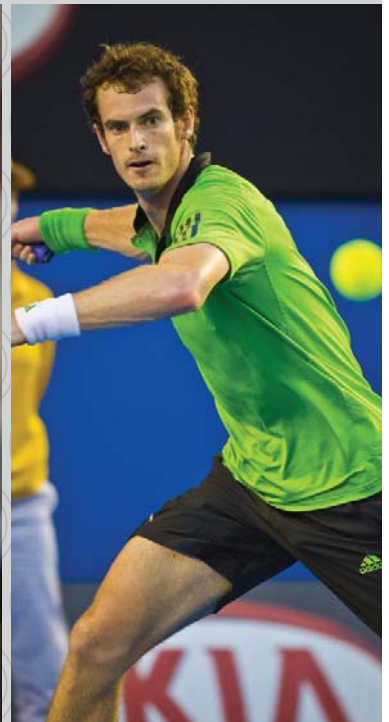


# IBAS ANNUAL REPORT 2010



INDEPENDENT BETTING ADJUDICATION SERVICE



# THE IBAS TEAM

## **IBAS LIMITED**

(Independent Betting Adjudication Service)  
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## **IBAS BOARD**

### **Chairman**

Michael Messent

### **Directors**

Paul Bellringer OBE  
Christopher Bird  
Terry Ellis  
Chris O'Keeffe (CEO), Deceased 31st December 2010

(Andrew Fraser, IBAS Acting CEO from  
1st January - 6th May 2011)

### **Company Secretary**

Kevin Smith

## **IBAS STAFF**

Danny Cracknell – Adjudication Manager  
Sharon Powell – Administration & Projects Manager  
James Taylor – Case Manager  
John Samuels – Case Manager  
William Baker – Administrator

## **PANEL MEMBERS**

John Cobb  
Robert Fenton  
Andrew Fraser\*  
Keith Harris  
Adrian Hunt  
Tim Moore  
Kevin Pullein  
Mike Roberts  
George White  
Sam Willock

## **POLICY CONSULTANT**

Andrew Fraser

## **PROFESSIONAL ADVISORS**

### **Lawyers**

Trethowans  
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15 Rockstone Place  
Southampton  
SO15 2EP

### **Bankers**

HSBC  
89 Buckingham Palace Road  
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SW1W 0QL

### **Auditors**

Edmund Carr LLP  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

### **Data Protection Policy Consultants**

Data (Practical Application) Protection Limited  
60 The Crescent  
Stockport  
Cheshire  
SK6 2DX

\*Not during his tenure as Acting CEO.

# CHAIRMAN'S STATEMENT

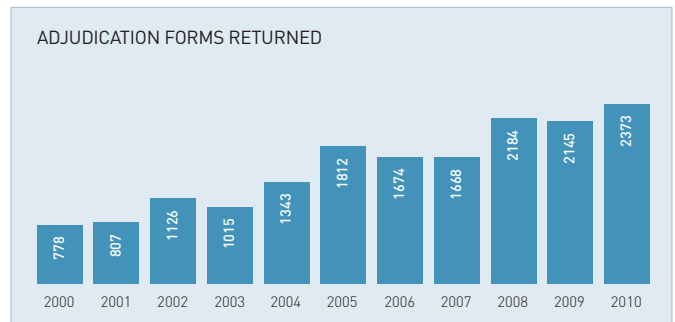
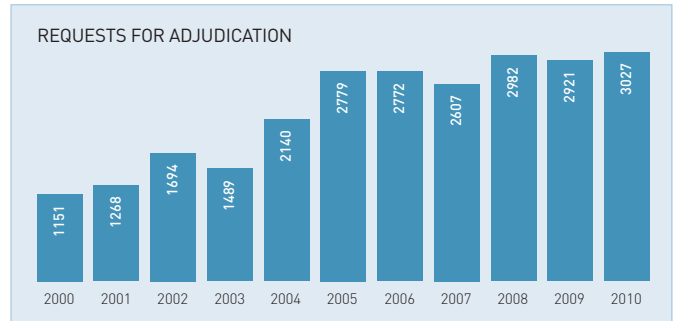


**MICHAEL MESSENT**  
CHAIRMAN

The year 2010 was a watershed for IBAS. The founding father of the company, Chris O’Keeffe, died suddenly on 31 December 2010. He had been instrumental in setting up the company, which has evolved and grown into the pre-eminent adjudication organisation for the betting industry. IBAS will be his legacy and his ongoing memorial.

His death was an unexpected and tragic loss for his family, but the IBAS staff and Panel members were, in many ways, a second family and the impact has been deeply felt. However, such is the strength of the business model which Chris established that IBAS has and will overcome the setback. The business was fortunate in having Andrew Fraser available and willing to step in and act as Chief Executive Officer while the necessary steps were taken to secure the services of a full-time replacement. Andrew has worked with the company for a number of years as a Consultant and, more recently, as a Panel member, and so has a full knowledge of the workings of the company.

This key event came at the very end of an otherwise successful year for IBAS. As ever, the Managers and panellists worked hard to achieve the goal of swift and authoritative dispute resolution. Many of the disputes which are handled do not raise issues of any particular difficulty but nevertheless each receives careful consideration because to the claimant and to the gambling operator, each dispute is important. Of course, a few cases do raise very difficult issues and sometimes large sums of money are at stake, which gives rise to anxious consideration of the facts by the full Panel. Regardless of the amount involved, each and every dispute is investigated with care and with regard to rules of the gambling operator and the established industry practice by panellists who have an unrivalled knowledge of the gambling industry.

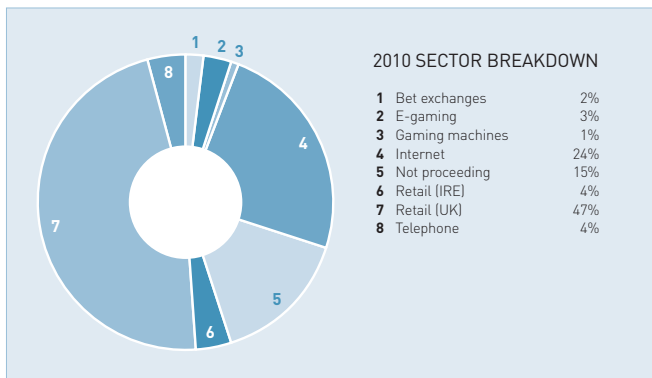


In 2010 the Directors met formally on four occasions and I would like to thank all my colleagues for their special efforts in the past year. The work undertaken by my fellow Directors led to a number of valuable advances. For example, we conducted a timely and thorough investigation of succession planning and also undertaken was the preparation and completion of a disaster recovery plan.



