Paw Spa, Inc.
Form 10-Q
July 21, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT UNDER TO SECTION 13 OR 15(d) OF THE SECU EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED MAY 31, 2008

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE S EXCHANGE ACT OF 1934

Commission file number 333-147755

PAW SPA INC.

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation or organization)

1921 Denver West Court
Suite 2022
Golden, Colorado 80401

(Address of principal executive offices, including zip code.)

(303) 278-0207

(telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the last 90 days. **YES x NO ¨**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, non-accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	¨	**Accelerated Filer**	¨
Non-accelerated Filer	¨	**Smaller Reporting Company**	x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). **YES x NO ¨**

State the number of shares outstanding of each of the issuer s classes of common equity, as of the latest practicable date: 5,757,900 as of July 18, 2008

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PAW SPA, INC.
(A DEVELOPMENT STAGE COMPANY)

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Paw Spa, Inc.
(A Development Stage Company)
Balance Sheets

ASSETS

		May 31, 2008 (Unaudited)		November 30, 2007
Current Assets				
Cash	$	77	$	52,186
Prepaid expenses		5,833		350
Security deposit		350		350
Total Assets	**$**	**6,260**	**$**	**52,886**

LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIENCY)

Current Liabilities				
Accounts payable	$	19,241	$	7,277
Loan payable		1,000		
Stockholder loans		12,634		17,634
Total Current Liabilities		**32,875**		**24,911**
Commitments and Contingencies		-		-
Stockholders' Equity/(Deficiency)				
Preferred stock, $0.00001 par value; 100,000,000 shares authorized, none issued and outstanding		-		-
Common stock, $0.00001 par value; 100,000,000 shares authorized, 5,757,900 and 5,757,900 shares issued and outstanding, respectively		58		58
Additional paid-in capital		86,748		81,964
Deficit accumulated during the development stage		(113,421)		(54,047)
Total Stockholders' Equity/(Deficiency)		**(26,615)**		**27,975**
Total Liabilities and Stockholders' Equity/(Deficiency)	**$**	**6,260**	**$**	**52,886**

See accompanying notes to unaudited condensed financial statements.

Paw Spa, Inc.
(A Development Stage Company)
Statements of Operations
(Unaudited)

	For the Three Months Ended		For the Six Months Ended		For the Period from October 21, 2005 (inception)
	May 31, 2008	**May 31, 2007**	**May 31, 2008**	**May 31, 2007**	**May 31, 2008**
Operating Expenses					
Professional fees	$ 20,276	$ -	$ 30,275	$ -	$ 64,552
General and administrative	9,525	2,200	28,215	4,180	44,603
Total Operating Expenses	29,801	2,200	58,490	4,180	109,155
Loss from Operations	(29,801)	(2,200)	(58,490)	(4,180)	(109,155)
Other Expense					
Interest Expense	(444)	(444)	(884)	(879)	(4,266)
Loss from Operation before Provision for Income Taxes	(30,245)	(2,644)	(59,374)	(5,059))	(113,421)
Provision for Income Taxes	-	-	-	-	-
Net Loss	**$ (30,245)**	**$ (2,644)**	**$ (59,374)**	**$ (5,059)**	**$ (113,421)**
Net Loss Per Share - Basic and Diluted	**$ (0.01)**	**$ (0.00)**	**$ (0.01)**	**$ (0.00)**	
Weighted average number of shares outstanding during the period - Basic and Diluted	**5,757,900**	**5,757,900**	**5,757,900**	**5,614,911**	

See accompanying notes to unaudited condensed financial statements.

Paw Spa, Inc.
(A Development Stage Company)
Statement of Changes in Stockholders' Equity/(Deficiency)

For the period from October 21, 2005 (inception) to May 31,2008
(Unaudited)

