

PARTNERSHIP ACCOUNTING AND FINANCIAL REPORTING AGREEMENT

This Partnership Accounting and Financial Reporting Agreement (the "Agreement") is entered into this _____ day of _____, 20____, by and among the following partners (collectively referred to as the "Partners"):

1. _____ residing at _____
2. _____ residing at _____
3. _____ residing at _____

WHEREAS, the Partners have entered into a partnership business operating under the name of _____ (the "Partnership"); and

WHEREAS, the Partners desire to establish clear guidelines, standards, and responsibilities regarding the accounting, bookkeeping, and financial reporting procedures of the Partnership;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Partners agree as follows:

SECTION 1: ACCOUNTING METHOD AND FISCAL YEAR

1. **Accounting Basis:** The Partnership's books and records shall be maintained on a _____ basis of accounting in accordance with _____.
2. **Fiscal Year:** The fiscal year of the Partnership shall begin on _____ and end on _____ of each calendar year.

SECTION 2: MAINTENANCE OF BOOKS AND RECORDS

1. **Location:** The primary books of account, financial records, and all supporting documentation shall be kept at the Partnership's principal place of business located at _____, or at such other location as designated by the Partners.
2. **Access:** Every Partner, or their designated representative, shall have access to, and the right to inspect and copy, any of the Partnership's financial books, records, tax returns, and accounts during standard business hours.
3. **Designated Accountant:** The Partners hereby appoint _____ as the primary bookkeeper/accountant responsible for the day-to-day maintenance of the books.

SECTION 3: FINANCIAL REPORTING SCHEDULE

The Partnership shall prepare and distribute to all Partners the following financial statements according to the schedule below:

1. **Monthly Reports:** Within _____ days following the end of each calendar month, a balance sheet, income statement, and cash flow statement shall be prepared.
2. **Quarterly Reports:** Within _____ days following the end of each fiscal quarter, a quarterly financial summary and capital account reconciliation shall be distributed.
3. **Annual Reports:** Within _____ days after the close of each fiscal year, a comprehensive annual financial statement, including capital account balances, shall be prepared and certified by _____.

SECTION 4: CAPITAL ACCOUNTS AND DISTRIBUTIONS

1. **Capital Accounts:** An individual Capital Account shall be maintained for each Partner. Each account shall be credited with the Partner's capital contributions and share of Partnership profits, and debited by the Partner's share of Partnership losses and distributions.
2. **Distributions:** Cash distributions of Net Cash Flow shall be made to Partners on a _____ basis, subject to the retention of reasonable working capital reserves as determined by a vote of the Partners.

SECTION 5: AUDITING AND REVIEW

1. **Annual Audit/Review:** The Partnership books _____ (shall / shall not) be subject to an annual independent audit. If an audit is required, it shall be conducted by an independent Certified Public Accountant (CPA) selected by the Partners.
2. **Audit Expenses:** All costs and expenses associated with any audit or financial review ordered by a majority vote of the Partners shall be borne entirely by the Partnership.

SECTION 6: TAX RETURNS AND REPORTING

1. **Tax Preparation:** The Partnership's annual informational tax returns (Schedule K-1 and Form 1065, or equivalent) shall be prepared by _____.
2. **Deadline:** All tax schedules and forms required for the individual tax filings of the Partners shall be delivered to each Partner no later than _____ of each year.

SECTION 7: MISCELLANEOUS PROVISIONS

1. **Amendments:** This Agreement may only be amended, modified, or supplemented by a written instrument executed by all Partners.
2. **Governing Law:** This Agreement shall be construed and enforced in accordance with the laws of the State of _____.

IN WITNESS WHEREOF, the Partners have executed this Partnership Accounting and Financial Reporting Agreement as of the date first written above.

Partner Signature

Print Name: _____

Date: _____

Partner Signature

Print Name: _____

Date: _____

Partner Signature

Print Name: _____

Date: _____

Partner Signature

Print Name: _____

Date: _____

