Financial Statements Together with Report of
Independent Certified Public Accountants

AMNESTY INTERNATIONAL OF THE U.S.A., INC.

December 31, 2016 and 2015

AMNESTY INTERNATIONAL OF THE U.S.A., INC.

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Grant Thornton LLP
757 Third Avenue, 9th Floor
New York, NY 10017

T 212.599.0100
F 212.370.4520
GrantThornton.com
linkd.in/GrantThorntonUS
twitter.com/GrantThorntonUS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Amnesty International of the U.S.A., Inc.

We have audited the accompanying financial statements of Amnesty International of the U.S.A, Inc. ("AIUSA"), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to AIUSA's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AIUSA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amnesty International of the U.S.A, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters

The financial statements of Amnesty International of the U.S.A, Inc., as of and for the year ended December 31, 2015 were audited by other auditors. Those auditors expressed an unmodified opinion on those 2015 financial statements in their report dated June 20, 2016.

Grant Thornton LLP

New York, New York
June 16, 2017

AMNESTY INTERNATIONAL OF THE U.S.A., INC.
Statements of Financial Position
As of December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash and cash equivalents (Note 2)	$ 6,746,822	$ 5,270,613
Investments, at fair value (Notes 2, 3 and 6)	15,500,677	15,350,306
Contributions receivable, net (Note 4)	4,140,600	3,581,729
Inventory (Note 2)	8,319	14,717
Prepaid expenses	432,865	340,455
Fixed assets, net (Notes 2 and 5)	351,277	327,568
Total assets	$ 27,180,560	$ 24,885,388
LIABILITIES AND NET ASSETS LIABILITIES		
LIABILITIES		
Accounts payable and accrued expenses	$ 635,188	$ 684,697
Payroll and payroll taxes payable	663,196	857,152
International Secretariat assessment payable	1,172,301	-
Charitable gift annuity obligation (Note 6)	3,287,768	2,675,421
Total liabilities	5,758,453	4,217,270
NET ASSETS		
Unrestricted	17,264,458	16,883,310
Temporarily restricted (Note 7)	1,914,700	1,569,949
Permanently restricted (Note 8)	2,242,949	2,214,859
Total net assets	21,422,107	20,668,118
Total liabilities and net assets	$ 27,180,560	$ 24,885,388

The accompanying notes are an integral part of these financial statements.

AMNESTY INTERNATIONAL OF THE U.S.A., INC.
Statements of Activities
For the years ended December 31, 2016 and 2015

	2016				2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUE								
Contributions from individuals	$ 29,614,495	$ 592,205	$ -	$ 30,206,700	$ 27,477,895	$ 1,046,187	$ -	$ 28,524,082
Grants from foundations	83,604	110,000	-	193,604	84,900	95,000	-	179,900
Bequests and planned giving	5,886,293	-	33,226	5,919,519	8,671,607	-	-	8,671,607
International Secretariat grants	350,000	2,000,000	-	2,350,000	300,000	-	-	300,000
Donated services (Note 10)	27,761	-	-	27,761	170,990	-	-	170,990
Literature and merchandise sales (net of cost of goods sold of $15,589 and $114,755 for December 31, 2016 and 2015, respectively)	112,818	-	-	112,818	175,018	-	-	175,018
Miscellaneous income	221,338	-	-	221,338	228,437	-	-	228,437
Net assets released from restrictions (Note 7)	2,898,449	(2,898,449)	-	-	856,957	(856,957)	-	-
Total operating revenue	39,194,758	(196,244)	33,226	39,031,740	37,965,804	284,230	-	38,250,034
EXPENSES								
Program services	29,334,184	-	-	29,334,184	27,095,831	-	-	27,095,831
Management and general	1,921,507	-	-	1,921,507	2,228,322	-	-	2,228,322
Fundraising	6,351,570	-	-	6,351,570	5,738,420	-	-	5,738,420
Total expenses	37,607,261	-	-	37,607,261	35,062,573	-	-	35,062,573
Increase (decrease) in net assets before nonoperating revenues	1,587,497	(196,244)	33,226	1,424,479	2,903,231	284,230	-	3,187,461
NONOPERATING REVENUES								
Change in value of gift annuity obligations	(1,010,709)	-	-	(1,010,709)	(227,769)	-	-	(227,769)
Net realized gains (losses) on investments	45,613	(19,561)	-	26,052	154,978	-	-	154,978
Net unrealized gains (losses) on investments	37,405	22,887	-	60,292	(424,738)	-	-	(424,738)
Interest and dividends, net of fees	211,583	42,292	-	253,875	274,526	-	-	274,526
Reclassification of net assets	(490,241)	495,377	(5,136)	-	-	-	-	-
Total nonoperating (expenses) revenues	(1,206,349)	540,995	(5,136)	(670,490)	(223,003)	-	-	(223,003)
Changes in net assets	381,148	344,751	28,090	753,989	2,680,228	284,230	-	2,964,458
Net assets, beginning of year	16,883,310	1,569,949	2,214,859	20,668,118	14,203,082	1,285,719	2,214,859	17,703,660
Net assets, end of year	$ 17,264,458	$ 1,914,700	$ 2,242,949	$ 21,422,107	$ 16,883,310	$ 1,569,949	$ 2,214,859	$ 20,668,118