	Preferred stock $.00001 Par Value Shares	Preferred stock $.00001 Par Value Amount	Common stock $.00001 Par Value Shares	Common stock $.00001 Par Value Amount	Additional paid-in capital	Deficit accumulated during development stage	Subscription Receivable	Total Stockholder's Deficiency
Balance October 21, 2005 (Inception)	-	$ -	-	$ -	$ -	$ -	$ -	$ -
Common stock issued to founders for cash ($0.00001 per share)	-	-	5,000,000	50	-	-	-	50
Net loss for the period October 21, 2005 (inception) to November 30, 2005	-	-	-	-	-	(15,434)	-	(15,434)
Balance November 30, 2005	-	-	5,000,000	50	-	(15,434)	-	(15,384)
Common stock issued for cash ($0.00001 per share)	-	-	394,900	4	39,486	-	(12,490)	27,000
Net loss, November 30, 2006	-	-	-	-	-	(4,811)	-	(4,811)
Balance November 30, 2006 (Restated)	-	-	5,394,900	54	39,486	(20,245)	(12,490)	6,805
In kind contribution of services	-	-	-	-	2,800	-	-	2,800
In kind contribution	-	-	-	-	3,382	-	-	3,382
Common stock issued for cash ($0.00001 per share)	-	-	363,000	4	36,296	-	12,490	48,790
Net loss, November 30, 2007	-	-	-	-	-	(33,802)	-	(33,802)
Balance November 30, 2007	-	-	5,757,900	58	81,964	(54,047)	-	27,975
In kind contribution of services	-	-	-	-	3,900	-	-	3,900
In kind contribution	-	-	-	-	884	-	-	884
Net loss, six month's ended May 31, 2008	-	-	-	-	-	(59,374)	-	(59,374)
Balance for the period ended May 31, 2008	**-**	**$ -**	5,757,900	**$ 58**	**$ 86,748**	**$ (113,421)**	**$ -**	**$ (26,615)**

See accompanying notes to unaudited condensed financial statements.

Paw Spa, Inc.
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

	For the Six Month Ending	For the Period from October 21, 2005 (inception) to

	May 31, 2008	May 31, 2007	May 31, 2008
Cash Flows From Operating Activities:			
Net Income (Loss)	$ (59,374)	$ (5,059)	$ (113,421)
Adjustments to reconcile net loss to net cash used in operations			
In-kind contribution of services	3,900	3,900	6,700
In-kind contribution of interest	884	879	4,266
Changes in operating assets and liabilities:			
Increase in prepaid expenses and deposits	(5,483)	(10,000)	(6,183)
Increase/(Decrease) in accounts payable	11,964	-	19,241
Net Cash Used In Operating Activities	**(48,109)**	**(10,280)**	**(89,397)**
Cash Flows From Financing Activities:			
Proceeds from stockholder loans	-	-	17,634
Repayment of stockholder loans	(5,000)	-	(5,000)
Loan payable	1,000	-	1,000
Proceeds from issuance of common stock	-	48,790	75,840
Net Cash Provided by (Used in) Financing Activities	**(4,000)**	**48,790**	**89,474**
Net Increase (Decrease) in Cash	(52,109)	38,510	77
Cash at Beginning of Period/Year	52,186	27,151	-
Cash at End of Period/Year	**$ 77**	**$ 65,661**	**$ 77**
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ -	$ -	$ -
Cash paid for taxes	$ -	$ -	$ -

See accompanying notes to unaudited condensed financial statements.

PAW SPA, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTE TO CONDENSED FINANCIAL STATEMENTS
AS OF MAY 31, 2008
(UNAUDITED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

(A) Basis of Presentation

The accompanying unaudited condensed financial statements havebeen prepared in accordance with accounting principles generally accepted in The United States of America and the rules and regulations of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all the information necessary for a comprehensive presentation of financial position and results of operations.

It is management's opinion, however that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statements presentation. The results for the interim period are not necessarily indicative of the results to be expected for the year.

Activities during the development stage include developing the business plan and raising capital.

(B) Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

(C) Cash and Cash Equivalents

For purposes of the cash flow statements, the Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents.

(D) Loss Per Share

Basic and diluted net loss per common share is computed based upon the weighted average common shares outstanding as defined by Financial Accounting Standards No. 128, Earnings per Share. As of May 31, 2008 and 2007, respectively, there were no common share equivalents outstanding.

(E) Income Taxes

The Company accounts for income taxes under the Statement of Financial Accounting Standards No. 109, Accounting for Income Taxes (Statement 109). Under Statement 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under Statement 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

PAW SPA, INC.

(A DEVELOPMENT STAGE COMPANY)

NOTE TO CONDENSED FINANCIAL STATEMENTS

AS OF MAY 31, 2008

(UNAUDITED)

(F) Business Segments

The Company operates in one segment and therefore segment information is not presented.

