Financial Statements and Report of Independent Certified Public Accountants

Common Investment Fund, Roman Catholic Archbishop of Boston

June 30, 2012

With attachment of financial statements
of RCAB Collective Investment Partnership

Contents

GrantThornton

An instinct for growth™

Grant Thornton LLP
226 Causeway Street, 6th Floor
Boston, MA 02114-2155

T 617.723.7900
F 617.723.3640
GrantThornton.com
linkd.in/GrantThorntonUS
twitter.com/GrantThorntonUS

Report of Independent Certified Public Accountants

To the Trustee
Common Investment Fund, Roman Catholic Archbishop of Boston

We have audited the accompanying statement of net assets of the Common Investment Fund, Roman Catholic Archbishop of Boston (the "Fund") as of June 30, 2012, and the related statements of operations and changes in net assets for the year then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the Fund's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Common Investment Fund, Roman Catholic Archbishop of Boston as of June 30, 2012 and the results of its operations and changes in its net assets for the year then ended and its financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

Boston, Massachusetts
December 19, 2012

COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON
Financial Highlights
(For a unit outstanding throughout the year)
June 30, 2012

	Year ended June 30				
	2012 [1]	2011 [1]	2010 [1]	2009 [1]	2008 [1]
Net asset value per unit - beginning of year	$ 3.839	$ 3.342	$ 3.098	$ 3.630	$ 4.049
Investment operations:					
Net investment income [2]	0.059	0.058	0.062	0.075	0.069
Net gain/(loss) on investments	(0.094)	0.585	0.316	(0.479)	(0.331)
Net increase/(decrease) from investment operations	(0.035)	0.643	0.378	(0.404)	(0.262)
Distributions from net investment income and capital gains	(0.146)	(0.146)	(0.134)	(0.128)	(0.157)
Net asset value per unit - end of year	$ 3.658	$ 3.839	$ 3.342	$ 3.098	$ 3.630
Total return [3] [5]	(0.91%)	19.24%	12.17%	(11.13%)	(6.60%)
Ratios / Supplemental Data [5]					
Net assets at end of year (in thousands)	$ 245,053	$ 248,573	$ 215,134	$ 191,709	$ 190,739
Ratio of expenses to average net assets [4] [6]	0.10%	0.06%	0.06%	0.05%	0.08%
Ratio of net investment income to average net assets [4] [6]	1.61%	1.56%	1.85%	2.39%	1.81%
Ratio of net gains/(losses) on investments to average net assets [6]	(2.63%)	15.71%	9.18%	(15.74%)	(8.53%)

(1) The per unit amounts and ratios which are shown reflect income and expenses, including the Fund's proportionate share of the RCAB Collective Investment Partnership's income and expenses.

(2) Net investment income per unit has been calculated using average units outstanding during the period.

(3) Total return represents the percentage increase or decrease of net asset value per unit at the end of the year over the net asset value per unit at the beginning of the year excluding distributions from net investment income and capital gains.

(4) Expenses do not include investment advisory and custodial fees incurred directly by the RCAB Collective Investment Partnership.

(5) An individual member's return and ratios may vary based on the timing of capital transactions.

(6) Average net assets were derived from the quarterly net assets of the fund.

The accompanying notes are an integral part of these financial statements.

COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON
Statement of Net Assets
June 30, 2012

ASSETS:		
Investment in RCAB Collective Investment		
Partnership, at fair value (cost of $142,022,706)	$	245,468,690
Cash and cash equivalents		573,358
Receivable from RCAB Collective Investment Partnership		5,150,000
TOTAL ASSETS		251,192,048
LIABILITIES:		
Dividend distribution payable to members		2,591,255
Subscriptions received in advance		199,912
Redemptions payable		3,347,626
TOTAL LIABILITIES		6,138,793
NET ASSETS	$	245,053,255
UNITS OUTSTANDING AT END OF YEAR		66,994,804
NET ASSET VALUE PER UNIT	$	3.658

The accompanying notes are an integral part of these financial statements.

COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON
Statement of Operations
Year ended June 30, 2012

INVESTMENT INCOME:		
Net investment income allocated from RCAB Collective Investment Partnership	$	4,220,518
Interest		336
TOTAL INVESTMENT INCOME		4,220,854
EXPENSES:		
Related party service fees		223,829
Professional fees		18,030
TOTAL EXPENSES		241,859
NET INVESTMENT INCOME		3,978,995
NET REALIZED AND CHANGE IN UNREALIZED APPRECIATION ON INVESTMENT IN RCAB COLLECTIVE INVESTMENT PARTNERSHIP ("CIP"):		
Net realized gain on sale of CIP units		4,974,785
Net realized gain allocated from CIP		17,442,661
Net change in unrealized appreciation on investments allocated from CIP		(28,916,285)
NET LOSS ON INVESTMENTS		(6,498,839)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	$	(2,519,844)

The accompanying notes are an integral part of these financial statements.

COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON
Statement of Changes in Net Assets
Year ended June 30, 2012

OPERATIONS:		
Net investment income	$	3,978,995
Net realized gain on investments		22,417,446
Net change in unrealized appreciation on investments		(28,916,285)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS		(2,519,844)
CAPITAL TRANSACTIONS:		
DISTRIBUTIONS:		
From net investment income		(3,978,995)
From accumulated capital gains		(5,935,646)
Total dividend distributions		(9,914,641)
UNIT TRANSACTIONS:		
Proceeds from unit subscriptions		17,930,664
Outflows from unit redemptions		(9,016,023)
Net increase in unit transactions		8,914,641
NET DECREASE IN NET ASSETS RESULTING FROM CAPITAL TRANSACTIONS		(1,000,000)
NET DECREASE IN NET ASSETS		(3,519,843)
NET ASSETS AT BEGINNING OF YEAR		248,573,098
NET ASSETS AT END OF YEAR	$	245,053,255

The accompanying notes are an integral part of these financial statements.

