FINANCIAL PLANNING AS A MANAGEMENT TOOL FOR IMPROVING PROFITABILITY IN INCOFECSA, IN RIOBAMBA, 2020-2023

AMARO VLADIMIR BERRONES PAGUAY
D. in Accounting and Auditing
Master's Degree in Quality Management Auditing
Master's Degree in Accounting and Auditing with a specialization in Operational and Financial Risks
UNIVERSITY OF THE ARMED FORCES ESPE
Email: avberrones@espe.edu.ec
https://orcid.org/0000-0002-5335-6444
EMMA LUCIA RIOS SANIPATIN
Business Engineer
Master in Business Administration - Project Management
Lecturer at the School of Business Administration
CHIMBORAZO HIGHER POLYTECHNIC SCHOOL (ESPOCH)
Business Administration Career
Email: emma.rios@espoch.edu.ec
https://orcid.org/my-orcid?orcid=0000-0003-4482-6464
ANDREA DEL PILAR RAMIREZ CASCO
CPA Accounting and Auditing Engineer
Master in Integral Auditing
PROFESSOR FINANCE CAREER
CHIMBORAZO HIGHER POLYTECHNIC SCHOOL (ESPOCH)
Email:andrea.ramirez@espoch.edu.ec
http://orcid.org/0000-0002-1128-2272
ANGEL GERARDO CASTELO SALAZAR
Business Engineer
Master in Accounting and Auditing
Lecturer at the School of Business Administration
CHIMBORAZO HIGHER POLYTECHNIC SCHOOL (ESPOCH)
Finance Career
Email: angel.castelo@espoch.edu.ec
https://orcid.org/my-orcid?orcid=0000-0003-3859-6105
ELIZABETH CRISTINA MEJIA CISNEROS
CPA Accounting and Auditing Engineer
Master in Finance Tax Agent
INTERNAL REVENUE SERVICE
Email: elizabeth.mejia.cisneros@gmail.com
https://orcid.org/0000-0003-4019-0403

Abstract-The main objective of the study is to develop a financial plan using a management tool to increase the profitability of the company Incofecsa located in the city of Riobamba, in the period 2020-2023, through the systematization of the theoretical and methodological foundations related to financial planning. Additionally, the current diagnosis of the financial situation was made through the Vertical and Horizontal Analysis, Financial Indicators, Dupont System, Economic Value Added (EVA) and Equilibrium Point, and finally, the financial planning, mission, vision, business objectives, organizational structure and operational plan were developed. With the implementation of the plan, the financial statements were projected, and an increase in profitability of 13.59% was obtained for the period 2023, which shows that financial planning has a direct relationship with the company's profitability.

Keywords-financial statements, financial analysis, economic indicators, economic period, proforma statements, financial planning.

I. INTRODUCTION

This paper shows the financial planning of Incofecsa, a company located in the city of Riobamba, for the period 2020-2023. The world economy has declined, and even more so in Ecuador where the economy is a matter of concern as a result of the health crisis generated by Covid-19. In January 2020, sales of economic activity in the country fell by 10% compared to the same month in 2019. The economy has managed to sustain itself thanks to exports, income from medical supplies, hygiene and cleaning, but the problem is not only the lack of sales; it is also due to the lack of collection in the customer account for December, January and February (ElComercio, 2020).

In this context, companies need to implement financial planning that allows them to achieve an increase in profitability effectively. The viability of this project is verified through a financial analysis of Net Present Value (NPV), Internal Rate of Return (IRR) and Investment Recovery Period (IRP).

II. PROPOSED SYSTEM

The financial planning proposal is shown below:

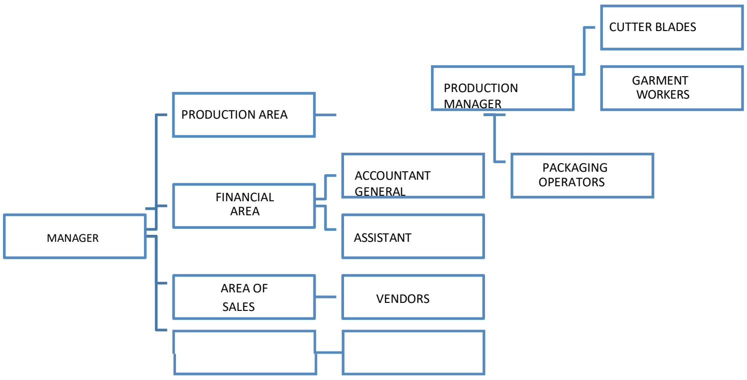
Mission

To achieve true customer satisfaction, with the design of quality garments, according to market trends, through the continuous training and motivation of the staff to promote the economic and social development of the country

Vision

To be the leading company in textile confections at national and international level.