The accompanying notes are an integral part of these financial statements.

AMNESTY INTERNATIONAL OF THE U.S.A., INC.
Statement of Functional Expenses
For the year ended December 31, 2016

	Program Services	Management and General	Fundraising	Total 2016
Expenses				
Compensation	$ 5,610,554	$ 1,081,947	$ 1,077,285	$ 7,769,786
Payroll taxes and employee benefits	1,290,133	329,186	239,449	1,858,768
Direct communications	6,082,542	131,996	2,243,457	8,457,995
International Secretariat assessment (Note 9)	9,846,517	-	-	9,846,517
Donated services expense (Note 10)	22,764	2,776	2,221	27,761
Occupancy	1,365,526	166,082	142,410	1,674,018
Professional fees	1,479,426	52,594	636,966	2,168,986
Travel and meetings	1,593,910	23,782	104,237	1,721,929
Program materials and office supplies	540,497	41,118	805,680	1,387,295
Telecommunication and technology	347,279	33,185	40,563	421,027
Bank, investment and insurance fees	100,671	12,272	511,687	624,630
Postage and delivery	111,594	9,858	445,196	566,648
Equipment repair and maintenance	124,739	14,593	11,675	151,007
Dues and subscriptions	536,626	10,170	81,186	627,982
Grants and awards	183,435	-	-	183,435
Total expenses before depreciation and amortization	29,236,213	1,909,559	6,342,012	37,487,784
Depreciation and amortization	97,971	11,948	9,558	119,477
Total	$ 29,334,184	$ 1,921,507	$ 6,351,570	$ 37,607,261

The accompanying notes are an integral part of this financial statement.

AMNESTY INTERNATIONAL OF THE U.S.A., INC.
Statement of Functional Expenses
For the year ended December 31, 2015

	Program Services	Management and General	Fundraising	Total 2015
Expenses				
Compensation	$ 5,872,403	$ 1,195,312	$ 1,147,723	$ 8,215,438
Payroll taxes and employee benefits	1,262,652	334,361	244,398	1,841,411
Direct communications	4,067,593	156,766	1,908,522	6,132,881
International Secretariat assessment (Note 9)	8,879,000	-	-	8,879,000
Donated services expense (Note 10)	118,900	14,500	37,590	170,990
Occupancy	1,571,044	191,010	160,668	1,922,722
Professional fees	2,111,323	101,877	488,089	2,701,289
Travel and meetings	1,546,385	71,468	101,557	1,719,410
Program materials and office supplies	579,843	60,660	953,122	1,593,625
Telecommunication and technology	317,738	31,137	53,838	402,713
Bank, investment and insurance fees	122,027	14,428	469,449	605,904
Postage and delivery	101,202	18,140	119,964	239,306
Equipment repair and maintenance	126,403	14,946	12,085	153,434
Dues and subscriptions	252,944	8,735	29,429	291,108
Grants and awards	43,520	-	-	43,520
Total expenses before depreciation and amortization	26,972,977	2,213,340	5,726,434	34,912,751
Depreciation and amortization	122,854	14,982	11,986	149,822
Total	$ 27,095,831	$ 2,228,322	$ 5,738,420	$ 35,062,573

The accompanying notes are an integral part of this financial statement.