NOTE A – ORGANIZATION AND INVESTMENT OBJECTIVE

The Common Investment Fund, Roman Catholic Archbishop of Boston (the "Fund"), is a Massachusetts trust established in 1970 to act and serve as an investment pool for corporations, organizations, associations, trusts or other legal entities which are under the direction and control of, or related to, The Roman Catholic Archbishop of Boston, A Corporation Sole (the "Corporation Sole") and are organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

The Fund invests substantially all of its assets in RCAB Collective Investment Partnership (the "Partnership"), and reflects its proportionate interest in the net assets of the Partnership (55.1% at June 30, 2012).

The Fund seeks to achieve its investment objective of maximizing long-term return by investing substantially all of its net investable assets through a master-feeder structure, in the Partnership, which has the same investment objective and policies as the Fund. The performance of the Fund is directly affected by the performance of the Partnership. The financial statements of the Partnership, including the summary schedule of investments, are included elsewhere in this report and should be read in conjunction with the Fund's financial statements.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Fund are described below:

Cash and Cash Equivalents

Cash and cash equivalents held by the Fund represent cash and money market funds held directly by the Fund in accounts at banks or other financial institutions.

Investment in Collective Investment Partnership

The Fund records its investment in the Partnership at the net asset value per unit on the valuation day. The Fund presents monthly at net its proportionate share of Partnership income, expenses, and realized and unrealized gains and losses. Investment securities held by the Partnership are recorded at fair value as indicated in the notes to its financial statements.

The investment valuation policy of the Fund is to value investments at fair value, which is generally determined as the amount that could reasonably be expected to be realized from an orderly disposition of securities and other financial instruments over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the valuation in a current sale and may not reflect an actual market price.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Investment in Collective Investment Partnership – Continued

In accordance with the authoritative guidance on fair value measurements and disclosures under accounting principles generally accepted in the United States of America (US GAAP), the Fund discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date.

Level 2 - Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants would use in valuing a portfolio instrument. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3 - Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in valuing a portfolio instrument, and would be based on the best information available.

Changes in valuation techniques may result in transfers in or out of current assigned levels within the hierarchy. The Fund recognizes transfers between fair value hierarchy levels at the approximate date or change in circumstances that causes the transfer. There were no significant transfers between levels within the fair value hierarchy during the year.

Subscriptions Received in Advance

The Fund is able to invest in the Partnership on the first business day of a calendar quarter. When funds for investment are received from members in advance of that day, the amounts received are remitted to the Partnership and reported as funds advanced to RCAB Collective Investment Partnership.

Realized Gains and Losses

Realized gains and losses result from sales of Partnership units and from the Fund's recognition of its pro rata share of the Partnership's allocation of realized gains and losses.

Distributions to Members

It is the Fund's policy to distribute to its members, on a quarterly basis, one percent of the net assets of the Fund as of the end of the first business day of the quarter.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Subscriptions and Redemptions

On the opening of business on the first day of a calendar quarter, units in the Fund may be purchased or redeemed at the net asset value at the close of business on the immediately preceding business day. Redemptions are recognized as liabilities when each of the dollar amounts requested in the redemptions notice becomes fixed, which generally occurs on the last day of the fiscal period. As a result, redemptions paid after the end of the year, but based upon the year-end net asset values, are reflected as redemptions payable. Redemption notices received for which the dollar amounts are not fixed or determinable remain in capital until the net asset value used to determine the redemption amounts are determined. As of June 30, 2012, the Fund had redemptions payable of $3,347,626.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense in net assets from operations during the reporting period. Actual results could differ from those estimates.

NOTE C – FEES AND RELATED PARTY TRANSACTIONS

During the year ended June 30, 2012, the Fund incurred service fees from the Corporation Sole, a related organization, in the amount of $223,829. These service fees relate to administrative, accounting, technology and clerical services performed on behalf of the Fund.

NOTE D – TAXES

For tax purposes, the Fund has elected to be treated as a pass-through entity. The income or loss from the Fund is allocated to the members. The Fund recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Fund's management has reviewed the tax positions for open periods (current and prior) as applicable to the members, and has determined that no provision for income tax is required in the Fund's financial statements. Accordingly, no provision for income taxes is included in these financial statements.

NOTE E – PARTERSHIP UNITS

The Fund's Trust Agreement authorized the issuance of an unlimited number of units. Transactions of the Fund in units were as follows for the year ended June 30, 2012:

Units at beginning of year	64,743,202
Units issued/subscribed	4,761,478
Units redeemed	(2,509,876)
Units at end of year	66,994,804

The net asset value per unit calculated at the close of the last business day of each quarter is used as the per unit price for any member investment activity (subscriptions, dividend reinvestments and redemptions). Investment activity is only permitted to occur on the first business day of a calendar quarter. Deposits, withdrawals and redemption requests made by members prior to July 1, 2012 to be invested/withdrawn on July 1, 2012 are reflected as subscriptions received in advance and redemptions payable in the accompanying statement of net assets.

NOTE F – SUBSEQUENT EVENTS

In connection with the preparation of these financial statements, the Fund has evaluated events and transactions through December 19, 2012, which is the date the financial statements were available for issuance.

Subsequent to June 30, 2012, the Fund processed approximately $1,161,931 in subscriptions and redemptions of approximately $7,920,332 for members of the Fund.

