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

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2009

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT
For the transition period from ____ to ____

Commission file number 005-84223

IMAGINE MEDIA, LTD.
(Exact Name of Small Business Issuer as Specified in its Charter)

Delaware	26-0731818
(State or other jurisdiction of incorporation or organization)	I.R.S. Employer Identification number

1155 Sherman Street, Suite 307
Denver, CO 80203
(Address of Principal Executive Offices)
Issuer's telephone number: (303) 813-1098

Former name, former address, and former fiscal year, if changed since last report
Check whether the Issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the last 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 past 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 definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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 [ ].

As of November 11, 2009 the Registrant had 1,380,650 shares of its Common Stock outstanding.

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

The consolidated financial statements included herein have been prepared by Imagine Media, Ltd., (the Company) , pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted pursuant to such SEC rules and regulations. In the opinion of management of the Company the accompanying statements contain all adjustments necessary to present fairly the financial position of the Company as of September 30, 2009 and December 31, 2008, and its results of operations for the three month periods ended September 30, 2009 and 2008 and for the nine month periods ended September 30, 2009 and 2008, its statements of changes in stockholders' equity (deficit) for the period January 1, 2008 through September 30, 2009, and its cash flows for the nine month periods ended September 30, 2009 and 2008. The results for these interim periods are not necessarily indicative of the results for the entire year. The accompanying financial statements should be read in conjunction with the financial statements and the notes thereto filed as a part of the Company's annual report on Form 10-K.

Imagine Media, Ltd. and Subsidiary
Consolidated Balance Sheets

	September 30, 2009 (unaudited)	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	$ 484	$ 68
Trade receivables, net of allowance of $11,800 and $13,500, respectively	-	10,419
	-	
Receivable from related party	_	1,050
Total current assets	484	11,537
	-	
Deposit	_	400
Total assets	$ 484	$ 11,937
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities:		
Accounts payable:		
Trade creditors	$ 52,207	$ 69,481
Related party (Note 2)	3,000	21,000
Short term advance (Note 3)	6,000	15,000
Indebtedness to related parties (Note 2)	26,400	18,150
Convertible debenture (Note 3)	30,000	30,000
Accrued interest payable	3,000	600
Other accrued expenses	6,441	5,967
Total current liabilities	127,048	160,198
Commitments (Note 5)	-	-
Shareholders' deficit (Notes 1, 2 and 4):		
Common stock , $.00001 par value. Authorized 100,000,000 shares, 1,380,650 and 1,122,650 shares issued and outstanding	14	11
Additional paid-in capital	457,276	392,779
Retained deficit	(583,854)	(541,051)
Total shareholders' deficit	(126,564)	(148,261)
Total liabilities and shareholders' deficit	$ 484	$ 11,937

See accompanying notes to these consolidated financial statements

Imagine Media, Ltd. and Subsidiary
Consolidated Statements of Operations
(unaudited)

	For the Three Months Ended September 30, 2009	2008
Net sales and gross revenues:		
Advertising sales, net of discount of $0, and $23,180, respectively	$ -	$ 40,595
Barter revenues (Note 1)	-	14,075
Total sales and revenues	-	54,670
Operating expenses:		
Editorial, production and circulation	-	41,336
Barter expense (Note 1)	-	14,075
Selling, general and administrative	1,064	42,408
Total operating expenses	1,064	97,819
Loss from operations	(1,064)	(43,149)
Other income (expense):		
Interest expense	(900)	-
Loss before income taxes	(1,964)	(43,149)
Income tax provision	-	-
Net loss	$ (1,964)	$ (43,149)
Basic and diluted loss per share	$ (0.00)	$ (0.04)
Weighted average common shares outstanding	1,380,650	1,013,302

See accompanying notes to these consolidated financial statements

Imagine Media, Ltd. and Subsidiary
Consolidated Statements of Operations
(unaudited)

	For the Nine Months Ended September 30,	
	2009	**2008**
Net sales and gross revenues:		
Advertising sales, net of discount of $0, and $66,930, respectively	$ 400	$ 103,795
Barter revenues (Note 1)	-	32,725
Total sales and revenues	400	136,520
Operating expenses:		
Editorial, production and circulation	748	97,644
Barter expense (Note 1)	-	32,725
Selling, general and administrative	39,855	138,995
Total operating expenses	40,603	269,364
Loss from operations	(40,203)	(132,844)
Other income (expense):		-
Interest expense	(2,600)	_
Loss before income taxes	(42,803)	(132,844)
Income tax provision	-	-
Net loss	$ (42,803)	$ (132,844)
Basic and diluted loss per share	$ (0.03)	$ (0.13)
Weighted average common shares outstanding	1,329,991	999,584

See accompanying notes to these consolidated financial statements

Imagine Media, Ltd. and Subsidiary
Consolidated Statement of Changes in Shareholders' Equity (Deficit)