Organizational structure



AREA OF MAINTENANCE TECHNICIAN

Fig. 1. Organizational structure

Corporate Policies

Items	Analysis	Policy
Sales	Revenues decreased by approximately 23% annually.	Sales growth is projected to average 5.9%. for periods with financial planning.
Recovery period	The customer portfolio is recovered in 114 days.	The recovery period for the portfolio resulting from credit sales is 30 days.
Inventory	Inventories rotate in 92 days average.	The average inventory turnover is 45 days.
yment period	Accounts payable turnover is 118 days.	ent to suppliers is made on a 60-day term.
Utilities	It is not reinvested.	Profits are reinvested to increase the equity of the company.
Indebtedness	Debt to assets is 84%.	50% of the contracted obligations are canceled to reduce excessively short-term indebtedness.
Advertising	Only traditional advertising is applied.	Create a company website, and use social networks.

Table. Corporate policies

Thanks to the analysis of national and world economic indicators and the projections of the International Monetary Fund. The following percentages of projections were applied to the income and expenses for the first year forecast for 2020. It is estimated that sales will decrease by 27%, and considering the market, it is established that during the following 3 years, an increase of 5.9% per year is forecast, as shown in Figure 1 and 2.

Contribution to social security (including reserve fund)	According to the law			
Expense Depreciation of property, plant and equipment	-	-	-	-
Promotion and advertising	(-30%)	(0%)	(0%)	(0%)
Transportation	-	-	-	-
Fuel and lubricants	-	-	-	-
Travel expenses	(-30%)	(0%)	(0%)	(0%)
Supplies and materials	(-30%)	(5%)	(5%)	(5%)
Maintenance and repairs	(-30%)	(5%)	(5%)	(5%)
Public Services	-	-	-	-
NON-OPERATING EXPENSES	-	-	-	-
Interests with IFIS	(-20%)	(-20%)	(-20%)	(-20%)
PROFIT BEFORE TAX	3,55%	28,36%	37,99%	43,87%
Workers' Participation				
Deduction for payment to disabled workers	-	-	-	-
Non-deductible expenses	-	-	-	-
TAXABLE PROFIT	0%	0%	0%	0%
INCOME TAX DUE	-	-	-	-
PROFIT FOR THE YEAR	3,18%	24,8%	33,33%	38,45%

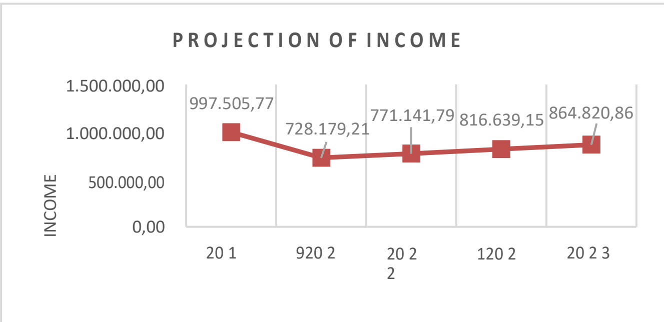


Figure 1. Revenue Projection

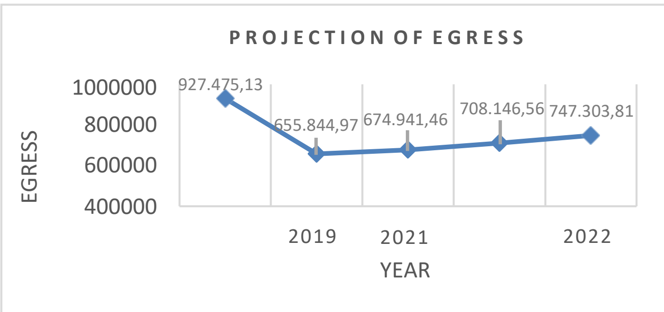


Figure 2. Projected Expenditures

Projections: Income statement

Table 2 shows the projection percentages applied by the company's administrative and accounting department at Table 2. Percentage of projections of income statement, 2020-2023

Balance Sheet Projections

Regarding the projections of the Balance Sheet, the technique of percentages is used as detailed by Carrión (2017) in his study. Through this technique, the respective increase and decrease may be applied according to the nature of the account; the formula used is detailed below. Additionally, the policies established by the administrative and accounting department of the company are applied. Table 3 shows the percentages applied in the period 2020-2023.

Item ∗ 100

Incofecsa to the income statement 2020-2023.

