



Muhlenkamp Fund

Intelligent Investment Management

ANNUAL REPORT

December 31, 2006

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This report is not authorized for distribution to prospective investors unless preceded or accompanied by a prospectus of the Muhlenkamp Fund. Please call 1-800-860-3863 for a current copy of the prospectus. Read it carefully before you invest.

MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

Dear Fellow Shareholders:

The Trustees and Management of the Muhlenkamp Fund are pleased to present this Annual Report of your Fund.

2006 was a difficult year for us. Although our expectations on the economy were reasonably accurate (a soft landing), our expectations for the performance of some of our stocks were not. Specifically, we did not anticipate the degree and rapidity in which orders for new homes evaporated and the backlogs of homebuilders shrank. We also did not anticipate the repeat of unusually warm weather, causing the price of natural gas to fall dramatically. We have been encouraged by the action of the management of our companies. As their businesses slowed, they've used the resulting cash flows to buy in stock. We do think this will benefit us going forward.

When I write these letters, my challenge always lies in how best to describe to you what we're seeing in the economy and the marketplace. To do that, I find that I have to put current observations in context of what went before. It helps me a lot to read our prior newsletters. It particularly helps to understand a "transition" year like 2006.

A full description of what we saw during 2006 goes beyond the length of this letter. A more thorough description is contained in *Muhlenkamp Memorandum* #81 and in our November 9, 2006 seminar, "Where to from Here," both of which are available on our website (www.muhlenkamp.com). For those of you who have not received *Muhlenkamp Memorandum* #81 (because you own the Fund through a third party), copies of the 'Memorandum are available on request and the seminar presentation is available on a free DVD. If you do not have a DVD player, we can also provide a transcript.

Because we like the investment climate and we think the "transition period" is over, we think it's an opportune time to be investing money in our companies' stocks.

Ronald H. Muhlenkamp



President

February, 2007

Opinions expressed are those of Ronald H. Muhlenkamp and are subject to change, are not guaranteed, and should not be considered investment advice.

Mutual fund investing involves risk. Principal loss is possible.

Cash flow — measures the cash generating capability of a company by adding non-cash charges (e.g. depreciation) and interest expense to pretax income.

MUHLENKAMP FUND
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**Average Annual Total Returns
as of December 31, 2006**

<u>Muhlenkamp Fund</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>	<u>Fifteen Year</u>	<u>Since Inception*</u>
Return Before Taxes	4.08%	11.82%	10.64%	13.29%	14.52%	14.01%
Return After Taxes on Distributions**	3.95%	11.71%	10.58%	13.07%	14.23%	13.66%
Return After Taxes on Distributions and Sale of Fund Shares**	2.83%	10.20%	9.29%	11.89%	13.25%	12.81%
S&P 500***	15.80%	10.44%	6.19%	8.42%	10.64%	11.82%

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.muhlenkamp.com. The Fund imposes a 2.00% redemption fee on shares held less than 30 days. Performance shown does not reflect this fee. If reflected, returns would be lower.

Investment returns can vary significantly between returns before taxes and returns after taxes.

The Muhlenkamp Fund is providing the returns in the above table to help our shareholders understand the magnitude of tax costs and the impact of taxes on the performance of the Fund.

* Operations commenced on November 1, 1988.

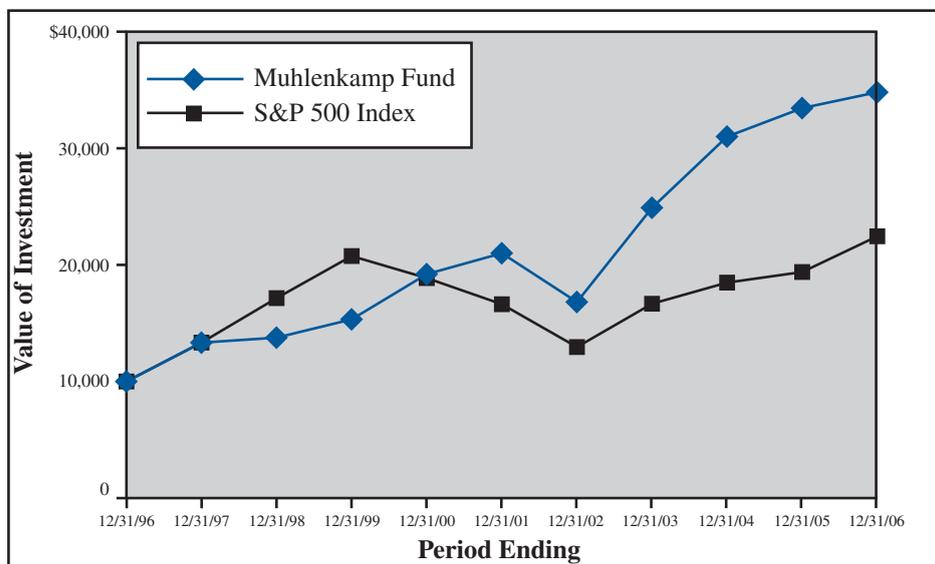
** After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on your situation and may differ from those shown. Furthermore, the after-tax returns shown are not relevant to those who hold their shares through tax-deferred arrangements such as 401(k) plans or IRAs. Remember, the Fund's past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future.

*** The S&P 500 Index is a widely recognized, unmanaged index of common stock prices. The figures for the S&P 500 Index reflect all dividends reinvested but do not reflect any deductions for fees, expenses or taxes. One cannot invest directly in an index.

