

**Investment
Advisory Committee
Members**

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Deacon. Charles I. Clough
Ms. Maureen E. Cullinane
Mr. Gerald Curtis
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Mr. James P. McDonough
Mr. Robert Morrissey
Mr. Thomas O'Neill
Mr. Thomas C. Stakem, Jr.

**Investment
Management Companies**

(for RCAB Collective Investment Partnership)
Alliance Capital Management L.P.
Boston Partners Asset Management, L.P.
Franklin Portfolio Associates
GE Asset Management Incorporated
Harris Associates L.P.
Institutional Capital Corp.
Lazard Asset Management
Loomis, Sayles & Company, L.P.
Numeric Investors Limited Partnership
Standish Mellon Asset Management
State Street Global Advisors
Western Asset Management

**Roman
Catholic
Archbishop
of Boston**

**COMMON
INVESTMENT
FUND**

*and RCAB COLLECTIVE
INVESTMENT PARTNERSHIP*

**Audited Financial Statements
Year ended
June 30, 2007**

**COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON**

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June 30, 2007

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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, 2007 and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period 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 audits.

We conducted our audits 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 management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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, 2007 and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period 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
January 17, 2008

COMMON INVESTMENT FUND
ROMAN CATHOLIC ARCHBISHOP OF BOSTON

Financial Highlights

(For a unit outstanding throughout the year)

Years ended June 30, 2007, 2006, 2005, 2004 and 2003

	<u>2007</u> ⁽¹⁾	<u>2006</u> ⁽¹⁾	<u>2005</u> ⁽¹⁾	<u>2004</u> ⁽¹⁾	<u>2003</u> ⁽¹⁾
Net asset value per unit - beginning of year	\$ 3.693	\$ 3.542	\$ 3.451	\$ 3.158	\$ 3.165
Income from investment operations:					
Net investment income ⁽²⁾	0.079	0.067	0.067	0.053	0.067
Net realized and unrealized gains on investments	0.430	0.230	0.164	0.372	0.045
Total from investment operations	0.509	0.297	0.231	0.425	0.112
Distributions from net investment income and capital gains	(0.153)	(0.146)	(0.140)	(0.132)	(0.119)
Net asset value per unit - end of year	\$ 4.049	\$ 3.693	\$ 3.542	\$ 3.451	\$ 3.158
Average total return ⁽³⁾	<u>14.00%</u>	<u>8.45%</u>	<u>6.79%</u>	<u>13.60%</u>	<u>3.85%</u>
Ratios/Supplemental Data:					
Net assets at end of year (in thousands)	\$ 217,783	\$ 195,898	\$ 173,850	\$ 143,821	\$ 133,389
Ratio of expenses to average net assets ⁽⁴⁾	<u>0.06%</u>	<u>0.06%</u>	<u>0.06%</u>	<u>0.05%</u>	<u>0.05%</u>
Ratio of net investment income to average net assets	<u>2.05%</u>	<u>1.85%</u>	<u>1.97%</u>	<u>1.58%</u>	<u>1.90%</u>
Ratio of net realized and unrealized gains on investments to average net assets	<u>11.16%</u>	<u>6.23%</u>	<u>4.85%</u>	<u>10.84%</u>	<u>0.85%</u>

(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) Average 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 assuming reinvestment of dividends.

(4) Expenses do not include investment advisory and custodial fees incurred directly by the RCAB Collective Investment Partnership which are netted herein with net investment income.