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RCAB Collective Investment Partnership

June 30, 2012

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Boston, MA 02114-2155

T 617.723.7900
F 617.723.3640
GrantThornton.com
linkd.in/GrantThorntonUS
twitter.com/GrantThorntonUS

Report of Independent Certified Public Accountants

To the Trustees
RCAB Collective Investment Partnership

We have audited the accompanying statement of net assets of the RCAB Collective Investment Partnership (the "Partnership"), including the summary schedule of investments, as of June 30, 2012, and the related statement of operations and changes in net assets for the year then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements, summary schedule of investments and financial highlights referred to above present fairly, in all material respects, the financial position of the RCAB Collective Investment Partnership as of June 30, 2012 and the results of its operations and changes in its net assets for the year then ended and its financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

Boston, Massachusetts
December 19, 2012

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Financial Highlights
(For a unit outstanding throughout the year)
June 30, 2012

	Year ended June 30				
	2012	2011	2010	2009	2008
Net asset value per unit - beginning of year	$ 2.328	$ 1.947	$ 1.734	$ 1.949	$ 2.087
Investment operations:					
Net investment income [1]	0.038	0.036	0.037	0.040	0.038
Net gain/(loss) on investments	(0.055)	0.345	0.176	(0.255)	(0.175)
Net increase/(decrease) from investment operations	(0.016)	0.381	0.213	(0.215)	(0.137)
Net asset value per unit - end of year	$ 2.312	$ 2.328	$ 1.947	$ 1.734	$ 1.950
Total return [2] [3]	(0.69%)	19.54%	12.25%	(11.01%)	(6.43%)
Ratios/Supplemental Data: [3]					
Net assets at end of year (in thousands)	$ 445,873	$ 524,864	$ 726,574	$ 667,474	$ 766,284
Ratio of expenses to average net assets [3] [4]	0.63%	0.59%	0.64%	0.63%	0.78%
Ratio of net investment income to average net assets [3] [4]	1.71%	1.63%	1.91%	2.35%	1.84%
Ratio of net gain/(loss) on investments to average net assets [3] [4]	(3.23%)	15.98%	9.25%	(15.50%)	(8.52%)

(1) Net investment income per unit has been calculated using quarter-end average units outstanding during the period.

(2) Total return represents the percentage increase or decrease of net asset value per unit at the end of the year over net asset value per unit at the beginning of the year.

(3) An individual partner's return and ratios may vary based on the timing of capital transactions.

(4) Average net assets were derived from the quarterly net assets of the fund.

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Statement of Net Assets
June 30, 2012

ASSETS:		
Investments in securities, at fair value (cost of $396,563,145)	$	437,159,369
Purchased options, at fair value (premiums paid of $23,613)		4,875
Swap contracts, at fair value (premiums paid of $3,701)		212
Cash and cash equivalents		5,246,111
Cash held as collateral for futures contracts		127,596
Receivable for securities sold		20,222,103
Dividends, interest and other receivables		1,137,126
TOTAL ASSETS		463,897,392
LIABILITIES:		
Payable for securities purchased		9,542,969
Written options, at fair value (proceeds received of $16,275)		2,925
Variation margin payable		17,422
Redemptions payable		8,100,000
Accrued expenses		361,194
TOTAL LIABILITIES		18,024,510
NET ASSETS	$	445,872,882
UNITS OUTSTANDING AT END OF YEAR		192,866,606
NET ASSET VALUE PER UNIT	$	2.312

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Summary Schedule of Investments
June 30, 2012

		FAIR VALUE
COMMON STOCK (40.73%)		
United States (40.69%)		
Consumer - Discretionary*	$	28,526,260
Consumer - Staples*		13,501,280
Energy*		10,434,066
Financial*		28,053,761
Healthcare*		16,698,689
Industrial*		26,021,882
Information Technology*		32,911,593
Materials*		11,348,681
Telecommunication Services*		5,254,089
Utilities*		5,120,855
Total United States (cost of $150,493,658)		177,871,156
Great Britain (0.04%)		
Industrial*		201,860
Total Great Britain (cost of $124,092)		201,860
TOTAL COMMON STOCK (cost of $150,617,750)	$	178,073,016

* Does not include any individual investment over 5% of net assets.

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Summary Schedule of Investments - continued
June 30, 2012

	RATE / MATURITY	COST	FAIR VALUE
FIXED INCOME SECURITIES (19.71%)			
U.S. GOVERNMENT (2.04%)			
United States Treasury Bonds*	various	$ 3,141,302	$ 3,376,945
United States Treasury Bills*	various	1,879,674	1,879,677
United States Treasury Notes*	various	3,616,734	3,666,787
			8,923,409
U.S. GOVERNMENT AGENCIES MORTGAGE BACKED (5.47%)			
FHLMC*	various	7,785,093	7,925,447
FNMA Pooled Certificates*	various	8,036,895	8,246,982
GNMA Pooled Certificates*	various	5,009,333	5,069,910
Other*	various	2,400,753	2,685,389
			23,927,728
FOREIGN GOVERNMENT (0.20%)*	various	801,891	890,382
CONVERTIBLE BONDS (0.08%)*	various	349,371	349,873
MUNICIPAL BONDS (0.47%)*	various	1,902,088	2,061,368
ASSET-BACKED SECURITIES (1.43%)			
Auto Loans*	various	604,096	612,688
Credit Cards*	various	327,344	326,877
Other*	various	4,867,413	5,298,383
			6,237,948
COLLATERALIZED MORTGAGE OBLIGATIONS (3.13%)*	various	13,920,029	13,700,704
CORPORATE BONDS (6.27%)			
Electric/Gas*	various	2,060,410	2,379,258
Finance*	various	11,169,875	11,656,082
Industrial*	various	9,822,516	10,917,816
Telephone*	various	814,441	977,073
Other*	various	1,946,817	1,478,917
			27,409,146
YANKEE BONDS (0.60%)*	various	2,512,506	2,613,456
PRIVATE PLACEMENT (0.01%)*	various	59,092	62,551
TOTAL FIXED INCOME SECURITIES (cost of $83,027,675)			$ 86,176,564