	Common Stock		Additional		
	Shares	Par Value *	Paid-in Capital	Retained Deficit	Total
Balance at December 31, 2007	992,650	$ 10	$ 360,280	$ (368,449)	$ (8,159)
Sale of common stock (Note 2)	100,000	1	24,999	-	25,000
Common stock issued to Directors (Note 2)	30,000	-	7,500	-	7,500
Net loss	-	-	-	(172,602)	(172,602)
Balance at December 31, 2008	1,122,650	11	392,779	(541,051)	(148,261)
Conversions of accounts payable to common stock (Notes 2 & 3)	104,000	1	25,999	-	26,000
Conversions of short term advances and accrued interest to common stock (Notes 2 & 3)	111,400	1	27,849	-	- 27,850
Conversions of indebtedness to related parties to common stock (Note 2)	42,600	1	10,649	-	- 10,650
Net loss	-	-	-	(42,803)	(42,803)
Balance at September 30, 2009 (unaudited)	1,380,650	$ 14	$ 457,276	$ (583,854)	$ (126,564)

* Restated see Note 1

See accompanying notes to these consolidated financial statements

Imagine Media, Ltd. and Subsidiary
Consolidated Statements of Cash Flows
(unaudited)

	For the Nine Months Ended September 30, 2009	2008
Cash flows from operating activities:		
Net loss	$ (42,803)	$ (132,844)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization	-	425
Changes in assets and liabilities:		
Receivables	11,469	23,135
Other assets	400	-
Accounts payable	(9,274)	26,976
Accrued expenses	3,074	2,094
Net cash used in operating activities	(37,134)	(80,214)
Cash flows from financing activities:		
Proceeds from sale of common stock	-	25,000
Proceeds from related party short term advances	24,400	19,000
Repayments on related party short term advances	(5,500)	(10,000)
Proceeds from other short term advances	20,850	15,000
Repayments on other short term advances	(2,200)	-
Net cash provided by financing activities	37,550	49,000
Net change in cash and cash equivalents	416	(31,214)
Cash and equivalents:		
Beginning of period	68	31,287
End of period	$ 484	$ 73
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Income taxes	$ -	$ -
Interest	$ -	$ -
Supplemental disclosure of non-cash financing activities:		
Conversions of accounts payable to common stock	$ 26,000	$ -
Conversion of short term advance and accrued interest to common stock	$ 27,850	$ -
Conversions of indebtedness to related parties to common stock	$ 10,650	$ -

See accompanying notes to these consolidated financial statements

(1) Summary of Significant Accounting Policies

Organization and Basis of Presentation

Upon the effectiveness on July 14, 2008 of the Registration Statement filed with the SEC by Imagine Media, Ltd. ("Media"), Imagine Holdings Corp. ("Holdings") completed the spin-off of its magazine business to its shareholders of record as of August 23, 2007. The transaction was effected by the issuance of 992,650 shares of Media $0.00001 par value common stock to Holdings in exchange for certain assets, subject to liabilities, of Holdings, consisting primarily of its 60 percent of the issued and outstanding common stock of Imagine Operations, Inc. ("Operations").

As a result of the spin-off, the Company's common stock par value changed from $.001 to $.00001. Shares issued prior to August 23, 2007 have been retroactively restated to reflect the new par value.

The spin-off was accounted for based on recorded amounts and for accounting purposes, Media is considered to be the acquirer of Operations and Holdings is its predecessor (see also "principles of consolidation" below.)

Holdings' shareholders retained their Holdings common shares and, after the spin-off, received one (1) share of the common stock of Media for each share of Holdings common stock held. Immediately following the spin-off, Holdings' shareholders owned 100 percent of Media's common stock and Media owned 60 percent of Operations. Certain Media shareholders also hold the remaining 40 percent of Operations. Thus, there is no non-controlling interest reflected in the accompanying consolidated financial statements.

Media, is incorporated in the State of Delaware. Until January 2009, it published Image Magazine, a Denver, Colorado monthly guide and entertainment source. The magazine covered nightlife, music, style, food and art and sells advertising to businesses within such genres. The magazine was a pocket-sized, full color and glossy assemblage of information distributed at nearly 500 establishments. In January 2009, Media suspended publishing Image Magazine due to various economic and technical issues that have resulted in declining advertising revenues and increased production and distribution costs. The Company is considering various strategies including publishing the magazine on less frequent basis, as well as utilizing the Internet as its primary distribution platform.

Principles of Consolidation

The consolidated financial statements include the accounts of Media and its wholly-owned subsidiary, Operations, after elimination of inter-company balances and transactions. The historical financial statements included in the accompanying consolidated financial statements are those of

Holdings (the predecessor entity) prior to August 23, 2007 and Media subsequent to August 23, 2007.

Going Concern

As shown in the accompanying financial statements, the Company has incurred operating losses since inception. In addition, the Company has a net capital deficiency and working capital deficit of $126,564 at September 30, 2009. These factors may indicate that the Company will be unable to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to generate sufficient cash flow to meet obligations on a timely basis and ultimately to attain profitability. To do this, the Company is seeking a strategic opportunity, which to date has not been identified. However, management plans, in the near-term, to (1) restructure debt and (2) increase ownership equity in order to increase working capital. There is, of course, no assurance that management will be successful in those efforts. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Use of Estimates

The preparation of financial statements in accordance 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 the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

The allowance for doubtful accounts is based on an assessment of the collectability of customer accounts. We review the allowance by considering factors such as historical experience, credit quality, age of the accounts receivable balances, and current economic conditions that may affect a customer's ability to pay. The allowance for doubtful accounts as of September 30, 2009 and December 31, 2008 were $11,800 and $13,500, respectively.

Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets, generally five years. Property and equipment under capital leases are stated at the present value of minimum lease payments and are amortized using the straight-line method over the shorter of the lease term or the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the estimated useful lives of the assets or the term of the lease, whichever is shorter.

For the nine months ended September 30, 2009 and 2008, depreciation expense amounted to $-0- and $425, respectively, and is included in selling, general and administrative expenses. All property and equipment is fully depreciated as of September 30, 2009.

Long-Lived Assets

Long-lived assets consist of property and equipment. Whenever events or changes in circumstances indicate that the carrying amounts of long-lived assets may not be recoverable, we estimate the future cash flows, undiscounted and without interest charges, expected to result from the use of those assets and their eventual disposition. If the sum of the expected future cash flows is less than the carrying amount of those assets, we recognize an impairment loss based on the excess of the carrying amount over the fair value of the assets. No impairment losses have been recognized during the nine months ended September 30, 2009 or 2008.

Income Taxes

The Company uses the liability method of accounting for income taxes. Accordingly, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets 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. The effect on deferred tax assets and liabilities of a change in tax rates resulting from new legislation is recognized in income in the period of enactment. A valuation allowance is established against deferred tax assets when management concludes more likely than not the deferred asset is recoverable.

Expected future losses represent sufficient negative evidence regarding its recoverability and accordingly, a full valuation allowance was recorded against deferred tax assets. A full valuation allowance on the deferred tax assets will be maintained until sufficient positive evidence exists to support reversal of the valuation allowance.

The tax provision was $-0- on a pre-tax loss of $172,602 for the year ended December 31, 2008.

Revenue Recognition

Magazine and website advertising revenues are recorded upon distribution of the magazines to establishments and are stated net of cash and sales discounts. Allowances for estimated bad debts are provided based upon historical experience. Amounts received in advance are deferred and recognized in the month of advertisement. Deferred revenues totaled $-0- at September 30, 2009 and December 31, 2008.

Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (the “ASC”) Topic 605, *“Revenue Recognition*,” provides guidance on recognizing revenues and expenses at fair value of the advertising surrendered in the transactions, provided the fair value is determinable based on the entity's own historical practice of receiving cash, marketable securities, or other consideration that is readily convertible to a known amount of cash for similar advertising from buyers unrelated to the counterparty in the barter transactions. Barter revenue amounted to $-0- and $32,725 for the nine months ended September 30, 2009 and 2008, respectively.

Advertising Costs

All advertising costs are expensed as incurred. Advertising costs totaled $-0- for the nine months ended September 30, 2009 and 2008.

Financial Instruments

All highly liquid investments with original maturities of three months or less when acquired are considered as cash equivalents.

The carrying amounts reported for cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are considered to approximate fair values based upon the short maturities of those financial instruments.

Financial instruments that are potentially subject to concentrations of credit risks comprise, principally, cash, cash equivalents and trade accounts receivable. Excess cash is invested in accordance with our investment policy, which has been approved by our Board of Directors and reviewed periodically. We perform credit evaluations of new advertisers and require those without positive, established histories to pay in advance. Otherwise, we do not require collateral of our customers, and maintain allowances for potential credit losses.

Stock-based Compensation

Financial Accounting Standards Board ("FASB") Accounting Standards Codification (the "ASC") Topic 718, *"Stock Compensation*," establishes fair value as the measurement objective in accounting for share based payment arrangements, and requires all entities to apply a fair value based measurement method in accounting for share based payment transactions with employees. Stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense on a straight-line basis over the period during which the holder is required to provide services in exchange for the award, i.e., the vesting period.

For the six months ended September 30, 2009 and 2008, we have recorded no compensation expense under the requirements as discussed above.

Loss per Common Share

Basic earnings (loss) per share is computed by dividing the net income (loss) for the period by the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed based on the weighted average number of common shares and potentially dilutive common shares outstanding. The calculation of diluted net income (loss) per share excludes potential common shares if the effect would be anti-dilutive. Dilutive securities having an anti-dilutive effect on diluted earnings per share are excluded from the calculation. Securities relating to 120,000 shares of common stock that could be issued upon the possible conversion of the 8% convertible debenture have been excluded from the weighted average number of common shares outstanding at September 30, 2009 as their inclusion would be anti-dilutive. No other potentially dilutive securities were recorded on the Company's books at September 30, 2009.

New Accounting Standards

The FASB's Accounting Standards Codification is effective for all interim and annual financial statements issued after September 15, 2009. The ASC is now the single official source of authoritative, nongovernmental generally accepted accounting principles (GAAP) in the United States. The historical GAAP hierarchy was eliminated and the ASC became the only level of authoritative GAAP, other than guidance issued by the Securities and Exchange Commission. Our accounting policies were not affected by the conversion to ASC. However, we have conformed references to specific accounting standards in these notes to our consolidated financial statements to the appropriate section of ASC.