MUHLENKAMP FUND (A Portfolio of the Wexford Trust)

Period Ending	Total Return %		Cumulative Return %	
	Muhlenkamp Fund	S&P 500 Index	Muhlenkamp Fund	S&P 500 Index
12/31/97	33.3	33.4	33.3	33.4
12/31/98	3.2	28.6	37.6	71.6
12/31/99	11.4	21.0	53.2	107.6
12/31/00	25.3	(9.1)	92.0	88.7
12/31/01	9.3	(11.9)	109.9	66.2
12/31/02	(19.9)	(22.1)	68.1	29.5
12/31/03	48.1	28.7	149.0	66.7
12/31/04	24.5	10.9	210.0	84.8
12/31/05	7.9	4.9	234.5	93.9
12/31/06	4.1	15.8	248.2	124.5

A Hypothetical \$10,000 Investment in the Muhlenkamp Fund



The Standard & Poor's 500 Stock Index ("S&P 500 Index") is a market value-weighted index, representing the aggregate market value of the common equity of 500 stocks primarily traded on the New York Stock Exchange. This chart assumes an initial gross investment of \$10,000 made on 12/31/96. The line graph does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown include the reinvestment of all dividends.

MUHLENKAMP FUND
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EXPENSE EXAMPLE
December 31, 2006 (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments, reinvested dividends, or other distributions; redemption fees; and exchange fees; and (2) ongoing costs, including management fees; distribution and/or service fees; and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (7/1/06 – 12/31/06).

Actual Expenses

The first line of the table provides information about actual account values and actual expenses. Although the Fund charges no sales load or transaction fees, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Fund's transfer agent. If you request that a redemption be made by wire transfer, currently a \$15.00 fee is charged by the Fund's transfer agent. IRA accounts will be charged a \$15.00 annual maintenance fee. The example below includes, but is not limited to, management fees, shareholder servicing fees, fund accounting, custody and transfer agent fees. However, the example below does not include portfolio trading commissions and related expenses, and other extraordinary expenses as determined under generally accepted accounting principles. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or

MUHLENKAMP FUND (A Portfolio of the Wexford Trust)

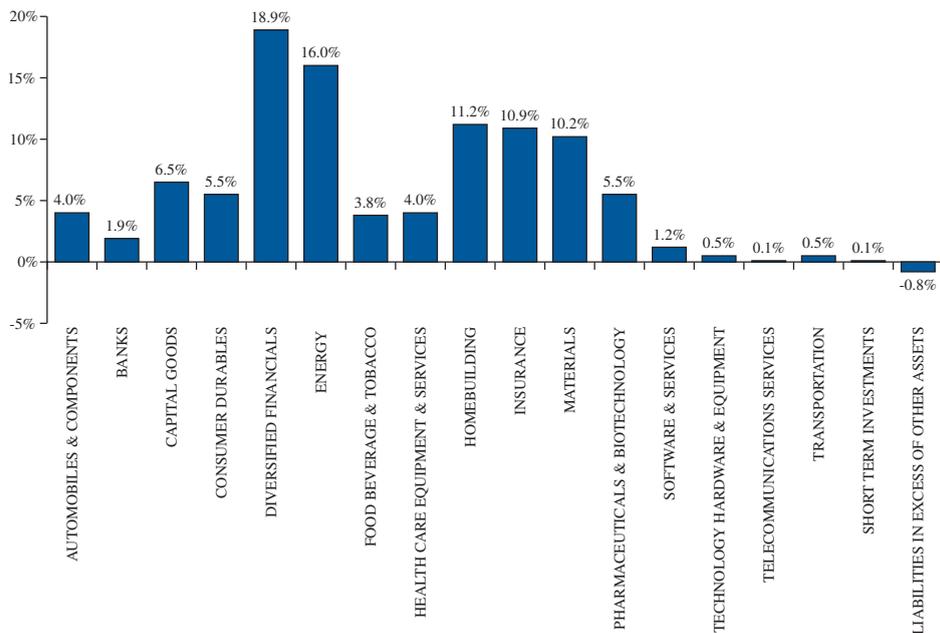
EXPENSE EXAMPLE (Continued) December 31, 2006 (Unaudited)

exchange fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value 7/1/06	Ending Account Value 12/31/06	Expenses Paid During Period 7/1/06 – 12/31/06*
Actual	\$1,000.00	\$1,081.30	\$5.72
Hypothetical (5% return before expenses)	1,000.00	1,019.51	5.55

* Expenses are equal to the Fund's annualized expense ratio of 1.09% multiplied by the average account value over the period multiplied by 184/365 (to reflect the one-half year period).