STATEMENT OF INCOME INCOFECSA TEXTILE

$\%Incremento\ o\ decremento =$

BALANCE SHEET Sales

PERIOD 2020-2023

ACCOUNTS	2019	Description	Percentage
ASSETS			
CURRENT ASSETS			
Cash	16.503,88	RCENTAGE OF SALES	1,7%
Accounts receivable	255.266,96	CXC ROTATION	-30,0%
Notes receivable	59.990,50	DXC ROTATION	30,0%
VAT tax credit	37.629,32	RCENTAGE OF SALES	3,8%
INCOME TAX CREDIT	5.789,03	RCENTAGE OF SALES	0,6%
Material Inventory Premium	117.898,37	STATE OF RESULTS	
In-Process Inventory	9.460,30	INCOME STATEMENT	
Finished Goods Inventory	68.824,10	INCOME STATEMENT	

Inventory of supplies and materials	6.782,15	INCOME STATEMENT	
Accumulated impairment of inventories	1.378,93	RCENTAGE OF SALES	0,1%
Prepaid insurance	3.498,93	CANCELLED	
Others	2.077,32		
TOTAL CURRENT ASSETS	**582.341,93**		
ASSETS NOT CURRENTS			

EXTILE COMPANY INCOFECSA
PERIODS 2019

ACCOUNTS	2020	2021	2022	2023
SALES	-27%	5.9%	5.9%	5.9%
COST OF SALES				
Initial investment in supplies and materials	Income Statement			
Net purchases of supplies and materials	-20%	2%	2%	2%
Final Inv. supplies and materials	-	-	-	-
Initial Raw Material Inv.	Income Statement			
Local net purchases of raw materials	-20%	2%	2%	2%
Final Inventory of Raw Materials	-	-	-	-
Cost of raw materials used	-	-	-	-
Labor	According to the law			
Wages and salaries and other remunerations	According to the law			
Social benefits and indemnities	According to the law			
Social Security Contribution (includes Reserve Fund)	According to the law			
Indirect Manufacturing Costs	-	-	-	-
Initial Work in Process Inventory	Income Statement			
Final Inventory of Products in Process	Income Statement			
Initial Finished Goods Inventory	Income Statement			
Ending Finished Goods Inventory	Income Statement			
OPERATING EXPENSES	-	-	-	-
Wages and salaries and other remuneration	According to the law			
Social benefits and indemnities	According to the law			

Machinery	120.191,02	TATEMENT OF FINANCIAL POSITION FINANCIAL STATEMENT	
Furniture and fixtures	11.036,77	TATEMENT OF FINANCIAL POSITION FINANCIAL STATEMENT	
Computer equipment and software	35.088,11	TATEMENT OF FINANCIAL POSITION FINANCIAL STATEMENT	
Vehicles	68.155,01	STATUS OF SIT. FINANCIAL	
Accumulated depreciation property, plant and equipment	100.089,64	TATEMENT OF FINANCIAL POSITION FINANCIAL STATEMENT	
Accounts receivable L/P	10.613,93	ROTATION CXC L/P	-30,0%
TOTAL NON-CURRENT ASSETS	**144.995,20**		
TOTAL ASSETS	**727.337,13**		
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	121.409,20	CXP ROTATION	-20,0%
Obligations with IFIS	257.052,50	ꞆORDING TO INTEREST	-20%
Income tax payable	3.615.71	INCOME STATEMENT	
Participation Workers to be paid	12.996.42	STATE OF RESULTS	
Obligations with IESS	9.987,33	RDING TO LAW	1,0%
Employee benefit obligations	30.638,76	RDING TO LAW	
Customer advances	50.301,06	MPANY POLICIES	10% y 5%
TOTAL CURRENT LIABILITIES	**486.000,98**		
LIABILITIES NO CURRENTS			
Employer's Retirement Provisions	100.396,36	MPANY POLICIES	5,0%
Provisions for Eviction	24.081,57	MPANY POLICIES	2,0%
TOTAL NON-CURRENT LIABILITIES	**124.477,93**		

