American Foundation for Suicide Prevention

Financial Report

June 30, 2010

Contents

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Independent Auditor's Report

To the Board of Directors
American Foundation for Suicide Prevention
New York, New York

We have audited the accompanying statement of financial position of American Foundation for Suicide Prevention (the "Foundation") as of June 30, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Foundation for Suicide Prevention as of June 30, 2010, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP

New York, New York
November 24, 2010

American Foundation for Suicide Prevention

Statement of Financial Position
June 30, 2010

ASSETS	
Current Assets:	
Cash	$ 1,348,004
Short-term investments (Note 3)	931,296
Unconditional promises to give and other receivables	310,730
Prepaid expenses and other	20,106
Total current assets	2,610,136
Equipment, at cost:	
Furniture, fixtures and computer equipment	294,543
Less accumulated depreciation	250,648
Equipment, at cost less depreciation	43,895
Other Assets:	
Restricted investments (Note 3)	1,189,346
Educational films	356,304
Security deposits	15,415
Total other assets	1,561,065
Total assets	$ 4,215,096
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Grants payable (Note 4)	$ 1,825,921
Accounts payable and accrued expenses	586,534
Total current liabilities	2,412,455
Noncurrent Liabilities and Deferred Credits:	
Grants payable (Note 4)	460,889
Deferred rent credit (Note 9)	31,693
Total noncurrent liabilities and deferred credits	492,582
Net Assets:	
Unrestricted:	
General operating	(667,301)
Board-designated	931,296
	263,995
Temporarily restricted (Note 6)	1,046,064
Total net assets	1,310,059
Total liabilities and net assets	$ 4,215,096

See Notes to Financial Statements.

American Foundation for Suicide Prevention

Statement of Activities
Year Ended June 30, 2010

	Unrestricted	Temporarily Restricted	Total
Revenues, gains and other support:			
Donations	$ 1,149,607	$ -	$ 1,149,607
Lifesavers' dinner, net of related expenses of $182,305	222,680	-	222,680
Out of Darkness walks, net of related expenses of $1,736,792 (Note 10)	4,929,418	-	4,929,418
Other fund-raising events, net of related expenses of $152,717	256,303	-	256,303
Other revenues	461,565	-	461,565
Investment income	150,962	60,208	211,170
Net assets released from restrictions	27,363	(27,363)	-
Total revenues, gains and other support	7,197,898	32,845	7,230,743
Expenses:			
Program services	5,394,328	-	5,394,328
Management and general	372,291	-	372,291
Fund-raising	625,805	-	625,805
Total expenses	6,392,424	-	6,392,424
Increase in net assets	805,474	32,845	838,319
Net Assets:			
Beginning	(541,479)	1,013,219	471,740
Ending	$ 263,995	$ 1,046,064	$ 1,310,059

See Notes to Financial Statements.

American Foundation for Suicide Prevention

Statement of Functional Expenses
Year Ended June 30, 2010

	Program Services			Supporting Services		Total
	Research	Prevention and Education	Survivors' Programs	Management and General	Fund-raising	Total Program and Supporting Services
Grants	$ 837,843	$ -	$ -	$ -	$ -	$ 837,843
Salaries	586,552	1,101,244	573,607	196,661	299,103	2,757,167
Payroll taxes	47,552	89,278	46,503	15,943	24,248	223,524
Employee health and retirement benefits	76,026	142,738	74,349	25,490	38,768	357,371
Research, educational and survivor conferences and programs	115,525	391,008	219,504	-	-	726,037
Out of Darkness programs	91,255	182,510	114,069	-	130,309	518,143
Office	77,373	145,277	75,665	25,942	80,476	404,733
Occupancy	51,233	96,189	50,101	17,177	26,125	240,825
Telephone	13,303	24,975	13,009	4,460	6,784	62,531
Computer expenses	16,555	31,082	16,190	5,551	8,442	77,820
Equipment rental and maintenance	6,555	12,307	6,410	2,198	3,343	30,813
Printing and mailing lists	-	24,790	15,775	-	4,507	45,072
Insurance	1,650	3,099	1,614	553	842	7,758
Professional fees	-	-	-	61,758	-	61,758
Annual report	-	-	-	14,678	-	14,678
Depreciation	5,606	10,525	5,482	1,880	2,858	26,351
	$ 1,927,028	$ 2,255,022	$ 1,212,278	$ 372,291	$ 625,805	$ 6,392,424
Percentage to total program and supporting services	30.1%	35.3%	19.0%	5.8%	9.8%	100.0%

See Notes to Financial Statements.

