within the economy is based on the tax obligations that taxpayers have when they carry out an economic activity in the country and which are based on the taxpaying capacity that taxpayers have.

The companies and natural persons that, according to their economic activity and their registration in the Internal Revenue Service, are obliged to present the tax declaration forms, whose values will be taken according to the deduction of values of the fiscal year according to the stipulated date. by current regulations.
The forms that can be submitted according to the activity carried out are the following:

- Declaration of Value Added Tax (VAT) 104
- Income Tax Declaration 102
- Declaration of Additional Income Tax Withholding at Source 103

It is the obligation for the taxpayer to present said declarations, detailing in them the movements carried out during a certain period and which must be supported with documents. The system will oversee determining the maximum time for presentation of said annexes, otherwise it will carry sanctions as stipulated in the regulations (SRI, 2018).

Through knowledge of tax matters, the taxpayer can respond to his obligations with the state through the payment of his taxes as stipulated by law, in addition to having the capacity to act and respond to the duties that this entails.

1.1.4 Financial budget.

The financial budget is a projection of all the income and expenses that have been obtained from the activities carried out in a company, during a certain period, with the purpose of controlling and measuring the results as well as setting responsibilities in the various areas of the company. organization, to achieve the fulfillment of the planned goals and the correct decision making in future investment projects.(Riofrío & Hijonosa, 2016)

Thus (Ortiz, 2013, pág. 318)states that in the financial budget "the financing needs of the operating and investment budgets are evaluated; a planning plan is established that encompasses the availability and needs of money".

The financial budget is focused on the financial and economic resources that are necessary for the development of activities and processes to achieve the objectives set at the beginning of an economic period. This budget contains the analysis of the projection of income, expenses, and its form of financing.

1.2 Normative reference

The State is a regulatory entity that creates, maintains, and modifies tax laws and through which new regulations may be published in the respective regulations. The most significant regulations dictated by their compliance are:

- Constitution of the Republic of Ecuador.
- Organic Law of the Tax Regime.
- Tributary Code.
- Regulation for the application of the LORTI.

Within said regulations, the rights and obligations that taxpayers have at the time of exercising an economic activity will be specified and, in the same way, the sanctions and penalties incurred when there are inconsistencies in the declared values are specified.

According to the Organic Law of the Internal Tax Regime in its article 3, it mentions mandatory registration, which is based on the fact that all natural and legal persons, entities without legal personality, national and foreign, that have economic activities within the country, or are holders of assets that generate profits, are required to be registered only once in the Single Registry of Taxpayers (LORTI, 2016).

Tax obligations are the responsibilities that people have with the State, these duties depend on the economic capacity of the taxpayer and whose contributions are necessary for the maintenance of State structures and institutions. (Asamblea Nacional, 2008)

For this reason, it (López Cabia, 2015)states “Tax obligations are those that arise as a result of the

need to pay taxes to support State expenses. Failure to comply with tax obligations entails the corresponding tax sanction.

2. Methodology

2.1 Research type and approach

For the elaboration of the present research work, it was based on the quantitative and qualitative approaches that contributed to fulfill the main objective of the same.

The research is based on the descriptive study, because the problem is given by the lack of accounting, tax, administrative and investment knowledge on the part of the partners of the foundation, this research allows "identifying characteristics of the universe, indicating ways of behaviors and attitudes of the total population investigated (Mendez, 2011, pág. 231). With this investigation, the causes and effects of the problem will be revealed.

Considering that the population is a whole, it is also a determining part in the research process, to obtain information by determining a specific place in a period, space and quantity that will serve to carry out the sampling. The population for this study is the partners of the Ecuador Investment and Cooperation Foundation, which are 140 in total divided between 106 women and 34 men.

Carrying out the respective analysis with respect to the population, it was considered that the sample is a certain percentage chosen within the population to determine and disclose accurate data, but for this, techniques, and instruments such as interviews, surveys, among others... For the development of the research, it was established that the size of the population is finite, so we have not considered applying the formula to determine said sample, considering 140 members.

2.2 Research modality

The field investigation was applied, since through it it allowed to gather the information in the place of investigation, demonstrating by itself the real situations that were arising and that helped to understand in a concrete and reasonable way the reality that they present. the partners of the foundation.

2.3 Research techniques

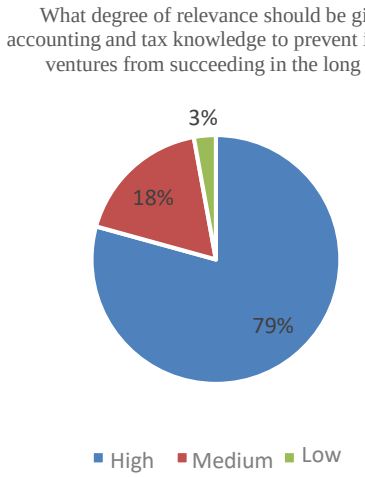
To carry out the work, information collection techniques such as the survey and the interview with their respective instruments will be used, obtaining reliable information from all the partners, which is considered as a source since they are completely related to the object of study.

3. Results and Discussion

The level of relevance that the Ecuador Investment and Cooperation Foundation has to undertake in society denotes a degree of accounting and tax knowledge for future micro-enterprise developments, the same ones that through a study evidenced the low level of accounting tactics and methods of the active members of the foundation in question; That is why, for the record, the following question was formulated: What degree of relevance should be given to accounting and tax knowledge to prevent innovative ventures from being successful in the long term?

	Participants	**%**
Tall	111	79%
Medium	25	18%
Bass	4	3%
TOTAL	**140**	**100%**

Table 1 Results of the application of the interview
Source: the authors.