In August 2009, the FASB issued Accounting Standards Update No. 2009-05 *Fair Value Measurements and Disclosures (*ASC Topic 820*) - Measuring Liabilities at Fair Value* (ASC Update 2009-05). This update provides amendments to reduce potential ambiguity in financial reporting when measuring the fair value of liabilities. Among other provisions, this update provides clarification that in circumstances in which a quoted price in an active market for the identical liability is not available, a reporting entity is required to measure fair value using one or more of the valuation techniques described in ASC Update 2009-05. The Company will adopt ASC Update 2009-05 prospectively from October 1, 2009. We have not determined the impact, if any, that this update may have on our financial statements.

In October 2009, the FASB issued Accounting Standards Update, 2009-13, Revenue Recognition (ASC Topic 605): *Multiple Deliverable Revenue Arrangements – A Consensus of the FASB Emerging Issues Task Force.* This update provides application guidance on whether multiple deliverables exist, how the deliverables should be separated and how the consideration should be allocated to one or more units of accounting. This update establishes a selling price hierarchy for determining the selling price of a deliverable. The selling price used for each deliverable will be based on vendor-specific objective evidence, if available, third-party evidence if vendor-specific objective evidence is not available, or estimated selling price if neither vendor-specific or third-party evidence is available. The Company will be required to apply this guidance prospectively for revenue arrangements entered into or materially modified after January 1, 2011; however, earlier application is permitted. We have not determined the impact, if any, that this update may have on our financial statements.

There were various other accounting standards and interpretations issued during 2009 and 2008, none of which are expected to have a material impact on the Company's consolidated financial position, operations, or cash flows.

(2) *Related Party Transactions*

On September 11, 2008 Media sold 100,000 restricted shares of its common stock at $.25 per share to Mr. John Overturf, a shareholder and principal of an affiliate who provides certain administrative functions through Prospector Capital as discussed below. The Company received a total of $25,000 from the transaction.

On October 17, 2008 the Company's board of directors authorized the issuance of 10,000 shares to each of the Company's three directors. The shares were valued at $0.25 per share resulting in total compensation expense of $7,500.

Since 2007, Prospector Capital, a company controlled by Mr. John Overturf, had provided administrative functions at the rate of $1,000 per month. The monthly estimate was determined by comparing the level of effort to the cost of similar labor in the local market. General and administrative expense of $3,000 and $9,000 was recorded for the three and nine months ended September 30, 2008, respectively. For the three and nine months ended September 30, 2009 the fee was waived. On March 1, 2009 the total amount payable to the affiliate of $21,000 was converted to 84,000 shares of common stock at a conversion price of $.25 per share, the fair value of the stock on the conversion date.

Indebtedness to related parties

In October 2008, a company controlled by Greg Bloom, the Company's Chief Executive Officer, advanced $5,500 to the Company for working capital purposes. During the nine months ended September 30, 2009 the amount due to Mr. Bloom was paid in full.

During the year ended December 31, 2008, The Rockies Fund advanced a total of $16,000 to the Company for working capital purposes. As of December 31, 2008 the Company had repaid a total of $4,000 of these cash advances. In addition, the Rockies Fund made a direct advance to the Company of $650, which remained unpaid at December 31, 2008. On March 1, 2009, $10,650 of the advances were converted to 42,600 shares of common stock at a conversion price of $.25 per share, the fair value of the stock on the conversion date. At September 30, 2009, $2,000 of the working capital advance was unpaid.

In May 2009, Mr. Steven Calandrella, the principal of the Rockies Fund advanced $4,400 to the Company. In June 2009, Triumph Capital, a company controlled by a shareholder, advanced the Company a total of $12,000. Also in June 2009, $6,000 was advanced to the Company by Ms. Dorothy Calandrella, a shareholder of the Company, with an additional advance of $2,000 made in

August 2009. All the advances were provided for working capital purposes. None of these advances have been repaid as of September 30, 2009.

None of the advances earn interest and are payable to the holder on demand.

(3) ***Convertible Debenture and Short term advances***

On October 1, 2008 the Company issued an 8% Convertible Debenture to an attorney in exchange for $30,000 owed to the attorney for prior services. The Debenture is convertible by the holder into shares of the company's common stock at a conversion price of $0.25. The debenture matured April 1, 2009. Upon default of the debenture, the default interest rate of 12% was effective. As of the date of this report the debenture together with $3,000 of accrued interest has neither been converted nor paid.

During the year ended December 31, 2008 the Company received $15,000 from a non-affiliate as a short term advance. During the first quarter of 2009 an additional $150 was advanced to the Company by the same non-affiliate. On March 1, 2009 the total of $15,150 together with accrued interest of $200 was converted to 61,400 shares of common stock at a conversion price of $.25 per share, the fair value of the stock on the conversion date. In September 2009, this non-affiliate advanced the Company an additional $6,000 to be used for working capital purposes. As of September 30, 2009 this amount has not been paid.