American Foundation for Suicide Prevention

Statement of Cash Flows
Year Ended June 30, 2010

Cash Flows From Operating Activities:	
Increase in net assets	$ 838,319
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	81,116
Unrealized gain on investments	(206,662)
Realized loss on investments	48,035
Deferred rent credit	(7,705)
Changes in assets and liabilities:	
Decrease in:	
Unconditional promises to give and other receivables	65,418
Prepaid expenses and other	2,380
(Decrease) increase in:	
Grants payable	(717,870)
Accounts payable and accrued expenses	134,818
Net cash provided by operating activities	237,849
Cash Flows From Investing Activities:	
Acquisition of short-term investments	(424,473)
Proceeds from sale of short-term investments	503,770
Educational films	(37,164)
Net cash provided by investing activities	42,133
Net increase in cash	279,982
Cash:	
Beginning	1,068,022
Ending	$ 1,348,004

See Notes to Financial Statements.

Note 1. Summary of Significant Accounting Principles

Organization: American Foundation for Suicide Prevention (the "Foundation") is a not-for-profit organization incorporated under the laws of the State of Delaware. The Foundation was established in 1987 by concerned scientists, business and community leaders, and survivors of suicide in an effort to support the research and education needed to prevent suicide. The Foundation is dedicated to funding suicide prevention research, and to offering educational programs and conferences for survivors, mental health professionals, physicians, and the public.

Basis of Presentation: The financial statements have been prepared on an accrual basis and include the accounts of the New York National Office and the Foundation's 45 unincorporated chapters, including the two inactive international chapters.

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets: Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets: Net assets subject to donor-imposed restrictions that expire by the passage of time or by actions of the Foundation. They are classified as temporarily restricted net assets until those amounts are appropriated for expenditures in a manner consistent with the donor's wishes.

Permanently Restricted Net Assets: Net assets subject to donor-imposed restrictions that are to be permanently maintained by the Foundation.

Contributions: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. A number of unpaid volunteers have made a contribution of their time to develop the Foundation's programs. The value of this contributed time is not reflected in the statements.

Promises to Give: Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. At June 30, 2010, all promises to give were expected to be collected within one year.

Depreciation: Depreciation of equipment is provided for by accelerated methods over the estimated useful lives of the related assets ranging from five to ten years.

Educational Films: Cost of $411,069 relating to the development of two educational films has been deferred. Use of the films began in fiscal 2010, and are amortized over their estimated useful life of five years. Amortization expense in fiscal 2010 is $54,765.

Note 1. Summary of Significant Accounting Principles (Continued)

Functional Expenses: The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated to each.

Tax-Exempt Status: The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is a publicly supported organization as described in Section 509(a).

On July 1, 2009, the Foundation adopted the accounting standard on accounting for uncertainty in income taxes ("ASC 740", formerly Financial Accounting Standards Board ("FASB") Interpretation No. 48), which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Foundation may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the Foundation’s tax positions and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, the Foundation is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before fiscal 2007, which is the standard statute of limitations look-back period.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Subsequent Events: The Foundation evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected or disclosed in the financial statements. Such evaluations are performed through the date the financial statements are available to be issued, which is November 24, 2010 for these financial statements.

New Authoritative Accounting Guidance Adopted: In June 2009, the FASB established *The FASB Accounting Standards Codification™ (“*FASB ASC”) as the source of authoritative generally accepted accounting principles (“GAAP”) recognized by the FASB to be applied to nongovernmental entities, and rules and interpretive releases of the Securities and Exchange Commission (the "SEC") as authoritative GAAP for SEC registrants. The ASC will supersede all the existing non-SEC accounting and reporting standards upon its effective date and, subsequently, the FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. This guidance also replaces the prior guidance regarding the GAAP hierarchy, given that once in effect, the guidance within the ASC will carry the same level of authority. The ASC is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The guidance is limited to disclosure in the financial statements and the manner in which the Association refers to GAAP authoritative literature. The Foundation adopted this guidance for the year ended June 30, 2010, noting there was no material impact on the Foundation's financial statements.

Note 1. Summary of Significant Accounting Principles (Continued)

Recent Authoritative Accounting Guidance Not Yet Adopted: In January 2010, the FASB issued an amendment, *Fair Value Measurements and Disclosures - Improving Disclosures about Fair Value Measurements* ("ASU 2010-06"), which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and disclosures about inputs and valuation techniques are required for both Level 2 and Level 3 measurements. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances and settlements, instead of netting these changes. With respect to matters other than Level 3 measurements, the amendment was effective for periods beginning on July 1, 2010. The guidance related to Level 3 measurements is effective for periods beginning on July 1, 2011. The Foundation's management is currently evaluating the impact that the guidance will have on the financial statement disclosures.

Note 2. Cash

The Foundation maintains cash in bank accounts which, at times, may exceed federally insured limits.

