

Quarterly Report:  
**Diverse Media Group, Inc. (DVME)**  
Period Ending March 31, 2010 (2010Q1)

**Item I Exact name of the issuer and the address of its principal executive offices.**

Diverse Media Group, Inc.  
(Previously: *Immortal Investments*)  
9911 W. Pico Blvd.  
Suite #350W  
Los Angeles, CA 90035  
Phone: 310-201-6565  
Fax: 310-201-4117  
[www.diversemediagroupinc.com](http://www.diversemediagroupinc.com)

Investor relations contact:  
[None.]

**Item 2 Shares outstanding.**

1. COMMON STOCK

- (i) Period end date: March 31, 2010.
- (ii) Number of shares authorized; 250,000,000; 7,000,000,000; 21,000,000,000
- (iii) Number of shares outstanding; 129,364,000; 2,907,810,000; 11,620,312,500
- (iv) Freely tradable shares (public float); 2,160,000; 1,160,510,000; 3,861,188,100
- (v) Total number of beneficial shareholders; and 1; 1; 3
- (vi) Total number of shareholders of record. 68; 75; 79

2. SERIES A PREFERRED

- (i) Period end date: March 31, 2010.
- (ii) Number of shares authorized; 0; 100,000,000; 100,000,000
- (iii) Number of shares outstanding; 0; 0; 90,000
- (iv) Freely tradable shares (public float) 0; 0; 0
- (v) Total number of beneficial shareholders; and 0; 0; 1
- (vi) Total number of shareholders of record. 0; 0; 1

3. SERIES B PREFERRED

- (i) Period end date: March 31, 2010.

- (ii) Number of shares authorized; 0; 10,000,000; 10,000,000
- (iii) Number of shares outstanding; 0; 83,300; 105,925
- (iv) Freely tradable shares (public float) 0; 0; 0
- (v) Total number of beneficial shareholders; and 0; 0; 0
- (vi) Total number of shareholders of record. 0; 8; 10

#### 4. SERIES C PREFERRED

- (i) Period end date: March 31, 2010.
- (ii) Number of shares authorized; 0; 20,000,000; 20,000,000
- (iii) Number of shares outstanding; 0; 0; 0
- iii) Number of shares outstanding; 0; 0; 0
- (iv) Freely tradable shares (public float) 0; 0; 0
- (v) Total number of beneficial shareholders; and 0; 0; 0
- (vi) Total number of shareholders of record. 0; 0; 0

### **Item 3 Interim financial statements.**

For the period ending March 31, 2010, the following unaudited interim financial statements are incorporated by reference herein.

- 1) Balance sheet
- 2) Related Statements of Operations
- 3) Changes in Stockholders Equity
- 4) Statement of Cash Flows
- 5) Financial Notes

They are attached to the end of this Quarterly Report, and entitled "Interim Financial Statements: Period Ending March 31, 2010."

### **Item 4 Management discussion and analysis**

- A. **Plan of Operation:** [not applicable under guidelines]
- B. **Management's Discussion and Analysis of Financial Condition and Results of Operations.** Activity Report on Diverse Media Group, Inc. (Interim Reporting Period 2010Q1)

Diverse Media Group, Inc. is comprised of the following operating divisions: (1) Diverse Talent Group, Inc.; (2) Diverse Television & Syndication; and (3) Diverse Digital Studios.

Management's discussion and analysis of the results of operations and financial condition of Diverse Media Group, Inc. should be read in conjunction with and the context of the financial statements and related notes referenced in this 2010Q1 DVME Quarterly Report.