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

COMMON INVESTMENT FUND
ROMAN CATHOLIC ARCHBISHOP OF BOSTON
Statement of Net Assets
June 30, 2007

ASSETS:

Investment in RCAB Collective Investment	
Partnership, at fair value (cost of \$134,683,866)	\$ 219,234,913
Cash and cash equivalents	787,120
Short-term investments	533,373
TOTAL ASSETS	<u>220,555,406</u>

LIABILITIES:

Dividends payable	2,122,148
Unit subscriptions received in advance	650,488
TOTAL LIABILITIES	<u>2,772,636</u>

NET ASSETS \$ 217,782,770

UNITS OUTSTANDING AT END OF YEAR 53,783,091

NET ASSET VALUE PER UNIT \$ 4.049

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

COMMON INVESTMENT FUND
ROMAN CATHOLIC ARCHBISHOP OF BOSTON
Statement of Operations
Year ended June 30, 2007

INVESTMENT INCOME:

Net investment income allocated from RCAB Collective Investment Partnership	\$	4,364,953
Interest from cash equivalents and short-term investments		<u>30,666</u>
TOTAL INVESTMENT INCOME		4,395,619

EXPENSES:

Administrative and service fees		<u>116,335</u>
NET INVESTMENT INCOME		4,279,284

**REALIZED AND CHANGE IN UNREALIZED GAIN ON INVESTMENT
IN RCAB COLLECTIVE INVESTMENT PARTNERSHIP ("CIP"):**

Net realized gain on sale of CIP units		2,563,650
Net realized gain allocated from CIP		8,374,669
Change in net unrealized appreciation on investments allocated from CIP		<u>12,308,186</u>
NET REALIZED AND UNREALIZED GAIN		23,246,505

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$	<u>27,525,789</u>
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The accompanying notes are an integral part of the financial statements.

COMMON INVESTMENT FUND
ROMAN CATHOLIC ARCHBISHOP OF BOSTON

Statements of Changes in Net Assets

Years ended June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
OPERATIONS:		
Net investment income	\$ 4,279,284	\$ 3,484,265
Net realized gain on investments	10,938,319	12,521,707
Change in net unrealized appreciation (depreciation) on investments	<u>12,308,186</u>	<u>(796,038)</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	27,525,789	15,209,934
DISTRIBUTIONS:		
From net investment income	(4,279,284)	(3,484,265)
From capital gains	<u>(3,984,602)</u>	<u>(4,111,931)</u>
TOTAL DISTRIBUTIONS	(8,263,886)	(7,596,196)
UNIT TRANSACTIONS:		
Proceeds from unit subscriptions	12,558,983	20,417,173
Payments on units redeemed	<u>(9,936,132)</u>	<u>(5,982,838)</u>
NET INCREASE IN NET ASSETS RESULTING FROM UNIT TRANSACTIONS	<u>2,622,851</u>	<u>14,434,335</u>
NET INCREASE IN NET ASSETS	21,884,754	22,048,073
NET ASSETS AT BEGINNING OF YEAR	<u>195,898,016</u>	<u>173,849,943</u>
NET ASSETS AT END OF YEAR	\$ <u>217,782,770</u>	\$ <u>195,898,016</u>

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

**COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON**

Notes to Financial Statements

June 30, 2007

NOTE A - THE FUND

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 investments of the Fund were combined with the investments of the Pension Plan and Trust of the Roman Catholic Archdiocese of Boston, and the Archdiocese of Boston Clergy Retirement/Disability Plan, related organizations of the Corporation Sole, on October 1, 1995 under a plan of conversion approved by the Investment Committee of the Corporation Sole. The value of the Fund's investment in the resulting entity, the RCAB Collective Investment Partnership (the "Partnership"), reflects its proportionate interest in the net assets of the Partnership (25.91% at June 30, 2007).

The Fund seeks to achieve its investment objective of maximizing long-term return by investing all of its net investable assets 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:

Investments

The Fund records its investment in the Partnership at the net asset value per unit. Investment securities of the Partnership are recorded at fair value as indicated in the notes to its financial statements.

At June 30, 2007, approximately 17% of the Partnership's investments were with private investment entities. A portion of the investments held by these entities is not actively traded and has been valued by the investment managers. The estimated fair value of these investments is subject to uncertainty and therefore may differ from the value that would have been determined had a ready market for such investments existed. Such differences could be material.

**COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON**
Notes to Financial Statements
June 30, 2007

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Investment Income

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.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

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 previous quarter end.