(G) Advertising and Promotional Expense

Advertising and other product-related costs are charged to expense as incurred. Advertising expense for the period ended May 31, 2008 and 2007 was $0 and $0, respectively.

(H) Recent Accounting Pronouncements

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements* . The objective of SFAS 157 is to increase consistency and comparability in fair value measurements and to expand disclosures about fair value measurements. SFAS 157 defines fair value, establishes a framework for measuring fair value in generally acceptedaccounting principles, and expands disclosures about fair value measurements. SFAS157 applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS No. 157 are effective for fair value measurements made in fiscal years beginning after November 15, 2007. The adoption of this statement is not expected to have a material effect on the Company's future reported financial position or results of operations.

In February 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities Including an Amendment of FASB Statement No. 115* . This statement permits entities to choose to measure many financial instruments and certain other items at fair value. Most of the provisions of SFAS No. 159 apply only to entities that elect the fair value option. However, the amendment to SFAS No. 115 *Accounting for Certain Investments in Debt and Equity Securities* applies to all entities with available-for-sale and trading securities. SFAS No. 159 is effective as of the beginning of an entity s first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provision of SFAS No. 157, *Fair Value Measurements*The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In December 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51* . This statement improves the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards that require; the ownership interests in subsidiaries held by parties other than the parent and the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income, changes in a parent s ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted

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PAW SPA, INC.

(A DEVELOPMENT STAGE COMPANY)

NOTE TO CONDENSED FINANCIAL STATEMENTS

AS OF MAY 31, 2008

(UNAUDITED)

for consistently, when a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary be initially measured at fair value, entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS No. 160 affects those entities that have an outstanding noncontrolling interest in one or more subsidiaries or that deconsolidate a subsidiary. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Early adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In March 2008, the FASB issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133 (SFAS 161). This statement is intended to improve transparency in financial reporting by requiring enhanced disclosures of an entity s derivative instruments and hedging activities and their effects on the entity s financial position, financial performance, and cash flows. SFAS 161 applies to all derivative instruments within the scope of SFAS 133, Accounting for Derivative Instruments and Hedging Activities (SFAS 133) as well as related hedged items, bifurcated derivatives, and nonderivative instruments that are designated and qualify as hedging instruments. Entities with instruments subject to SFAS 161 must provide more robust qualitative disclosures and expanded quantitative disclosures. SFAS161 is effectiveprospectively for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application permitted. We are currently evaluating the disclosure implications of this statement.

In May 2008, the FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles* (SFAS 162). SFAS 162 identifies the sources of accounting principles and the framework for selecting principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. This statement shall be effective 60 days following the SEC s approval of the Public Company Accounting Oversight Board s amendments to AU section 411, The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles. The Company is currently evaluating the impact of SFAS 162, but does not expect the adoption of this pronouncement will have a material impact on its financial position, results of operations or cash flows.

In May 2008, the FASB issued SFAS No. 163, Accounting for Financial Guarantee Insurance Contracts-an interpretation of FASB Statement No. 60. Diversity exists in practice in accounting for financial guarantee insurance contracts by insurance enterprises under FASB Statement No. 60, Accounting and Reporting by Insurance Enterprises. This results in inconsistencies in the recognition and measurement of claim liabilities. This Statement requires that an insurance enterprise recognize a claim liability prior to an event of default (insured event) when there is evidence that credit deterioration has occurred in an insured financial obligation. This Statement requires expanded disclosures about financial guarantee insurance contracts. The accounting and disclosure requirements of the Statement will improve the quality of information provided to users of financial statements. The adoption of FASB 163 is not expected to have a material impact on the Company s financial position.

PAW SPA, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTE TO CONDENSED FINANCIAL STATEMENTS
AS OF MAY 31, 2008
(UNAUDITED)

NOTE 2 GOING CONCERN

As reflected in the accompanying financial statements, the Company is in the development stage with no operations, has a net loss of $113,421 for the period from October 21, 2005 (inception) to May 31, 2008, and has negative cash flow from operations of $89,397 from inception. This raises substantial doubt about its ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company s ability to raise additional capital and implement its business plan. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Management believes that actions presently being taken to obtain additional funding and implement its strategic plans provide the opportunity for the Company to continue as a going concern.