Final inventory of supplies and materials	17.000,15	98.460,33	110.857,54	143.901,23
Initial Material Inventory Premium	117.898,37	183.000,37	190.898,23	267.257,52
Local net purchases of Raw Materials	248.250,29	253.215,29	258.279,60	263.445,19
Final Material Inventory Premium	183.000,37	190.898,23	267.257,52	326.054,18
Cost of raw materials used	221.087,54	212.977,65	219.625,90	222.709,70
Labor	**228.206,73**	**228.206,73**	**239.617,06**	**239.617,06**
Wages and salaries and other remunerations	161.435,82	161.435,82	169.507,61	169.507,61
Social benefits and indemnities	34.795,58	34.795,58	36.535,35	36.535,35
Social Security Contribution (Includes Reserve Fund)	31.975,34	31.975,34	33.574,10	33.574,10
Indirect Manufacturing Costs	**57.325,96**	**72.061,71**	**72.716,65**	**73.404,34**
Depreciation of property, plant and equipment and equipment	11.922,94	11.922,94	11.922,94	11.922,94
Supplies and materials	6.380,82	6.699,86	7.034,86	7.386,60
Maintenance and repairs	6.094,20	6.398,91	6.718,86	7.054,80
Plant rental production	32.928,00	47.040,00	47.040,00	47.040,00
Initial Work in Process Inventory	9.460,30	11.879,56	9.879,56	15.874,36
Final Inventory of Products in Process	11.879,56	9.879,56	15.874,36	12.873,00
Initial Product Inventory Finished	68.824,10	74.147,96	76.147,96	61.471,23
Final Product Inventory Finished	74.147,96	76.147,96	61.471,23	26.247,63
OPERATING EXPENSES	**111.111,66**	**109.816,50**	**112.988,02**	**116.318,10**
Wages and salaries and other remuneration	47.563,25	47.563,25	49.941,41	52.438,48
Social benefits and indemnities	7.312,39	7.312,39	7.678,01	8.061,91
Contribution to social security (including reserve fund)	2.957,58	2.957,58	3.105,45	3.260,73
Property depreciation expense, plant and equipment	20.158,03	18.596,35	18.596,35	18.596,35
Promotion and advertising	6.419,60	6.419,60	6.419,60	6.419,60
Transportation	5.020,27	5.020,27	5.020,27	5.020,27
Fuel and lubricants	8.002,27	8.002,27	8.002,27	8.002,27
Travel expenses	3.527,22	3.527,22	3.527,22	3.527,22
Supplies and materials	2.175,75	2.284,53	2.398,76	2.518,70
Maintenance and repairs	3.154,77	3.312,51	3.478,13	3.652,04
Utilities	4.820,54	4.820,54	4.820,54	4.820,54
NON-OPERATING EXPENSES	**28.359,80**	**22.687,84**	**18.150,27**	**14.520,22**
Interests with IFIS	28.359,80	22.687,84	18.150,27	14.520,22
PROFIT BEFORE TAX	**89.830,65**	**125.391,35**	**144.859,32**	**160.026,47**
Workers' Participation	13.474,60	18.808,70	21.728,90	24.003,97
Other deductions	15.265,70	15.265,70	15.265,70	15.265,70
Deduction for payment to disabled workers	21.320,40	21.320,40	21.320,40	21.320,40
Non-deductible expenses	2.347,79	2.347,79	2.347,79	2.347,79
TAXABLE PROFIT	**42.117,74**	**72.344,34**	**88.892,11**	**101.784,19**
INCOME TAX DUE	4.021,81	10.382,33	14.637,83	18.505,45

TOTAL LIABILITIES	**610.478,91**		
PATRIMONY			
Capital	12.000,00	SHARE CAPITAL	
Legal Reserve	7.820,00		
Retained earnings from prior years	27.007,58	MPANY POLICIES	100,0%
Net income	70.030,74	INCOME STATEMENT	
TOTAL EQUITY	**116.858,32**		
TOTAL LIABILITIES AND EQUITY	**727.337,13**		

ACCOUNTS	2020	2021	2022	2023
ASSETS				
CURRENT ASSETS				
Cash	16.784,45	17.069,78	17.359,97	17.655,09
Accounts receivable	178.686,87	125.080,81	87.556,57	61.289,60
Notes receivable	77.987,65	77.987,65	54.591,36	54.591,36
VAT tax credit	36.199,41	34.823,83	33.500,52	32.227,50
Tax credit RENTA	5.441,69	5.115,19	4.808,28	4.519,78
Material Inventory Premium	183.000,37	190.898,23	267.257,52	326.054,18
In-Process Inventory	11.879,56	9.879,56	15.874,36	12.873,00
Product Inventory Finished	74.147,96	76.147,96	61.471,23	26.247,63
Supply Inventory and materials	17.000,15	98.460,33	110.857,54	143.901,23
Accumulated impairment for Inventories	1.392,72	1.406,65	1.420,71	1.434,92
Insurance paid by in advance		-	-	-
Others	164,68	3.908,48	6.333,44	9.065,93
TOTAL CURRENT ASSETS	**599.900,06**	**637.965,17**	**658.190,07**	**686.990,37**
NON-CURRENT ASSETS				
Machinery	120.191,02	120.191,02	120.191,02	120.191,02
Furniture and ensures	11.036,77	11.036,77	11.036,77	11.036,77
Computer equipment and software	35.088,11	35.088,11	35.088,11	35.088,11
Vehicles	68.155,01	68.155,01	68.155,01	68.155,01
Accumulated depreciation of property, plant and equipment team	100.089,64	100.089,64	100.089,64	100.089,64
Accounts receivable L/P	7.429,75	7.429,75	7.429,75	7.429,75
TOTAL NON-CURRENT ASSETS	**141.811,02**	**141.811,02**	**141.811,02**	**141.811,02**
TOTAL ASSETS	**741.711,08**	**779.776,19**	**800.001,09**	**828.801,39**
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	97.127,36	77.701,89	62.161,51	49.729,21
Obligations with IFIS	205.642,00	152.586,36	113.219,08	84.008,56
Income tax payable	4.021,81	10.382,33	14.637,83	18.505,45
Participation Workers to be paid	13.474,60	18.808,70	21.728,90	24.003,97
Obligations with IESS	9.987,33	9.887,46	9.788,58	9.690,70
Obligations for employee benefits	35.234,57	36.291,61	37.380,36	38.501,77
Customer advances	55.331,17	58.097,72	61.002,61	64.052,74
TOTAL CURRENT LIABILITIES	**420.818,84**	**363.756,08**	**319.918,87**	**288.492,40**
NON-CURRENT LIABILITIES				
Employer's Retirement Provisions	105.416,18	110.686,99	116.221,34	122.032,40
Provisions for Eviction	24.563,20	25.054,47	25.555,55	26.066,67
TOTAL NON-CURRENT LIABILITIES	**129.979,38**	**135.741,45**	**141.776,89**	**148.099,07**
TOTAL LIABILITIES	**550.798,22**	**499.497,53**	**461.695,76**	**436.591,46**
PATRIMONY				
Capital	12.000,00	12.000,00	12.000,00	12.000,00
Legal Reserve	9.540,40	17.172,72	30.910,90	55.639,61
Retained earnings from	[illegible]	[illegible]	[illegible]	[illegible]