Summary of Year-to-Year Results of Operations (Unaudited)

<u>Period ending Mar 31</u>	<u>2010Q1</u>	<u>2009Q1</u>	<u>Change +/- in %</u>	<u>Change +/- in \$</u>
Revenue	\$194,153	\$411,568	-44%	(\$217,415)
Expenses	\$475,317	\$493,793	-4%	(\$18,476)
Income (Loss)	(\$281,164)	(\$82,225)	-241%	(\$198,939)

**2010Q1 Management Discussion & Analysis**

**1. Diverse Talent Group**

The agency continues to be the primary source of Company revenue. The company-wide consolidated balance sheet with revenues of \$194,153 represents a drop-off of 44% from its 2009Q1 revenues of \$411,568. The agency's youth division represented over 26% of its 2009Q1 revenue, the last reporting period before its department head left to start her own agency. Virtually none of that revenue has been replaced. The talent department experienced a year-to-year revenue decline of 17%. The Company acknowledges the GAAP required statement of "Ongoing Concern" in the accountant's compilation report that continued losses and a deficiency in stockholders' equity as of March 31, 2010 "raise substantial doubt about the Company's ability to continue as a going concern." Management recognizes the need to address the performance shortfalls and will report changes to date in the "Interim Period & Forecast" section on Page 4 of this filing.

**2. Diverse Television & Syndication**

On March 29, 2010, Stephen J. Cohen, the President of Diverse Television & Syndication, resigned from his position. He also terminated his position on the company's board of directors. He has not yet been replaced. No new stations have been added to the syndicated distribution of the company's television property, "Hometeam." The television barter market, from which the syndication derives its revenue remains soft, and no significant revenue is currently being realized.

Current Hometeam Licensing Agreements

<u>Network</u>	<u>Terms</u>	<u>Territory</u>
ION	Cash	USA
America One	Barter 7/7	USA
My Family TV	Barter 7/7	USA
Sky Angel	Barter 6/6	USA
Home Channel	Cash	South Africa

On March 30, 2010, the company allowed to expire an option-purchase agreement with Elio Pictures to acquire a 30% interest in six titles, including "Momo," a weekly series in development for television based on the life of mob figure Sam Giancana. The option was purchased in September 2009 for \$25,000, payable in Series B Preferred shares in Diverse Media Group stock. The Company had until March 30 to exercise its option for a cash price of an additional \$400,000.

### **3. Diverse Digital Studios**

The Company continues to seek new investment capital to launch the operations for this division as outlined in its Business Plan.

In September 2009, the Company completed the acquisition of a 50% equity interest in Celebrities in Action, Inc. ("CIA") in a joint venture to create new superhero character franchises based on real-life celebrities. Revenue for these franchises will be derived from television, film, mobile and home entertainment, videogames, publishing, consumer products and merchandising. Celebrities In Action, Inc. is a vertically integrated entertainment company that develops, produces and distributes proprietary and licensed entertainment content, with a particular focus on animated celebrities. Diverse Media Group has agreed to assume CIA's responsibilities in signing up celebrities and/or well-known athletes to participate in the creative joint venture with Stan Lee's POW! Entertainment, Inc. As of March 31, 2010 the Company does not have funds available to activate its role in this co-venture.

The Company also continues to develop its plan for the launch of Talent Quest America, an online contest. A beta site is already online and strategic partners to participate in development, sales, and operations have been lined up. On January 18, 2010, the company entered into an agreement with Remnant Media Networks to serve as a sales and technical consultant for 3,500 shares of Diverse Media Group, Inc. Series B Preferred Stock. The Company requires additional capital to actuate the launch of the contest and outside investment is being sought.

### **4. Diverse Media Group Stock**

On January 27, 2010, the Company amended its Certificate of Incorporation, increasing its capital stock. It maintained the number of shares Common stock at 21,000,000,000 (twenty-one billion) but decreased the par value to \$0.00001 per share. The number of shares of Preferred Stock remained at 130,000,000 but decreased the par value to \$0.00001, divided as follows: Series A: 100,000,000 shares; Series B: 10,000,000 shares; and Series C: 20,000,000 shares.

#### **a. Series B Preferred Stock:**

For the period January 1 through March 31, 2010 the Company derived \$47,650 cash revenues from the sale of this class of stock.

