

CERTIFICATION

I, Dexter Morris, CEO of Labwire, Inc., hereby certify that the financial statements filed herewith and any notes thereto, fairly present, in all material respects, the financial position, results of operations and cash flows for the periods presented, in conformity with accounting principles generally accepted in the United States, consistently applied.



Dexter Morris
CEO

David B. Neidhart, CPA, P.C.
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November 2, 2005

Dexter Morris
Labwire, Inc.
14133 Memorial Drive
Houston, Texas 77079

Dear Mr. Morris:

We have compiled the accompanying balance sheet of Labwire, Inc. as of September 30, 2005 and the related statements of income for the periods then ended, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on it.

Accordingly, these financial statements are not designed for those who are not informed about such matters.

Thank you for your business and please feel free to call me with any questions.

David Neidhart, CPA, P.C.

Labwire, Inc. and Subsidiary Companies
Consolidated Balance Sheet

	Quarters Ended			
	Sep 30, 05	Jun 30, 05	Mar 31, 05	Dec 31, 04
ASSETS				
Current Assets				
Checking/Savings				
EncoreBank - 3247	328.12	1,871.82	524.56	6,724.56
Encore Checking	63,190.37	496.35	4,317.35	6,036.72
Undeposited Funds	-2,977.45	80,402.36	-15,677.45	-600.00
Total Checking/Savings	60,541.04	82,772.53	-11,035.54	12,161.28
Accounts Receivable				
Accrued Revenue	87,894.77	63,441.50	206,715.50	0.00
Accounts Receivable	448,986.13	142,408.66	178,961.39	48,862.46
Total Accounts Receivable	536,880.90	205,850.36	385,676.89	48,862.46
Other Current Assets				
Advances to Affiliates - K-9 Bomb Search	15,783.50	0.00	0.00	0.00
Employee Advances	1,900.00	1,900.00	350.00	350.00
Total Other Current Assets	17,683.50	1,900.00	350.00	350.00
Total Current Assets	615,105.44	290,522.89	374,991.35	61,393.74
Fixed Assets				
Fixed Assets - net (note 1)	45,896.75	46,518.10	47,340.02	50,358.56
Total Fixed Assets	45,896.75	46,518.10	47,340.02	50,358.56
Other Assets				
Goodwill (note 2)	456,933.22	456,933.22	456,933.22	456,933.22
Total Other Assets	456,933.22	456,933.22	456,933.22	456,933.22
TOTAL ASSETS	1,117,935.41	793,974.21	879,264.59	568,685.52
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Expense Accruals	4,224.84	300.00	300.00	0.00
Accounts Payable	636,943.90	366,081.56	388,672.62	182,487.70
Total Accounts Payable	641,168.74	366,381.56	388,972.62	182,487.70
Credit Cards				
Credit Cards	88,152.20	81,892.06	62,615.12	41,204.87
Total Credit Cards	88,152.20	81,892.06	62,615.12	41,204.87
Other Current Liabilities				
Payroll Liabilities	0.00	3,295.61	3,295.61	3,295.61
Total Other Current Liabilities	0.00	3,295.61	3,295.61	3,295.61
Total Current Liabilities	729,320.94	451,569.23	454,883.35	226,988.18
Long Term Liabilities				
Notes Payable (note 3)	322,623.58	320,814.33	319,037.08	317,291.32
Total Long Term Liabilities	322,623.58	320,814.33	319,037.08	317,291.32
Total Liabilities	1,051,944.52	772,383.56	773,920.43	544,279.50
Equity				
Paid In Capital In Excess PAR	132,558.37	130,744.00	105,772.33	5,625.00
Common Stock (\$.001 PAR value	132,019.63	125,306.00	125,277.67	120,125.00
150,000,000 authorized shares				
132,019,631 shares issued)				
Retained Earnings	-101,343.98	-101,343.98	-101,343.98	0.00
Net Income	-97,243.13	-133,115.37	-24,361.86	-101,343.98
Total Equity	65,990.89	21,590.65	105,344.16	24,406.02
TOTAL LIABILITIES & EQUITY	1,117,935.41	793,974.21	879,264.59	568,685.52

See Accountant's Compilation Report
The accompanying notes are an integral part of this financial statement

Labwire, Inc. and Subsidiary Companies
Consolidated Statement of Earnings
For the three months and nine months ended September 30, 2005