NOTE C - FEES AND RELATED PARTY TRANSACTIONS

During the year ended June 30, 2007, the Fund incurred service fees from the Corporation Sole, a related organization, in the amount of \$96,232 for administrative and clerical services performed on behalf of the Fund.

NOTE D - TAXES

The Fund is organized as a Massachusetts trust which serves as an investment pool for tax-exempt entities under the direction and control of, or related to, the Corporation Sole. As a grantor trust, all items of income and expense of the trust are reported on the grantor's reports. Accordingly, no provision for income taxes is included in these financial statements.

**COMMON INVESTMENT FUND,
ROMAN CATHOLIC ARCHBISHOP OF BOSTON**

Notes to Financial Statements

June 30, 2007

NOTE E - MEMBERS' UNITS

The Fund's Trust Agreement authorized the issuance of an unlimited number of units. Transactions in units of the Fund were as follows for the years ended June 30, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Units at beginning of year	53,046,177	49,076,661
Units issued/subscribed	3,322,501	5,621,291
Units redeemed	<u>(2,585,587)</u>	<u>(1,651,775)</u>
Units at end of year	<u>53,783,091</u>	<u>53,046,177</u>

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 (purchases, dividend reinvestments and redemptions). Investment activity is only permitted to occur on the first business day of a calendar quarter. Deposits made by members to be invested on July 1 are reflected as unit subscriptions received in advance in the accompanying statement of assets and liabilities.

NOTE F - OTHER MATTERS

Due to volatility in the domestic and international fixed income and equity markets, the fair value of some of the Partnership's investments, which directly affects the fair value of the Fund's investment in the Partnership, may currently be lower than shown in the Partnership's Summary Schedule of Investments. The values shown in that schedule were the fair values as of June 30, 2007 and do not reflect any market events after such date.

To the Trustee
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, 2007, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period 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 audits.

We conducted our audits 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 audits provide 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, 2007 and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period 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
January 17, 2008

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Financial Highlights

(For a unit outstanding throughout the year)

Years ended June 30, 2007, 2006, 2005, 2004 and 2003

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Net asset value per unit - beginning of year	\$ 1.829	\$ 1.686	\$ 1.577	\$ 1.386	\$ 1.334
Income from investment operations:					
Net investment income ⁽¹⁾	0.041	0.033	0.032	0.025	0.030
Net realized and unrealized gains on investments	<u>0.217</u>	<u>0.110</u>	<u>0.077</u>	<u>0.166</u>	<u>0.022</u>
Total from investment operations	<u>0.258</u>	<u>0.143</u>	<u>0.109</u>	<u>0.191</u>	<u>0.052</u>
Dividend distributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net asset value per unit - end of year	<u>\$ 2.087</u>	<u>\$ 1.829</u>	<u>\$ 1.686</u>	<u>\$ 1.577</u>	<u>\$ 1.386</u>
Average total return ⁽²⁾	<u>14.09%</u>	<u>8.50%</u>	<u>6.91%</u>	<u>13.76%</u>	<u>3.91%</u>
Ratios/Supplemental Data:					
Net assets at end of year (in thousands)	<u>\$ 846,106</u>	<u>\$ 755,646</u>	<u>\$ 690,883</u>	<u>\$ 620,654</u>	<u>\$ 563,566</u>
Ratio of expenses to average net assets	<u>0.75%</u>	<u>0.70%</u>	<u>0.68%</u>	<u>0.70%</u>	<u>0.67%</u>
Ratio of net investment income to average net assets	<u>2.09%</u>	<u>1.88%</u>	<u>2.00%</u>	<u>1.63%</u>	<u>2.18%</u>
Ratio of net realized and unrealized gains on investments to average net assets	<u>11.06%</u>	<u>6.14%</u>	<u>4.75%</u>	<u>10.79%</u>	<u>1.52%</u>

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

⁽²⁾ Average 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.