#### **b. DVME Common Stock**

<u>First Quarter Year-to-Year Comparison</u>	<u>DVME Common Period Ending March 31, 2010</u>	<u>DVME Common Period Ending March 31, 2009</u>
High	0.0004	0.0003
Low	0.0001	0.0001
Volume	1,533,328,734	14,149,523

### **5. Interim Period and Forecast**

During the Interim Period, the Company has experienced a number of changes in personnel. On May 14, 2010 the Company and COO & President of Diverse Digital Studios, Rick Friedman, agreed to mutually terminate his Employment Agreement dated May 8, 2008. Mr. Friedman also resigned as a member of the Board of Directors. He will continue to provide services to the Company as a Consultant. Executive Vice President and Head of Talent Tom Harrison resigned effective June 18 to join a management company. Talent representative, Michael Goldberg joined

DTG, effective June 1. Gaming agent Adrienne McWhorter has left the agency and will be replaced by Janine Glover effective July 7<sup>th</sup>. Commercial representative Laura Bowman has also left the agency.

DTG clients continue to produce commissionable income by working on current season television series including *Big Bang Theory* (CBS), *The Young & the Restless* (CBS), *The Bold & the Beautiful* (CBS), *General Hospital* (ABC), and *My Generation* (ABC).

However, across the board cost cutting, affecting even top A-List talent, by the major Hollywood studios has resulted in revenue contraction at all of the top talent agencies including DTG. Studio slates have gotten smaller, scripted TV series are cutting cast members, and non-scripted TV series have reduced acting and writing opportunities.

Company management has addressed industry changes by reducing overhead, renegotiating its lease for office space, right-sizing agency staff and reducing the ratio of salaried employees to those on commission-only.

Head count a/o 3/31/10: (a) Total 20; (b) commission only 8; (c) salaried 12

Head count a/o 6/30/10: (a) Total 15; (b) commission only 7; (c) salaried 8

The Company has mitigated its Interim Period revenue shortfall through a series of Related Party Transactions in the form of loans.

Loan of \$20,000.00 from Elite Family Trust on 5/13/10

Loan of \$25,120.00 from Sabin Nassif, father of Chris Nassif on 5/24/10

Loan of \$15,000.00 from Sabin Nassif, father of Chris Nassif on 6/3/10

While incoming new agents are bringing their books of business with them, because of the industry production schedule management does not anticipate an uptick in agency revenues until 2010Q4.

### **Cautionary Statement Concerning Forward Looking Statements**

Certain portions of this analysis include forward-looking statements within the meaning of Section 27A of the Securities Act of 1993 and Section 21E of the Securities Exchange Act of 1934 including statements regarding expected continual growth of the company and the value of its securities. In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 it is hereby noted that statements contained herein that look forward in time which include everything other than historical information, involve risk and uncertainties that may affect the company's actual results of operation. Factors that could cause actual results to differ include the size and growth of the market for the company's products, the company's ability to fund its capital requirements in the near term and in the long term, pricing pressures, unforeseen and/or unexpected circumstances in happenings, pricing pressures, etc. Investing in securities is speculative and carries risk. Past performance does not guarantee future results.

### **C. Off-Balance Sheet Arrangements.**

None.

### **Item 5 Legal proceedings.**

1. On February 23, 2010 California Bank & Trust filed an Entry of Default complaint against Diverse Talent Group, Inc., et. al, . in California Superior Court, for \$171,622.59 plus legal costs.

Plaintiff California Bank and Trust filed the civil action for breach of contract on money lent (and related causes of action) on secured and unsecured debt, alleging unpaid loan payments arising from short-term loans made by Alliance Bank to Diverse Talent Group. Diverse Talent Group is in the process of negotiating a resolution of the lawsuit by arranging for a payment schedule to pay off the loans (at a discounted principle balance as Diverse Talent Group believes a significant portion of the amounts sought to be without merit and intends to vigorously defend such claims should the matter not be resolved). As a result, the Company believes the matter will be resolved without any material loss, although there is no way to estimate the exact potential for loss, other than to state that the maximum exposure is limited to the disputed loan amount and attorney fees/costs.