During the three months ended March 31, 2009 the Company received $12,500 from a non-affiliate as a short term advance. On January 15, 2009 the total of $12,500 was converted to 50,000 shares of common stock at a conversion price of $.25 per share, the fair value of the stock on the conversion date.

In June 2009, the Company received $2,200 from a non-affiliate as a short term advance. The full amount was also subsequently paid in June 2009.

(4) ***Equity***

Common stock

Upon the effectiveness on July 14, 2008 of the Registration Statement filed with the SEC by Imagine Media, Ltd. ("Media"), Imagine Holdings Corp. (“Holdings”) has completed the spin-off of its magazine business to its shareholders of record as of August 23, 2007. The transaction was effected by the issuance of 992,650 shares of Media $0.00001 par value common stock to Holdings in exchange for certain assets, subject to liabilities, of Holdings, consisting primarily of its 60 percent of the issued and outstanding common stock of Imagine Operations, Inc. (“Operations”).

On March 31, 2009 certain amounts due a consultant for prior professional accounting services were converted to common stock. The total amount converted of $5,000 resulted in the issuance of

20,000 shares of common stock at a conversion price of $.25 per share, the fair value of the stock on the conversion date.

(5) ***Commitments***

Operations entered into a one year non-cancellable operating lease for office space on November 1, 2006. Under the terms of the lease, the Company paid $400 cash monthly and provides monthly advertising to the landlord, valued by management $300, for a total monthly rent of $700. In December 2007, the lease was renewed until December 1, 2008 under the same terms. As of September 30, 2009 the lease had not been renewed and the Company no longer occupies the space. For the nine months ended September 30, 2009, $400 of rent was paid the landlord by transfer of the security deposit. As of the date of this report, no office space has been obtained and none is being sought as management assesses its operating strategy going forward.

Rent expense of $800 and $3,600 was recorded for the nine months ended September 30, 2009 and 2008, respectively.

(6) ***Income taxes***

A reconciliation of the U.S. statutory federal income tax rate to the effective tax rate is as follows:

	December 31,	
	2008	2007
U.S. federal statutory graduated rate	28.82%	15.00%
State income tax rate, net of federal benefit	3.30%	3.94%
Permanent difference	0.00%	0.00%
Net operating loss for which no tax benefit is currently available.	-32.12%	-18.94%
	0.00%	0.00%

At December 31, 2008, deferred tax assets consisted of a net tax asset of $55,440, due to operating loss carry forwards of $541,051, of which $237,442 is attributed to the historical operations of the magazine, which was fully allowed for, in the valuation allowance of $55,440. The valuation allowance offsets the net deferred tax asset for which there is no assurance of recovery. The changes in the valuation allowance for the year ended December 31, 2008 was $20,774. Net operating loss carryforwards will expire through 2028. The value of these carryforwards depends on the ability of the Company to generate taxable income.

The valuation allowance is evaluated at the end of each year, considering positive and negative evidence about whether the asset will be realized. At that time, the allowance will either be increased or reduced; reduction could result in the complete elimination of the allowance if positive evidence indicates that the value of the deferred tax asset is no longer impaired and the allowance is no longer required.

(7) ***Other - Trademark***

The Company has learned that a third party in Orange County, CA publishes a regional magazine under the name “Image Magazine.” The publisher of the California-based Image Magazine has registered the trademark “Image Magazine” with the United States Patent and Trademark Office, which trademark registration was issued in 2006, and also owns and uses the domain name “imagemagazine.com” Preliminary contact with the principals of the California-based magazine has been made in an effort to resolve our conflicting uses of the same trademark and have agreed in principle to resolve the matter through the execution of a trademark license; however, no assurance can be given that such a license can be finalized. Should efforts to resolve this trademark conflict not be successfully resolved, the Company would have to rebrand the magazine altogether and forfeit all of the goodwill which has been developed over the years in connection with the magazine. This would result in substantial economic losses.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain statements in this Management's Discussion which are not historical facts are forward-looking statements such as statements relating to future operating results, existing and expected competition, financing and refinancing sources and availability and plans for future development or expansion activities and capital expenditures. Such forward-looking statements involve a number of risks and uncertainties that may significantly affect our liquidity and results in the future and, accordingly, actual results may differ materially from those expressed in any forward-looking statements. Such risks and uncertainties include, but are not limited to, those related to effects of competition, leverage and debt service financing and refinancing efforts, general economic conditions, changes in gaming laws or regulations (including the legalization of gaming in various jurisdictions) and risks related to development and construction activities. The following discussion and analysis should be read in conjunction with the consolidated financial statements and notes thereto appearing elsewhere in this report.