It has also been encouraging to us to note that the financial situation of the company has improved in the past couple of years and we are now on an even sounder footing. As a company limited by guarantee, we do not seek large profits, but it is prudent to have a modest reserve, so the current positive balance is welcome and has been achieved by careful control of costs. In this connection, I would like to pay tribute to the work of Chris O’Keeffe and Anthony Jessup, Head of Finance, together with his team.

The Board will continue to strive to enhance the standing of IBAS in an industry which is changing quickly and which needs, more than ever, a respected adjudication service. ■



# ACTING CHIEF EXECUTIVE OFFICER'S REVIEW

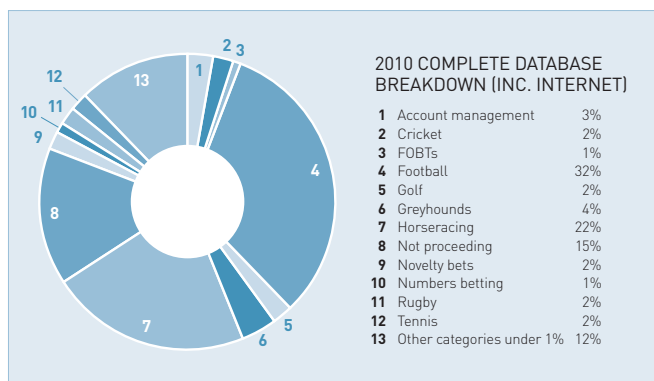


**ANDREW FRASER**  
ACTING CHIEF  
EXECUTIVE OFFICER

On the last day of the year we lost our chief and I lost a great friend in Chris O'Keeffe. I wish to pay tribute to Chris for his unique qualities, not least his humour and warmth, and to send heartfelt best wishes to his widow, Sandra and family. Betview magazine has recognised the contribution that Chris has made to the gambling industry by according him a posthumous achievement award.

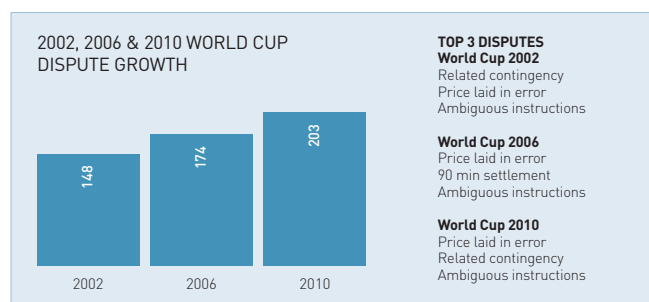
Consequently I am writing this year's review as Acting Chief Executive, a role I assumed in January and which I will hand over in May. I am pleased to confirm that the Board has appointed Richard Hayler, formerly of the British Greyhound Racing Board, to be the new Managing Director. I join all of my colleagues in wishing him well in his new role.

At this time every year we look closely at statistics for the disputes we have received in terms of workload and trends. 2010 was a very busy year for IBAS. Two important milestones were reached, namely, we received requests for over 3000 adjudication forms, and more than three quarters of requested forms were returned for adjudication (an increase of 10% on 2009). These figures tell us that the organisation is more relevant to the gambling transaction than ever before and that customers have a greater understanding of what they can expect from using our Service.



Although the level of disputes and persistence of disputants has increased this year, I do not think this reflects negatively on the industry's understanding of the risks of dispute, or on our work in promoting dispute prevention through our industry seminars and publications. The increased workload is due in the main to the World Cup, and the number of inexperienced gamblers that the event attracts, and the continued growth in the number and variety of markets.

This is IBAS's third World Cup and disputes have increased by almost 40% since 2002. In the main, World Cup disputes arose from prices laid in error for first goalscorer and correct score bets (related contingencies), first goalscorer, and the winner of the Golden Boot. The latter market was confused by the lack of an individual top scorer and the uncertainty in the description of the market by some operators. There was a four-way tie between top scorers and FIFA determined the outcome in favour of Muller because of the number of assists.

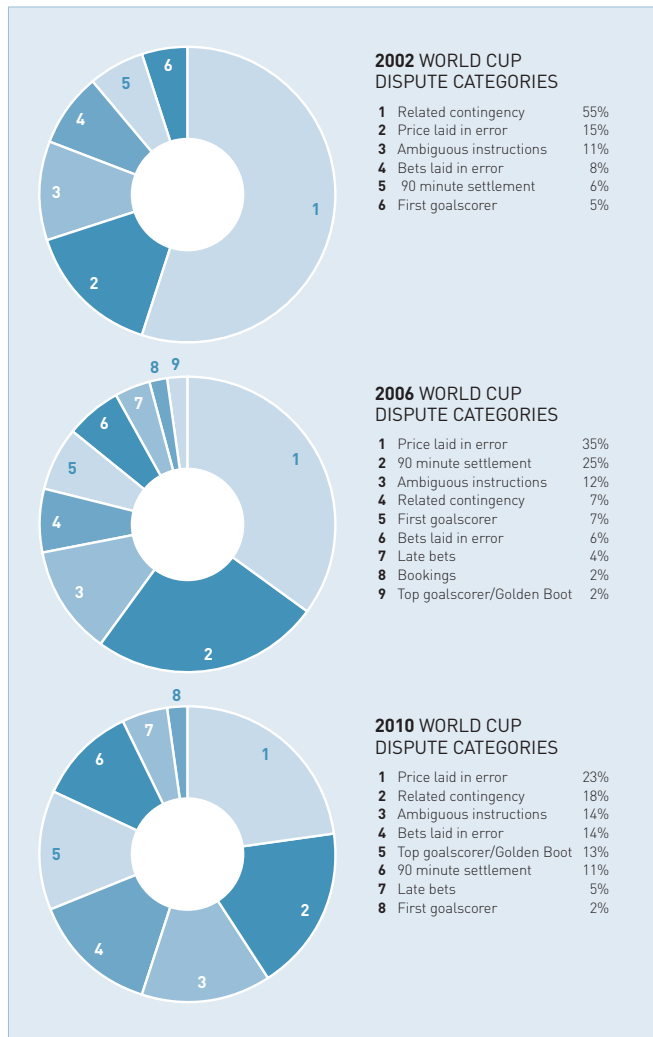


In common with regular football bets, customers confused results over 90 minutes, with the result after extra time. Some disputes arose from marketing campaigns where poorly drafted advertisements misled customers about bonuses or special bets. The Advertising Standards Authority has recently intervened in this area and ruled against bookmakers whose adverts lack key terms of the bet. These rulings are taken into consideration by IBAS when determining the outcome of a dispute.