AMNESTY INTERNATIONAL OF THE U.S.A., INC.
Statements of Cash Flows
For the years ended December 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 753,989	$ 2,964,458
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation and amortization	119,477	149,822
Net realized gains on investments	(26,052)	(154,978)
Net unrealized (gains) losses on investments	(60,292)	424,738
Donated investments	(1,411,580)	(901,472)
Change in present value of contributions receivable	(1,114)	426
Changes in assets and liabilities		
Contributions receivable	(557,757)	(623,370)
Inventory	6,398	39,399
Prepaid expenses	(92,410)	45,922
Accounts payable and accrued expenses	(49,509)	(1,863,978)
Payroll and payroll taxes payable	(193,956)	346,662
International Secretariat assessment payable	1,172,301	-
Charitable gift annuity obligations	612,347	(171,843)
Net cash provided by operating activities	271,842	255,786
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(143,186)	(104,500)
Purchases of investments	(6,378,308)	(4,403,617)
Proceeds from sale of investments	7,725,861	4,613,689
Net cash provided by investing activities	1,204,367	105,572
Net increase in cash and cash equivalents	1,476,209	361,358
Cash and cash equivalents, beginning of year	5,270,613	4,909,255
Cash and cash equivalents, end of year	$ 6,746,822	$ 5,270,613

The accompanying notes are an integral part of these financial statements.

1. DESCRIPTION OF ORGANIZATION

Amnesty International of the U.S.A., Inc. ("AIUSA") is the U.S. section of Amnesty International Limited ("AI"), a worldwide movement of people who campaign for internationally recognized human rights. Our vision is of a world in which every person – regardless of race, religion, ethnicity, sexual orientation or gender identity – enjoys all of the human rights enshrined in the Universal Declaration of Human Rights ("UDHR") and other internationally recognized human rights standards.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis and conform to accounting principles generally accepted in the United States of America ("US GAAP"), as applicable to not-for-profit organizations. In the statement of financial position, assets are presented in order of liquidity or conversion to cash and liabilities are presented according to their maturity resulting in the use of cash.

Financial Statement Presentation

The classification of AIUSA's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets (permanently restricted, temporarily restricted and unrestricted) be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

Income from investment gains and losses, including unrealized gains and losses, dividends, interest and other investments are reported as increases (or decreases) in unrestricted net assets unless the use of the income received is limited by donor-imposed restrictions.

The classes of net assets are defined as follows:

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations and/or the net assets which the Board of Directors has to use in carrying on the operations and capital endowment of AIUSA.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by AIUSA is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of AIUSA pursuant to those stipulations.

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by AIUSA is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of AIUSA.

Cash and Cash Equivalents

AIUSA considers all investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Financial instruments which potentially subject AIUSA to concentration of credit risk consist primarily of cash and cash equivalents. At various times, AIUSA has cash deposits at financial institutions, which exceed the FDIC insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is immaterial.

Investments

Accounting Standards Codification ("ASC") 820-10, "Fair Value Measurement," establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as AIUSA would use in pricing AIUSA's asset or liability based on independently derived and observable market data as of the reporting date. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of AIUSA are traded. AIUSA estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use as determined by the money managers for each investment based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable as follows:

Level 1 - Valuation based on quoted market prices in active markets for identical assets or liabilities as of the reporting date. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these instruments does not entail a significant degree of judgment. Examples include equity securities and publicly-traded mutual funds that are actively traded on a major exchange or over-the-counter market.

Level 2 - Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly.

Level 3 - Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value. Examples include limited partnerships and private equity investments.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments are stated at fair value in the statement of financial position. Investment income is recognized when earned. Net realized gains and losses and net change in unrealized gains and losses for the fiscal year are shown in the statement of activities. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

Investment Impairment

AIUSA's investments consist of marketable debt, equity securities and mutual funds. At December 31, 2016 and 2015, AIUSA has deemed that all securities, which were in an unrealized loss position, were temporarily impaired. Positive evidence considered in reaching AIUSA's conclusion that the unrealized loss position for equity securities is not other-than temporarily impaired consists of:

a. The ability and intent to retain the investment for a sufficient amount of time to allow an anticipated recovery in value, and

b. Determining that the changes in fair value were reasonable in relation to overall fluctuations in relevant market conditions.