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Summary Schedule of Investments - continued
June 30, 2012

		FAIR VALUE
PRIVATE INVESTMENTS (24.23%)		
Act II Partners LP Hedge Fund	$	11,582,660
Convexity Capital Offshore L.P.		24,910,108
Capital Guardian Emerging Markets Growth Fund Inc.		17,229,549
Green Eagle Credit Ltd.		6,604,601
Karsch Capital Ltd.		10,525,680
Regiment Capital Ltd.		7,851,696
Rexiter Active Emerging Markets Non-Lending QIB Common Trust Fund		12,337,727
Other *		14,885,863
TOTAL PRIVATE INVESTMENTS (cost of $90,199,772)		105,927,884
MUTUAL FUNDS (13.59%)		
Franklin Templeton Emerging Markets Debt Opportunities Fund		21,868,997
Lazard Emerging Markets Equity Portfolio		19,631,852
T. Rowe Price Japan Fund		5,068,981
Other*		12,828,244
TOTAL MUTUAL FUNDS (cost of $65,134,117)		59,398,074
MONEY MARKET INSTRUMENTS (1.73%)*		
(cost of $7,583,831)		7,583,831
TOTAL INVESTMENTS (cost of $396,563,145)	$	437,159,369

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Summary Schedule of Investments - continued
June 30, 2012

		FAIR VALUE
PURCHASED OPTIONS (0.00%)		
(Premiums paid of $23,613)	$	4,875
SWAP CONTRACTS (0.00%)		
(Premiums paid of $3,701)	$	212
WRITTEN OPTIONS (0.00%)		
(Proceeds received of $16,275)	$	(2,925)

		NET UNREALIZED APPRECIATION/ (DEPRECIATION)
FUTURES CONTRACTS [1] (0.00%)	$	(17,422)

(1) Net unrealized depreciation on futures contracts is included in variation margin payable on the statement of net assets.

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Statement of Operations
Year ended June 30, 2012

INVESTMENT INCOME:		
Interest	$	4,933,499
Dividends (net of foreign witholding taxes of $51,772)		6,305,281
TOTAL INVESTMENT INCOME		11,238,780
EXPENSES:		
Investment advisory fees		2,007,285
Custodial and recordkeeping fees		158,629
Related party service fees		765,980
Contract services		3,123
Audit fees		34,617
TOTAL EXPENSES		2,969,634
NET INVESTMENT INCOME		8,269,146
NET REALIZED AND CHANGE IN UNREALIZED DEPRECIATION ON INVESTMENTS:		
Net realized gain on investments		44,378,309
Net change in unrealized depreciation on investments		(59,972,290)
NET LOSS ON INVESTMENTS		(15,593,981)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	$	(7,324,835)

The accompanying notes are an integral part of these financial statements.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Statement of Changes in Net Assets

Year ended June 30, 2012

OPERATIONS:		
Net investment income	$	8,269,146
Net realized gain on investments		44,378,309
Net change in unrealized depreciation on investments		(59,972,290)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS		(7,324,835)
UNIT TRANSACTIONS:		
Proceeds from unit subscriptions		2,300,000
Outflow from unit redemptions		(73,966,391)
NET DECREASE IN NET ASSETS RESULTING FROM UNIT TRANSACTIONS		(71,666,391)
NET DECREASE IN NET ASSETS		(78,991,226)
NET ASSETS AT BEGINNING OF YEAR		524,864,108
NET ASSETS AT END OF YEAR	$	445,872,882

The accompanying notes are an integral part of these financial statements.

NOTE A – ORGANIZATION AND INVESTMENT OBJECTIVE

The RCAB Collective Investment Partnership (the "Partnership") was established on September 19, 1995 to act and serve as an investment pool for the Common Investment Fund, Roman Catholic Archbishop of Boston; the Pension Plan and Trust of the Roman Catholic Archdiocese of Boston, the Caritas Christi Retirement Plan, and the Archdiocese of Boston Clergy Retirement/Disability Plan. The Partnership was formed pursuant to the Uniform Partnership Act as set forth in Chapter 108A of the General Laws of the Commonwealth of Massachusetts. During the year ended June 30, 2011, the Caritas Christi Retirement Plan initiated redemption of their position and a redemption payable of $286,058,800 was recorded. During the year ended June 30, 2012, this redemption was paid to the Caritas Christi Retirement Plan

The investment objective of the Partnership is to maximize long-term total return, primarily by investing in equity securities, investment grade debt and fixed income securities. State Street Corporation ("State Street") is the primary custodian of the Partnership's assets and record keeper of all related activities.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Partnership are described below:

Cash and Cash Equivalents

Cash and cash equivalents held by the Partnership represent money market funds held directly by the Partnership in accounts at banks and other financial institutions. Money market funds and mutual funds that are under the control of the investment managers are presented within investments in securities at fair value on the statement of net assets and are included in the summary schedule of investments.