	Quarters Ended						Year to Date			
	Sept 05	%	Jun 05	%	Mar 05	%	Dec 04	%	Jan-Sep 05	%
Ordinary Income/Expense										
Income										
Collection / Analysis	586,683.37	84.4%	476,799.54	81.97%	396,488.00	87.64%	41,404.50	69.81%	1,459,970.91	84.43%
General Revenue	57,653.74	8.29%	76,102.70	13.08%	54,848.88	12.12%	17,904.50	30.16%	188,605.32	10.91%
Security Revenue	50,800.00	7.31%	28,800.00	4.95%	0.00	0.0%	0.00	0.0%	79,600.00	4.6%
Services	0.00	0.0%	0.00	0.0%	1,065.00	0.24%	0.00	0.0%	1,065.00	0.06%
Total Income	695,137.11	100.0%	581,702.24	100.0%	452,421.88	100.0%	59,309.00	100.0%	1,729,251.23	100.0%
Cost of Goods Sold										
Drug Screening Services	422,567.26	60.79%	396,126.00	68.1%	255,023.34	56.37%	27,991.06	47.2%	1,073,736.60	62.06%
Total COGS	422,567.26	60.79%	396,126.00	68.1%	255,023.34	56.37%	27,991.06	47.2%	1,073,736.60	62.09%
Gross Profit	272,569.85	39.21%	185,576.24	31.9%	197,398.54	43.63%	31,317.94	52.81%	655,514.63	37.91%
Expense										
Automobile Expense	93.67	0.01%	0.00	0.0%	315.01	0.07%	0.00	0.0%	408.68	0.02%
Bad Debt Expense	682.00	0.1%	1,573.30	0.27%	493.45	0.11%	358.50	0.6%	2,748.75	0.16%
Bank Service Charges	117.99	0.02%	316.31	0.05%	44.00	0.01%	107.84	0.18%	478.30	0.03%
Computer	48,994.07	6.76%	26,735.00	4.6%	20,042.42	4.43%	11,597.71	19.56%	93,771.49	5.42%
Contract Labor	4,788.94	0.86%	9,950.18	1.71%	8,578.90	1.9%	4,810.00	8.28%	23,298.00	1.35%
Depreciation Expense	3,139.58	0.45%	3,053.30	0.53%	3,018.54	0.67%	2,012.36	3.39%	9,211.42	0.53%
Dues & Subscriptions	160.00	0.02%	75.00	0.01%	545.00	0.12%	0.00	0.0%	780.00	0.05%
Education	0.00	0.0%	0.00	0.0%	2,761.58	0.61%	250.00	0.42%	2,761.58	0.16%
Equipment Rental	2,000.00	0.29%	0.00	0.0%	0.00	0.0%	0.00	0.0%	2,000.00	0.12%
Insurance	0.00	0.0%	9,713.98	1.67%	12,185.96	2.69%	8,331.01	15.73%	21,869.94	1.27%
Internet Access	977.33	0.14%	2,099.07	0.36%	388.44	0.09%	0.00	0.0%	3,464.84	0.2%
Licenses & Fees	3,041.70	0.44%	0.00	0.0%	0.00	0.0%	0.00	0.0%	3,041.70	0.18%
Marketing & Advertising	12,821.06	1.84%	23,879.20	4.11%	23,403.97	5.17%	0.00	0.0%	60,104.23	3.48%
Office Supplies	3,415.32	0.49%	1,428.54	0.25%	2,852.42	0.63%	2,325.16	3.92%	7,696.28	0.45%
Payroll Expenses	113,741.10	16.35%	154,680.79	26.59%	84,337.62	20.85%	70,555.39	118.96%	362,759.51	20.98%
Postage and Delivery	2,977.36	0.43%	2,185.42	0.38%	1,360.20	0.3%	1,648.97	2.78%	6,522.98	0.38%
Printing & Reproduction	2,742.12	0.39%	116.33	0.02%	308.38	0.07%	0.00	0.0%	3,166.83	0.18%
Professional Fees	2,762.50	0.4%	6,355.73	1.09%	3,075.00	0.68%	3,297.50	5.54%	12,193.23	0.71%
Rent	7,803.20	1.12%	10,071.88	1.73%	7,803.20	1.73%	11,359.20	19.15%	25,678.28	1.49%
Repair & Maintenance	355.14	0.05%	110.36	0.02%	0.00	0.0%	0.00	0.0%	465.50	0.03%
Telephone	4,440.08	0.64%	741.45	0.13%	2,851.65	0.63%	1,829.08	2.75%	8,033.18	0.47%
Travel & Ent	21,405.40	3.09%	36,650.67	6.3%	34,076.81	7.71%	12,125.30	20.44%	92,932.88	5.37%
Utilities	428.80	0.06%	0.00	0.0%	0.00	0.0%	0.00	0.0%	428.80	0.03%
Miscellaneous	0.00	0.0%	2,818.01	0.48%	0.00	0.0%	0.00	0.0%	2,818.01	0.16%
Total Expense	234,868.36	33.79%	292,552.50	50.29%	219,242.55	48.45%	131,499.02	221.72%	746,653.41	43.18%
Net Income from Operations	37,581.49	5.42%	-106,976.26	-18.39%	-21,844.01	-4.83%	-100,181.08	-168.91%	-91,138.78	-5.27%
Other Income/Expense										
Other Expense										
Interest Expense	1,509.25	0.26%	1,777.25	0.31%	2,517.85	0.56%	1,162.90	1.96%	6,104.35	0.35%
Total Other Expense	1,509.25	0.26%	1,777.25	0.31%	2,517.85	0.56%	1,162.90	1.96%	6,104.35	0.35%
Net Income before Income Taxes	35,672.24	5.16%	-108,753.51	-18.7%	-24,361.86	-5.39%	-101,343.98	-170.88%	-97,243.13	-5.62%
Income Tax Provision	0.00		0.00		0.00		0.00		0.00	
Net Income	35,672.24	5.16%	-108,753.51	-18.7%	-24,361.86	-5.39%	-101,343.98	-170.88%	-97,243.13	-5.62%
Basic Earnings per Share	\$ 0.0003		\$ (0.0009)		\$ (0.0002)		\$ (0.0008)		\$ (0.0008)	