AIUSA considers the following evidence in reaching the conclusion that the unrealized loss on fixed income instruments was not other-than-temporarily impaired:

a. Whether or not it intends to sell its investments before the full recovery of cost basis, and

b. Whether or not it will be required to sell its investments before the full recovery of cost basis.

Contributions Receivable

Contributions and bequests received are recorded at fair value as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor-imposed restrictions, and are recognized in the period received.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions on which they depend are substantially met.

Allowance for Doubtful Accounts

AIUSA uses the allowance method for uncollectible receivables. The allowance is based on prior years' experience and management's analysis and evaluation of specific promises made. While management uses the best information available to make its evaluation, future adjustments to the allowance may be necessary if there are significant changes in economic conditions.

Inventory

Inventory consists of merchandise and publications sold by AIUSA. The inventory consists mainly of AIUSA logo tee shirts, buttons, posters, and bags carried at the lower of cost or market.

Fixed Assets

Fixed assets are recorded at cost. Expenditures for additions are capitalized for amounts greater than $5,000 and with useful lives of greater than 5 years. Depreciation and amortization is computed on a straight-line basis over the estimated useful lives of the assets, as follows:

Furniture, fixtures and office equipment	5 years
Leasehold improvements	Lesser of life of asset or term of lease

Impairment of Long-Lived Assets to be Disposed of

ASC 360-10, "Accounting for the Impairment or Disposal of Long-Lived Assets," provides a single accounting model for long-lived assets to be disposed of. ASC 360-10 also changes the criteria for classifying an asset as held for sale, and broadens the scope of businesses to be disposed of that qualify for reporting as discontinued operations and changes the timing of recognizing losses on such operations.

In accordance with ASC 360-10, long-lived assets, such as property, plant and equipment, and purchased intangibles subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the statement of financial position. There were no impairment charges for the years ended December 31, 2016 and 2015.

Revenue Recognition

AIUSA reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. 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 statement of activities as net assets released from restrictions. Restricted contributions received in the same year in which the restrictions are met are recorded as an increase to restricted support at the time of receipt and as net assets released from restrictions. Unconditional promises to give with payments due in future years are presumed to be time restricted by the donor until received and are reported as part of temporarily restricted net assets.

AIUSA recognizes gifts of land, buildings and equipment at fair value on the date of gift. Gifts of land, buildings and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long such long-lived assets must be maintained, AIUSA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

AIUSA also receives grants from foundations in exchange for the performance of various services. AIUSA recognizes grants as temporarily restricted revenue when they are committed and releases such amounts into unrestricted net assets as related grant expenses are incurred to a maximum of the grant award.

AIUSA recognizes revenue from donor list rentals, conference fees and rental income, when earned.

Donated Services

The fair value of voluntary donated services are reported in the financial statements if those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and which would typically be purchased if not otherwise provided by donation.

Functional Allocation Expenses

The costs of providing the various programs and other activities of AIUSA have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on principally on square footage and time and effort.

Allocation of Joint Costs

The cost of joint activities relative to AIUSA's direct mail program and certain centrally billed costs are allocated amongst the appropriate functions benefitted.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and other disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

Income Taxes

AIUSA was incorporated in the State of New York and is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and, therefore, has made no provision for income taxes in the accompanying financial statements. In addition, AIUSA has been determined by the Internal Revenue Service ("IRS") not to be a "private foundation" within the meaning of Section 509(a) of the IRC. There was no unrelated business income for the year ended December 31, 2016 and 2015.

Under ASC 740-10 (formerly Financial Accounting Standards Board ("FASB") Interpretation No. 48), "Accounting for Uncertainty in Income Taxes," an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. AIUSA does not believe it has any material uncertain tax positions and, accordingly, it has not recognized any liability for uncertain tax benefits. AIUSA has filed IRS Form 990 tax returns, as required, and all other applicable returns in jurisdictions where required. For the years ended December 31, 2016 and 2015, there was no interest or penalties recorded or included in the financial statements. As of December 31, 2016 and 2015, the years still subject to examination by a taxing authority are 2013 through 2015.

Reclassifications

Certain 2015 balances, as previously reported, have been reclassified to conform with the presentation of the 2016 financial statements. The impact of these reclassifications had no impact on the change in net assets for the year ended December 31, 2015.