Graph 1. Degree of relevance
Source: Survey

79% of the active beneficiaries of the Foundation consider that having accounting and tax knowledge for future ventures is of the utmost importance for their success, and only 3% of those surveyed maintain the theory that such knowledge is not required. instructions for new business development.

3.1 Accounting and tax training.

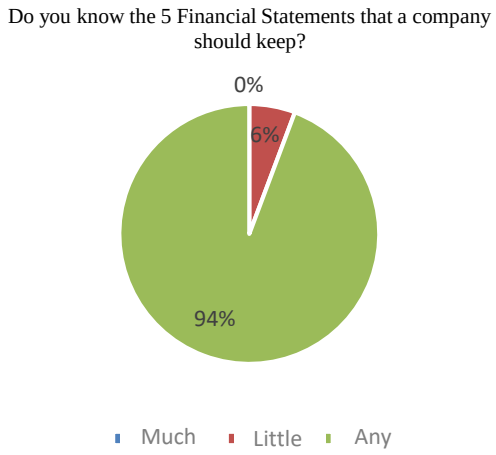
Regarding the global level, it is important to highlight that "among the objectives established by the United Nations Organization (UN), in the well-known 2030 Agenda for sustainable development (SDG), not only quality education is established (Objective 4) , but the need to establish alliances to achieve the objectives".(Reigosa L, Morales L & Pérez A., 2018)

The strengthening is aimed at improving and developing accounting-tax knowledge, related to Finance, covering the area of accounting and taxation, with which the beneficiaries of the foundation will be provided with the necessary knowledge and tools so that they can have control of their resources, and to be able to make good use of them.

The partners of the Ecuador Investment and Cooperation Foundation assure the need to be constantly trained in tax and accounting matters, to be able to avoid complications in the fulfillment of their obligations and also to know the basic aspects of accounting that help to have a better administration of the activities carried out by the foundation.
Based on this premise, the following questions arise:
Do you know the 5 Financial Statements that a company should keep?

	Participants	%
Much	0	0%
Little bit	8	6%
Any	132	94%
TOTAL	**140**	**100%**

Table 2 Do you know the 5 Financial Statements that a company should keep?
Source: Survey conducted



Graph 2. Accounting knowledge
Source: Survey

94% of the respondents stated that they do not have any kind of knowledge about the financial statements that a company must keep, while 6% of them could state that they have little knowledge about said financial reports. These results allow the authors to conclude that the partners need to acquire knowledge concerning the financial statements, thus increasing the ability to know the economic situation and the changes experienced by an entity.

3.2 Tax Knowledge.

In the country there are obligations that must be fulfilled as stipulated in its laws and regulations, which are intended to regulate society and the

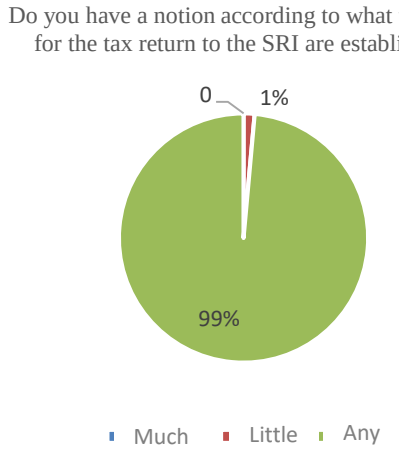
activities they carry out, reducing corruption actions.

One of the obligations that taxpayers have is the payment of tax returns to the SRI, income that allows financing public works aimed at satisfying the needs of the population. Said obligations have maximum payment dates in which the contribution can be made and after which, late payment fines are charged, which arise due to the lack of knowledge of payment times.

That is why the following question was raised: Do you have a notion according to what the dates for the tax return to the SRI are established? The results obtained were:

	Participants	%
Much	0	0%
Little bit	two	1%
Any	138	99%
TOTAL	**140**	**100%**

Table 3 Do you have a notion according to what the dates for the tax return to the SRI are established?
Source: Survey conducted



99% of the partners surveyed do not know anything about the dates for the tax declaration, on the other hand, 1% have a little notion of the subject, which implies that the majority do not make the respective declarations to the SRI.

4. CONCLUSIONS

The present investigation is oriented to the members of the Ecuador Investment and Cooperation Foundation, province of Santa Elena, and seeks to elaborate a correct planning directed to the human team through permanent training policies and the setting of objectives such as strengthening financial administration through Follow-up plan for accounting, financial and tax activities, so that managers are the first to train their partners, becoming directly responsible for improving the performance of the entity.

With this, they ensure the need to be constantly trained in tax and accounting issues, in such a way that it is possible to avoid complications in the fulfillment of their obligations and to know the basic aspects of accounting that help to have a better administration of the activities. that runs the foundation.

Accounting is shown as an element of great importance in the personal, business and government spheres, since it allows knowing the financial and economic reality before the activities, trends, evolution and what can be achieved; That is why having these guidelines maintains absolute control of a company, facilitating precision decision-making.

The lack of an accounting process generates problems in the correct management of the internal processes of a company, which causes an inadequate management of resources causing a lack of efficiency in them. The execution of a correct accounting plan which can be handled by the same business owner allows healthy competition against other companies, this from an optimal business management; For this reason, the people in charge make references to the measures and strategies that are carried out for the company to be viable.

A great deficit in knowledge in the accounting and tax area was evidenced by the beneficiaries of the Ecuador Investment and Cooperation Foundation and how this variant has prevented the improvement of the quality and life expectancy, in addition to the increase in the capacities and economic potentialities of the population.

The need for the members of this foundation to be constantly trained in accounting and tax matters is a latent reality since it becomes transcendental in the development and performance of new scenarios that demand high levels of competitiveness and sustainability.

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