Overview

Upon the effectiveness on July 14, 2008 of the Registration Statement filed with the SEC by Imagine Media, Ltd. ("Media"), Imagine Holdings Corp. ("Holdings") completed the spin-off of its magazine business to its shareholders of record as of August 23, 2007. The transaction was effected by the issuance of 992,650 shares of Media $0.00001 par value common stock to Holdings in exchange for certain assets, subject to liabilities, of Holdings, consisting primarily of its 60 percent of the issued and outstanding common stock of Imagine Operations, Inc. ("Operations"). Holdings' shareholders retained their Holdings common shares and, after the spin-off, received one (1) share of the common stock of Media for each share of Holdings common stock held. Immediately following the spin-off, Holdings' shareholders owned 100 percent of Media's common stock and Media owned 60 percent of Operations. Certain Media shareholders also hold the remaining 40 percent of Operations. Thus, there is no non-controlling interest reflected in the accompanying consolidated financial statements.

Media, is incorporated in the State of Delaware. Until January 2009, it published Image Magazine, a Denver, Colorado monthly guide and entertainment source. The magazine covered nightlife, music, style, food and art and sells advertising to businesses within such genres. The magazine was a pocket-sized, full color and glossy assemblage of information distributed at nearly 500 establishments. In January 2009, Media suspended publishing Image Magazine due to various economic and technical issues that have resulted in declining advertising revenues and increased production and distribution costs. The Company is considering various strategies including publishing the magazine on less frequent basis, as well as utilizing the Internet as its primary distribution platform.

The spin-off was accounted for based on recorded amounts and for accounting purposes, Media is considered to be the acquirer of Operations and Holdings is its predecessor. The historical operations of Holdings and Operations are included in the consolidated financial statements for all periods presented prior to the spin-off date of August 23, 2007.

Due to our continuing losses from operations, our auditors have included in their audit report for the year ended December 31, 2008 an explanatory paragraph regarding the uncertainty of our ability to continue as a going concern.

Results of Operations – Three Months Ended September 30, 2009 Compared to the Three Months Ended September 30, 2008

We recognized a net loss of $(1,964) ($(0.00) per share) for the three months ended September 30, 2009 compared to a net loss of $(43,149) ($(0.04) per share) for the same period in 2008. The decrease in our net loss is due to the suspension of the monthly production of Image Magazine in January 2009 as discussed elsewhere in this report.

Revenues

Advertising revenues are recognized when the related advertisements appear in the Magazine. Advertisers are charged at standard published rates, and are sometimes provided discounts for various advertisement related reasons. Advertising sales, net of discounts were $-0- for the three months ended September 30, 2009 compared to $40,595 for the comparable 2008 period which included a full three months of advertising revenues in Image Magazine.

Financial Accounting Standards Board ("FASB") Accounting Standards Codification (the "ASC") Topic 605, *"Revenue Recognition*," provides guidance on recognizing revenues and expenses at fair value of the advertising surrendered in the transactions, provided the fair value is determinable based on the entity's own historical practice of receiving cash, marketable securities, or other consideration that is readily convertible to a known amount of cash for similar advertising from buyers unrelated to the counterparty in the barter transactions.

During the three months ended September 30, 2009 and 2008 barter revenue and expense amounted to $-0- and $14,075, respectively.

Operating Expenses

Editorial, production and circulation: These expenses include all costs of producing and distributing the Magazine, including advertisement design, photography, text development, and all costs associated with printing and reproduction, and distribution, as well as costs associated with advertising production on the Internet. Total editorial, production and circulation costs for the three months ended September 30, 2009 and 2008 were $-0- and $41,336, respectively. The decrease is due to the suspension of the monthly production of Image Magazine in January 2009.

Barter expenses: Total barter expenses were $-0- and $14,075 for the three months ended September 30, 2009 and 2008, respectively.

Selling, general and administrative expenses: These expenses include all non-production costs of operations including management and staff salaries and wages, professional legal and accounting fees, occupancy costs, as well as telephone, utilities and other general administrative costs. For the three months ended September 30, 2009 total selling, general and administrative costs totaled $1,064, and primarily include legal and accounting fees associated with the Company's quarterly financial filings. Total selling and administrative costs of $42,408 for the three months ended September 30, 2008 included all personnel, legal, accounting and other costs associated with the three full months of production of the magazine, which was suspended in January 2009.

Interest expense: Interest expense was $900 and $-0- for the three months ended June 30, 2009 and 2008 and represents interest accrued on the 8% Convertible Debenture.

Inflation did not have a material impact on the Company's operations for the period.

Other than that noted above, neither period included any unusual items or significant fluctuations.

Other than the foregoing, management knows of no trends, demands, or uncertainties that are reasonably likely to have a material impact on the Company's results of operations.

Results of Operations – Nine Months Ended September 30, 2009 Compared to the Nine Months Ended September 30, 2008

We recognized a net loss of $(42,803) ($(0.03) per share) for the nine months ended September 30, 2009 compared to a net loss of $(132,884) ($(0.13) per share) for the same period in 2008. The decrease in our net loss is due to the suspension of the monthly production of Image Magazine in January 2009 as discussed elsewhere in this report.

<u>Revenues</u>

Advertising revenues are recognized when the related advertisements appear in the Magazine. Advertisers are charged at standard published rates, and are sometimes provided discounts for various advertisement related reasons. Advertising sales, net of discounts were $400 for the nine months ended September 30, 2009 compared to $103,795 for the comparable 2008 period which included a full nine months of advertising revenues in Image Magazine.