Table 3. Percentage of projections in Balance Sheet

Table 4 shows the final projected values of each of the income statement accounts for 2020- 2023.

STATEMENT OF INCOME INCOFECSA TEXTILE COMPANY PERIOD 2020-2023

ACCOUNTS	2020	2021	2022	2023
SALES	**728.179,21**	**771.141,79**	**816.639,15**	**864.820,86**
COST OF SALES	**498.877,11**	**513.246,09**	**540.641,54**	**573.956,07**
Initial inventory of supplies and materials	6.782,15	17.000,15	98.460,33	110.857,54
Net purchases of supplies and materials	48.157,25	49.120,39	50.102,80	51.104,86

Table. 4. Projected Income Statement 2020-2023

Table 5 shows the final projected values of each of the accounts in the Balance Sheet for 2020- 2023.

INCOFECSA TEXTILE COMPANY BALANCE SHEET PERIODS 2020-2023

Net income	72.334,24	96.200,32	108.492,59	117.517,05
TOTAL EQUITY	**190.912,87**	**280.278,66**	**338.305,33**	**392.209,92**
TOTAL LIABILITIES AND EQUITY	**741.711,08**	**779.776,19**	**800.001,09**	**828.801,39**

Table. Projected Balance Sheet 2020-2023

Main projected indicators

Projected current liquidity

Current Active

Current Passive

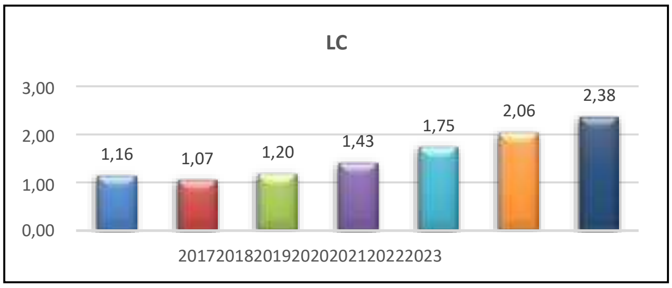


Figure 3. Current liquidity 2017-2023

Current liquidity grows in each period; through financial planning, greater liquidity is achieved so that the company can cover its current obligations without needing to dispose of its fixed assets. Thus, from 2020 to 2023, the years in which the projection was made, each year it has been increasing by 0.30, reaching 2.38% in the last projected period.

Projected Asset Indebtedness

$$\frac{Total\ \text{Passive}}{Total\ \text{Active}}$$

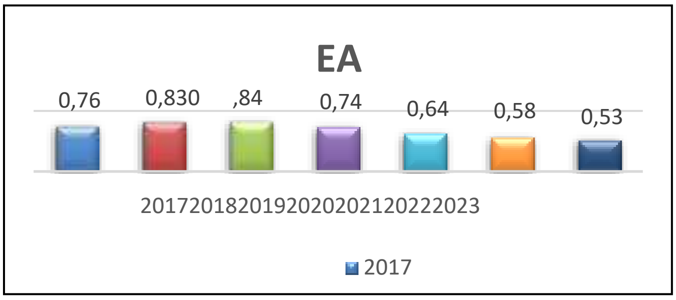


Figure 4. Assets Indebtedness 2017-2023.

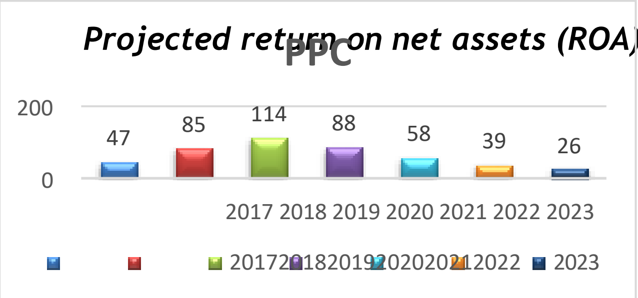
Excessive indebtedness with creditors was one of the main problems that the company had. It was decapitalizing so that in 2019 the company's total assets were financed 84% by total liabilities; through the projection, it was achieved that the company is financed with its resources and has financial autonomy. By 2023, only 53% of the total assets is financed by the company's total liabilities, and the rest is financed through the company's equity.