ALLOCATION OF PORTFOLIO ASSETS (Calculated as a percentage of net assets) December 31, 2006



MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

STATEMENT OF ASSETS & LIABILITIES
December 31, 2006

ASSETS

INVESTMENTS, AT VALUE	
(Cost \$1,924,281,739)	\$2,903,966,762
CASH	798
RECEIVABLE FOR FUND SHARES SOLD	3,451,966
DIVIDENDS RECEIVABLE	2,133,790
OTHER ASSETS	65,279
	<u>2,909,618,595</u>
Total assets	<u>2,909,618,595</u>

LIABILITIES

LINE OF CREDIT	20,976,000
OPTIONS WRITTEN, AT VALUE	
(Premiums received \$1,317,839)	904,000
PAYABLE FOR FUND SHARES REDEEMED	4,996,769
PAYABLE TO ADVISOR	2,308,060
ACCRUED EXPENSES AND OTHER LIABILITIES	710,415
	<u>29,895,244</u>
Total liabilities	<u>29,895,244</u>
NET ASSETS	<u>\$2,879,723,351</u>

NET ASSETS

PAID IN CAPITAL	2,015,485,504
ACCUMULATED INVESTMENT LOSS	(4,082,667)
ACCUMULATED NET REALIZED LOSS ON INVESTMENTS SOLD, AND OPTION CONTRACTS EXPIRED OR CLOSED	(111,778,348)
NET UNREALIZED APPRECIATION ON:	
Investments	979,685,023
Written options	413,839
	<u>1,393,523,892</u>
NET ASSETS	<u>\$2,879,723,351</u>
SHARES OF BENEFICIAL INTEREST OUTSTANDING (unlimited number of shares authorized, \$.001 par value)	<u>33,043,819</u>
NET ASSET VALUE PER SHARE	<u>\$ 87.15</u>

See notes to financial statements.

MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

STATEMENT OF OPERATIONS
For the Year Ended December 31, 2006

INVESTMENT INCOME:

Dividends		
(Net of foreign taxes withheld of \$28,241)		\$ 52,627,299
Interest		<u>872,988</u>
Total investment income		<u>53,500,287</u>

EXPENSES:

Investment advisory fees	\$28,529,177	
Shareholder servicing and accounting costs	1,135,990	
Reports to shareholders	202,583	
Federal & state registration fees	95,645	
Custody fees	108,285	
Administration fees	1,303,605	
Trustees' fees and expenses	106,734	
Auditor fees	29,626	
Legal fees	116,418	
Interest expense	673,834	
Other	<u>105,459</u>	
Total operating expenses before expense reductions	32,407,356	
Expense reductions (see Note 9)	<u>(34,111)</u>	
Total expenses		<u>32,373,245</u>

NET INVESTMENT INCOME	<u>21,127,042</u>
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REALIZED AND UNREALIZED GAIN (LOSS)
ON INVESTMENTS

Net realized loss on investments		(16,338,099)
Change in unrealized appreciation on:		
Investments	93,638,906	
Written options	<u>413,839</u>	
Net realized and unrealized gain on investments		<u>94,052,745</u>
		<u>77,714,646</u>

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 98,841,688</u>
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See notes to financial statements.

MUHLENKAMP FUND
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STATEMENTS OF CHANGES IN NET ASSETS

	<u>Year Ended</u> <u>December 31, 2006</u>	<u>Year Ended</u> <u>December 31, 2005</u>
OPERATIONS:		
Net investment income	\$ 21,127,042	\$ 26,988,403
Net realized loss on investments sold	(16,338,099)	(40,290,930)
Change in unrealized appreciation on investments and written options	<u>94,052,745</u>	<u>220,684,666</u>
Net increase in net assets resulting from operations	<u>98,841,688</u>	<u>207,382,139</u>
CAPITAL SHARE TRANSACTIONS:		
Proceeds from shares sold	836,346,773	1,593,884,281
Dividends reinvested	22,468,690	26,036,143
Redemption fees	78,975	105,737
Cost of shares redeemed	<u>(1,138,228,978)</u>	<u>(707,256,218)</u>
Net increase (decrease) in net assets resulting from capital share transactions	<u>(279,334,540)</u>	<u>912,769,943</u>
DISTRIBUTIONS TO SHAREHOLDERS:		
From net investment income	<u>(24,255,251)</u>	<u>(27,390,370)</u>
Net decrease in net assets resulting from distributions to shareholders	<u>(24,255,251)</u>	<u>(27,390,370)</u>
Total increase (decrease) in net assets	(204,748,103)	1,092,761,712
NET ASSETS:		
Beginning of year	<u>3,084,471,454</u>	<u>1,991,709,742</u>
End of year	<u>\$ 2,879,723,351</u>	<u>\$3,084,471,454</u>
ACCUMULATED NET INVESTMENT LOSS:	<u>\$ (4,082,667)</u>	<u>\$ (954,458)</u>

See notes to financial statements.

MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

FINANCIAL HIGHLIGHTS

	Year Ended December 31,				
	2006	2005	2004	2003	2002
NET ASSET VALUE, BEGINNING OF YEAR	\$ 84.44	\$ 78.97	\$ 63.51	\$ 42.89	\$ 53.55
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income (loss)	0.64 ⁽¹⁾	0.76 ⁽¹⁾	0.11 ⁽²⁾	(0.02) ⁽²⁾	(0.06) ⁽¹⁾
Net realized and unrealized gains (losses) on investments	<u>2.81</u>	<u>5.47</u>	<u>15.46</u>	<u>20.64</u>	<u>(10.60)</u>
Total from investment operations	3.45	6.23	15.57	20.62	(10.66)
LESS DISTRIBUTIONS:					
From net investment income	<u>(0.74)</u>	<u>(0.76)</u>	<u>(0.11)</u>	—	—
Total distributions	<u>(0.74)</u>	<u>(0.76)</u>	<u>(0.11)</u>	—	—
NET ASSET VALUE, END OF YEAR	<u>\$ 87.15</u>	<u>\$ 84.44</u>	<u>\$ 78.97</u>	<u>\$ 63.51</u>	<u>\$ 42.89</u>
TOTAL RETURN	4.08%	7.88%	24.51%	48.07%	(19.92)%
NET ASSETS, END OF YEAR (in millions)	\$ 2,880	\$ 3,084	\$ 1,992	\$ 1,157	\$ 600
RATIO OF OPERATING EXPENSES TO AVERAGE NET ASSETS ⁽³⁾	1.06%	1.06%	1.14%	1.18%	1.17%
RATIO OF NET INVESTMENT INCOME (LOSS) TO AVERAGE NET ASSETS	0.69%	1.02%	0.16%	(0.04)%	(0.10)%
PORTFOLIO TURNOVER RATE	11.58%	6.05%	7.00%	9.15%	11.17%