Labwire, Inc. and Subsidiary Companies
Consolidated Statement of Cash Flows

	Quarters Ended			
	Sep 05	Jun 05	Mar 05	Dec 04
OPERATING ACTIVITIES				
Net Income	35,872.24	-108,753.51	-24,361.86	-101,343.98
Adjustments to reconcile Net Income to net cash provided by operations:				
Accrued Revenue	-24,453.27	143,274.00	-206,715.50	0.00
Accounts Receivable	-306,577.27	36,552.53	-130,078.93	329.00
Advances to Affiliates - K-9 Bomb Search	-15,783.50	0.00	0.00	0.00
Expense Accruals	3,924.84	-1,550.00	300.00	0.00
Accounts Payable Related	273,826.87	-3,314.12	227,595.17	65,756.56
Net cash provided by Operating Activities	-33,190.09	66,208.90	-133,261.12	-35,258.42
INVESTING ACTIVITIES				
Fixed Assets:Depreciation	3,139.58	3,053.30	3,018.54	666.66
Fixed Assets:Acquired	-2,516.23	-2,231.38	0.00	1,345.70
Business Acquired	0.00	0.00	0.00	-120,000.00
Net cash provided by Investing Activities	621.35	821.92	3,018.54	-117,987.64
FINANCING ACTIVITIES				
Notes Payable	1,809.25	1,777.25	1,745.76	11,162.90
Paid in Capital in Excess PAR	1,814.37	24,971.67	100,147.33	5,625.00
Common Stock (\$.001 PAR value)	6,713.63	28.33	5,152.67	120,125.00
Net cash provided by Financing Activities	10,337.25	26,777.25	107,045.76	136,912.90
 Net cash increase for period	 -22,231.49	 93,808.07	 -23,196.82	 -16,333.16
 Cash at beginning of period	 82,772.53	 -11,035.54	 12,161.28	 28,494.44
Cash at end of period	60,541.04	82,772.53	-11,035.54	12,161.28

See Accountant's Compilation Report
The accompanying notes are an integral part of this financial statement

Labwire, Inc. and Subsidiary Companies
Consolidated Statement of Shareholder's Equity

	Common Stock	Additional Paid in Capital	Retained Earnings	Total
Shareholder's Equity October 1, 2004	\$ -	\$ -	\$ -	\$ -
Net Earnings			(101,343.98)	(101,343.98)
Common Stock issued	120,125.00	5,625.00		125,750.00
Shareholder's Equity December 31, 2004	120,125.00	5,625.00	(101,343.98)	24,406.02
Net Earnings			(24,361.86)	(24,361.86)
Common Stock issued	5,152.67	100,147.33		105,300.00
Shareholder's Equity March 31, 2005	125,277.67	105,772.33	(125,705.84)	105,344.16
Net Earnings			(108,753.51)	(108,753.51)
Common Stock issued	28.33	24,971.67		25,000.00
Shareholder's Equity June 30, 2005	125,306.00	130,744.00	(234,459.35)	21,590.65
Net Earnings			35,872.24	35,872.24
Common Stock issued	6,713.63	1,814.37		8,528.00
Shareholder's Equity September 30, 2005	132,019.63	132,558.37	(198,587.11)	65,990.89