Security Valuation

The fair value of investments in domestic and foreign securities listed on securities exchanges is valued at the last reported sale price. For those securities whose prices are not readily available through independent pricing services, bid price quotations are obtained by State Street from principal market makers in those securities or at fair value as determined in good faith by management. All other securities are recorded at fair value based on the net asset value per share on the valuation date as reported by the individual investment managers.

Securities Transactions and Investment Income

Securities transactions are recorded on a trade date basis. Realized gains and losses from securities are calculated using an average-cost basis. Interest is recorded on the accrual basis and dividends are recorded net of applicable withholding taxes on the ex-dividend date. The cost of bonds is adjusted for the amortization of premiums and accretion of discounts.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Foreign Currency Translation

The accounting records of the Partnership are maintained in U.S. dollars. Securities denominated in a foreign currency are translated into U.S. dollars at the prevailing rates of exchange at each period end. Purchases and sales of securities, income receipts and expense payments are priced in U.S. dollars at the prevailing exchange rate on the respective dates of the transactions. The impact of foreign currency translation is included in the computation of realized and unrealized gains and losses.

Expenses

Expenses are recognized using the accrual method of accounting.

Subscriptions and Redemptions

As a normal practice on the opening of business on the first day of a calendar quarter, units in the Partnership may be purchased or redeemed at the net asset value at the close of business on the immediately preceding business day. Redemptions are recognized as liabilities when each of the dollar amounts requested in the redemption notice becomes fixed, which generally occurs on the last day of the fiscal period. As a result, redemptions paid after the end of the year, but based upon the year-end net asset values, are reflected as redemptions payable. Redemption notices received for which the dollar amounts are not fixed or determinable remain in capital until the net asset value used to determine the withdrawal amounts are determined. As of June 30, 2012, the Partnership had redemptions payable of $8,100,000. Subscriptions received prior to the last day of the fiscal period are recorded as liabilities on the Statement of Net Assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense in net assets from operations during the reporting period. Significant estimates include the valuation of investments. Actual results could differ from those estimates.

NOTE C – INVESTMENTS

Asset-Backed Securities

Asset-backed securities are primarily collateralized by automobile loans, credit cards loans, and other asset-backed securities.

Collateralized Mortgage Obligations

The Partnership's portfolio includes collateralized mortgage obligations (CMO's), which are debt obligations collateralized by a pool of mortgages or mortgage-backed securities. CMOs separate the cash flows from the pool into "pieces" or "tranches" with various maturities. CMOs are structured such that the cash flow received from the underlying pool can be allocated, on a prioritized basis, among the classes of bonds comprising the CMO. The Partnership is subject to the risk of prepayment on CMO securities.

NOTE C – INVESTMENTS – Continued

Yankee Bonds

The Partnership's portfolio includes Yankee bonds, which are bonds denominated in U.S. dollars that are publicly issued in the U.S. by foreign banks and corporations.

Private Investments

As of the year ended June 30, 2012, the Partnership's assets included investments in twelve private investments. Private investments consist of investments in privately-held limited partnerships that typically offer subscription and redemption options to investors (See Note G). The Partnership's investment in private investments exposes the Partnership to varying degrees of credit, market and currency risk. In addition, the Partnership may be subject to additional counterparty risk should counterparties of the private investments fail to meet the terms of their contracts.

NOTE D – TAXES

For tax purposes, the Partnership has elected to be treated as a pass-through entity. The income or loss from the Partnership is allocated to the partners. The Partnership follows accounting guidance which requires recognition of the benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Partnership's management has reviewed the tax positions for open periods (current and prior) as applicable to the Partners, and determined that no provision for income tax is required in the Partnership's financial statements. Accordingly, no provision for income taxes is included in these financial statements.

NOTE E – FEES AND RELATED PARTY TRANSACTIONS

The investment advisory fees are based upon the market value of the Partnership's investments following a fee schedule agreed upon with individual managers. The custodial fees are based upon the fair market value of the Partnership's assets in custody, the number of transactions and a base fee. The Partnership currently utilizes twenty nine investment managers.

During the year ended June 30, 2012, the Partnership incurred a service fee from the Roman Catholic Archbishop of Boston, A Corporation Sole, a related organization, in the amount of $765,980. These service fees relate to administrative, accounting, technology and clerical services performed on behalf of the Partnership.

NOTE F – PARTNERSHIP UNITS

The Partnership Agreement authorizes the issuance of an unlimited number of units. Transactions in units of the Partnership were as follows for the year ended June 30, 2012:

Units at beginning of year	225,457,147
Units issued/subscribed	987,975
Units redeemed	(33,578,516)
Units at end of year	192,866,606

The net asset value per unit calculated at the close of the last business day of each quarter is used as the per unit price for any member investment activity (subscriptions and redemptions). The issuance and redemption of units is only permitted to occur on the first business day of a calendar quarter.

NOTE G – FAIR VALUE MEASUREMENTS

The investment valuation policy of the Partnership is to value investments at fair value, which is generally determined as the amount that could reasonably be expected to realize from an orderly disposition of securities and other financial instruments over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the valuation in a current sale and may not reflect an actual market price.

Portfolio securities listed on a securities exchange for which market quotations are readily available (including registered investment companies that are exchange traded) are valued at the last sale price or official closing price on each business day, or if there is no such reported sale or official closing price, at the most recent quoted bid price. Unlisted securities for which market quotations are readily available are valued at the most recent quoted bid price. If no sales are reported for that day, investments are valued at the last reported bid price, or at fair value as determined in good faith by the Partnership. Securities which are primarily traded on foreign exchanges are generally valued at the preceding closing values of such securities on their respective exchanges, and those values are then translated into U.S. dollars at the current exchange rate. Short-term investments with a remaining maturity of sixty days or less are valued at amortized cost which approximates fair value. Securities for which quotations are not readily available or whose values the Partnership has determined to be unreliable are valued at fair value as determined in good faith by the Partnership or other persons acting at their direction. Investments in registered investment companies (other than those that are exchange traded), if any, are valued at their respective net asset value.