- (1) Net investment income (loss) per share is calculated using ending balances prior to consideration of adjustments for permanent book and tax differences.
- (2) Net investment income (loss) per share represents net investment income (loss) for the respective period divided by the monthly average shares of beneficial interest outstanding throughout each year.
- (3) The operating expense ratio includes expense reductions for soft dollar credits and minimum account maintenance fees deposited into the Fund. The ratios excluding expense reductions for the years ended December 31, 2006, 2005, 2004, 2003 and 2002, were 1.06%, 1.06%, 1.14%, 1.18%, and 1.18%, respectively (See Note 9).

BROKER COMMISSIONS (UNAUDITED)

Some people have asked how much the Muhlenkamp Fund pays in commissions:

For the year ended December 31, 2006, the Fund paid \$560,484 in broker commissions. These commissions are included in the cost basis of investments purchased, and deducted from the proceeds of securities sold. This accounting method is the industry standard for mutual funds. Were these commissions itemized as expenses, they would equal two cents (2¢) per Fund share and would have increased the operating expense ratio from 1.06% to 1.08%.

See notes to financial statements.

MUHLENKAMP FUND
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SCHEDULE OF INVESTMENTS
December 31, 2006

Name of Issuer or Title of Issue	Shares	Value
COMMON STOCK — 100.7%		
Automobiles & Components — 4.0%		
Harley-Davidson, Inc.	400,000	\$ 28,188,000
National R.V. Holdings, Inc. (a)	418,350	1,543,711
Thor Industries, Inc.	1,447,100	63,657,929
Winnebago Industries, Inc.	678,200	<u>22,319,562</u>
		<u>115,709,202</u>
Banks — 1.9%		
Washington Mutual, Inc.	1,211,687	<u>55,119,642</u>
Capital Goods — 6.5%		
Caterpillar, Inc.	1,320,000	80,955,600
Eagle Materials, Inc.	303,996	13,141,747
Graco, Inc.	206,707	8,189,731
The Lamson & Sessions Co. (a)	138,000	3,347,880
Rush Enterprises, Inc. – Class A (a)	206,605	3,495,757
Rush Enterprises, Inc. – Class B (a)	282,005	4,450,039
Terex Corp. (a)	1,128,200	<u>72,859,156</u>
		<u>186,439,910</u>
Consumer Durables — 5.5%		
American Woodmark Corp.	292,500	12,241,125
The Black & Decker Corp.	456,100	36,474,317
Masco Corp.	950,000	28,376,500
Mohawk Industries, Inc. (a)	180,663	13,524,432
Polaris Industries, Inc.	419,200	19,631,136
Stanley Furniture Co., Inc.	621,800	13,337,610
Whirlpool Corp.	401,400	<u>33,324,228</u>
		<u>156,909,348</u>
Diversified Financials — 18.9%		
Capital One Financial Corp.	1,454,700	111,750,054
Citigroup, Inc.	2,270,000	126,439,000
Countrywide Financial Corp.	3,191,998	135,500,315
Merrill Lynch & Company, Inc.	1,631,700	151,911,270
Morgan Stanley	243,000	<u>19,787,490</u>
		<u>545,388,129</u>

See notes to financial statements.

MUHLENKAMP FUND
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SCHEDULE OF INVESTMENTS (Continued)
December 31, 2006

Name of Issuer or Title of Issue	Shares	Value
Energy — 16.0%		
Anadarko Petroleum Corp.	2,285,600	\$ 99,469,312
ConocoPhillips	1,695,400	121,984,030
Devon Energy Corp.	1,337,700	89,732,916
Nabors Industries, Ltd. (a)(b)	3,180,000	94,700,400
Patterson-UTI Energy, Inc.	2,426,400	56,365,272
		<u>462,251,930</u>
Food Beverage & Tobacco — 3.8%		
Altria Group, Inc.	1,265,580	108,612,076
Health Care Equipment & Services — 4.0%		
UnitedHealth Group, Inc.	2,131,200	114,509,376
Homebuilding — 11.2%		
Beazer Homes USA, Inc.	678,900	31,915,089
Centex Corp.	1,360,000	76,527,200
Meritage Corp. (a)	983,200	46,918,304
NVR, Inc. (a)	145,000	93,525,000
Pulte Homes, Inc.	440,460	14,588,035
Toll Brothers, Inc. (a)(c)	1,873,800	60,392,574
		<u>323,866,202</u>
Insurance — 10.9%		
The Allstate Corp.	2,220,200	144,557,222
American International Group, Inc.	1,746,100	125,125,526
Fidelity National Title Group, Inc.	1,903,908	45,465,323
		<u>315,148,071</u>
Materials — 10.2%		
BHP Billiton, Ltd. – ADR	2,110,100	83,876,475
Cemex S.A. de C.V. – ADR (a)	4,708,990	159,540,581
Chaparral Steel Co.	403,800	17,876,226
NovaGold Resources, Inc. (a)(b)	634,700	10,891,452
RTI International Metals, Inc. (a)	278,800	21,807,736
		<u>293,992,470</u>
Pharmaceuticals & Biotechnology — 5.5%		
Johnson & Johnson	1,827,500	120,651,550
Marshall Edwards, Inc. (a)	75,607	231,357

See notes to financial statements.