Projected average portfolio period

360

Accounts receivable turnover

Projected return on net assets (ROA)



Sales .

Net income

Sales . *

Total active

Figure 5. Projected average portfolio period *2017-2023*.

As can be seen in the figure, by the year 2023, the average recovery period of the portfolio is 26 days; through financial planning, the company is managing to make its credit sales effective quickly; in other words, each year, it can minimize the collection period by adjusting to the policies established.

Projected average payment period

360

Rotación de Cuentas por Pagaqr

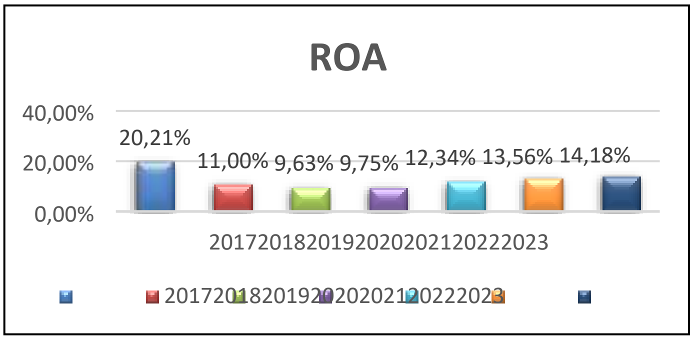
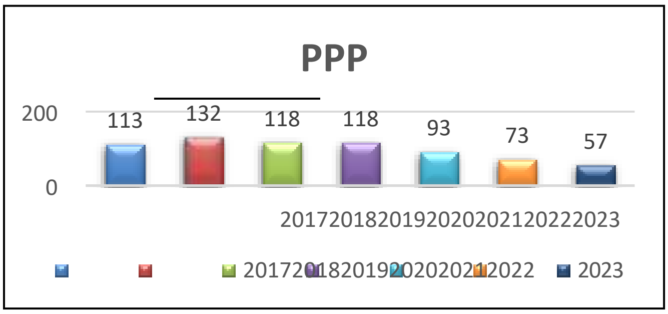


Figure 8. Net return on assets 2017-2023

This result measures the benefit generated by the company's assets so that by 2023 the profitability is projected at 14.18%, which means that the company is using its assets efficiently.

Projected Net Profit Margin



Net income

Sales .

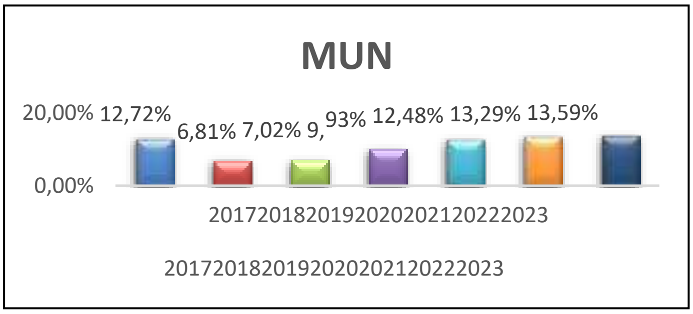


Figure 6. Projected average payment period 2017-2023.

The average number of days to pay in 2020 remains the same as in the previous year; as of 2021, it is gradually reduced; thus, by 2023, there is a margin of 57 days to pay suppliers. In this way, credibility with third parties is recovered, and it will also be possible to establish commercial agreements with new suppliers.

Projected finished goods inventory period

360

Initial turnover of finished products

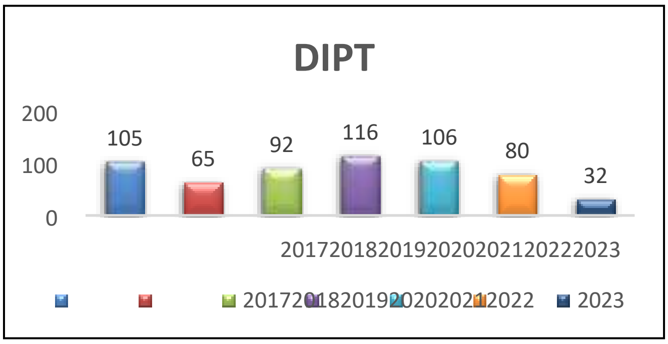


Figure 7. Period of finished product inventories 2017-2023

The period of finished product inventories was one of the indicators to be improved; thus, during the following years, it is planned that the finished product inventory will remain in the warehouse for as little time as possible; through planning, inventory will rotate more frequently each year. By 2023, the inventory will rotate every 32 days, which means that the inventory is becoming effective more quickly.

