

AML/CTF Compliance Officers Reform Readiness Checklist for Senior Management and Board Oversight

The following questions act as prompts for club AML/CTF compliance officers and senior management to consider as they prepare for the AML/CTF reform date of 31 March 2026.

Use this checklist to prepare a concise update paper for the board that explains how the club is tracking toward compliance by 31 March 2026. The update should give the board clear oversight of progress, key risks and gaps, and the actions underway. It can also be used to support a request for board approval of a reform implementation plan (where the club will not be fully compliant by 31 March 2026), as required by AUSTRAC.

1. Reform Planning

- How do the upcoming regulatory reforms affect our club?
- How have we prepared, and will we be ready by the 31 March reform date?
 - Is our AML/CTF program adequately amended, with our procedures now a part of the program?
 - *Consider questions from sections below to verify this.*
- If we will not be ready to completely comply, do we have a documented implementation plan with ([Circular 26-029](#)):
 - How the club will keep managing AML/CTF risks while changes are being made
 - What is not yet in place to meet the new requirements, and why
 - How those gaps will be fixed, by when, and who is responsible
 - Any key risks or challenges that could delay the changes
- How will the board be updated on progress against that plan?
- Have we prepared for any additional or revised training which may be required for staff, management or boards?

2. Risk Assessment (Does it reflect how our club really operates?)

- When was our ML/TF/PF risk assessment last updated? Has a new risk assessment been conducted due to the reform?
- Is our risk assessment properly structured:
 - A methodology for its development; and
 - A traditional risk management approach
- Does our risk assessment cover key areas including:
 - The proceeds of crime; sanctions risks; and now proliferation financing?
- Does it appropriately cover the risks associated with:
 - All designated services we provide
 - Our customers
 - How we deliver our designated services
 - The countries we deal with (customers' home country)

3. Customer Due Diligence (CDD) & Member Controls

- Are we prepared to properly complete customer due diligence on patrons when they transact \$5000 or more with us?
- How have we amended our initial customer due diligence processes?
- Are we prepared to assess for and apply customer risk-ratings? ([AUSTRAC risk rating guidance](#))
- How is our ongoing customer due diligence identifying higher-risk customers or typologies?
- Is it clear when we will apply enhanced due diligence, and is this clearly documented? ([Circular 26-017](#))
- Have we considered and mitigated the privacy risk from any increased customer information we need to collect? ([Circular 26-034](#))

4. Assurance, Assistance & Continuous Improvement

- What plans have we made to complete an independent review and test our compliance with the reform requirements at an appropriate time?
- How will we test whether controls are working in practice, not just on paper?
- Are we confident that our recordkeeping could demonstrate compliance to AUSTRAC, if required?
- If using external compliance advisors, how have we vetted and confirmed their competency, capability and suitability?

5. Governance & Accountability

- Is our board/committee structure appropriate to effectively oversee AML/CTF compliance and reform implementation?
 - Do we require a separate committee with participants from the board, management or even external parties?
- Are the current frequency, structure and detail of board/committee reporting fit for our needs and risk appetite?
 - Are AML/CTF papers “for noting” or “for discussion”? They must be “for discussion”.
 - Are papers being actively discussed, with questions posed to the management team to verify the information being provided?
 - Are we able to demonstrate these discussions in our minutes?
- If our secretary manager and AML/CTF compliance officer is the same person, how will we provide additional oversight to the board concerning AML/CTF program updates?
 - Have we considered [AUSTRACs Governance Guidance](#)?
- Can we demonstrate that we have assessed and confirmed the AML/CTF compliance officer is:
 - Employed at the management level?
 - Able to freely access the CEO and board?
 - Adequately resourced?
 - A fit and proper person per [AUSTRAC's new guidance materials](#)?