Financial Accounting Standards Board ("FASB") Accounting Standards Codification (the "ASC") Topic 605, *"Revenue Recognition*," provides guidance on recognizing revenues and expenses at fair value of the advertising surrendered in the transactions, provided the fair value is determinable based on the entity's own historical practice of receiving cash, marketable securities, or other consideration that is readily convertible to a known amount of cash for similar advertising from buyers unrelated to the counterparty in the barter transactions.

During the nine months ended September 30, 2009 and 2008 barter revenue and expense amounted to $-0- and $32,725, respectively.

Operating Expenses

Editorial, production and circulation: These expenses include all costs of producing and distributing the Magazine, including advertisement design, photography, text development, and all costs associated with printing and reproduction, and distribution, as well as costs associated with advertising production on the Internet. Total editorial, production and circulation costs for the nine months ended September 30, 2009 and 2008 were $748 and $97,644, respectively. The decrease is due to the suspension of the monthly production of Image Magazine in January 2009.

Barter expenses: Total barter expenses were $-0- and $32,725 for the nine months ended September 30, 2009 and 2008, respectively.

Selling, general and administrative expenses: These expenses include all non-production costs of operations including management and staff salaries and wages, professional legal and accounting fees, occupancy costs, as well as telephone, utilities and other general administrative costs. For the nine months ended September 30, 2009 total selling, general and administrative costs totaled $39,855, and primarily include legal, accounting, and administrative costs associated with various conversions of accounts, notes and cash advances to common stock, as well as fees associated with the Company's quarterly financial filings. Total selling and administrative costs of $138,995 for the nine months ended September 30, 2008 included all personnel, legal, accounting and other costs associated with nine full months of production of the magazine, which was suspended in January 2009.

Interest expense: Interest expense was $2,600 and $-0- for the nine months ended September 30, 2009 and 2008 and represents interest accrued on the 8% Convertible Debenture.

Inflation did not have a material impact on the Company's operations for the period.

Other than that noted above, neither period included any unusual items or significant fluctuations.

Other than the foregoing, management knows of no trends, demands, or uncertainties that are reasonably likely to have a material impact on the Company's results of operations.

Other

For federal income tax purposes, at December 31, 2008 the Company has a net operating loss carryover (NOL) approximating $541,000, which can be used to offset future taxable income, if any. Under the Tax Reform Act of 1986, the amounts of and the benefits from NOL's are subject to certain limitations including restrictions imposed when there is a loss of business continuity or when ownership changes in excess of 50% of outstanding shares, under certain circumstances. Thus, there is no guarantee that we will be able to utilize the NOL before it expires and therefore no potential benefit has been recorded in the financial statements.

Liquidity and Capital Resources

Until the suspension of production of Image Magazine in January 2009, our primary source of cash was internally generated through operations. At September 30, 2009, we had a working capital deficit of $(126,564). This compares to a working capital deficit of $(148,661) at December 31, 2008. The decrease in the working capital deficit is attributed to the conversion of various short term liabilities converted to common stock during the nine months ended September 30, 2009. Additional short term shareholder and affiliate advances of $24,400 were received during the second and third quarters to pay certain legal and accounting commitments with respect to the Company's quarterly financial filings. Cash generated from operations of Image Magazine had not been sufficient to satisfy working capital requirements and capital expenditures. Consequently, we have depended on funds received through debt and equity financing, as well upon loans from shareholders and affiliates to meet our operating cash requirements. There can be no assurance that these affiliates or other related parties will continue to provide funds to us in the future, as there is no legal obligation on these parties to provide such financing.

As of September 30, 2009, the Company does not have any commercial bank credit facilities, nor is it expected to secure such facilities in the foreseeable future. Consequently, we believe that cash necessary for future operating needs must be generated though short term loans from shareholders or affiliates, or through additional debt or equity financing.

At September 30, 2009, the Company had cash and cash equivalents of $484, compared to a cash balance of $68 at December 31, 2008.

Cash used in operating activities was $37,134 for the nine months ended September 30, 2009. For the same period in 2008, operating activities used net cash of $80,214. The decrease in cash used in operating activities over the comparable period was primarily the result of the suspension of production of the magazine in January 2009.

Cash flows from financing activities were $37,550 for the nine months ended September 30, 2009. During the second and third quarters of 2009 we received short term advances from three different affiliates totaling $24,400. None of these advances have been repaid. Also, during the nine months ended September 30 2009 we repaid a $5,500 cash advance made by the Company's chief executive officer and director.

In January 2009 the Company received $12,500 from a non-affiliate as a short term advance. As discussed below, this advance was converted to common stock on January 15, 2009. In June 2009, we received a $2,200 short term advance from a non-affiliate that was subsequently repaid. In addition, additional advances of $6,150 were received from a non-affiliate during the nine months ended September 30, 2009.