Note 3. Investments

The *Fair Value Measurements* Topic of the FASB ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of investments in Level 1 include listed equities and listed derivatives.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value that is determined through the use of models or other valuation methodologies. Investments in this category generally include certain corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Investments in this category generally include equity and debt positions in private companies.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Note 3. Investments (Continued)

Financial instruments, measured at fair value on a recurring basis, consist of the following as of June 30, 2010:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market funds	$ 338,608	$ -	$ -	$ 338,608
Mutual funds:				
Stock funds:				
Small-cap	124,254	-	-	124,254
Mid-cap	115,954	-	-	115,954
Large blend	662,037	-	-	662,037
Foreign large blend	1,725			1,725
Total stock funds	903,970	-	-	903,970
Bond funds:				
Intermediate government	844,681	-	-	844,681
Total mutual funds	1,748,651	-	-	1,748,651
Other	-	33,383	-	33,383
Total	$ 2,087,259	$ 33,383	$ -	$ 2,120,642

Following is a description of the valuation methodologies used for assets measured at fair value.

Money Market Fund: Money market funds are priced daily. The funds have relatively low risks compared to mutual funds and pay dividends that generally reflect short-term interest rates.

Mutual Funds: Shares of registered investment companies (mutual funds) are reported at fair value based on the quoted price of the fund.

Note 3. Investments (Continued)

Investment income and losses are reflected in unrestricted net assets unless there are explicit donor restrictions. Investment gain or loss for the year ending June 30, 2010 is as follows:

Interest and dividend	$ 52,543
Realized loss	(48,035)
Unrealized gain	206,662
	$ 211,170

Return Objective and Risk Parameters: The Foundation's objective is to earn a respectable, long-term, risk-adjusted total rate of return to support the designated programs. In establishing the investment objectives of the portfolio, the board of trustees and the Investment Committee have taken into account the financial needs and circumstances of the Foundation, the time horizon available for investment, the nature of the Foundation's cash flow and liabilities and other factors that affect their risk tolerance. The Foundation takes a risk-averse balanced approach that emphasizes a stable and substantial source of current income and some capital appreciation over the long term. The entity recognizes that investment results over the long term may lag those of the typical balanced portfolio since the typical balanced portfolio tends to be more aggressively invested. Nevertheless, the portfolio is expected to earn long-term return that compares favorably to appropriate market indexes.

Note 4. Grants Payable

Grants payable include grants awarded in prior years and not paid as of the end of the fiscal year. Grants that are expected to be paid in future years are recorded at the present value of their estimated cash flows, discounted at market rate. They are scheduled for payment, net of a discount of $72,648, as follows:

Year ending June 30,	
2011	$ 1,825,921
2012	421,275
2013	39,614
	$ 2,286,810

The Foundation has approved $1,474,600 of grants, which are effective on July 1, 2010.

Note 5. Board-Designated Funds

The Foundation’s board of directors designated certain of the Foundation’s unrestricted funds for future projects and operational uses. All board-designated funds are separately shown in the accompanying statement of financial position.

Note 6. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of investments expendable in accordance with the terms of the contributions (see Note 1). They are restricted for the following:

Purpose-restricted - to be used for clinical education	$ 74,515
Time-restricted - to be used for suicide causes research	941,880
SPAN Network news letter	22,500
SPAN awareness of depression and suicide in college students	5,000
SPAN time-restricted and other	2,169
	$ 1,046,064

Spending Policy: The Foundation will appropriate for expenditure in its annual budget 5% of the ending balance of the market value of the investments as of a certain period-end date.

Note 7. Contributed Legal Services

The Foundation has received legal services approximating $8,600 during fiscal 2010, which has been reflected as a contribution and legal expense in the accompanying financial statements. The value of these services rendered was supplied by the donor.

Note 8. Pension Plan

The Foundation sponsors a defined contribution retirement plan covering all employees meeting age and service requirements. Pension plan contributions are based on a percentage of an employee's salary. Pension plan contributions for the year ended June 30, 2010 amounted to $190,115.

Note 9. Leases

The Foundation is obligated under various leases for office facilities extending through May 2014. Minimum annual rentals are as follows:

Year ending June 30,	
2011	$ 259,000
2012	144,000
2013	88,000
2014	83,000
	$ 574,000

Deferred rent credit included in the accompanying statement of financial position results from the rent reduction provided at the inception of the lease. Rent expense (excluding rent allocated to events) is recorded on a straight-line basis and was $232,000 for fiscal year 2010.

Note 10. Out of Darkness Events

The Foundation sponsors “Out of Darkness” events, 20-mile walks. The purpose of the “Out of Darkness” walks is to raise funds and increase public awareness of the various causes promoted by the Foundation. The Foundation held one "Out of Darkness" walk during fiscal year 2010. In addition, the Foundation has organized smaller scale “Out of Darkness” community walks, which take place in various cities around the country.