Some fixed income securities are valued at the closing bid for such securities as supplied by a primary pricing source chosen by the Partnership. The Partnership evaluates such primary pricing sources on an ongoing basis, and may change a pricing source should it deem it appropriate.

Certain securities held by the Partnership were valued on the basis of a price provided by a principal market maker. The prices provided by the principal market makers may differ from the value that would be realized if the securities were sold and the differences could be material to the financial statements.

NOTE G – FAIR VALUE MEASUREMENTS – Continued

The independent fair value service may take into account multiple factors including, but not limited to, movements in the U.S. securities markets, certain depositary receipts, futures contracts and foreign currency exchange rates that have occurred subsequent to the close of foreign securities exchanges. A "significant event" is an event that the Partnership believes, with reasonably high degree of certainty, has caused the closing market prices of a Partnership's portfolio securities to no longer reflect their value at the time of the Partnership's net asset value calculation.

In accordance with the authoritative guidance on fair value measurements and disclosures under U.S. GAAP, the Partnership discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Partnership has the ability to access at the measurement date.

Level 2 - Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants would use in valuing a portfolio instrument. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3 - Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Partnership's own assumptions about the factors market participants would use in valuing a portfolio instrument, and would be based on the best information available.

Changes in valuation techniques may result in transfers in or out of current assigned level within the hierarchy. The Partnership recognizes transfers between fair value hierarchy levels at the approximate date or change in circumstances that causes the transfer. There were no significant transfers between the levels within the fair value hierarchy during the year.

The following is a description of the valuation techniques and inputs used for assets and liabilities measured at fair value, as well as the general classification pursuant to the valuation hierarchy.

Equity Securities and Mutual Funds

Investments in equity securities and mutual funds valued at the quoted prices in an active market are classified within Level 1 of the fair value hierarchy.

NOTE G – FAIR VALUE MEASUREMENTS – Continued

Corporate Debt, U.S. Government and Government Agency Securities

When quoted prices are available in an active market, corporate debt securities are classified within Level 1 of the fair value hierarchy. Quoted prices in inactive markets are classified within Level 2. If quoted market prices are not available or accessible, then fair values are estimated using pricing models, matrix pricing, or discounted cash flow models.

The fair values of corporate debt securities estimated using pricing models or matrix pricing based on observable prices of corporate debt securities that trade in inactive markets are generally classified within Level 2 of the fair value hierarchy.

Asset-backed Securities and Collateralized Mortgage Obligations

Asset-backed securities and collateralized mortgage obligations fair values are estimated using an evaluated bid process from multiple independent sources and are classified within Level 2 of the fair value hierarchy.

Derivatives

Generally, options, currency forwards and financial futures contracts are valued with quoted prices in an active market and are classified within Level 1 of the fair value hierarchy. Interest rate and credit default swaps have an estimated fair value using industry pricing models and are classified within Level 2 of the fair value hierarchy.

Alternative Investments

Alternative investments consist of investments in various privately-held investment funds. These investments are aggregated into private equity, high-yield, emerging markets, domestic fixed income, and commingled and hedge funds based on their underlying investments. The fair value of such investments is determined using the net asset value (NAV) per share as a practical expedient. The investments, which are redeemable at or near year-end at NAV per share, are classified within Level 2 of the fair value hierarchy; otherwise, they are classified within Level 3 of the fair value hierarchy.

The Partnership follows the guidance on fair value measurements and disclosures in its June 30, 2012 financial statements. The guidance effects how the Partnership measures the fair value of investments in certain entities that do not have a quoted market price but calculate net asset value (NAV) per share or its equivalent. As a practical expedient, the amendments permit, but do not require, the Partnership to measure the fair value of an investment in an investee within the scope of the amendments based on the investee's NAV per share or its equivalent.

NOTE G – FAIR VALUE MEASUREMENTS – Continued

The valuation methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Partnership believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date and that difference may be material to the entity's financial statements.

The following table summarizes the Partnership's assets and liabilities at fair value within the fair value hierarchy levels as of June 30, 2012:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets				
Investments in Securities				
Common Stock	$ 178,073,016	$ -	$ -	$ 178,073,016
Fixed Income	-	86,176,564	-	86,176,564
Private Investments	-	45,704,668	60,223,216	105,927,884
Mutual Funds	59,398,074	-	-	59,398,074
Money Market Funds	-	7,583,831	-	7,583,831
Purchased Options	4,875	-	-	4,875
Swap Contracts	-	212	-	212
Total Assets	$ 237,475,965	$ 139,465,275	$ 60,223,216	$ 437,164,456
Liabilities				
Written Options	(2,925)	-	-	(2,925)
Net unrealized depreciation on futures contracts*	(17,422)	-	-	(17,422)
Total Liabilities	$ (20,347)	$ -	$ -	$ (20,347)

* Net unrealized depreciation on futures contracts is included in variation margin payable on the statement of net assets.