During the nine months ended September 30, 2009 the following accounts payable, short term advances and debt owed to related parties were converted to common stock:

1) Prospector Capital, a company controlled by Mr. John Overturf, provided certain administrative functions to the Company at the rate of $1,000 per month. The monthly estimate was determined by comparing the level of effort to the cost of similar labor in the local market. For the three months ended March 31, 2009 the fee was waived. On March 1, 2009 the total amount payable to the affiliate of $21,000 was converted to 84,000 shares of common stock at a conversion price of $.25 per share.
2) On March 31, 2009 certain amounts due a consultant for prior professional accounting services were converted to common stock. The total amount converted of $5,000 resulted in the issuance of 20,000 shares of common stock at a conversion price of $.25 per share.
3) During the year ended December 31, 2008 the Company received $15,000 from a non-affiliate as a short term advance. During the three months ended March 31, 2009 an additional $150 was advanced to the Company by the same non-affiliate. On March 1, 2009 the total of $15,150 together with accrued interest of $200 was converted to 61,400 shares of common stock at a conversion price of $.25 per share.
4) As discussed above, in January 2009 the Company received $12,500 from a non-affiliate as a short term advance. On January 15, 2009 the total of $12,500 was converted to 50,000 shares of common stock at a conversion price of $.25 per share.
5) During the year ended December 31, 2008, The Rockies Fund advanced a total of $16,000 to the Company for working capital purposes. As of December 31, 2008 the Company had repaid a total of $4,000 of these cash advances. In addition, the Rockies Fund made an additional direct advance to the Company of $650, which remained unpaid at December 31, 2008. On March 1, 2009, $10,650 of the advances was converted to 42,600 shares of common stock at a conversion price of $.25 per share.

Cash flows from financing activities were $49,000 for the nine months ended September 30, 2008. On September 11, 2008 we sold 100,000 restricted shares of our common stock at $.25 per share to a related party, resulting in $25,000 of proceeds. In addition, during the nine months ended September 30, 2008 we received a total of $34,000 of short term cash advances from non-related and related parties, of which $10,000 was repaid during the period.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Securities and Exchange Commission Regulation S-K.

Use of Estimates and Assumptions

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 reporting periods. Significant estimates included herein relate to the recoverability of assets, the value of long-lived assets and liabilities, the value of share based compensation transactions, as well as the long-term viability of the business. Actual results may differ from estimates.

Our financial statements have been prepared based upon the assumption that we are able to continue as a going concern. In light of our history of operating losses, there can be no assurance that we will continue as a going concern.

Other than the foregoing, management knows of no trends, demands, or uncertainties that are reasonably likely to have a material impact on the Company's liquidity and capital resources.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. The Company does not have any financial instruments held for trading or other speculative purposes and does not invest in derivative financial instruments, interest rate swaps or other investments that alter interest rate exposure. The Company does not have any credit facilities with variable interest rates.

ITEM 4. CONTROLS AND PROCEDURES

a) The Company's Principal Executive and Financial Officer, has established and is currently maintaining disclosure controls and procedures for the Company. The disclosure controls and procedures have been designed to provide reasonable assurance that the information required to be disclosed by the Company in reports that it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and to ensure that information required to be disclosed by the Company is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

The Principal Executive and Financial Officer conducted a review and evaluation of the effectiveness of the Company's disclosure controls and procedures and has concluded, based on his evaluation as of the end of the period covered by this Report, that our disclosure controls and procedures are not effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms and to ensure that the information required to be disclosed by the Company is accumulated and communicated to management, including our principal executive and financial officer, to allow timely decisions regarding required disclosure.

b) There has been no change in our internal control over financial reporting during the quarter ended September 30, 2009 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

c) Our principal executive and financial officer does not expect that our disclosure controls or internal controls will prevent all error and all fraud. Although our disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives and our principal executive and financial officer has determined that our disclosure controls and procedures are effective at doing so, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if there exists in an individual a desire to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

PART II. OTHER INFORMATION

Item 1. **Legal Proceedings**

None, except as previously disclosed.

Item 1A **Risk Factors**

None

Item 2. **Unregistered Sales of Equity Securities and Use of Proceeds**

None, except as previously reported.

Item 3. **Defaults Upon Senior Securities**

None, except as previously disclosed.

Item 4. **Submission of Matters to a Vote of Security Holders**

None, except as previously disclosed.

Item 5. **Other Information**

None, except as previously disclosed.

Item 6. Exhibits

Certification
Certification pursuant to 18 U.S.C. Section 1350

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned, thereunto duly authorized.

IMAGINE MEDIA, LTD.

Date: ___November 13, 2009

By: __*/s/ Gregory A. Bloom* ________
Gregory A. Bloom, Chief
Executive Officer and Chief
Financial Officer

CERTIFICATION

I, Gregory A. Bloom, Principal Executive and Financial Officer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Imagine Media, Ltd.;

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2009

/s/ Gregory A. Bloom

Gregory A. Bloom
Principal Executive Officer and
Principal Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Imagine Media, Ltd., (the "Company") on Form 10-Q for the period ended September 30, 2009, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory A. Bloom, Principal Executive Officer and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

_/s/ Gregory A. Bloom_______
Gregory A. Bloom
Principal Executive Officer and
Principal Financial Officer
November 13, 2009