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Statement of Net Assets

June 30, 2007

ASSETS:

Investments in securities, at fair value (cost of \$789,059,969)	\$ 875,250,236
Cash and cash equivalents	1,517,819
Cash and cash equivalents restricted for financial futures contracts and securities sold short	46,047,432
Unrealized gain on financial futures contracts	237,448
Receivable for securities sold	13,265,039
Dividends and interest receivable	2,110,182
TOTAL ASSETS	<u>938,428,156</u>

LIABILITIES:

Securities sold short, at fair value (proceeds received \$39,504,498)	43,413,805
Payable for securities purchased	46,836,486
Accrued expenses	2,071,952
TOTAL LIABILITIES	<u>92,322,243</u>

NET ASSETS \$ **846,105,913**

NET ASSETS CONSISTS OF:

Paid-in capital	\$ 432,575,210
Undistributed net investment income	129,723,654
Accumulated net realized gains on investments	201,288,641
Net unrealized appreciation (depreciation) on:	
Investments in securities	86,190,267
Financial futures contracts	237,448
Securities sold short	(3,909,307)
Net unrealized appreciation on investments	<u>82,518,408</u>

NET ASSETS \$ **846,105,913**

UNITS OUTSTANDING AT END OF YEAR **405,384,683**

NET ASSET VALUE PER UNIT \$ **2.087**

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Statement of Operations

Year ended June 30, 2007

INVESTMENT INCOME:

Interest	\$ 15,219,562
Dividends	7,319,061
TOTAL INVESTMENT INCOME	<u>22,538,623</u>

EXPENSES:

Investment advisory fees	4,291,789
Custodial and record keeping fees	404,206
Administrative and service fees	801,706
Foreign withholding taxes	539,637
TOTAL EXPENSES	<u>6,037,338</u>
NET INVESTMENT INCOME	<u>16,501,285</u>

NET REALIZED AND CHANGE IN UNREALIZED GAIN (LOSS)**ON INVESTMENTS:**

Net realized gain (loss) on:

Investments in securities	41,619,898
Financial futures contracts	6,713,044
Securities sold short	(5,056,148)
Forward foreign currency contracts	(29,448)
NET REALIZED GAIN	<u>43,247,346</u>

Changes in net unrealized gain (loss):

Investments in securities	50,747,457
Financial futures contracts	(957,006)
Securities sold short	(4,054,100)
CHANGE IN NET UNREALIZED GAIN	<u>45,736,351</u>
NET REALIZED AND UNREALIZED GAIN	<u>88,983,697</u>

NET INCREASE IN NET ASSETS**RESULTING FROM OPERATIONS****\$ 105,484,982**

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Statements of Changes in Net Assets

Years ended June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
OPERATIONS:		
Net investment income	\$ 16,501,285	\$ 13,723,890
Net realized gain on investments	43,247,346	48,136,297
Change in net unrealized gain on investments	<u>45,736,351</u>	<u>(3,222,340)</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>105,484,982</u>	<u>58,637,847</u>
UNIT TRANSACTIONS:		
Proceeds from unit subscriptions	2,700,000	20,500,000
Payments on units redeemed	<u>(17,725,000)</u>	<u>(14,375,000)</u>
NET (DECREASE) INCREASE IN NET ASSETS RESULTING FROM UNIT TRANSACTIONS	<u>(15,025,000)</u>	<u>6,125,000</u>
NET INCREASE IN NET ASSETS	90,459,982	64,762,847
NET ASSETS AT BEGINNING OF YEAR	<u>755,645,931</u>	<u>690,883,084</u>
NET ASSETS AT END OF YEAR	<u>\$ 846,105,913</u>	<u>\$ 755,645,931</u>

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Condensed Schedule of Investments