NOTE G – FAIR VALUE MEASUREMENTS – Continued

The following table summarizes the changes in fair value of assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2012:

Beginning balance, July 1, 2011	$ 67,130,421
Purchases	-
Sales proceeds	(7,694,425)
Net realized gain/(loss) on investments	(645,112)
Net change in unrealized appreciation/(depreciation) on investments	1,432,332
Net transfers in/(out) of Level 3	-
Ending balance, June 30, 2012	$ 60,223,216

The table below presents additional information for the Partnership's alternative investments. There were no unfunded commitments on these investments as of June 30, 2012. These disclosures are required for all investments that are eligible to be valued using the practical expedient, regardless of whether the practical expedient has been applied.

	Fair value	Redemption restrictions at June 30, 2012	Redemption terms after restrictions
Level 3			
Equity Long/Short Funds	$ 22,108,340	2-3 month lockup	Monthly, 30-45 days notice
Relative Value/Market Neutral Funds	24,910,108	48 month lockup	Quarterly, 90 days notice
Credit Distressed/Event Driven Funds	10,890,245	7-24 month lockup	Quarterly/Semi-annual, 60-90 days notice
World Government Bond Funds	2,314,523	24 month lockup	Annual, 180 days notice
Total Level 3	60,223,216		
Level 2			
Global Emerging Market Equity Funds	29,567,276	None	None
High Yield Bond Funds	16,137,392	None	Quarterly/Annual, 60-90 days notice
Total Level 2	45,704,668		
Total Private Investments	$ 105,927,884		

NOTE G – FAIR VALUE MEASUREMENTS – Continued

Equity Long/Short Funds

This class includes two private investments that have equity long/short or equity hedged strategies. These entities maintain positions, both long and short, in primarily U.S. equity and equity derivative securities, with an objective to achieve capital appreciation while minimizing risk by investing primarily in equities and equity-related securities (on the long and short side).

Relative Value/Market Neutral Fund

This class includes one private investment with an investment thesis that is predicated on realization of a valuation discrepancy in the relationship between multiple securities. The fund employs a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. The investment objective is to earn the returns of the Barclays Aggregate Bond Index plus an additional return based on the success of long/short and other relative value strategies executed principally in the fixed income and related markets. The investment is subject to risks that the entity's investment exposure may potentially increase any adverse impact of movements in the fixed income markets.

Credit Distressed/Event Driven Funds

This class includes three private investments that employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value as a result of either formal bankruptcy proceedings or financial market perception of near term proceedings. The investment objective of these funds is to provide stable and superior returns, not intended to correlate to the returns of other U.S. fixed income and equity indices. The investments are subject to higher market risks associated with distressed investments.

Global Emerging Market Equity Fund

This class includes two private investments that invest in the emerging market equity universe. The funds' investments are focused in 26 emerging economies: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey and Venezuela. The investment objectives of these funds are to provide a total return in excess of the performance of the MSCI Emerging Markets Index over the long term. The investments are subject to risks associated with investments in emerging markets which can have volatile and limited trading volumes.

World Government Bond Funds

This class includes one private investment that invests in domestic and international government bond markets. Underlying investments have a remaining maturity of at least one year. The investment objectives are to achieve superior risk-adjusted absolute returns through investments in a broad range of government fixed income securities. These investments are subject to general economic and regulatory risk as well as the possibility that investments may be illiquid and unresponsive to economic change.

NOTE G – FAIR VALUE MEASUREMENTS – Continued

High Yield Bond Funds

This class includes three private investments that invest in both U.S. and non U.S. high yield corporate and non-corporate bonds. The non-corporate investments are Sovereign, Supranational, Foreign Agency, and Foreign Local Government bonds. The investments are focused towards bonds that are rated below investment grade at the time of purchase. These bonds have a higher risk of default or other adverse credit events, but typically pay higher yields than better quality bonds in order to make them attractive to investors.

NOTE H – DERIVATIVE FINANCIAL INSTRUMENTS AND RISK FACTORS

In the normal course of business, the Partnership's investment managers utilize derivative contracts in connection with their trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Partnership's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, foreign currency exchange rate, and equity price risks. In addition to its primary underlying risks, the Partnership is also subject to additional counterparty risk due to the inability of its counterparties to meet the terms of their contracts.

The Partnership follows the authoritative guidance on disclosures about derivative instruments and hedging activities which require the Partnership to disclose: a) how and why an entity uses derivative instruments, b) how derivative instruments and related hedged items are accounted for and c) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows.

Options

The Partnership may enter into options to speculate on the price movements of the financial instrument underlying the option, or for use as an economic hedge against certain equity positions held in the Partnership's portfolio holdings. Option contracts give the Partnership the right, but not the obligation, to buy or sell within a limited time, a financial instrument or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices. Options written by the Partnership may expose the Partnership to market risk of an unfavorable change in the financial instrument underlying the written option.

The Partnership is exposed to counter-party risk from the potential that a seller of an option contract does not sell or purchase the underlying asset as agreed under the terms of the option contract. The maximum risk of loss from counterparty risk to the Partnership is the fair value of the contracts and the premiums paid to purchase its open option contracts. The Partnership considers the credit risk of the intermediary counterparty to its option transactions in evaluating the potential credit risk.

Foreign Currency Exchange Forward Contracts

The Partnership may enter into foreign currency exchange forward contracts in connections with settling planned purchases or sales of securities, to fund periodic and non-periodic payments related to derivative transactions, for investment purposes and to hedge the currency exposure associated with some of the Partnerships' investments.

NOTE H – DERIVATIVE FINANCIAL INSTRUMENTS AND RISK FACTORS – Continued

Financial Futures Contracts

The Partnership may purchase or sell futures contracts to gain, reduce or otherwise manage its exposure to financial markets. Upon entering into a futures contract, the Partnership is required to deposit with its futures commission merchant an amount of cash or liquid securities in accordance with the initial margin requirements of the futures commission merchant or exchange. Subsequent payments known as variation margin are exchanged daily based on the settlement price of the exchange. The Partnership recognizes a gain or loss equal to the daily variation margin.