It is interesting to see the comparison of the disputes from the last three World Cups to illustrate changes to the type of bets and problems that arise. Our data shows that 'Prices laid in error' disputes involving incorrect odds are consistently the major category. The growth of Marksense coupons has yet to stem this tide. The ratio of disputes emanating from betting shops and on-line markets has shifted hugely in favour of the latter, now providing almost half of all disputes.

In addition, last year saw the provision of an even greater diversity of betting markets on events throughout the world. This reflects the recruitment of customers in previously untapped territories. Lest anybody think that IBAS is just a dispute service for UK betting shop customers, we handled disputes from internet customers last year resident in 33 countries. The rise and rise of in-running betting brings problems as to the timing of bets in relation to events and the management of in-running markets by betting operators. IBAS is alert to the potential for fraud in markets where the speed of feed can lead to the placing of bets when the outcome of the event is known.

Football and horseracing continue to provide the greatest shares of disputes to IBAS at exactly the same rates as last year (32% and 22% respectively). 'Account management' disputes have grown into third place and these cause us to consider our remit carefully before acceptance as they can stray into regulatory issues that are proper to the Gambling Commission.



Overall the number of cases from internet customers is down on 2009 (by 10%), but the disputes received in the first quarter of the current year show that the trend remains upwards. The diverse nature of internet betting is demonstrated in the breakdown of disputes where football and horseracing remain paramount, but ski jumping, and handball from Serbia also feature. There are a small but growing number of 'novelty bet' disputes that relate to wagers on TV shows. These tend to be based on the predicted outcome of public votes, but because these events are not set up with betting in mind, other events occur, such as the voluntary or involuntary withdrawal of contestants that overtakes the intended arrangements for the show.

During the year we accepted registrations from the leading businesses within the adult gaming sector. This will allow us to build on our experience of handling disputes about fixed odds betting terminals and other gaming machines in betting shops. Although gaming machines now account for a significant slice of betting shop profits they provided only 18 disputes (23 in 2009). Disputes arise from players expecting machines to 'compensate' them for losing streaks only to discover that the machine is not programmed to pay back a percentage of losses incurred. Fixed odds betting terminals (B2s) determine outcomes according to random number generators and the Gambling Commission requires these to be tested for fairness by an independent testing house. We receive customers referred to us by the Gambling Commission and we maintain a close relationship with Gamcare to whom we occasionally refer customers.

Our relationship with the Gambling Commission is very important to us and is formalised within a Memorandum of Understanding. We seek advice from the Commission on regulatory matters and ensure licence conditions concerning fair and open gambling are met, for instance by requiring operators to fully consider a dispute at the appropriate level before we will adjudicate.

The regulations put the onus on operators to 'health check' their rules against contract law statutes, putting questions as to fairness of a rule in the realm of the courts. A lack of court judgments cause this to be a grey area and so when a dispute turns on the fairness of a rule, IBAS has to take a view. The Panel will reach a decision based on accepted custom and practice within the industry and in a manner that is consistent with our previous rulings.

We continue to lobby the Gambling Commission for amendments to the regulations relating to the fair and open licensing objective, in particular to provide a definition of what constitutes 'independent, third party' and what arrangements the Commission would find unacceptable.

Lack of awareness by some very small operators about the IBAS service occasionally leads customers to seek adjudication after the expiration of our six month deadline for consideration of disputes. This may occur when the operator omits to mention that they are registered with IBAS, or where the operator has made no provision for an independent, third party to handle its disputes. We have suggested to the Gambling Commission that they make it a requirement for operators to state with whom they have such an arrangement. This will increase awareness of adjudication to customers and certainty for the Commission that arrangements are in place.

IBAS has never positioned itself as a 'customer champion' because we seek to achieve the correct settlement of a dispute without favouring either party. Getting the balance right involves focussing clearly on the principles of the adjudication process. Decisions are made in accordance with the terms of the bet and since these are written by the operators with the benefit of legal advice it is inevitable that the majority of disputes will be found in their favour. Having said this, 40 % of all disputes referred to IBAS over the last two years were found in favour of the customer or were conceded by the operator. This equated to £334,550 gained for customers in 2010.

Under very limited circumstances IBAS will review one of the rulings that we have previously issued. Over the course of the year we looked again at 57 of our rulings, reversing two rulings on the basis of new information received.

During the year IBAS looked carefully at the way in which we handle disputes and the methods by which we adjudicate. We have adapted to meet the new gambling environment introduced by the Gambling Act 2005 and continue to engage with our stakeholders to ensure that we continue to deliver the service required by customers, operators and regulators.

I believe that IBAS continues to enjoy a strong reputation for fairness and integrity and is highly regarded within the gambling fraternity. We recognise, however, that there is still more to do, and we will continue to work with the industry and regulators to improve the provision of fair and open gambling and the service we offer to dispute resolution.

Finally, I will conclude with a further tribute, this time to the staff and panellists of IBAS whose hard work and determination not to let the Service suffer has demonstrated their respect for Chris. ■

# THE DIARY OF JOHN SAMUELS, IBAS CASE MANAGER



**JOHN SAMUELS**  
IBAS CASE MANAGER

January

## Two for the price of one

Most customers bring their disputes to IBAS out of a genuine feeling of injustice, however we also come across those who try to take advantage of a situation that has presented itself.

In one such case a customer was paid £2,200 on a winning bet but, in the excitement of the large pay-out, the cashier mistakenly handed the winning bet receipt back to the customer.

Some days later, and using the betting receipt, the customer attempted to gain a second payment. When this was declined the customer brought the matter to IBAS, failing to mention the fact that he had been paid previously. Our investigations, including CCTV footage, showed that the bet receipt had been used to receive the initial payment. As a consequence we ruled against this customer.