June 30, 2007

	FAIR VALUE
SECURITIES HELD LONG	
COMMON STOCK (53.6%)	
Domestic (40.2%)	
Consumer - Discretionary	\$ 60,679,441 *
Consumer - Staples	17,526,634
Energy	20,861,189
Financial	60,713,124 *
Health Care	37,901,867
Industrial	45,062,542 *
Information Technology	62,066,713 *
Materials	18,979,324
Telecommunication Services	7,092,865
Utilities	8,779,457
Venture Capital	488,963
	<u>340,152,119</u>
Foreign (13.4%)	
Australia	4,065,686
Austria	1,870,816
Belgium	830,435
England	18,981,760
Finland	1,789,040
France	12,803,863
Germany	18,433,478
Hong Kong	531,728
Ireland	2,595,344
Italy	4,960,920
Japan	20,743,563
Netherlands	5,809,752
Singapore	1,298,244
Spain	4,269,884
Sweden	3,860,336
Switzerland	10,735,807
	<u>113,580,656</u>
TOTAL EQUITY SECURITIES (Cost of \$384,084,987)	<u>453,732,775</u>

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

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Condensed Schedule of Investments - Continued
June 30, 2007

	<u>RATE / MATURITY</u>	<u>PAR VALUE</u>	<u>FAIR VALUE</u>
FIXED INCOME SECURITIES (27.6%)			
U.S. GOVERNMENT (4.1%)			
United States Treasury Bonds	4.50% - 5.25% 11/15/28 - 2/15/37	\$ 6,266,000	\$ 5,751,045
United States Treasury Notes	4.25% - 5.13% 6/30/08 - 10/15/10	29,011,000	28,419,004
			<u>34,170,049</u>
U.S. GOVERNMENT AND GOVERNMENT SPONSORED AGENCIES MORTGAGE-BACKED SECURITIES (9.9%)			
FHLMC	3.50% - 6.00% 10/1/09 - 12/1/99	24,805,654	24,199,285
FNMA Pooled Certificates	3.11% - 7.00% 5/1/10 - 12/1/99	52,338,380	50,770,514 *
GNMA Pooled Certificates	2.71% - 8.00% 11/16/10 - 10/16/33	8,351,704	8,123,905
			<u>83,093,704</u>
U.S GOVERNMENT AGENCY (0.0%)	5.00% - 5.55% 12/15/23 - 12/25/35	361,483	<u>360,888</u>
MUNICIPAL (0.2%)	6.00% - 7.50% 6/1/23 - 6/1/47	2,074,770	<u>2,057,760</u>
ASSET-BACKED SECURITIES (2.0%)			
Auto Loans	1.00% - 5.80% 10/15/10 - 9/9/13	2,879,078	2,845,358
Other	2.00% - 9.25% 1/15/10 - 7/12/38	14,487,890	14,390,317
			<u>17,235,675</u>
COMMERCIAL MORTGAGE - BACKED SECURITIES (0.6%)	3.377% - 7.12% 1/16/23 - 7/11/43	4,951,217	<u>4,950,315</u>
COLLATERALIZED MORTGAGE OBLIGATIONS (4.0%)	2.95% - 6.50% 3/16/19 - 10/12/52	34,253,328	<u>33,467,286</u>
CORPORATE BONDS (6.3%)			
Electric/Gas	3.60% - 7.500% 8/15/07 - 6/15/37	5,900,000	5,841,555
Finance	3.50% - 9.63% 8/15/07 - 7/1/37	27,513,000	27,127,064
Industrial	3.88% - 8.75% 2/15/09 - 6/15/37	15,703,000	15,479,393
Telephone	5.45% - 8.88% 5/15/08 - 6/1/36	4,460,000	4,527,038
Energy	5.38% 3/17/07	485,000	465,137
			<u>53,440,187</u>

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

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Condensed Schedule of Investments - Continued
June 30, 2007