Such 2015 reclassifications include the reclassification of certain expenses amongst the natural expense categories within the statement of functional expenses, netting investment fees with investment income, and the netting of sublet income against related occupancy expenses. In addition, accumulated, unappropriated investment earnings pertaining to certain permanently restricted endowment funds have been reclassified from unrestricted net assets to temporarily restricted net assets. The effect of this reclassification was determined not to be material to the financial statements.

3. INVESTMENTS

Investments, at fair value at December 31, 2016 and 2015 are summarized as follows:

	2016		2015	
	Fair Value	**Cost**	**Fair Value**	**Cost**
Cash and cash equivalents	$ 2,008,351	$ 2,008,351	$ 976,884	$ 976,884
Equities	7,080,603	6,513,335	6,721,424	6,166,314
Fixed income	6,411,723	6,415,096	7,651,998	7,678,392
	$ 15,500,677	$ 14,936,782	$ 15,350,306	$ 14,821,590

Net investment income consists of the following for the years ended December 31, 2016 and 2015:

	2016	**2015**
Net realized gains on investments	$ 26,052	$ 154,978
Net unrealized gains (losses) on investments	60,292	(424,738)
Interest and dividends	344,932	370,779
Investment fees	(91,057)	(96,253)
	$ 340,219	$ 4,766

AIUSA's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC 820. See Note 2 for a discussion of AIUSA's policies regarding this hierarchy.

A description of the valuation techniques applied to AIUSA's major categories of assets and liabilities measured at fair value on a recurring basis are as follows:

Equities

For its investments with asset managers that hold public common and preferred stocks, AIUSA has position level transparency into individual holdings. These investments are priced by AIUSA's investment manager using nationally recognized pricing services based on observable market data and are classified as Level 1.

Fixed Income

Fixed income securities are priced by AIUSA's custodian using nationally recognized pricing services. Fixed income securities other than U.S. Treasury securities generally do not trade on a daily basis. For these securities, the pricing services prepare estimates of fair value measurements using their proprietary pricing applications which include available relevant market information, benchmark curves, benchmarking of similar securities, sector groupings and matrix pricing. These investments are classified as Level 2. U.S. Treasury securities are valued using quoted market prices and are categorized as Level 1.

The following tables present the level within the fair value hierarchy at which AIUSA's financial assets that are measured at fair value on a recurring basis are included. These assets are presented on a desegregated basis by class, determined by the nature and risk associated with each investment.

	Fair Value Measurement at Reporting Date Using			
Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Other Unobservable Inputs (Level 3)**	**Balance as of December 31, 2016**
Cash and cash equivalents	$ 2,008,351	$ -	$ -	$ 2,008,351
Equities				
U.S. large cap	6,867,211	-	-	6,867,211
U.S. mid capital	159,932	-	-	159,932
Developed international	12,277	-	-	12,277
Equity REITS	41,183	-	-	41,183
Fixed income - International developed	-	33,548	-	33,548
Fixed income - Government securities	-	2,059,652	-	2,059,652
Fixed income - Corporate bonds	-	4,318,523	-	4,318,523
Total	$ 9,088,954	$ 6,411,723	$ -	$ 15,500,677

	Fair Value Measurement at Reporting Date Using			
Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Other Unobservable Inputs (Level 3)**	**Balance as of December 31, 2015**
Cash and cash equivalents	$ 976,884	$ -	$ -	$ 976,884
Equities				
U.S. large cap	6,291,546	-	-	6,291,546
U.S. mid capital	389,780	-	-	389,780
Developed international	40,098	-	-	40,098
Fixed income - International developed	-	359,305	-	359,305
Fixed income - Government securities	-	7,197,592	-	7,197,592
Fixed income - Corporate bonds	-	95,101	-	95,101
Total	$ 7,698,308	$ 7,651,998	$ -	$ 15,350,306

There were no transfers between levels during the years ended December 31, 2016 and 2015.

4. CONTRIBUTIONS RECEIVABLE, NET

At December 31, 2016 and 2015, the net present value of contributions receivable totaled $4,140,600 and $3,581,729, respectively. During the 2016 year, the net present value discount was reduced to zero since the amount attributed to contributions due in greater than one year was immaterial and the discount rate used as of December 31, 2015 for contributions receivable ranged between 0.09% and 1.22%.

The net present value of contributions receivable is calculated using a credit adjustment in effect at the time contributions are made and equal in duration to the length of time that the contribution is expected to be paid over.