## Confusion from scoring an own goal

Football betting continues to grow with companies offering nearly 200 betting opportunities and markets such as first and last goal scorer becoming increasingly popular. Regarding the goal-scorer market, many operators use the initial reports from the Press Association (P.A.) to enable bets to be settled immediately. Unfortunately these reports can vary from the websites of the teams involved, the F.A. and even subsequent and amended reports posted by the P.A.

One such case was in a game between Celtic and St. Mirren. Although reports put the goal scored by Scott McDonald as the first goal, the initial report from the P.A. had it that a St. Mirren defender (Chris Innes) deflected the ball into his side's net. As 'own goals' do not count in the first goal scorer market, the next goal scored by Georgios Samaras of Celtic was given as the first goal and bets on Samaras were settled as winners.

Celtic, on their website, had the 'own goal' listed as a goal by their striker Scott McDonald. Not surprisingly many Celtic fans who had seen this posting and had placed bets on McDonald brought their dispute to IBAS when operators treated their bets as losers. However, operators' rules are quite clear, they use that which the P.A. first announce as the result, and bets on Samaras remained as winners and those on McDonald losers.

February

## Football pools

Naivety it seems is still rife amongst some customers. IBAS deals with disputes from many sectors of the gambling world, football pools betting being just one of them.

A customer approached IBAS stating that he had managed to obtain 24 points on the pools coupon that he had sent in, yet the pools company was treating his entry as a loser. Further investigation showed that his entry of 12 selections for a £5 stake was, in essence, an eight from 12 entry.

The highest number of points that the customer had gained from his best eight selections was 20 points, making the entry a loser. The customer, it appears, believed that if he obtained 24 points from ALL of his 12 selections he would be paid the 24 point dividend. If only it were that easy! In the particular week that this entry was made 24 points paid a dividend of £59,000. Obviously the customer was left as a very disappointed, but much enlightened, football pools player.

## Marksense coupon

A football dispute where IBAS ruled in favour of the customer concerned a Marksense football coupon. Selections on a Marksense coupon are identified by ticks or marks put onto the coupon by the customer. The coupon, similar to the National Lottery slips, is then automatically translated by the marks on the coupon into the customer's requested selections.

In this case however it seemed that one of the marks on the coupon was not picked up by the branch EPOS scanner. Consequently the customer was presented with a voucher, produced from the EPOS system, which confirmed that he had a nine-fold accumulator. The customer stated that he saw the slip, saw the warning on it that said 'Please check if details on slip are correct as we cannot rectify wagers after the result', thought that providence had played a hand in not recognising his 10th selection, and happily walked out of the branch believing that his bet was a nine-fold accumulator.

You have probably already guessed that all nine selections won and the 10th selection, the one that was not picked up by the EPOS system, lost. The customer however was not concerned about the

10th and unconfirmed selection, and duly presented his ticket, containing confirmation that his bet was a nine-fold accumulator, for payment. The operator refused to make payment, saying that the bet was a loser and, ignoring the warning on his company's slip, stated that he knew that the customer intended to have a 10 fold accumulator. IBAS did not agree with the operator, pointed to the fact that the customer had been issued with an EPOS translated slip which showed he had a nine-fold accumulator, and ruled that the £600 winnings for the nine-fold accumulator be paid.

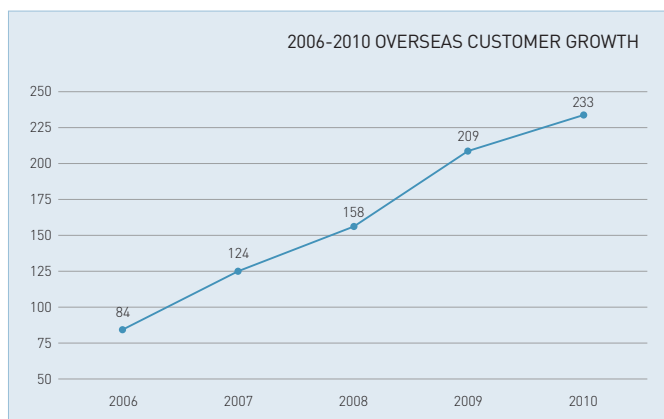
March

**Dead heat rules and barrack room lawyers**

It never ceases to surprise how much misinformation and how many misconceptions there are from those who say such as "I've been betting for thirty years, I know what I am talking about". The dead heat rule is just one example where many get it wrong. A dispute in March involved a self-confessed 'seasoned customer' who staked £100 on a horse that had dead-heated for first place at 4/1.

This customer would not accept that the way the bookmaker had settled the bet of £50 (half the stake) @ 4/1 returning £250 was correct. Instead he was adamant that the right way was for the odds to be halved and the full stake applied i.e. £100 @ 2/1, resulting in a return of £300.

Despite the IBAS ruling confirming that the £250 payment was correct, and IBAS quoting Tattersall's Committee's 'Rules on Betting' concerning dead heats, the customer was still not convinced. He could not accept that something that he had picked up many years ago, was in fact incorrect.

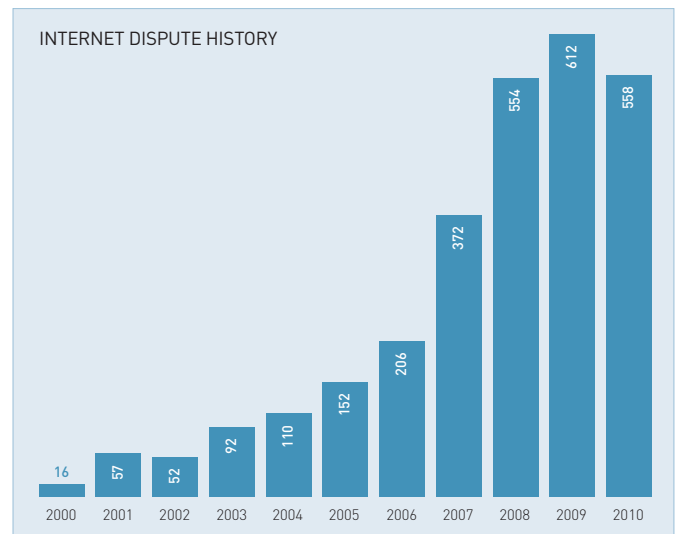


**Terminology - American Football passing touchdowns**

Are some customers genuinely misled, or are they just chancing their luck? American Football is a sport that is coming to the fore in the internet sports-book market.