3. On May 12, 2010, Streetwise Concepts & Culture, Inc.; and, Velvet Hammer Music, Inc. filed suit over a sub-lease agreement against Diverse Talent Group, Inc., (DTG) in California Superior Court charging Unlawful Detainer and seeking eviction for alleged non-payment of rent in regard to DTG's offices at 9911 W. Pico Blvd., Suite 350W, Los Angeles, CA 90035. DTG alleges that the Plaintiff misrepresented the costs of parking at the West Los Angeles office resulting in significant increased cost of office space. The parties have been in settlement discussions and the Company believes, it appears likely that the matter will be resolved by a renegotiation of the lease and parking fees with the building owner directly, cutting out the plaintiff as the sub-landlord. As a result, the Company believes the matter will be resolved without any material loss, although there is no way to estimate the exact potential for loss, other than to state that the maximum exposure is limited to the disputed rent amount and attorney fees/costs.

### **Item 6 Defaults upon senior securities.**

There is no material default in the payment of principal, interest, a sinking or purchase fund installment, or any other material default not cured within 30 days, with respect to any indebtedness of the issuer exceeding 5% of the total assets of the issuer,

### **Item 7 Other information.**

There is no other additional information to any items that the issuer would be required include in a Current Update.

### **Item 8 Exhibits.**

There are no additional exhibits required under Items XVIII and XIX of Section One, and which have not already been described or attached in any prior disclosure statement, or any amendments to any previously described or attached exhibits.

### **Item 9 Certifications.**

I, Christopher Nassif, certify that:

1. I have reviewed this Quarterly Report of Diverse Media Group, Inc for the interim reporting period ending March 31, 2010.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of

the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this disclosure statement.

Date: July 2, 2010

/s/ Christopher Nassif  
President and CEO



**Attachment:**

**Diverse Media Group, Inc. (DVME)**

**Interim Financial Statements  
Period Ending March 31, 2010  
(2010Q1)**

**Loukas Photos**  
Certified Public Accountant  
3715 Market St, Suite 107  
Glendale, California 91208

To the Board of Directors  
Diverse Media Group, Inc.  
Los Angeles, CA

I have compiled the accompanying balance sheet of Diverse Talent Group, Inc. as of March 31, 2010, and the related statement of operations, stockholders' equity and cash flows for the three months then ended in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Loukas Photos  
June 30, 2010

# Diverse Media Group, Inc.

## Balance Sheet As of March 31, 2010

### ASSETS

Current Assets	
Cash	\$ -
Accounts receivable	74,600
Prepaid expenses	605,000
Advances	-
Total current assets	<u>679,600</u>
Property & Equipment	132,039
Accumulated depreciation	<u>(124,833)</u>
Net Property & Equipment	7,206
Other assets	
Intangible assets	112,000
Common Stock - Diverse Talent Group, Inc.	90,000
	<u>202,000</u>
Total assets	<u>\$ 888,806</u>

### LIABILITIES

Current liabilities	
Accounts payable	\$ 429,001
Loans from shareholder	422,164
Current maturities of long term debt	<u>797,584</u>
Total current liabilities	1,648,749
Long term debt	125,000

### STOCKHOLDERS' EQUITY

Common stock - par value \$.0001	
21 billion shares authorized, 8,120,310,000 shares issued and outstandi	342,906
Preferred stock - par valude \$.0001	
130 million shares authorized, 595,925 shares issued and outstanding	10
Additional paid in capital	2,783,318
Deficit	<u>(4,011,177)</u>
Total Stockholders' Equity	(884,943)
Total liabilities and stockholders' equity	<u>\$ 888,806</u>

See accountant's compilation report

**Diverse Media Group, Inc.**  
**Statement of Income and Retained Earnings**  
**For the Three Months Ended March 31, 2010**