NOTE 3 NOTE PAYABLE

On May 13, 2008, the Company received $1,000 from a third party. The loan is non-interest bearing, unsecured and due within ten days after written demand for repayment.

NOTE 4 STOCKHOLDERS EQUITY

(A) In-Kind Contribution

For the six months ended May 31, 2008 the shareholder of the Company contributed services having a fair value of $3,900. (See Note 4)

For the six months ended May 31, 2008, the Company recorded $884 of imputed interest related to shareholder loans payable (See Note 4).

For the year ended November 30, 2007 the shareholder of the Company contributed services having a fair value of $2,800. (See Note 4)

During the year ended November 30, 2007, the Company recorded $3,382 of imputed interest related to shareholder loans payable (See Note 4).

(B) Common Stock Issued for Cash

For the year ended November 30, 2007 the Company issued 363,000 shares of common stock for cash of $36,300 ($0.10 per share).

During 2006, the Company issued 394,900 shares of common stock for cash of $39,490 ($0.10 per share).

On October 21, 2005, the Company issued 5,000,000 shares of common stock to its founders for cash of $50 ($0.00001 per share).

PAW SPA, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTE TO CONDENSED FINANCIAL STATEMENT
AS OF MAY 31, 2008
(UNAUDITED)

NOTE 5 RELATED PARTY TRANSACTIONS

During 2005, a shareholder loaned $17,634 to the Company. As of May 31, 2008, a $5,000 payment has been made towards the loan, of which $12,634 remains outstanding. This loan is bearing a 10% interest, not collateralized, and due on demand. As of May 31, 2008 the Company recorded $4,266 of imputed interest related to the shareholder loan payable.

A stockholder of the Company contributed $6,700 of services to the Company from inception (See Note 2).

During 2007, the Company paid $5,000 to its president for services under his employment agreement.

NOTE 6 COMMITMENTS AND CONTINGENCIES

(A) Employment Agreement

The Company entered into an employment agreement with its President on March 14, 2006. The agreement calls for compensation at an hourly rate of $30 per hour and is valid until written notice of termination.

(B) Operating Lease

On December 1, 2007, the Company executed a two-year non-cancelable operating lease for a vehicle for use in its pet care services. The lease expires on December 1, 2009.

Future minimum annual rental payments are as follows:

Year Ended November 30,			
	2008	$	4,200
	2009		4,200
	Total Minimum Lease Payments	$	8,400

NOTE 7 SUBSEQUENT EVENT

During July of 2008, the Company received $3,000 from a third party. The loan is non-interest bearing, unsecured and due within ten days after written demand for repayment.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

This section of the report includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words such as believe, expect, estimate, anticipate, intend, project, and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements which apply only as of the date of this report. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions.

Plan of Operation

We are a start-up corporation and have not yet generated or realized any revenues from our business operations. We raised $75,790 gross proceeds through a private placement. We believe the amount raised will fund operations for at least one year.

Our auditors have issued a going concern opinion. This means that there is substantial doubt that we can continue as an on-going business for the next twelve months.

We will not be conducting any product research or development. Furthermore, we do not expect significant changes in the number of employees. Our specific goal is to continue to implement our marketing plan and to generate revenue. We intend to accomplish these goals through the following milestones:

1. We intend to maintain our office at Mr. Cockerill s residence. We believe that we have acquired the equipment we need to begin operations. We do not intend to hire employees. Our sole officer and director will handle our administrative duties. In addition, he will increase the time that he spends concerning business operations.

2. We intend to contact pet grooming trade associations including the National Dog Groomers Association of America, Inc (NDGAA) or the International Society of Canine Cosmetologists (ISCC). We plan to attend industry trade shows that are oriented towards pet services and products. We will also hire an outside web designer to begin development of the website. The negotiation of alliances with service providers and the development of the website will be ongoing during the life of our operations. As more services are added and as our client database expands, we will have to be continually upgrading the website including posting client testimonials and pet photographs for enhancement. We believe that it will cost up to $5,000 in order to have our website initially operational and $5,000 to have our database initially ready to receive information. The initial operation of the website and database will depend upon revenues generated.