One bookmaker had a market on touchdown scorers. A customer placed a bet but was disappointed to learn that this was a losing one.

American Football has many particularities including 'passing touchdowns' and the customer thought that throwing a passing touchdown was included in the bookmaker's touchdown market. If nothing else the customer should have realised that the odds on offer were much too generous to include the quarter-back, as quarter-backs invariably are involved in passing touchdowns.



**Internet speed – after timing**

A customer complained to IBAS that an internet bookmaker had not honoured 'winning' football bets that he had placed. We learnt that the bets in the first goal scorer market were placed after the first goal had been scored. Many similar bets had been paid to the customer but he complained that the bookmaker had refused payments on recent ones.

IBAS learnt that the bookmaker had been using software provided by a third party company, which had caused delays in the signal sent by the traders when they suspended the market. In addition the football matches selected were all played abroad and broadcast on Radio Five. Unbeknown to the bookmaker, the television service from these games was approximately 10 seconds *behind* the Radio Five broadcast. This, coupled with the delay in the suspending of the first goal scorer market would mean that it was possible to place bets after the first goal had been scored.

IBAS was able to determine that the bets were placed after the event and ruled against the customer. We were very surprised that the bookmaker had allowed himself to fall for this one.

April

**Olympic medals market**

At IBAS we can sound like a cracked record when we go on about markets being clear and unambiguous. This may still not be enough for some operators. A Winter Olympics bet was placed online on a market entitled 'Most medals Vancouver 2010'. A customer placed his bet on U.S.A. and they did indeed win the most medals and topped the medal table on the official Olympics website.

# THE DIARY OF JOHN SAMUELS, IBAS CASE MANAGER CONTINUED



The bookmaker, however, refused to pay, stating that the market should be settled on the country with the most gold medals. The bookmaker stated that this was normal convention and this was confirmed by the Wikipedia definition.

Following research by IBAS it was discovered that, over time, there were different interpretations of the expression 'most medals won', and it was also learnt that the Olympic charter stated that the IOC and OCOG should not draw up any ranking per country. There were clearly good arguments for both parties on how the bet should be settled. IBAS ruled that, due to ambiguity, the bet should not be treated as a loser but instead should be made void and the customer should have his stakes refunded.

### Corners

Some other markets are so clear however that one wonders how a customer can be confused. A customer was surprised to learn that his bet on Man Utd. on a 'Most corners market' was settled as a loser. When IBAS looked at the stats for the game, Man Utd. had gained two corners and their opponents Bayern Munich had gained eight corners. How could the customer believe that his bet was a winner? Answer, he understood the market concerned which team would defend the most corners. A no-brainer for IBAS which ruled that the bet had been settled correctly as a loser.

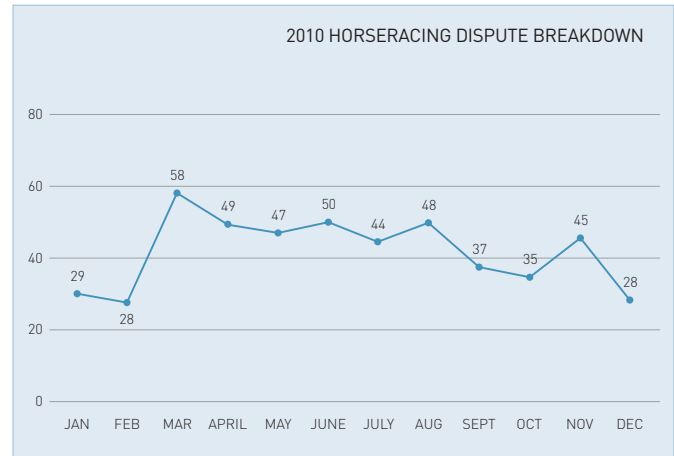
May

### Contract Law

We all know that the 2005 Gambling Act now makes bet transactions a legally enforceable contract, but some amateur lawyers take contract law rather too far.

A customer of a gaming machine purchased a £200 voucher at the counter, to play the machine. He used his debit card to buy the voucher but, due to an error, only £1 was charged to his card.

The customer did not play the machine, he simply used the voucher to put the credit onto the machine and then immediately printed off the 'pay' receipt and demanded to be paid £200. He readily accepted that he had only been charged £1 for the voucher. However, he stated that his £200 receipt was 'an agreed legally binding contract and the £200 payment must be honoured'. IBAS took a different view and ruled against the customer.



### Barney Curley-trained horses dispute

In May the newspapers were gripped with the tale of Barney Curley's betting coup. On the 10th Curley ran three of the horses he had in training and a fourth horse, Jeu De Roseau, trained by Chris Grant. Bets were placed by various parties, in doubles, trebles and accumulators with various bookmakers. Three of the horses – Agapanthus, Savaronola and Jeu De Roseau – won, whereas the fourth horse Sommersturn finished fifth.

IBAS waited for the outcome of deliberations by the Gambling Commission and the British Horseracing Authority. Neither body decided to take any action on these events, and most bookmakers paid out on the bets. Some, however, refused to pay and disputes came to IBAS. Without the support of the relevant UK authorities in finding wrongdoing in the running of the races or in the bets that had been placed, bookmakers' rules giving them authority to avoid payment on bets connected to malpractice, appeared to lack support.

IBAS found that bookmakers' rules did not support the withholding of payment, and that as the stakes were at risk if the horses lost, the bets should be paid.





June / July

### World Cup 2010

The predictions that the gambling industry would take an estimated £1 billion in turnover by the end of the 2010 World Cup proved to be accurate.

Despite the favourites Spain winning the cup, most bookmakers reported good profits. This was mainly due to other fancied countries, England, Brazil, Argentina and Germany, losing in the earlier stages of the competition. Also the fact that Spain lost to Switzerland, in their first game, deterred many large bets on Spain.