	<u>RATE / MATURITY</u>	<u>PAR VALUE</u>	<u>FAIR VALUE</u>
PRIVATE PLACEMENT (0.0%)	5.70% 2/15/17	\$ 250,000	\$ <u>245,022</u>
YANKEE BONDS (0.5%)			
Canadian	5.63% - 6.25% 10/15/16 - 2/1/38	675,000	650,389
Other Yankee	6.15% - 7.20% 5/1/14 - 2/27/37	3,568,000	3,483,497
			<u>4,133,886</u>
TOTAL FIXED INCOME SECURITIES (Cost of \$237,117,453)			<u>233,154,772</u>
PRIVATE INVESTMENT ENTITIES (17.2%)			
Western Asset Management Absolute Return Strategy, LLC (12.8%)			107,645,260
State Street - Active Emerging Markets Common Trust Fund (4.5%)			37,839,640
TOTAL INVESTMENT ENTITIES (Cost of \$121,978,084)			<u>145,484,900</u>
MUTUAL FUNDS - JAPAN FUNDS (3.1%) (Cost of \$29,000,000)			<u>26,001,283</u>
MONEY MARKET INSTRUMENTS (2.0%) (Cost of \$16,879,445)			<u>16,879,445</u>
TOTAL INVESTMENTS (Cost of \$789,059,969) (103.4% of Net Assets)			<u>\$ 875,250,236</u>

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP
Condensed Schedule of Investments - Continued
June 30, 2007

SECURITIES SOLD SHORT	<u>FAIR VALUE</u>	
COMMON STOCK		
Consumer - Discretionary	\$	7,851,257
Consumer - Staples		2,663,796
Energy		3,598,244
Financial		5,283,441
Health Care		3,743,189
Industrial		6,179,127
Information Technology		4,765,337
Materials		4,800,903
Telecommunications		1,176,783
Utilities		<u>3,351,728</u>
TOTAL SECURITIES SOLD SHORT (Proceeds of \$39,504,498)	\$	<u>43,413,805</u>
(5.1% of Net Assets)		
 FINANCIAL FUTURES CONTRACTS		
	<u>NOTIONAL VALUE</u>	<u>UNREALIZED GAIN</u>
Bear Stearns - S & P 500 Composite Index Futures Contracts	\$ <u>46,598,550</u>	\$ <u>237,448</u>

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

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Notes to Financial Statements

June 30, 2007

NOTE A - THE PARTNERSHIP

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 (Common Investment Fund); the Pension Plan and Trust of the Roman Catholic Archdiocese of Boston (Pension Plan); the Caritas Christi Retirement Plan (Caritas) and the Archdiocese of Boston Clergy Retirement/Disability Plan (Clergy 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.

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 recordkeeper of all related activities.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Security Valuation

The fair value of investments in domestic securities is determined by State Street which obtains bid price quotations from independent pricing services on most securities. Investments in foreign securities are fair valued by State Street at the mean between bid and asked prices. For those securities whose prices are not 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. Cash and cash equivalents, including money market instruments, held by active investment managers are classified as investments in the accompanying statement of net assets.

Investments in private investment entities are recorded at fair value based on the net asset value per share as reported by such entities. At June 30, 2007, there were two investments in such entities with a recorded fair value of \$145,484,900. See Note C for additional information.

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 on the ex-dividend date. The cost of bonds is adjusted for the amortization of premiums and accretion of discounts.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Notes to Financial Statements - Continued

June 30, 2007

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Foreign Currency Translation

The accounting records of the fund are maintained in U.S. dollars. Investment 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.

NOTE C - INVESTMENTS

Mortgage-Backed Securities

The Partnership invests in mortgage-backed securities that provide a cash flow "pass through" of principal and interest from an underlying pool of mortgage loans. The Partnership is subject to the risk of prepayment on this portfolio.