Changes in Number of Shares

	Issued	Outstanding	In Treasury	Average Price/Share
Balance at October 1, 2004	0	0	0	
Common Stock Issued	120,125,000	120,125,000	0	
Balance at December 31, 2004	120,125,000	120,125,000	0	\$ 0.0010
Common Stock Issued	5,152,665	5,152,665		0.0204
Balance at March 31, 2005	125,277,665	125,277,665	0	0.0018
Common Stock Issued	28,333	28,333		0.8824
Balance at June 30, 2005	125,305,998	125,305,998	0	0.0020
Common Stock Issued	6,713,633	6,713,633		0.0013
Balance at September 30, 2005	132,019,631	132,019,631	0	0.0020

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Notes to the Financial Statements

Basis of Presentation

The financial statements included in this compilation report present the combined activities of Labwire, Inc.

These are compiled financial statements and have not been audited.

Basis of Accounting

The financial statements are prepared on the accrual basis except for accrued bad debt expense. The company is currently writing balances off as they are deemed uncollectible. The inclusion of such amounts would not have a significant effect on the financial statements. Compensated absences are not reflected in the accompanying financial statements.

Note 1 – Fixed Assets

Fixed assets are valued at booked value from the date of acquisition. Labwire, Inc. acquired Workplace Screening, Inc. on October 31, 2004. Computer equipment is being depreciated over three (3) years, equipment and furniture & fixtures over five (5) years using the straight-line method.

Computer Equipment	\$15,769	
Less accumulated depreciation	(3,806)	
Net Computer Equipment		\$11,963
Equipment	\$40,371	
Less accumulated depreciation	(7,401)	
Net Equipment		\$32,970
Furniture & Fixtures	\$ 980	
Less accumulated depreciation	(16)	
Net Equipment		\$ 964
Total Fixed Assets		\$45,897

Note 2 – Goodwill

The acquisition of Workplace Screening, Inc. resulted in a \$456,933.22 charge to goodwill. Per FASB Statement #142, goodwill should remain on the books subject to an annual impairment test.

Note 3 – Long-Term Indebtedness

Note Payable – D Morris – 1.71% - payable when profits allow	\$137,747
Note Payable – Workplace Health – 4.5% payable when profits allow	60,734
Note Payable – J Maring – 1.71% - payable when profits allow	124,143
Total Long-Term Indebtedness	\$322,624

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Note 4 – Subsidiaries

Labwire, Inc. has one wholly owned subsidiary, Workplace Screening Services, Inc. Labwire, Inc. purchased Workplace Screening Services, Inc. on October 31, 2004 in a stock purchase of 120,000,000 shares. The acquisition was valued at \$120,000. Along with the assets of the company, Labwire, Inc. assumed \$161,232 in short-term debt and \$306,128 in long-debt.

Note 5 – Prior Period Adjustment

Labwire, Inc. has restated its first and second quarter 2005 financial statements due to the exclusion of \$55,243.77 in credit card debt. The adjustments lowered income by \$27,159.38 and \$25,887.77 in the first and second quarters of 2005 respectively. Additionally, the second quarter adjustment recognizes \$2,196.62 in unrecorded asset purchases.

A breakdown of the effected expense categories and the change from prior reported figures is as follows:

Expense	Jan – Mar 2005				Apr – Jun 2005		
	Adjusted	Prior	Change		Adjusted	Prior	Change
Auto Expense	315.01	0	315.01		0	0	0
Depreciation	0	0	0		3,053.30	3,018.54	34.76
Dues & Subscriptions	545.00	0	545.00		75.00	0	75.00
Internet Access	388.44	0	388.44		2,099.07	0	2,099.07
Marketing & Adv	23,403.97	0	23,403.97		23,879.20	100.00	23,779.20
Office Supplies	2,852.42	2,292.50	559.92		1,428.54	439.59	988.95
Printing	308.38	0	308.38		116.33	0	116.33
Telephone	2,851.65	2,581.65	270.00		741.45	2,021.64	-1,280.19
Travel & Ent	34,876.81	33,508.15	1,368.66		36,650.67	36,576.02	74.65
Total			27,159.38				25,887.77