The World Cup brought some interesting disputes and the subject was covered in an article I wrote for *Betting Business Interactive* following the tournament. Part of the article is reproduced here:

*Despite many initiatives from IBAS, and training aimed at heightening football betting awareness by operators for their front line staff, the IBAS post bag was heaving during June and July. In fact July 2010 was the busiest month ever for IBAS, with football disputes reaching record levels.*

*Disappointingly the old perennials of wrong prices, related contingencies accepted in error, confusion between the Golden Boot market and Top Goal scorer market, and the industry standard 90 minute rule, were all to the fore in the disputes.*

*Just some examples were: bets placed on the day of the game of 'Spain to win' being settled as losers (even though, as we all know, Spain did win the World Cup, but the 90 minute rule is applied unless it is clear that the bet was for the selection (Spain) to 'Lift the Cup' ... and Spain won the final but it was after extra time), bets on Villa to win the Golden Boot being settled as losers (it was Muller who won the award, with assists being taken into account) and bets on Muller to be Top Goal Scorer being settled as a four-way dead heat (excluding penalty shoot-outs there were three other players who scored the same number of goals as Muller).*

*Something however that possibly could not have been foreseen, were the circumstances surrounding the double bet of Spain to win the Cup and Villa to be top goal scorer, generally a 20-1 shot.*

*This was on the basis that Spain were generally 4/1 to win the World Cup and Villa was generally 8/1 to be top goal scorer. Many odds compilers judging that the related contingency part of the proposition (Villa being a Spanish player) causing the odds to be in the region of 20/1. So far so good.*

*Villa was in a four-way dead heat for top Goal Scorer, hence almost all bookmakers settled bets using their dead heat rules, and divided the totals stakes by four before putting the altered stake onto the full odds (re. Tattersall's rules on betting: - Rule 7). The last time that there was a similar occurrence in the World Cup was in 1934!*

*Thus a £10 double at a price of 20/1 became £2.50 at 20/1, giving a return of £52.50p. The situation is worse if a lesser price for the double, say one of 16/1, was taken. The calculation for a £10 double would then be £2.50 @ 16/1 giving a return of £42.50p. Many customers concluded that this was just another case of the bookmaker acting incorrectly, figuring that if they (the customer) had placed a single £10 bet on just Spain to win (at 4/1) they would have received £50.*

*At first glance it looked unfair that a 'successful' double bet should return almost the same or even less than a single bet on one of the selections. A few bookmakers recognised this and offered an enhanced settlement. Many others however, kept the bet settlements in accordance with their rules.*

August

### Bonus abuse

Out of the ordinary disputes continue to come to IBAS and it is surprising how these can lead to accusations of dishonourable treatment by both parties.

A customer complained that, having opened an account his free bet was not honoured by the bookmaker. IBAS enquiries revealed that the customer had previously opened several 'new' accounts with the bookmaker, and all using slightly different names. This particular customer's downfall was that he had used the same computer, with the same IP address. IBAS ruled that the bookmaker had acted correctly.



# THE DIARY OF JOHN SAMUELS, IBAS CASE MANAGER CONTINUED



## Big Brother

The next 'eviction' has become a popular betting market from the Big Brother TV programme. The August 2010 series caused something of a furore in the betting market when a 1/3 chance to be the next evicted got beaten in unusual circumstances.

Although it had been previously announced, and widely publicised, that there would be four evictions on 20th August many customers still thought they had found the 'winner' of this event and bet on the 1/3 chance.

The problem was, although the subsequent public vote put the 1/3 chance in the lead, the announcement of the four to be evicted was not made in any particular order, and the first announced was the first to be shown the door and evicted. It was not the 1/3 chance.

Some bookmakers, as a gesture of goodwill to their customers, made payment on both the first announced and the 1/3 favourite.

The bookmaker subject to the dispute did not make the same gesture. With clear rules that stated that the bet was not on the public vote, but on the order of announcement and eviction, IBAS could not deny the bookmaker the right to settle bets on the 1/3 favourite as losers, and any on the first announced to be paid as winners.

## September

### Intention

What a wonderful gift it would be to be able to interpret a person's intentions where their expressions are ambiguous. Unfortunately we do not possess this gift, and so our rulings are based on operators' rules, combined with that which can be proved, not that which can only be guessed at.

Ambiguously written bets regularly come to IBAS. During September a wrongly-timed greyhound bet was refused payment when the bookmaker quoted his rule which said: *"Where the writing of any bet is indecipherable or ambiguous or where there is an error in the number of selection of bets, the bet will only be executed if we are satisfied as to the client's instructions. Otherwise they will be treated as non-runners"*. The bookmaker has given themselves authority to determine the intention of the customer where ambiguity exists, in this case stating that the bet was for a particular race, with the consequence that he made the bet a loser.

The bookmaker did have a more conventional 'ambiguous instruction' rule and we used this to determine that the bet should be made void and stakes returned.

IBAS does not scrutinise operators' rules for best industry practice or conformity. A Terms and Conditions 'Health check' is for individual companies and their lawyers to consider as a regulatory requirement.



## October

### Horse/greyhound bets confusion

On a similar theme, a dispute in October involved confusion as to which race was intended. The bet was written:

2.00 Doncaster  
T1 x T2 x T3 £1 tricast

There was a 2.00 Doncaster race, offering tricasts and everything else was in order i.e. the time placed and the stakes paid. The problem was that some bookmakers have a rule that prefacing a number selection with the letter 'T' confirms that the bet is for a greyhound race. So although the wager was placed in time for the 2.00 at Doncaster the above bet was settled for the next greyhound race covered in the shop - the 2.03 at Crayford.

Unfortunately the counter staff did not spot the letter 'T' written on the slip. Nevertheless IBAS took note of the bookmaker's rules and agreed that the bet should be settled on the 2.03 Crayford.

## November

### English football

A bet concerned a game between Cheltenham and Southend, on which a customer had backed an away win for Cheltenham. After almost 80 minutes of play and with only just over 10 minutes to go, with Cheltenham winning by a goal to nil, the customer had good reason to believe that his bet would be a winner. However, the game was abandoned due to floodlight failure. The customer contended that his bet should be treated as a winner as his selected team were winning. He also suggested that the official result was a Cheltenham win.

Unfortunately for the customer the bookmaker had clear rules that determined that the bet was void, and it was also confirmed that there was no official result declared.