MUHLENKAMP FUND
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SCHEDULE OF INVESTMENTS (Continued)
December 31, 2006

Name of Issuer or Title of Issue	Shares	Value
Pharmaceuticals & Biotechnology — 5.5%		
(Continued)		
Novogen, Ltd. – ADR (a)	250,360	\$ 2,561,183
Pfizer, Inc.	1,300,000	<u>33,670,000</u>
		<u>157,114,090</u>
Software & Services — 1.2%		
Fidelity National Information Services	836,797	33,547,192
OpenTV Corp. – Class A (a)	200,000	<u>464,000</u>
		<u>34,011,192</u>
Technology Hardware & Equipment — 0.5%		
Intel Corp.	16,000	324,000
International Business Machines Corp.	140,000	<u>13,601,000</u>
		<u>13,925,000</u>
Telecommunication Services — 0.1%		
Embarq Corp.	46,773	<u>2,458,389</u>
Transportation — 0.5%		
YRC Worldwide, Inc. (a)	392,400	<u>14,805,252</u>
Total Common Stocks (Cost \$1,920,575,256)		<u>2,900,260,279</u>
Name of Issuer or Title of Issue	Principal Amount	Value
SHORT-TERM INVESTMENT — 0.1%		
United States Treasury Bill 4.975%, due 02/01/2007	\$3,722,000	\$ <u>3,706,483</u>
Total Short-Term Investment (Cost \$3,706,483)		<u>3,706,483</u>
TOTAL INVESTMENTS (Cost \$1,924,281,739) — 100.8%		2,903,966,762
LIABILITIES IN EXCESS OF OTHER ASSETS — (0.8)%		<u>(24,243,411)</u>
TOTAL NET ASSETS — 100.0%		<u>\$2,879,723,351</u>

ADR American Depository Receipt

(a) Non income producing.

(b) Foreign company.

(c) Shares are held to cover all or a portion of a corresponding written option contract.

See notes to financial statements.

MUHLENKAMP FUND
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SCHEDULE OF OPTIONS WRITTEN
December 31, 2006

Name of Issuer or Title of Issue	Contracts (100 Shares Per Contract)	Value
WRITTEN CALL OPTIONS — 0.0%		
Toll Brothers, Inc. Expiration January 2008, Exercise Price \$35.00	1,000	\$394,000
WRITTEN PUT OPTIONS — 0.0%		
Toll Brothers, Inc. Expiration January 2008, Exercise Price \$35.00	1,000	<u>510,000</u>
Total Options Written (Premiums received \$1,317,839) — 0.0%		<u><u>\$904,000</u></u>

See notes to financial statements.

MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2006

1. ORGANIZATION

The Wexford Trust (the “Trust”) was organized as a Massachusetts Business Trust on September 21, 1987 and operations commenced on November 1, 1988. The Trust is registered under the Investment Company Act of 1940, as amended. The Muhlenkamp Fund (the “Fund”) is a portfolio of the Trust and is currently the only fund in the Trust.

The Fund operates as a diversified open-end mutual fund that continuously offers its shares for sale to the public. The Fund will manage its assets to seek a maximum total return to its shareholders, primarily through a combination of interest and dividends and capital appreciation by holding a diversified list of publicly traded stocks. The Fund may acquire and hold fixed-income or debt investments as market conditions warrant and when, in the opinion of its adviser, it is deemed desirable or necessary in order to attempt to achieve its investment objective.

The primary focus of the Fund is long-term and the investment options diverse. This allows for greater flexibility in the daily management of Fund assets. However, with flexibility also comes the risk that assets will be invested in various classes of securities at the wrong time and price.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied by management in the preparation of the accompanying financial statements follows.

- a. *Investment Valuations* — Stocks, bonds, options and warrants are valued at the latest sales price on the last business day of the fiscal period as reported by the securities exchange on which the issue is traded. If no sale is reported, the security is valued at the last quoted bid price. Short-term debt instruments (those with remaining maturities of 60 days or less) are valued at amortized cost, which approximates market value. Restricted securities, private placements, other illiquid securities and other securities for which market value quotations are not readily available are valued at fair value as determined by a designated Pricing Committee, comprised of personnel of the Adviser, under the supervision of the Board of Trustees, in accordance with pricing procedures approved by the Board. Fair value is defined as the amount the owner of a security might reasonably expect to receive upon a current sale. For each applicable investment that is fair valued, the Pricing Committee considers, to the extent applicable, various factors including, but not limited to, the financial condition of the company or limited partnership, operating results, prices paid in follow-on rounds, comparable companies in the public market, the nature and duration of the restrictions for holding the securities, and other relevant factors.