Although some financial futures contracts by their terms call for actual delivery or acceptance of financial instruments, in most cases, the contracts are closed out prior to delivery by offsetting purchases or sales of matching financial futures contracts. When the contracts are closed, the Partnership recognizes a realized gain or loss. Risks of entering into futures contracts include the possibility that there may be an illiquid market and/or that a change in the value of the contract may not closely correlate with changes in the value of the underlying securities.

Swap Contracts

The Partnership may enter into various swap contracts, including interest rate swaps, and credit default swaps as part of its investment strategies to hedge against unfavorable changes in the value of investments and to protect against adverse movements in interest rates or credit performance with counterparties. Generally, a swap contract is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified notional amount of the underlying assets. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

During the term of the swaps, changes in value are recognized as unrealized gains or losses by marking the contracts to fair value. Additionally, the Partnership records a realized gain (loss) when a swap contract is terminated and when periodic payments are received or made at the end of each measurement period, but prior to termination. Unrealized gains (losses), realized gains (losses) and periodic payments are reflected in the net gain or loss on investments in the statement of operations.

The fair value of open swaps reported in the statement of net assets may differ from that which would be realized in the event the Partnership terminated its position in the contract. Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the aggregate fair value of swap contracts in an unrealized gain position as well as any collateral posted with the counterparty. The risk is mitigated by having a master netting arrangement between the Partnership and the counterparty and by the posting of collateral by the counterparty to the Partnership to cover the Partnership's exposure to the counterparty. Therefore, the Partnership considers the creditworthiness of each counterparty to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in the fair value of the underlying investments.

The Partnership values its swap contracts at their fair values. Management calculates fair value by marking to market the assets and liabilities underlying the swap contracts.

NOTE H – DERIVATIVE FINANCIAL INSTRUMENTS AND RISK FACTORS – Continued

a) Interest Rate Swaps

The Partnership is exposed to interest rate risk when there is an unfavorable change in the value of investments as a result of adverse movements in the market interest rates. The Partnership enters into interest rate swap contracts to protect against such adverse movements in the interest rates.

Interest rate swaps are contracts whereby counterparties exchange different rates of interest on a specified notional amount for a specified period of time. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

b) Credit Default Swaps

The Partnership may enter into credit default swaps to manage its exposure to the market or certain sectors of the market, to reduce its risk exposure to defaults of corporate and sovereign issuers, or to create exposure to corporate or sovereign issuers to which it is not otherwise exposed.

Credit default swap contracts involve an arrangement between the Partnership and a counterparty which allow the Partnership to protect against losses incurred as a result of default by a specified reference entity. The Partnership pays a premium and the counterparty agrees to make a payment to compensate the Partnership for losses upon the occurrence of a specified credit event. Generally, the Partnership pays a premium upfront and the counterparty agrees to make a payment to compensate the Partnership for losses upon the occurrence of a specified credit event.

Statement of Net Assets

The following table provides volume of the Partnership's derivative activities and the related fair value of the included in the statement of net assets, categorized by primary underlying risk at June 30, 2012:

	Long Exposure		Short Exposure			
Primary underlying risk	**Number of Contracts**	**Notional Amount**	**Number of Contracts**	**Notional Amount**	**Assets**	**Liabilities**
Interest rate						
Financial futures	7	$ 1,654,872	55	$ 9,360,750	$ 4,097	$ 21,519
Credit						
Swap contracts	2	79,000	2	181,000	253,696	253,484
Foreign currency exchange rate						
Options	44	10,805,000	44	10,782,500	4,875	2,925

NOTE H – DERIVATIVE FINANCIAL INSTRUMENTS AND RISK FACTORS – Continued

Statement of Operations

The following table identifies the net gain and loss amounts included in the statement of operations as net realized and change in unrealized depreciation on investments for the year ended June 30, 2012:

Primary underlying risk		Net Realized Gain/ (Loss)	Net Change in Unrealized Appreciation/ (Depreciation)
Interest Rate			
Financial futures	$	151,903	(17,536)
Swap contracts		(584,806)	222,401
Credit			
Swap contracts		(574)	(456)
Foreign currency exchange rate			
Options		4,462	(12,043)
Forwards		(114,123)	131,881

NOTE I – MARKET AND CREDIT RISK

The profitability of the investments of the Partnership depends to a great extent upon correctly assessing the future course of price movements of specific securities and other investments. There can be no assurance that Management of the Partnership will be able to predict accurately these price movements. At times, the securities markets experience great volatility and unpredictability. With respect to the investment strategy utilized by Management, there is always some, and occasionally a significant, degree of market risk.

Investment outside the U.S. may involve certain risks not typically associated with investments in the U.S. The Partnership is subject to the risk of restrictions being imposed by foreign governments on the repatriation of cash and income, and to political or economic uncertainties that may offset the price of investments. Additionally, investing in emerging markets or countries with limited or developing markets may subject the Partnership to a further degree of risk than in developed markets.

NOTE J – COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Partnership enters into contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Partnership that have not yet occurred. However since inception and commencement of operations, the Partnership has not had any claims or losses pursuant to these contracts, and expects the risk of loss to be remote.

NOTE K – SUBSEQUENT EVENTS

In connection with the preparation of these financial statements, the Partnership has evaluated events and transactions through December 19, 2012, which is the date the financial statements were available for issuance.

Subsequent to June 30, 2012, the Partnership processed redemptions of $8,450,000 for its partners.