Net present value of contributions receivable, net of a reserve, at December 31, 2016 and 2015 is summarized below:

	2016	2015
Total contributions receivable	$ 4,140,600	$ 3,582,843
Net present value discount	-	(1,114)
Net present value of contributions receivable	$ 4,140,600	$ 3,581,729
Amounts due in		
Less than one year	$ 4,120,600	$ 3,526,729
One to five years	20,000	55,000
Total	$ 4,140,600	$ 3,581,729

5. FIXED ASSETS, NET

Fixed assets, net at December 31, 2016 and 2015 consists of the following:

	2016	2015
Furniture and fixtures	$ 497,393	$ 537,148
Office equipment	535,385	485,666
Leasehold improvements	938,427	932,629
Capital in progress	87,669	-
	2,058,874	1,955,443
Less: Accumulated depreciation and amortization	(1,707,597)	(1,627,875)
	$ 351,277	$ 327,568

For the years ended December 31, 2016 and 2015, depreciation and amortization expense totaled $119,477 and $149,822, respectively.

6. SPLIT-INTEREST AGREEMENTS

AIUSA administers the following two types of split-interest agreements:

Charitable Gift Annuity - Under Charitable Gift Annuity agreements with donors, donors make contributions in exchange for a promise to receive a fixed amount over a specified period of time, usually the life of the respective donor or beneficiary. During the term of the agreement, AIUSA acts as a custodian of these funds whereby the asset and the net present value of related liability are reflected in the statement of financial position. After the term of the agreement, the remaining assets belong to AIUSA. At December 31, 2016 and 2015, the Charitable Gift Annuity investment account had a fair value of $3,164,294 and $3,560,850 and the related liability amounted to $3,287,768 and $2,675,421 including a reserve for $428,839 and $348,967, respectively, which is included on other liabilities in the statements of financial position. The 2012 IAR mortality table was used to calculate the charitable gift annuity obligation as of December 31, 2016. The 90CM mortality table was used to calculate the charitable gift annuity obligation as of December 31, 2015.

Pooled Income Fund - Under the terms of the Pooled Income Fund, contributions from donors are invested in a pooled investment account. This account is divided into units and contributions from various donors are invested as a group. At the date of donation, donors are assigned a specific number of units based on the fair value of their donation as compared to the total value of the fund. The donors receive actual income earned by the fund based on the number of units throughout their lives. Upon their demise, the value of these assigned units reverts to AIUSA. The fair value contribution is recognized as a temporarily restricted donation in the statement of activities in the period received. At December 31, 2016 and 2015, the pooled income fund had a fair value of $194,708 and $188,909, respectively.

7. RESTRICTED NET ASSETS

Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31, 2016 and 2015:

	2016	2015
Women's Rights	$ 105,779	$ 163,365
Arms Control Treaty	-	8,176
Gun Violence	321,035	324,531
Coordination Group	31,134	39,010
Crisis Response	-	13,421
Human Rights in Middle East and North Africa	-	50,163
Immigration Rights	151,014	19,715
Ladis Kristof Memorial Fund	18,326	18,882
Security with Human Rights	149,052	163,574
DRONES	-	29,004
Pooled Income Fund	194,708	188,909
Mass Incarceration	-	56,000
Youth Leadership Fellowship	30,000	45,942
Stop Torture	-	33,537
Why Not Initiative	426,226	406,709
Net endowment return and other	487,426	9,011
	$ 1,914,700	$ 1,569,949

Net Assets Released From Restrictions

The amount of temporarily restricted net assets released from restrictions during each of the years ended December 31, 2016 and 2015 are as follows:

	2016	2015
Women's Rights	$ 154,252	$ 34,677
Impact on Institutional Strategy	-	151,564
Arms Control Treaty	8,176	35,886
Gun Violence	118,497	40,877
Support for Regional Conferences	-	12,333
Coordination Group	7,876	6,374
My Body My Rights	-	15,000
Crisis Responses	18,421	40,040
Immigration Rights	30,367	5,285
Maas Trusts (Youth in Human Rights)	-	50,000
Pooled Income Fund	3,852	30,513
Bell Foundation - Time Restricted Fund	-	100,000
Mass Incarceration	56,000	43,999
Youth Leadership Fellowship	15,942	4,058
Stop Torture	44,037	31,463
Why Not Initiative	33,011	49,300
Endowment draw release and other	87,155	26,899
International Secretariat FIF	2,000,000	-
Human Rights in Middle East and North Africa	25,263	116,251
High School Essay Competition	-	6,303
Ladis Kristof Memorial Fund	10,607	9,400
Security with Human Rights	189,522	39,448
DRONES	29,004	7,287
Death Penalty Abolition	11,667	-
Political Prisoners	54,800	-
	$ 2,898,449	$ 856,957

