



Toukley Neighbourhood Centre

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TNC is the heartbeat of a connected, supported, empowered, inclusive and thriving community. We partner with the broader community to share what we can and provide a hand up to those in need, so they can Wallamba-bayn (come back) and join us in delivering our vision.

POLICY – AML/CTF

1. Policy Information

Title:	AML/CTF
Effective Date:	12-Feb-2026
Policy Owner:	Chair
Oversight:	R&CC
Next Review Date:	Feb-2027

1.1. Definitions

This policy uses the terms defined in the *TNC Master Definitions Table*, available on the Toukley Neighbourhood Centre website (www.tnc.org.au/policies).

Policy-specific definitions are listed below (if required).

Term	Explanation
AML	Anti-Money Laundering This involves stopping people from: <ul style="list-style-type: none">• Hiding illegal money• Making crime profits look legitimate• Moving dirty money through financial systems. Example: using fake identities or loans to clean proceeds of fraud or drugs.
CTF	Counter-Money Laundering Stopping money being: <ul style="list-style-type: none">• raised• moved• or used to support terrorist activities. Importantly: 👉 the money might be legally sourced , but used for illegal/terrorist purposes. Example: small donations funnelled to an extremist group.

1.2. Context

At Toukley Neighbourhood Centre (TNC), policies are developed in alignment with the *TNC Policy Framework* and support the delivery of safe, effective and accountable community services.

TNC policies are developed to:

- Assist TNC to meet its organisational objects and manage risk effectively
- Support staff and volunteers in performing their duties
- Demonstrate how TNC meets its governance, compliance and quality expectations
- Provide clarity, transparency and consistency across all areas of TNC operations.



TNC is bound by the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* and regulated by the *ACNC*.

1.3. Related Documents

- Financial Delegations Policy
- Fraud and Corruption Control Policy
- Code of Conduct
- Risk Management Policy
- Records Management Policy.

1.4. Change Control

Effective Date	Author	Approver	Comments
12-Feb-2026	Bronwyn Evans	BoM	Initial document

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2. Policy Overview

2.1. Purpose

This policy sets out Toukley Neighbourhood Centre's approach to preventing money laundering and terrorism financing risks, and outlines the principles, responsibilities and controls in place to meet applicable Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) obligations.

The purpose of this policy is to ensure that TNC:

- understands and manages its exposure to money laundering and terrorism financing risks
- complies with relevant legislative and regulatory requirements
- maintains transparent, ethical and accountable financial practices
- protects the integrity and reputation of the organisation.

2.2. Overview

Toukley Neighbourhood Centre is a charitable not-for-profit organisation that provides community support services and does not operate complex financial products or services. As such, TNC is considered to have a **low inherent AML/CTF risk profile**.

Notwithstanding this, TNC recognises its responsibility to take reasonable steps to prevent its services, systems or resources from being misused for money laundering or terrorism financing purposes. This policy establishes proportionate controls aligned to TNC's size, activities and risk profile.

2.3. Scope

This policy applies to all TNC staff, volunteers, contractors, students, and any other individuals engaged in TNC activities.

It applies to all TNC programs, services, premises, digital systems, equipment and activities unless otherwise stated within this policy.

Policy-specific scope requirements or exclusions are detailed below (if applicable).

- This policy also applies to any outsourced or third-party arrangements where TNC funds, payments or financial resources are involved.

3. Policy Principles

Policies always contain a set of principles that provide information relating to the rationale for the document. Staff and volunteers must consider and comply with these guiding principles when performing their duties.

Principle 1: Proportionate risk management

TNC applies a risk-based and proportionate approach to AML/CTF, recognising its low-risk operating environment while maintaining appropriate safeguards.

This means controls are scaled to the nature, size and complexity of TNC's activities and reviewed when circumstances change.

Principle 2: Transparency and accountability

TNC is committed to transparent financial practices, clear accountability, and accurate recordkeeping to prevent misuse of funds or resources.

All staff, volunteers and contractors must act honestly, ethically and in accordance with this policy.

Principle 3: Awareness and responsibility

AML/CTF compliance is a shared responsibility. Staff and volunteers are expected to be alert to unusual or suspicious activity and to raise concerns promptly.