3. Per our marketing campaign, we have begun marketing our services in the greater Denver area through traditional sources such as coupons and flyers/mailers. We have contracted with an independent call center for follow up contact and to set appointments. We also intend to attend trade shows and conferences. We intend to target pet owners to become potential users of our grooming services. In addition, our president, Edd Cockerill, will aggressively develop a key database of past customers and contacts. We may utilize inbound links that connect directly to our website from other sites. Potential clients can simply click on these links to become connected to our website from search engines and community and affinity sites. We believe it will cost a minimum of $10,000 for our marketing campaign. Marketing is an ongoing matter that will continue during the life of our operations. We also believe that we should begin to see results from our marketing campaign within 60 days

from its initiation.

4. Our marketing program will combine sourcing out service providers as well as clients to utilize those services. The process of sourcing out service providers includes identifying commercial pet service organizations and seeking alliances. This process will be ongoing during the life of our operations. Sourcing potential clients may consist of telephone surveys and may contain questions that would qualify the potential clients. We intend to look into the databases of pet trade journals, business magazines, newspapers, trade magazines as well as telephone directories. The cost to source and analyze all of the material to identify suitable candidates to develop and maintain the database is yet to be determined.

In summary, we should be in full operation and receiving orders within 30 days. We estimate that we will generate revenue 60 days after beginning full operations.

Until our website is fully operational, we believe that client growth will be through specific local mailings and follow up telephone calls. We believe that once our website is operational and we are providing grooming services, potential clients will utilize our services for their pet needs.

If we are unable to attract clients to use our mobile pet-grooming services, we may have to suspend or cease operations. If we cannot generate sufficient revenues to continue operations, we will suspend or cease operations. If we cease operations, we do not know what we will do and we do not have any plans to do anything else.

Limited Operating History; Need for Additional Capital

There is no historical financial information about us upon which to base an evaluation of our performance. We have not generated revenues since our inception on October 21, 2005. We cannot guarantee we will be successful in our business plans. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources and possible cost overruns due to price increases in services.

To become profitable and competitive, we first have to attract customers and generate revenues.

We may need additional capital to operate during the next twelve months. We have no assurance that future financing will be available to us on acceptable terms. If financing is not available on satisfactory terms, we may be unable to develop or expand our operations. Equity financing could result in additional dilution to existing shareholders.

Liquidity and Capital Resources

As of the date of this report, we have yet to generate any revenues from business operations.

Edd Cockerill, our president, has provided services to us. Since June 1, 2007, we have paid Mr. Cockerill $1,000 per month through October 2007 for a total of $5,000. He is not expected to loan funds to us to finance operations.

As of May 31, 2008, our total assets were $6,260, and our total liabilities were $32,875. We had cash of $77.

If we need additional cash and can't raise it, we will either have to suspend operations until we do raise the cash, or cease operations entirely. Our auditors have issued a going concern opinion. This means that there is substantial doubt that we can continue as an on-going business for the next twelve months, unless we obtain additional capital to pay our bills. This is because we have not generated any revenues and no revenues are anticipated until we begin operations.

Results of Operations

From our date of inception, October 21, 2005, we have sold 5,757,900 shares of our common stock and raised $75,790 in gross proceeds for our planned operations.

We have not generated any revenue. Our expenses from inception were $109,155.

We have not initiated operations but anticipate doing so in the next 30 days.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Our Principal Executive Officer and Principal Financial Officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report, have concluded that, based on the evaluation of these controls and procedures, that our disclosure controls and procedures were effective.

Controls and Procedures over Financial Reporting

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS.

The following documents are included herein:

Exhibit No.	**Document Description**
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-15(e) and 15d-15(e), promulgated under the Securities and Exchange Act of 1934, as amended.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer and Chief Financial Officer).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the Registrant and in the capacities on this 21st day of July, 2008.

PAW SPA, INC.

BY: EDD COCKERILL

Edd Cockerill

President, Principal Executive Officer, Treasurer, Principal Financial Officer, Principal Accounting Officer and sole member of the Board of Directors

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EXHIBIT INDEX

Exhibit No.	Document Description
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-15(e) and 15d-15(e), promulgated under the Securities and Exchange Act of 1934, as amended.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer and Chief Financial Officer).