Sales 9. Projected Net Profit Margin 2017-2023

This indicator determines how much the company generates after deducting all the expenses necessary to manufacture the product, administrative and sales expenses, other expenses and income tax. By means of the proposed projection, the company will gradually increase its net profitability so that by 2023, for every dollar of sales made, it will obtain a net profitability of 0.14 cents.

Sensitivity analysis

The Net Present Value (NPV), Internal Rate of Return (IRR) and Return on Investment Period (ROI) are calculated with the projected income and expenditure values; the following table shows the calculated values.

Data	**Initial investment**	150000,00
	Rate	10%

Period	**Revenues**	**Expenses**	**Flow**	**Present value**
0			-150.000,00	-150.000,00
1	728.179,21	655.844,97	72.334,24	65758,40
2	771.141,79	674.941,46	96.200,32	79504,40
3	816.639,15	708.146,56	108.492,59	81512,09
4	864.820,86	708.146,56	156.674,30	107010,66
				333785,54

Present value (NPV)	$183.785,54
Internal rate of return (IRR)	52%
Profitability index	2,23
PRI	2,19

Table.6. Calculation of NPV, IRR, PRI

A sensitivity analysis is performed when income decreases by 1% and 5%, and also when the outflow is increased by 1% and 5%, the results are shown in Table 7.

	Normal	1% - Income	5% - Income	1% +Expense	5% +Exit
VAN	$183.785,54	$158.750,28	$58.609,26	$162.088,14	$75.298,53
IRR	52%	46%	24%	47%	28%
PRI	2,19	$2,30	2,90	2,29	2,79

IV. CONCLUSIONS

- ✓ The study determined that Incofecsa did not have a financial analysis that would allow it to interpret the variations and ratios of each period; the lack of this diagnosis had repercussions on decision making.

- ✓ The financial evaluation of the accounting figures has The structural and evolutionary position of INCOFECSA's main account groups was established in order to identify reference points for the accounts that require greater attention, which in the case of the study has been the decrease in sales, overdue portfolio over several periods and excessive indebtedness.

Table 7. Calculation of NPV, IRR, IRR with income and expenses 1% and 5%.

Net Present Value (NPV) analysis
The investment is highly sensitive to a decrease in income. However, investing is convenient when there is a decrease in income of 1% and 5% and an increase in expenses of 1% and 5%.

Analysis of the internal rate of return (IRR)
The IRR is affected by income; the IRR is more sensitive to a decrease in income than to an increase in expenses; the investment should be accepted when income decreases by 1% and 5% and expenses increase by 1% and 5%.

Recovery Period Analysis (PRI)
The payback period for the investment tends to be greater than two years in any scenario; the investment can be accepted if the income decreases by 1% and 5%, and the expenses increase by 1% and 5% due to the sensitivity analysis performed with the indicators. It is advisable to invest.

III. ANALYSIS OF RESULTS

Correlaciones

			VAR00001	VAR00002
Rho de Spearman	VAR00001	Coeficiente de correlación	1,000	-,144
		Sig. (bilateral)	.	,758
		N	7	7
	VAR00002	Coeficiente de correlación	-,144	1,000
		Sig. (bilateral)	,758	.
		N	7	7

Table 8. Spearman's calculation

The normality of the two variables VI: Financial Planning, VD: Profitability, as one of the variables does not meet the normality, Spearman's method is used, taking the value of Sig. from Table 8, which is equal to 0.758 and comparing it with the significance level of 0.05.

As the P value is greater, Hi

Hi: Financial planning will increase the profitability of the textile company Incofecsa.

Decision:
There is a direct relationship between financial planning and profitability, i.e., the greater the financial planning, the greater the profitability.

- ✓ It is concluded that the financial planning model specifies operational and financial actions to establish the projected statements to maximize the company's profitability.

V. RECOMMENDATIONS

- ✓ Perform a periodic financial diagnosis of the company, based on evaluation techniques and tools in order to efficiently use resources and take corrective measures.

- ✓ Execute the financial planning proposed in the Incofecsa company to control its level of indebtedness and increase sales and control operational and administrative expenses.

- ✓ To constantly monitor the financial planning process in order to control management and implement improvements if necessary to achieve the company's goals.