8. ENDOWMENTS - NET ASSET CLASSIFICATIONS

AIUSA maintains a donor-restricted endowment fund consisting of various investment funds that have been established for various purposes and have been classified as permanently restricted net assets.

Under ASC 958-205, the following applies to AIUSA's endowment funds.

Interpretation of relevant law - the spending of endowment funds by a not-for-profit corporation in the State of New York is currently governed an NYPMIFA, a modified version of UPMIFA, as enacted in 2010 in the New York Not-For-Profit Corporation Law. AIUSA has interpreted NYPMIFA as allowing the governing board of the organization to make available for expenditure as much of an endowment fund, including principal, as the governing board finds prudent, taking into consideration the "uses, benefits, purposes and duration" for which the fund was established. The governing board must act in good faith and must consider various factors, if relevant, when making decisions, including the organization's investment policy, purposes of the organization and the fund and general economic conditions.

The Board of Directors of AIUSA has interpreted NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Endowment Fund is classified as permanently restricted net assets and includes the following:

- The original value of gifts donated to the permanent endowment;
- The original value of subsequent gifts to the permanent endowment; and
- Accumulation of the permanent endowment made in accordance with the direction of applicable donor instructions.

Investment and spending policies - AIUSA has adopted investment and spending policies for endowment assets that attempt to provide a stream of returns that would be utilized to fund various programs while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that AIUSA must hold in perpetuity as directed by the donors. The endowment funds are invested in vehicles such as money market funds, mutual funds, bonds and equity securities, as well as certificates of deposit.

AIUSA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds;
- The purposes of AIUSA and its donor-restricted endowment funds;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation (depreciation) of investments;
- Other resources of AIUSA; and
- The investment policy of AIUSA.

At December 31, 2016 and 2015, donor-restricted contributions held in perpetuity, the income from which is expendable, are as follows:

	2016	**2015**
General Endowment	$ 476,215	$ 481,351
Stronach Fund for Women's Rights	519,874	519,874
Ginetta Sagan Fund	546,860	513,634
Alexandra Hawkins Trust	700,000	700,000
	$ 2,242,949	$ 2,214,859

The following tables provide a reconciliation of the change in AIUSA's endowment fund net assets for the years ended December 31, 2016 and 2015.

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, at December 31, 2015	$ -	$ 2,214,859	$ 2,214,859
Net assets transfer	495,377	(5,136)	490,241
Investment income, net of fees	33,078	-	33,078
Net appreciation	362	-	362
Contributions	-	33,226	33,226
Appropriation of endowment asset for expenditure	(68,787)	-	(68,787)
Endowment net assets, at December 31, 2016	$ 460,030	$ 2,242,949	$ 2,702,979

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, at December 31, 2014	$ -	$ 2,214,859	$ 2,214,859
Investment income	-	-	-
Net appreciation	-	-	-
Contributions	-	-	-
Appropriation of endowment asset for expenditure	-	-	-
Endowment net assets, at December 31, 2015	$ -	$ 2,214,859	$ 2,214,859

AIUSA has adopted investment and spending policies for restricted assets that attempt to provide reserves in the event of a cash shortfall or unanticipated change in its operating environment and/or provide an income stream for AIUSA. The minimum targeted rate of return on AIUSA's investment assets is based on meeting or exceeding benchmark indicators established for each of its accounts - Mid-Term Reserves, Long-Term Income and Growth, several Charitable Gift Annuity accounts, and a Pooled Income Fund account.

Under this policy, as approved by the Investment Committee and the Board of Directors, the investment performance of AIUSA's portfolio will be measured relative to the market benchmarks depending on the account.