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

Additionally, a Fund's investments will be valued at fair value by the Pricing Committee if the Adviser determines that an event impacting the value of an investment occurred between the closing time of a security's primary market or exchange (for example, a foreign exchange or market) and the time the Fund's share price is calculated. Significant events include, but are not limited to the following: significant fluctuations in domestic markets, foreign markets or foreign currencies; occurrences not directly tied to the securities markets such as natural disasters, armed conflicts or significant governmental actions; and major announcements affecting a single issuer or an entire market or market sector. In responding to a significant event, the Pricing Committee would determine the fair value of affected securities considering factors including, but not limited to: index options and futures traded subsequent to the close; ADRs, GDRs or other related receipts; currency spot or forward markets that trade after pricing of the foreign exchange; other derivative securities traded after the close such as WEBs and SPDRs; and alternative market quotes on the affected securities.

- b. *Foreign Securities* — Investing in securities of foreign companies and foreign governments involves special risks and consideration not typically associated with investing in U.S. companies and the U.S. government. These risks include revaluation of currencies and future adverse political and economic developments. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies and the U.S. government.
- c. *Foreign currency Translations* — The books and records of the Fund are maintained in U.S. dollars. Foreign currency transactions are translated into U.S. dollars on the following basis: (i) market value of investment securities, assets and liabilities at the daily rates of exchange, and (ii) purchases and sales of investment securities, dividend and interest income and certain expenses at the rates of exchange prevailing on the respective dates of such transactions. For financial reporting purposes, the Fund does not isolate changes in the exchange rate of investment securities from the fluctuations arising from changes in the market price of such securities. However, for federal income tax purposes the Fund does isolate and treat the effect of changes in foreign exchange rates on realized gain or loss from the sale of equity securities and payables/receivables arising from trade date and settlement date differences as ordinary income.
- d. *Investment Transactions and Related Investment Income* — Investment transactions are recorded on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded daily on the yield to maturity

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

basis. The Fund uses the specific identification method in computing gain or loss on the sale of investment securities.

- e. *Federal Taxes* — It is the Fund's policy to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is recorded. In addition, the Fund plans to make sufficient distributions of its income and realized gains, if any, to avoid the payment of any federal excise taxes. Accounting principles generally accepted in the United States of America require that permanent differences between financial reporting and tax reporting be reclassified between various components of net assets.
- f. *Dividends and Distributions to Shareholders of Beneficial Interest* — Dividends from net investment income, if any, are declared and paid at least annually. Distributions of net realized capital gains, if any, will be declared and paid at least annually. The Fund may utilize earnings and profits distributed to shareholders on redemption of shares as part of the dividends paid deduction. Accordingly, reclassifications are made within the net asset accounts for such amounts, as well as amounts related to permanent differences in the character of certain income and expense items for income tax and financial reporting purposes.
- g. *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 revenues and expenses during the reported period. Actual results could differ from those estimates.
- h. *Options Transactions* — The Fund may write put and call options only if it (i) owns an offsetting position in the underlying security or (ii) maintains cash or other liquid assets in an amount equal to or greater than its obligation under the option.

When the Fund writes a call or put option, an amount equal to the premium received is included in the statement of assets and liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option. If an option expires on its stipulated expiration date or if the Fund enters into a closing purchase transaction, a gain or loss is realized. If a written call option is exercised, a gain or loss is realized for the

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

sale of the underlying security and the proceeds from the sale are increased by the premium originally received. If a written put option is exercised, the cost of the security acquired is decreased by the premium originally received. As writer of an option, the Fund has no control over whether the underlying securities are subsequently sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option.

The Fund may purchase put and call options. When the Fund purchases a call or put option, an amount equal to the premium paid is included in the Fund's statement of assets and liabilities as an investment, and is subsequently marked-to-market to reflect the current market value of the option. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If the Fund exercises a call, the cost of the security acquired is increased by the premium paid for the call. If the Fund exercises a put option, a gain or loss is realized from the sale of the underlying security, and the proceeds from such a sale are decreased by the premium originally paid. Written and purchased options are non-income producing securities.

3. INVESTMENT ADVISORY AND OTHER AGREEMENTS

Muhlenkamp & Co., Inc. (the "Adviser"), an officer/stockholder of which is a trustee of the Trust, receives a fee for investment management. Effective January 1, 2006, the Adviser charges a management fee equal to 1% per annum of the average daily market value of the Fund's net assets up to \$1 billion and 0.9% per annum on Fund net assets in excess of \$1 billion. Under terms of the advisory agreement, which is approved annually, total annual Fund operating expenses cannot under any circumstances exceed 1.50% of the Fund's net assets. Should actual expenses incurred ever exceed the 1.50% limitation, such excess expenses shall be reimbursed by the Adviser. The Fund has no obligation to reimburse the Adviser for such payments. U.S. Bancorp Fund Services, LLC serves as transfer agent, administrator and accounting services agent for the Fund. During 2006, total expenses of \$2,439,595 related to such services were performed by U.S. Bancorp Fund Services, LLC. U.S. Bank, N.A. serves as custodian for the Fund.

4. LINE OF CREDIT

The Fund has established an unsecured line of credit agreement ("LOC") with U.S. Bank, N.A., which expires April 30, 2007, to be used for temporary or emergency purposes, primarily for financing redemption payments. Borrowings of the Fund are subject to a \$100 million cap on the total LOC. The interest rate paid

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

on outstanding borrowings is equal to Prime, which was 8.25% as of December 31, 2006. Average borrowings during the year were \$24,805,193. At December 31, 2006, there were borrowings of \$20,976,000 by the Fund outstanding under the LOC.