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 so that the cash flow received from the underlying pool can be allocated, on a prioritized basis, among the classes of bonds comprising the CMO. As with mortgage-backed securities, the Partnership is subject to the risk of prepayment on CMO securities.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Notes to Financial Statements - Continued

June 30, 2007

NOTE C - INVESTMENTS - Continued

Asset-Backed Securities

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

Financial Futures Contracts

The Partnership buys and sells financial futures contracts to replicate the return of the S&P 500 Composite Index. At the time the Partnership enters into a financial futures contract, it is required to deposit with its broker a specified amount of cash or U.S. government securities, known as "initial margin", ranging upward from 1.1% of the value of the contract being traded. Each day, the futures contract is valued at the official settlement price of the board of trade or U.S. commodity exchange on which the contract is traded. Subsequent payments, known as "variation margin", to and from the broker are made on a daily basis as the market price of the contract fluctuates.

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 correlate with changes in the value of the underlying securities. Daily contract valuations are recorded by the Partnership as unrealized gains or losses. At June 30, 2007, these contracts had an unrealized gain of \$237,448.

Securities Sold Short

The Partnership hedges its long position in investments against changes in value by engaging in short sale transactions. Short sales (sales of securities not yet purchased) represent an obligation to acquire the underlying securities at market prices in the future. Market risk to the Partnership arises from the possible increase in the market value of securities that the Partnership is required to deliver in the future. The Partnership is required to establish an account with the broker lending the security sold short. While the short sale is outstanding, the broker retains the proceeds of the short sale and the Partnership instructs the broker to maintain, in a separate account, cash or securities having a value at least equal to the amount of the securities sold short. Potential gains are limited to the price at which the Partnership sold the security short, while potential losses are unlimited.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Notes to Financial Statements - Continued

June 30, 2007

NOTE C - INVESTMENTS - Continued

Private Investment Entities

The Partnership's assets include investments in two private investment entities, Western Asset Absolute Return Strategy, LLC (Absolute Return) and State Street Active Emerging Markets Common Trust Fund (Emerging Markets Fund). Absolute Return's sole investment is a 53.3% investment in Western Asset Absolute Return Strategy Master Fund, Ltd. (Master Fund). The stated investment objective of the Master Fund is to maximize long-term total return primarily by investing at least 50% of its assets in investment grade debt and fixed income securities. In addition, the Master Fund invests in various other Western Asset Management funds, repurchase agreements and various derivative instruments. Absolute Return's investments are valued by a third-party pricing service which determines valuations based on market transactions for comparable securities or at fair value as determined in good faith by its management.

The Emerging Markets Fund's investment objective is to outperform the return of the Morgan Stanley Capital International Emerging Markets Free Index. The Emerging Markets Fund's exposure to markets outside the benchmark is not to exceed 15% of its net assets. State Street Bank is trustee, custodian and recordkeeper of the Emerging Markets Fund. This Fund invests in international capital markets which are developing and its investments may involve greater risks than investments in more developed markets and the prices of such investments may be volatile.

NOTE D - TAXES

For tax purposes, the Partnership is treated as a pass-through entity. The income or loss from the Partnership is allocated to the partners. 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 twelve investment managers.

During the year ended June 30, 2007, the Partnership incurred a service fee from the Roman Catholic Archbishop of Boston, A Corporation Sole, a related organization, in the amount of \$772,880 for administrative and clerical services performed on behalf of the Partnership.

RCAB COLLECTIVE INVESTMENT PARTNERSHIP

Notes to Financial Statements - Continued

June 30, 2007

NOTE F - MEMBERS' UNITS

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

	<u>2007</u>	<u>2006</u>
Units at beginning of year	413,075,090	409,766,436
Units issued	1,475,959	11,437,430
Units redeemed	<u>(9,166,366)</u>	<u>(8,128,776)</u>
Units at end of year	<u>405,384,683</u>	<u>413,075,090</u>

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 (purchases, dividend reinvestments and redemptions). The issuance and redemption of units is only permitted to occur on the first business day of a calendar quarter.

NOTE G – OTHER MATTERS

Due to volatility in the domestic and international fixed income and equity markets, the fair value of some of the Partnership's investments may currently be lower than shown in the Summary Schedule of Investments. The values shown in that schedule were the fair values as of June 30, 2007 and do not reflect any market events after such date.