To satisfy its long-term rate of return objectives, AIUSA relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). AIUSA targets a diversified asset allocation primarily invested in common stocks and bonds/other short-term investments, within prudent risk constraints, to achieve its long-term return objectives while also preserving capital. In establishing this policy, AIUSA considered the long-term expected return of its endowment and the objective to spend a portion of donations to program activities. To preserve the endowment funds' long-term purchasing power, AIUSA will make available to be spent each year 4% of the rolling average of the last eight quarterly balances, or the spending policy set forth by the donor agreement, to comply with NYPMIFA. These spending policies will be measured annually against the rebuttable presumption of imprudence test required to determine compliance with NYPMIFA. The sources of spending will be from interest, dividends, and capital gains, net of investment management fees. AIUSA will draw from underwater endowment funds when prudent.

9. TRANSACTIONS WITH AFFILIATED ORGANIZATIONS

AI is a not-for-profit United Kingdom corporation, which performs research and other functions in support of its affiliated organizations worldwide. AIUSA is one of many affiliated national organizations, which contribute funds for the support of the program activities of AI through an annual assessment. For the years ended December 31, 2016 and 2015, this assessment totaled $9,846,517 and $8,879,000, respectively. These contributions support research into human rights violations worldwide and the coordination of international efforts to stop them. Funds also go to prevent and end grave abuses of the rights to physical and mental integrity, freedom of conscience and expression, and freedom from discrimination. The global movement is seeking to grow activities "closer to the ground" which involves decentralization of operations with a focus on work in the global south. This includes support for international collaboration and program development as well as participation in or convening international meetings furthering the goals of the collective movement.

10. DONATED SERVICES

Donated services are recognized as contributions if the services create or enhance non-financial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by AIUSA. For the years ended December 31, 2016 and 2015, AIUSA recorded donated services at an estimated fair value of $27,761 and $170,990, respectively. Fair value was determined based on documented values provided by donors. Additionally, AIUSA depends on a substantial number of unpaid volunteers who make significant contributions to programs. These services do not meet the criteria for recognition and have not been recorded in the accompanying financial statements.

11. RETIREMENT PLANS

Money Purchase Plan

AIUSA has a defined contribution retirement plan covering substantially all employees who meet certain length-of-service and age requirements. AIUSA currently contributes 3% of eligible earnings. Participants are fully vested after two years of service and their contributions are nonforfeitable. The total retirement expense totaled $175,211 and $132,561 for the years ended December 31, 2016 and 2015.

Tax-Deferred Annuity Plan

AIUSA has a defined contribution plan available to all employees of AIUSA on their first day of employment. Participation becomes effective as of the first day of the month following the first day of employment. Each year, participants are permitted to contribute to the plan an amount not to exceed the dollar limitation, as prescribed by the IRC. Participants are fully vested immediately following participation in the plan.

12. ADDITIONAL ESTATE INCOME

AIUSA expects to receive cash, investment and other assets from various estates. At present the terms and amounts of these contributions have not been finalized.

13. JOINT COST

For the years ended December 31, 2016 and 2015, AIUSA incurred joint costs of $7,358,027 and $4,826,501, respectively (other than donated services) for information materials and activities that included fundraising appeals. Of these costs, $5,246,566 and $3,074,744 was allocated to direct communication expense.

14. COMMITMENTS

AIUSA is obligated under several operating leases for rentals of office space and equipment that expire at various dates through 2023. The minimum annual rental payments under noncancellable operating leases are as follows:

December 31,	
2017	$ 2,243,560
2018	2,216,871
2019	1,932,742
2020	797,103
2021	757,690
Thereafter	906,600
	$ 8,854,566

Total rental expense for all operating leases totaled $2,206,174 and $2,543,042 for the years ended December 31, 2016 and 2015, respectively.

15. LITIGATION

AIUSA is a party to certain routine legal actions and complaints arising in the ordinary course of business. In the opinion of management, all such matters are adequately covered by insurance, or, if not so covered, are without merit or are of such kind, or involve such amounts, that unfavorable disposition would not have a material effect on the financial statements of AIUSA.

16. SUBSEQUENT EVENTS

AIUSA's management has performed subsequent events procedures through June 16, 2017, which is the date the financial statements were available to be issued and there were no subsequent events, except as noted below, requiring adjustment to the financial statements or disclosures as stated herein.

In May 2017, AIUSA transitioned from actively-managed investment accounts to passively-managed mutual index funds in accordance with AIUSA's revised investment policy statement.