Revenues - net of returns and allowances	\$ 194,153
Operating expenses	
Sales and marketing	4,148
Compensation costs & benefits	241,310
Automobile expense & parking	10,325
Professional fees	8,709
Interest expense	28,369
Rent & utilities	25,386
General and administrative	157,070
Total operating expenses	<u>475,317</u>
Income (loss) from operations	(281,164)
Deficit, January 1, 2010	<u>(3,730,013)</u>
Deficit, March 31, 2010	<u><u>\$ (4,011,177)</u></u>

See accountant's compilation report

**Diverse Media Group, Inc.**  
**Statement of Changes in Stockholders' Equity**  
**For the Three Months Ended March 31, 2010**

	Common Stock par value \$.001		Preferred Stock par value \$.001		Paid in Capital	Deficit	Total
	Shares	Amount	Shares	Amount			
Balance, January 1, 2009	2,907,810,000	290,781	8,300	8	2,446,545	(3,730,013)	(992,679)
Issuance of common stock	5,212,500,000	52,125	8,300	2	336,773	-	388,900
Net income for the period					-	(281,164)	(281,164)
Balance, December 31, 2009	<u>8,120,310,000</u>	<u>342,906</u>	<u>16,600</u>	<u>10</u>	<u>2,783,318</u>	<u>(4,011,177)</u>	<u>(884,943)</u>

See Accountant's Compilation Report

**Diverse Media Group, Inc.**  
**Statement of Cash Flows**  
For the Three Months Ended March 31, 2010

Cash Flows from Operating Activities

Net Income	\$	(281,164)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation		1,617
(Increase) decrease in accounts receivable		29,640
(Increase) decrease in current assets		
Stock issued for services		1,250
Increase (decrease) in current liabilities		132,969
		132,969
Net cash provided (used) by operating activities	\$	(115,688)

Cash Flows from Investing Activities

Purchase of equipment		
		0
Net cash used in investing activities		0

Cash Flows from Financing Activities

Preferred stock issued for cash		47,650
Common stock issued for debt		238,762
Net increase (decrease) in notes payable		(183,240)
Net increase (decrease) in borrowings from shareholder		12,516
		115,688
Net cash provided (used) by Financing Activities		115,688

Net increase (decrease) in Cash		-
Cash at beginning of period		-
		-
Cash at end of period	\$	-

See accountant's compilation report

Diverse Media Group, Inc.  
Notes to the Financial Statements  
March 31, 2010

Nature of Operations

Diverse Media Group, Inc. (“the Company” “DVME”) originally incorporated under the name “Immortal Investments, Inc.” in August of 2000 under the laws of the State of Delaware. In 2004 a resolution was passed changing the name to Diverse Media Group, Inc. Most of the Company’s activities are transacted through Diverse Talent Group, Inc., its wholly owned subsidiary.

Diverse Talent Group, Inc. incorporated under the laws of the State of California on March 14, 2000. The Company provides employment placement services for writers, actors, producers, directors and other talent. The clients are placed into movies, television and commercials.

Stock

In August 2009 another amendment was filed authorizing preferred shares at par value \$.00001. This included 100 million shares of Series A, 10 million shares of Series B and 20 million shares of Series C. At the balance sheet date 90,000 shares of Series A and 505,925 shares of Series B preferred stock were issued and outstanding. Participating rights and other designations pertaining to preferred stock have not yet been determined.

In January 2010, the Company filed another certificate of amendment increasing the total number of common shares authorized to 21 billion shares and setting the par value to \$.00001 per share. Par value of preferred shares was also set to \$.00001 per share.

A 15:1 stock split was instituted for all shares issued as of April 20, 2009.

**GOING CONCERN**

The Company has suffered continued losses from operations and, at March 31, 2011, has a deficiency in stockholders’ equity. These factors raise substantial doubt about the Company’s ability to continue as a going concern.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of Diverse Talent Group, Inc. (the Company) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Diverse Media Group, Inc.  
Notes to the Financial Statements  
(Continued)

Revenue Recognition

Revenue is recognized when the clients' services are performed. The Company is paid directly by the user of the clients' services. The monies go into a trust account from which payments to talent are dispersed. The Company then collects its fee by transfer from the trust account. The trust account is a separate bank account used to hold and transmit funds to the clients. As such, it is not an asset of the Company and is not included in the balance sheet.