5. CAPITAL SHARE TRANSACTIONS

Transactions in capital shares of the Fund were as follows:

	<u>Year Ended</u> <u>December 31, 2006</u>	<u>Year Ended</u> <u>December 31, 2005</u>
Shares outstanding, beginning of year	36,528,358	25,221,404
Shares sold	9,854,275	19,687,151
Dividends reinvested	256,580	307,296
Shares redeemed	<u>(13,595,394)</u>	<u>(8,687,493)</u>
Shares outstanding, end of year	<u>33,043,819</u>	<u>36,528,358</u>

6. OPTION CONTRACTS WRITTEN

The number of option contracts written and the premiums received by the Fund during the year ended December 31, 2006, were as follows:

	<u>Number of Contracts</u>	<u>Premiums Received</u>
Options outstanding, beginning of year	—	\$ —
Options written	2,000	1,317,839
Options closed	—	—
Options exercised	—	—
Options expired	<u>—</u>	<u>—</u>
Options outstanding, end of year	<u>2,000</u>	<u>\$1,317,839</u>

7. INVESTMENT TRANSACTIONS

Purchases and sales of investment securities, excluding short-term securities, for the year ended December 31, 2006, were as follows:

<u>Purchases</u>		<u>Sales</u>	
<u>U.S. Government</u>	<u>Other</u>	<u>U.S. Government</u>	<u>Other</u>
\$18,373,637	\$333,960,613	\$14,785,000	\$565,843,800

8. FEDERAL TAX INFORMATION

The Fund intends to utilize provisions of the federal income tax laws which allow it to carry a realized capital loss forward for eight years following the year of loss and

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

offset such losses against any future realized capital gains. At December 31, 2006, the Fund had capital loss carryovers as follows:

Net Capital Loss Carryovers*	Capital Loss Carryover Expiration
\$ 3,833,114	12/31/2009
17,656,856	12/31/2010
18,459,729	12/31/2011
12,339,605	12/31/2012
40,431,141	12/31/2013
17,669,785	12/31/2014
\$110,390,230	

* Capital gain distributions will resume in the future to the extent gains are realized in excess of the available carryforwards.

As of December 31, 2006, the components of distributable earnings on a tax basis were as follows:

Cost of investments	\$1,929,945,831
Gross tax unrealized appreciation	\$1,026,523,892
Gross tax unrealized depreciation	(52,089,122)
Net tax unrealized appreciation	\$ 974,434,770
Undistributed ordinary income	\$ 228,763
Undistributed long-term capital gain	—
Total distributable earnings	\$ 228,763
Other accumulated losses	\$ (110,425,686)
Total accumulated earnings	\$ 864,237,847

The Fund plans to distribute substantially all of the net investment income and net realized gains that it has realized on the sale of securities. These income and gains distributions will generally be paid once each year, on or before December 31. The character of distributions made during the year from net investment income or net realized gains may differ from the characterization for federal income tax purposes due to differences in the recognition of income, expense or gain items for financial reporting and tax reporting purposes.

On December 28, 2006, a distribution of \$.74 per share was declared and paid to shareholders of record as of December 27, 2006.

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

On December 29, 2005, a distribution of \$.76 per share was declared and paid to shareholders of record as of December 28, 2005.

The tax character of distributions paid were as follows:

	<u>Year Ended December 31, 2006</u>	<u>Year Ended December 31, 2005</u>
Ordinary income	<u>\$24,255,251</u>	<u>\$27,390,370</u>

9. EXPENSE REDUCTIONS

Beginning in 2000, expenses are reduced through the deposit of minimum account maintenance fees into the Fund. By November 30th of each year, all accounts must have net investments (purchases less redemptions) totaling \$1,500 or more, an account value greater than \$1,500, or be enrolled in the Automatic Investment Plan. Accounts that do not meet one of these three criteria will be charged a \$15 fee. These fees are used to lower the Fund's expense ratio. For the year ended December 31, 2006, the Fund's expenses were reduced \$34,111 by utilizing minimum account maintenance fees, resulting in a decrease in the expenses being charged to shareholders.

10. REDEMPTION FEE

Effective April 1, 2005, those who buy and sell the Fund within 30 calendar days will incur a 2% redemption fee. For the year ended December 31, 2006, the Fund retained \$78,975 in redemption fees which increased paid in capital.

11. GUARANTEES AND INDEMNIFICATIONS

In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims against the Fund that have not yet occurred. Based on experience, the Fund expects the risk of loss to be remote.

12. NEW ACCOUNTING PRONOUNCEMENTS

In June 2006, the Financial Accounting Standards Board ("FASB") released FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" ("FIN 48"). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. To the extent that a tax

MUHLENKAMP FUND
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NOTES TO FINANCIAL STATEMENTS (Continued)
Year Ended December 31, 2006

benefit of a position is not deemed to meet the more-likely-than-not threshold, the Fund would report an income tax expense in the statement of operations. Adoption of FIN 48 is required for fiscal years beginning after December 15, 2006 and is to be applied to all open tax years as of the effective date. On December 26, 2006, the SEC issued a staff guidance letter that delays the implementation of FIN 48. The effects of FIN 48 will be reflected in the Fund's semi-annual financial statements. At this time, management is evaluating the implications of FIN 48, and the impact, if any, of this standard on the Fund's financial statements has not yet been determined.

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements." The Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. The Statement establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) the reporting entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and is to be applied prospectively as of the beginning of the fiscal year in which this Statement is initially applied. At this time, management is evaluating the implications of FAS 157, and the impact, if any, of this standard on the Fund's financial statements has not yet been determined.

MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees and Shareholders of Muhlenkamp Fund:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Muhlenkamp Fund (constituting the Wexford Trust, hereafter referred to as the "Fund") at December 31, 2006, 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 the 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. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 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, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2006 by correspondence with the custodian, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers, LLP
Milwaukee, WI
February 19, 2007

MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

ADDITIONAL INFORMATION (Unaudited)
Year Ended December 31, 2006

1. QUALIFIED DIVIDEND INCOME PERCENTAGE

The Fund designated 100% of dividends declared and paid during the year ending December 31, 2006 from net investment income as qualified dividend income under the Jobs Growth and Tax Relief Reconciliation Act of 2003.

2. CORPORATE DIVIDENDS RECEIVED DEDUCTION PERCENTAGE

Corporate shareholders may be eligible for a dividends received deduction for certain ordinary income distributions paid by the Fund. The Fund designated 100% of dividends declared and paid during the year ending December 31, 2006 from net investment income as qualifying for the dividends received deduction. The deduction is a pass through of dividends paid by domestic corporations (i.e. only equities) subject to taxation.

3. INFORMATION FOR FOREIGN SHAREHOLDERS

For foreign shareholders in the Fund, for the year ended December 31, 2006, 1.54% of the ordinary distributions paid by The Muhlenkamp Fund qualify as interest related dividends under the Internal revenue Code Section 871(k)(1)(c).

4. INFORMATION ABOUT PROXY VOTING

Information regarding how the Fund votes proxies relating to portfolio securities is available without charge upon request by calling toll-free at 1-800-860-3863 or by accessing the Funds' website at www.muhlenkamp.com, and the SEC's website at www.sec.gov. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent twelve month period ending June 30 is available on the SEC's website at www.sec.gov or by calling the toll-free number listed above.

5. AVAILABILITY OF QUARTERLY PORTFOLIO SCHEDULE

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The filing will be available, upon request, by calling 1-800-860-3863. Furthermore, you will be able to obtain a copy of the filing on the SEC's website at <http://www.sec.gov> beginning with the filing for the period ended September 30, 2004. The Fund's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

MUHLENKAMP FUND

(A Portfolio of the Wexford Trust)

TRUSTEES AND OFFICERS

<u>Name, Address, and Age</u>	<u>Position(s) Held with Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation(s) During Past 5 Years</u>	<u>Number of Portfolios in Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee</u>
<u>Independent Trustees:</u>					
Alfred E. Kraft 202 Fan Hollow Road Uniontown, PA 15401 Age: 69	Trustee	Indefinite Term; Served as Trustee from 1998 to present	An independent management consultant from 1986 to present.	1	None
Terrence McElligott 4103 Penn Avenue Pittsburgh, PA 15224 Age: 59	Trustee	Indefinite Term; Served as Trustee from 1998 to present	President of West Penn Brush & Supply, Inc., a wholesale industrial brush sales company, from 1979 to present.	1	None
<u>Interested Trustees and Officers:</u>					
Ronald H. Muhlenkamp Muhlenkamp & Company, Inc. 5000 Stonewood Drive, Suite 300 Wexford, PA 15090 Age: 63	President, Trustee	Indefinite Term; Served as President and Trustee from 1987 to present	President and Director of Muhlenkamp & Company, Inc., investment adviser to the Fund, from 1987 to present.	1	None
James S. Head Muhlenkamp & Company, Inc. 5000 Stonewood Drive, Suite 300 Wexford, PA 15090 Age: 61	Vice President, Treasurer	Indefinite Term; Served as Vice President and Treasurer from 1999 to present	Executive Vice President of Muhlenkamp & Company, Inc., investment adviser to the Fund, from 1999 to present; Branch Manager, Parker/Hunter Inc., a securities brokerage firm from 1995 to 1999.	N/A	None
John H. Kunkle, III Muhlenkamp & Company, Inc. 5000 Stonewood Drive, Suite 300 Wexford, PA 15090 Age: 44	Vice President	Indefinite Term; Served as Vice President from 1999 to present	Portfolio analyst with Muhlenkamp & Company, Inc., investment adviser to the Fund, from 1992 to present.	N/A	None
Jean Leister Muhlenkamp & Company, Inc. 5000 Stonewood Drive, Suite 300 Wexford, PA 15090 Age: 59	Secretary	Indefinite Term; Served as Secretary from 1992 to present	Executive Assistant with Muhlenkamp & Company, Inc., investment adviser to the Fund, from 1987 to present.	N/A	None

Additional information about the Fund's trustees is available in the Statement of Additional Information and is available, without charge, upon request, by calling 1-800-860-3863.

INVESTMENT ADVISER

**Muhlenkamp & Company, Inc.
5000 Stonewood Drive, Suite 300
Wexford, PA 15090**

ADMINISTRATOR AND TRANSFER AGENT

**U.S. Bancorp Fund Services, LLC
615 E. Michigan Street
Milwaukee, WI 53202**

CUSTODIAN

**U.S. Bank, N.A.
Custody Operations
1555 Rivercenter Drive, Suite 302
Milwaukee, WI 53212**

DISTRIBUTOR

**Quasar Distributors, LLC
615 E. Michigan Street
Milwaukee, WI 53202**

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**PricewaterhouseCoopers LLP
100 E. Wisconsin Avenue
Milwaukee, WI 53202**