VI. REFERENCES

[1] **ALANÍS AGUILAR, I.** (2002). *Planeación financiera de la empresa Industrial* (Doctoral dissertation, Universidad Autónoma de Nuevo León).
[2] **ÁVILA, J**. (2007). *Introducción a la Contabilidad* (1 ed.) México: Umbral Editorial
[3] **BAENA, D**. (2010). *Análisis Financiero Enfoque y Proyección*
[4] (1 ed.) Bogotá - Colombia: Kimpres Ltda.
[5] **BERNAL, C**. (2006). *Metodología de la Investigación* (2 ed.).
[6] México D.F.: Pearson Educación.
[7] **BERNARDO, J., & CALDERO, J**. (2000). *Métodos no*
[8] *Experimentales* (1 ed.). Madrid: Rial S.A.
[9] **BOGDANSKI,** (2016) *Análisis Financiero.* (1 ed.). México: Pearson
[10] **BOSÓN, E.** (2009). *Análisis de Estados Financieros Fundamentales Teóricos y Casos Prácticos* (1 ed.) Madrid.: Pearson
[11] **BRAVO, M.** (2011). *Contabilidad General* (10 ed.). Quito - Ecuador: Escobar.
[12] **BRISEÑO, H**. (2006) *Indicadores Financieros Fácilmente explicados* (1 ed.) Umbral
[13] **CALVA, A.** (1998). *Contabilidad General* (1 ed.) Quito.: Talleres Gráficos de Impretec
[14] **CAMPOS, M**. (2010). *Compendio para el Estudio de las Finanzas Corporativas Básicas en las Universidades* (1 ed.). México D.F.: Paseo de la Reforma.
[15] **CARRIÓN GRANDA, C. G**. (2017). *La planificación financiera y su incidencia en la rentabilidad de la Empresa "Enrique Ullauri materiales de construcción Cia. Ltda."* de la ciudad de Catamayo, de la provincia de Loja.

[16] **CÓRDOBA, M.** (2014). *Análisis Financiero* (1 ed.) Bogotá.: Ecoe Ediciones
[17] **CÓRDOBA, M.** (2012). Gestión Financiera. Bogotá.: Ecoe Ediciones
[18] **CUESTA, A.** (2014). *Indicadores de Gestión Humana del conocimiento en la empresa* (1 ed.) Colombia.: Ecoe Ediciones
[19] **ESTUPIÑAN, R.** (2006). *Análisis Financiero* (2 ed.) Bogotá.: Ecoe Ediciones
[20] **ESLAVA, J.** (2003) *Análisis Económico Financiero de las decisiones de gestión empresarial*. España.: ESIC
[21] **FERNANDEZ J.** (2013). *Contabilidad Financiera para Directivos* (8 ed.) ESIG
[22] **HERNÁNDEZ, J.** (2003). *Metodología de la Investigación* (1 ed.). México D.F.: Limusa.
[23] **HERRERA. D.** (2013) *Análisis Financieros para los no financieros.* (2 ed.). España.: LuluPues
[24] **HILL, C.** (1996). *Análisis Estratégico Un Enfoque Integrado* (3 ed.). Colombia: Printed in Colombia
[25] **GARCÍA, M.** (2004). *Dirección Financiera* (1 ed.) Barcelona.: Ebicine UPC
[26] **GUAJARDO G**. (2008) *Contabilidad Financiera* (5 ed.).
[27] México.: Interamericana
[28] **JIMÉNEZ S.** (2002). *Análisis Financiero.* (2 ed.) Sevilla.: Pirámide
[29] **LEVY, L. H.** (2005). *Planeación Financiera en la empresa Modera* (Vol. 136). Ediciones fiscales ISEF.
[30] **MALDONADO H.** (1997). *Manual de Contabilidad* (1 ed.) Quito-Ecuador: Escobar
[31] **NARANJO S**. (2003) *Contabilidad de Costos, Bancaria y Gubernamental* (1 ed.) Ecuador - Escobar
[32] **NIÑO, V**. (2011). *Metodología de la Investigación* (1 ed.).
[33] Colombia: Adriana Gutiérrez.
[34] **ORTIZ, F**. (2004). *Diccionario de Metodología de Investigación Científica* (1 ed.). México D.F.: Limusa.
[35] **ORTIZ, H.** (2004). *Análisis Financiero Aplicado* (10 ed.).
[36] Bogotá - Colombia: Dvinni Ltda.
[37] **ROBIS, S.** (2010). *Administración* (10 ed.) México.: Pearson Educación
[38] **RODRÍGUEZ, L**. (2012). *Análisis de Estados Financieros un enfoque en la toma de decisiones ((1 ed.)* México.: Edamsa Impresiones
[39] **ROJAS, R.** (2004). *El Proceso de la Investigación Científica* (1 ed.). México D.F.: Trillas.
[40] **SARMIENTO, R**. (2009). *Contabilidad General* (10 ed.).
[41] Quito - Ecuador: Impresos Andinos.
[42] **SEGARA, J**. (2012). *Los Métodos de la Investigación* (1 ed.).
[43] Madrid: Díaz de Santos.
[44] **SUPERINTENDENCIA DE COMPAÑÍAS** (2008)
[45] Indicadores Financieros: http://181.198.3.71/portal/samples/images/docs/tabla_indi cadores.pdf
[46] **TAMAYO, M.** (2001). *El Proceso de la Investigación Científica* (1 ed.). México D.F.: Limusa

[47] **VALLS J.** (1999). *Análisis de Balances* (3 ed.) México: Pearson

[48] **ZAPATA, P**. (2011). *Contabilidad General con Base en las Normas Internacionales de Información Financiera (NIIF*) (7 ed.). Bogotá - Colombia: Mc Graw -Hill Interamericana.