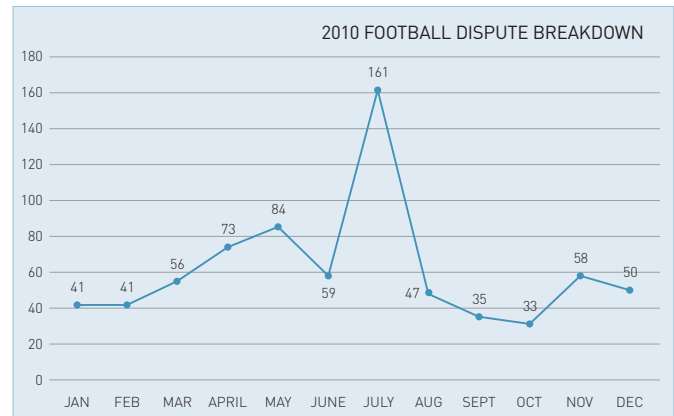
December

**Wrong prices**

December was a rather quiet month for IBAS but it culminated in some good news for a few customers. An online bookmaker had posted wrong prices for a game to be played in Ireland. Odds of 13/5 had been advertised at the time the bet was struck, rather than the correct odds of 20/21. The displayed odds were corrected soon after the bet was struck.

The bookmaker concerned had a rule, that supposedly covered such an eventuality, but IBAS found this unclear. The rule described how the bookmaker would correct obvious errors but went on to give an example of making bets void if incorrect odds were given.

After some deliberation the IBAS Panel ruled that the bets should not be made void. Instead the bets should be settled as winners but at the correct odds. So ended another busy year for IBAS. No doubt there would be more of the same in 2011. ■



Betview Award for Recognition of Industry Contribution, received by the O'Keeffe family, March 2011



# THE ROLE OF THE PANEL

Of key importance to the provision of adjudication for disputed gambling transactions, is the work of the IBAS Panel. The Panel is independent from the administration and organisation of IBAS. Panellists are not employees of the Service and do not have responsibility for decisions affecting the organisation or its staff.

Difficult or intractable disputes are brought to full Panel meetings held every quarter. Here an initial view taken by a panellist is subject to close scrutiny by the full Panel, and a collective verdict is reached. Occasionally this will result in a decision that further information is required.



It is evident from the profiles of the panellists (opposite) that they have a variety of skills and experience that they bring to the job. Their background includes journalism, bookmaking, gambling regulation, law enforcement and taxation. In common they have a deep understanding of gambling.

All decisions are released as written rulings and include the supporting rationale of the Panel. Rulings are binding on the parties within the terms of IBAS's remit, however they do not prevent either party initiating legal action on the gambling transaction.

The Panel are not subject to targets or quotas in dealing with disputes, and panellists do not receive any extraneous communication from gambling operators or customers, only what they require to determine disputes. Panellists have a free hand to investigate disputes by cross-questioning the parties in writing and testing assertions against independent evidence.

Panellists are not able to decide for themselves which disputes they will receive, these are allocated by Case Managers from the IBAS office. Additionally, the parties to the dispute are not told which panellists will rule on their dispute so that pressure cannot be brought to bear on individuals.

Although the aim is to produce a ruling within the shortest available time, the Panel will not be rushed and will put supplementary questions to the parties until they are satisfied that it is safe to proceed to a ruling.

All disputants must agree for their dispute to be handled in accordance with the IBAS terms and conditions of registration. These rules set out how the Panel will handle the dispute and any subsequent review. The terms and conditions are available on the IBAS website. ■



# THE PANEL



## JOHN COBB

The longest-serving racing editor on any national daily newspaper, having joined the sports desk of the Independent before its launch in 1986 after six years as a racing journalist at the Daily Mail. As racing editor at the Independent he covered all the major developments in the horse racing industry in the last two decades as well as writing on other sports, sports betting, news and features. John is now an Associate Editor on the Racing Post.



## ROBERT FENTON

Studied Information Science at Leeds Metropolitan University and a graduate of journalism from the Belfast College of Business Studies. A sports journalist/sub editor for more than 30 years with the Belfast Telegraph, Northern Ireland's largest selling evening paper, with responsibility for covering football, greyhound and horse racing. He writes a weekly column dealing with all matters related to sports betting. Currently a disciplinary committee member of the Irish Football Association.



## ANDREW FRASER

Andrew Fraser has worked within a variety of government departments on policy and law enforcement, including tax policy and Budget measures, anti-smuggling strategy and dispute resolution. He is a life-long punter with a well developed love of horse racing and general sports. In 2004 Andrew was appointed head of betting and racing policy at the Gaming Board. Since 2007 Andrew has acted as a policy advisor to IBAS helping to realign their strategy to meet the demands of the new gambling environment. In 2009 Andrew became a member of the Panel but temporarily relinquished this role whilst carrying out Acting CEO duties (Jan-May 2011).



## KEITH HARRIS

Graduated from Hull University with a BSc (Hons) in Maths and Management Sciences in 1982. Employed for six years with a major bookmaker in branch management before going on to become a manager in their Customer Relations Department. Since 1990 he has had a career with the Inland Revenue, rising to a senior investigative managerial position within HMRC. Keith has been a member of the IBAS Panel since 1999.



## ADRIAN HUNT

Adrian started his journalistic career on the Greyhound Express and then worked for the Sporting Life, the Licensed Bookmaker and Betting Shop Proprietor and several weekly racing publications before a three-year stint with a family-run bookmaking chain. He joined the Daily Telegraph in 1978 and was racing editor of that newspaper from 1988 to 2006. Currently a freelance sports journalist.



## TIM MOORE

After gaining a degree in Economics, Tim was drawn towards the betting industry and for 15 years worked as a betting shop manager rising to senior positions within a leading high street chain. He joined the National Joint Pitch Council at its outset in 1998, spending four years as a Betting Ring Manager before becoming General Manager in 2002 and CEO in 2004. Tim was seconded to the Gambling Commission for 18 months to consult on policy prior to the implementation of the Gambling Act.



## KEVIN PULLEIN

A recognised and respected leading authority on football betting, who writes for the Racing Post. He has developed a particular expertise in the mathematics of gambling. While soccer editor of the weekly Racing & Football Outlook, he also began writing daily for the Sporting Life. He has spent more than 19 years writing about football and betting for both specialist and general newspapers and magazines.