Cash Equivalents and Concentrations of Cash

The Company considers all short-term debt securities with maturity of three months or less to be cash equivalents

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash. The Company's cash is deposited with a single financial institution. Cash and certificates of deposit at banks are insured by the FDIC up to \$100,000. At times, the balances in these accounts and trust accounts may be in excess of federally insured limits.

Fair Value of Financial Instruments

Pursuant to SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," the Company is required to estimate the fair value of all financial instruments included on its balance sheet. At December 31, 2009 financial instruments consisted of cash and cash equivalents, accounts receivable, accounts payable. The Company considers the items in the financial statements to approximate their fair value due to the relatively short period of time between origination of instruments and their expected realization.

Property and Equipment

Property and equipment are carried at cost. Depreciation of property and equipment is provided using the declining balance method for financial reporting purposes at rates based on the following estimated useful lives:

	Years
Machinery and equipment	5-7
Furniture and fixtures	5-7

Expenditures for major renewals and betterments that extend the useful life of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expenses as incurred.

Diverse Media Group, Inc.  
Notes to the Financial Statements  
(Continued)

Provision for Income Taxes

The Company accounts for income taxes in accordance with statements of Financial Accounting Standards No. 109.

Under SFAS 109, deferred tax assets may be recognized for temporary differences that will result in deductible amounts in future periods and for loss carry forwards. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred assets will not be realized.

A detail of the Company's deferred tax asset are:

	<u>Dec 31, 09</u>
Federal and state net operating loss carryforwards	\$ 4,011,177)
Valuation allowance	<u>( 4,011,177)</u>
	\$ _____ -

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

DEBT

The Company is in default on several outstanding bank loans totaling approximately \$925,000. The Company ceased payments on these loans in March 2009 and on the maturity date in May 2009 the bank increased the interest rate of the loans to a range between 10.25% and 12.27% per annum. As of the financial statement date, no arrangement has been made to resolve these debts.

One promissory note for \$125,000 due to a private party provides that the note holder may, at his option, elect to have part or all of any tendered payment converted to common stock at par value.

INTANGIBLE ASSETS

In 2007 DVME acquired intellectual property consisting of television shows and rights in exchange of shares of common stock. The Company has estimated the value of these rights at approximately \$112,000. No independent appraisal or valuation of this property has been performed. To date, activity pertaining to the property has not commenced and accordingly, no amortization has been recorded.

Diverse Media Group, Inc.  
Notes to the Financial Statements  
(Continued)

RELATED PARTY TRANSACTIONS

The primary shareholder of the Company received salary of \$43,636 for the quarter ending March 31, 2010. As of March 31, 2010 the Company owes the primary shareholder \$422,164 from various loans provided over the past four years. Interest is provided at 6% per annum with an accrued interest amount of \$6,145 recorded for the reporting period.

LEASES

The Company entered into an agreement to lease office space in Los Angeles, California. The lease contract provides for a term commencing and ending November 30, 2010. The base rent is \$10,000 per month. Additional costs such as applicable property taxes, utilities and other items will be borne by the Company.

Minimum future lease payments for the term of the contract are:

Year ended 3/31/11	<u>110,000</u>
Total	<u>\$ 110,000</u>

STOCK ISSUANCE AND NONCASH TRANSACTIONS

DVME issued 5.2 billion shares of common stock to convert existing debt at the current trading rates. In addition 12,500,000 shares of common stock were issued for professional services.

In general, when stock is issued in exchange for services, the transaction is recorded at the fair value of the shares or the services, whichever is more readily determinable. In many cases where neither the value of the shares nor the services are readily determinable, a professional is retained to perform a valuation. A professional has not been retained and no attempt has been made to determine the fair market value of these transactions for these financial statements.

See Accountant's Compilation Report