TNC supports a culture where concerns can be reported without fear of reprisal.

4. Roles and Responsibilities

4.1. Overview

Clear roles and responsibilities ensure that TNC policies are implemented effectively, monitored appropriately and aligned with governance expectations.

Accountability for policy application is shared across the organisation, with oversight provided by the designated committee identified in the Policy Information section.

The roles below outline who is responsible for complying with, implementing, and monitoring this policy. Specific responsibilities are clarified further through the RACI table.

For the purposes of this policy, operational accountability may be assigned by the Board to an Executive Officer, Operational Lead, or other delegated role as part of TNC's evolving operating model.

4.2. RACI

This RACI identifies who is **Responsible (R)**, **Accountable (A)**, **Consulted (C)** and **Informed (I)** for the activities required under this policy.

Activity	BoM	Oversighting Committee	Operations Lead	Program & Volunteer Leads	Staff and Volunteers
Generic Policy Activities					
Understand and comply with the policy	I	I	C	R	R
Implement policy requirements in daily operations	I	I	A	R	R
Maintain procedures and records required by the policy	I	I	A	R	R
Monitor compliance and identify issues	I	A	R	R	R
Report incidents, risks or non-compliance	I	C	A	R	R
Review policy effectiveness and recommend improvements	I	A	A	C	I
Approve policy revisions	A	C	R	I	I
Policy Specific Activities					
Maintain AML/CTF policy	I	A	R	C	I
Assess AML/CTF risk profile	I	A	R	C	I
Monitor AML/CTF controls	I	A	R	R	R
Escalate suspected AML/CTF concerns	I	C	A	R	R
Liaise with AUSTRAC (if required)	I	A	R	I	I

Commented [DM1]: Not sure if we can/should put responsibilities on volunteers. Maybe we have a separate column for staff (R) and volunteers (I)?

5. Policy Guidelines

The policy guidelines outline the rules, expectations and minimum requirements that must be followed under this policy. These guidelines apply to all individuals covered in the Scope section and support consistent, safe and compliant delivery of TNC operations. Policy-specific guidelines are listed below.

5.1. AML/CTF Risk Profile

TNC operates with a low AML/CTF risk profile due to the nature of its charitable activities, funding sources and service delivery model.

TNC does not knowingly engage in activities that involve:

- complex financial arrangements
- cash-intensive transactions outside normal community services
- international funds transfers outside established grant or donation channels.

5.2. Financial controls and oversight

TNC maintains appropriate financial controls to reduce the risk of misuse of funds, including:

- segregation of duties where practicable
- Board oversight of financial reporting
- use of approved banking and payment systems
- documented delegations and authorisations.

5.3. Identification and reporting of concerns

Any staff member or volunteer who becomes aware of suspicious or unusual activity must report the matter promptly to management or the Board Chair.

Concerns may include:

- unexplained or unusual payment requests
- attempts to influence financial processes improperly
- use of false or misleading information.

No adverse action will be taken against individuals who raise concerns in good faith.

6. Processes

The processes describe how the requirements of this policy are applied in practice. They outline the key steps, actions and records needed to implement the policy effectively. Detailed procedures or work instructions, where required, are maintained separately and referenced from this section.

6.1. Managing AML/CTF risks

TNC manages AML/CTF risks by:

- periodically reviewing its risk profile
- maintaining appropriate governance and financial controls
- responding to identified issues in a timely and proportionate manner.

6.2. Responding to suspected AML/CTF issues

Where a potential AML/CTF issue is identified:

- the matter will be reviewed promptly by management or the Board Chair
- appropriate advice may be sought where required
- records will be maintained in accordance with regulatory expectations
- reporting obligations will be met if applicable.

6.3. Recordkeeping Requirements

Records created under this policy must be stored in accordance with TNC's records management requirements. This includes ensuring records are complete, accurate, accessible to authorised personnel, and retained for the required period.

Records may include:

- AML/CTF risk assessments
- Board or committee minutes relating to AML/CTF matters
- records of reported concerns and actions taken
- correspondence with regulators, where applicable.