## MIKE ROBERTS

Mike's 10 years as a journalist with The Sporting Life included three years as a racecourse reporter, returning starting prices and filing race reports, and he also produced the paper's first National Hunt ratings. He then moved on to the Daily Telegraph, where he worked as sports journalist from 1987 to 2008. Mike joined the IBAS Panel in March 2010.



## GEORGE WHITE

Started his journalistic career on Horse & Hound magazine. He was Founder Editor of the Sporting Life Weekender, moving on to become the Sporting Life's Managing Director between 1985-1991. Launched and was inaugural President of the Racing Times in the USA. Currently a systems analyst and computer programmer for American sports publications.



## SAM WILLOCK

Sam began his career as a branch manager before being promoted to various senior managerial positions within the retail sector of the industry. He is a former head of trading with a leading bookmaker and has experience in customer service and operational development. With more than 40 years in the industry he brings a wealth of knowledge to the Panel.

# FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST DECEMBER 2010



### 1. BACKGROUND

#### Independent Betting Adjudication Service Limited ("IBAS")

**Company number** 04826792  
**Incorporated** 9th July 2003  
**Commenced trading** 1st January 2004

#### Corporate structure

The company is limited by guarantee and as such has no share capital. In the event of the company being wound up, each member has guaranteed to contribute £1.

The company is not owned or controlled by any person. It has two classes of membership – Ordinary Members (providers of funding) and Director Members (independent individuals having particular knowledge and expertise in the areas in which the company operates).

At 31st December 2010 there is one Ordinary Member (Satellite Information Services Limited ("SIS")) and three Director Members (Paul Bellringer, Christopher Bird and Michael Messent).

#### Directors

The directors who held office during the year are:

M J Messent  
 T Ellis  
 P Bellringer OBE  
 C M Bird  
 C J O'Keeffe (deceased 31st December 2010)

#### Company Secretary

K L Smith

#### Auditors

Edmund Carr LLP were appointed during the year ended 31st December 2009. Edmund Carr LLP are deemed to be reappointed under Section 487 (2) of the Companies Act 2006.

### 2. IBAS ACCOUNTS HAVE BEEN PREPARED USING THE FOLLOWING ACCOUNTING POLICIES

#### (a) Basis of preparation of IBAS financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and all applicable accounting standards.

The financial statements have been prepared on a going concern basis which is dependent upon the continued support of Satellite Information Services Limited (SIS). The directors of SIS have indicated their willingness to support the company in the foreseeable future by ensuring sufficient funds are available for the Company to continue trading. Therefore the directors of IBAS consider the going concern basis is appropriate.

#### (b) Turnover

Turnover represents the funding receivable from the one Ordinary Member (SIS), and income from other bodies.

#### (c) Property, plant and equipment

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Office Equipment - 25% straight line  
 Leasehold Additions - 25% straight line

#### (d) Pensions

The company operates a contributory money-purchase pension scheme. Payments made to the fund are charged in the financial statements as part of employment costs as incurred. Pension payments for the year totalled £14,776.

#### (e) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at exchange rate ruling at the end of the financial year. Transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling on the date payments takes place unless related or matching forward foreign exchange differences are taken to the profit and loss account in the period in which they arise. Any resultant foreign exchange differences are taken to the profit and loss account in the period in which they arise.

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2010

		Year ended 31 December 2010	Year ended 31 December 2009
	Note	£	£
Turnover	1	543,514	513,741
Net operating expenses		(522,310)	(502,607)
<b>Operating profit</b>	2	21,204	11,134
<b>Profit on ordinary activities before interest</b>		21,204	11,134
Net interest receivable		-	-
<b>Profit on ordinary activities before taxation</b>		21,204	11,134
Tax on profit on ordinary activities	3	(3,136)	(1,413)
<b>Retained profit</b>	7	18,068	9,721

**BALANCE SHEET AS AT 31ST DECEMBER 2010**

	Note	31 December 2010 £	31 December 2009 £
<b>Tangible fixed assets</b>			
Tangible assets	4	5,854	6,800
<b>Current assets</b>			
Debtors	5	469,594	463,333
Cash at bank		74,538	34,129
		544,132	497,462
<b>Creditors:</b> amounts falling due within one year	6	(527,481)	(499,825)
<b>Net current assets/ (liabilities)</b>		16,651	(2,363)
<b>Total assets less current liabilities</b>		22,505	4,437
Profit and loss account	7	22,505	4,437

**1. TURNOVER**

	2010 £	2009 £
SIS	350,000	350,000
Subscriptions	193,514	163,741
<b>Total turnover</b>	<b>543,514</b>	<b>513,741</b>

**2. OPERATING PROFIT**

Operating profit is after charging:

	2010 £	2009 £
Staff and related costs	275,952	264,838
Panellists	121,385	111,643
Legal and professional	1,388	4,666
Audit fees	4,270	3,050
IT and account services	12,894	11,000
Rent	60,000	56,626
Depreciation	2,305	4,181
Other	44,116	46,603
<b>Total operating expenses</b>	<b>522,310</b>	<b>502,607</b>

**3. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2010 £	2009 £
UK corporation tax	(3,136)	(1,413)

**4. TANGIBLE FIXED ASSETS**

	Other equipment £	Leasehold improvements £	Total £
<b>Cost:</b>			
At 1st January 2010	20,536	10,637	31,173
Additions	1,359	-	1,359
At 31st December 2010	21,895	10,637	32,532
<b>Depreciation:</b>			
At 1st January 2010	13,736	10,637	24,373
Charge for the period	2,305	-	2,305
At 31st December 2010	16,041	10,637	26,678
<b>Net book amount:</b>			
At 31st January 2010	5,854	-	5,854
At 1st January 2010	6,800	-	6,800

**5. DEBTORS**

	31 December 2010 £	31 December 2009 £
Amounts owed by members	437,500	440,621
Taxation and social security	13,869	9,113
Other debtors	18,225	13,599
	<b>469,594</b>	<b>463,333</b>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 December 2010 £	31 December 2009 £
Amounts owed to members	418,107	364,302
Other creditors	50,952	33,938
Taxation and social security	30,188	47,695
Deferred income	28,234	53,890
	<b>527,481</b>	<b>499,825</b>

**7. PROFIT AND LOSS ACCOUNT**

	£
At 1st January 2010	4,437
Profit for the year	18,068
At 31st December 2010	<b>22,505</b>



**INDEPENDENT BETTING ADJUDICATION SERVICE**