

SCHEDULES

SCHEDULE 2

Section 4.

REGISTERED POOL PROMOTERS

Registering authorities

- 1 (1) Subject to the provisions of this paragraph, each of the following councils shall be the registering authority for their area for the purposes of this Schedule, that is to say—
- (a) in England, the council of any county or county borough ;
 - (b) in Scotland, the council of any county or large burgh.
- (2) For the purposes of paragraph (b) of the foregoing sub-paragraph—
- (a) a county shall be deemed to include any small burgh, and not to include any large burgh, situated therein, and section 118 of the Local Government (Scotland) Act 1947 (which relates to the combination of certain counties for certain purposes) shall have effect accordingly ;
 - (b) the expressions "small burgh" and "large burgh" have the same meanings as in the said Act of 1947.
- (3) Any such council as aforesaid may delegate their functions under this Schedule to a committee consisting of members of the council.
- (4) Any two or more councils such as aforesaid may combine in delegating their functions under this Schedule to a joint committee consisting of members of the constituent councils.
- (5) In England, a county council may delegate their functions under this Schedule to the standing joint committee of quarter sessions and of the county council appointed under section 30 of the Local Government Act 1888, and in that case, so long as the delegation is in force—
- (a) subject to paragraph (b) of this sub-paragraph, it shall be the duty of that committee to discharge those functions ;
 - (b) that committee shall have the like powers as are conferred on councils of counties and county boroughs by sub-paragraph (4) of this paragraph, and accordingly any reference in that sub-paragraph or in paragraph 2 or 3 (b) of this Schedule to a council or councils shall be construed as including a reference to that committee.
- (6) Section 274 of the Local Government Act 1933 or, as the case may be, section 123 of the Local Government (Scotland) Act 1947 (which empower county councils to delegate their functions to certain other authorities) shall not apply in relation to the functions of a county council under this Schedule.
- 2 Where functions under this Schedule are delegated to a committee or joint committee—

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- (a) in the case of a committee or joint committee specially appointed for the purpose, the number and term of office of the members thereof shall be fixed by the appointing council or councils; and
 - (b) subject to the provisions of this Schedule and to any directions given by the appointing council or councils, the procedure of the committee or joint committee shall be such as they may themselves determine.
- 3 (1) Any expenses incurred in the execution of this Schedule by a standing joint committee of quarter sessions and a county council shall be defrayed by that county council, and any sums received under this Schedule by such a standing joint committee shall be paid or accounted for to that county council.
- (2) Any expenses incurred in the execution of this Schedule by any other joint committee shall be defrayed by the appointing councils in such shares as may be agreed.

Interpretation

- 4 (1) In relation to any person who carries on or proposes to carry on a pool betting business, any reference in this Schedule to the registering authority shall be construed as a reference to the council or committee who, under paragraph 1 of this Schedule, are the registering authority for the area in which the place, or the principal place, at which that person carries on or proposes to carry on that business is situated.
- (2) In this Schedule, the expression " the accountant " in relation to a registered pool promoter means the person appointed in the case of that promoter under paragraph 12 of this Schedule.
- (3) References in this Schedule to stakes in, or in respect of entries in, any competition do not include references to stakes in respect of rejected entries.
- (4) Any reference in this Schedule to the day on which the events on which a competition depends take place shall, where the events do not take place wholly on the same day, be construed as a reference to the last day on which any of those events takes place.

Registration of pool promoters

- 5 (1) If any person makes an application to the registering authority for registration under this Schedule, the registering authority shall, on payment of the appropriate registration fee fixed under paragraph 11 of this Schedule, register him accordingly in a register to be kept by them for the purposes of this Schedule and shall notify him in writing that they have done so.
- (2) Notwithstanding anything in the foregoing sub-paragraph, the registering authority may in the case of any person, after giving him an opportunity of being heard, refuse to register him or revoke his registration if that person or, where that person is a body corporate, any director or manager thereof, has been convicted of any offence under section 4 (2) of this Act, under paragraph 29 of this Schedule or under the Pool Betting Act 1954, or of any offence involving fraud or dishonesty.
- (3) If, after a person has been registered under this Schedule, the registering authority, after giving him an opportunity of being heard, are satisfied—
- (a) that he does not intend to carry on a pool betting business ; or
 - (b) that he has permanently ceased to carry on pool betting business; or

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(c) that the place or principal place at which he carries on his pool betting business will not be, or has ceased to be, in their area,
they shall revoke his registration.

6 Where the registration of any person has been refused or revoked under the last foregoing paragraph by a registering authority in England, that authority shall forthwith notify that person of the refusal or revocation, and he may appeal in accordance with the provisions of the Quarter Sessions Act 1849 to the next practicable court of quarter sessions having jurisdiction in the area in which the place or principal place at which he carries on or intends to carry on his pool betting business is situated and held not less than twenty-one clear days after the notice of the refusal or revocation is given to him, and notice of any appeal under this paragraph shall be given to the registering authority and to the clerk of the peace.

7 Where the registration of any person has been refused or revoked under paragraph 5 of this Schedule by a registering authority in Scotland, that authority shall forthwith notify that person of the refusal or revocation, and he may appeal, within such time, and in accordance with such rules, as may be prescribed by the Court of Session by act of sederunt, to the sheriff having jurisdiction in the area in which the place or principal place at which that person carries on or intends to carry on his pool betting business is situated, and on any such appeal the decision of the sheriff shall be final and may include such order as .to the expenses of the appeal as he thinks proper.

8 Where the registering authority revoke a registration under paragraph 5 of this Schedule, then, until the time within which notice of appeal under paragraph 6 or 7 thereof may be given has expired and, if such notice is duly given, until the determination or abandonment of the appeal, the registration shall be deemed to continue in force, and if the court of quarter sessions or, as the case be, the sheriff confirms the decision of the registering authority, the court or the sheriff may, if it or he thinks fit, order that the registration shall continue in force for a further period not exceeding two months from the date of the order.

9 If a registered pool promoter dies, his registration shall, for the period of three months beginning with the date of the death, enure for .the benefit of his legal personal representatives.

Fees in respect of registration

10 On 1st January in each year the appropriate continuation fee shall become payable to the registering authority by every person who is for the time being a registered pool promoter, and any such fee which remains unpaid after the date on which it becomes payable may be recovered by the registering authority as a debt

11 For the purposes of paragraphs 5 and 10 of this Schedule the appropriate registration fee and the appropriate continuation fee shall be fees of such amounts respectively (not in either case exceeding fifty pounds) as may be fixed annually by the registering authority for the whole of their area; and different amounts may be so fixed by that authority in respect of businesses of different classes.

Appointment of accountant by registering authority

12 (1) The registering authority shall, in the case of each registered pool promoter, appoint a person, being a qualified accountant and not being a person employed by the registered pool promoter in connection with his pool betting business, to exercise and

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perform, in relation to that registered pool promoter, the powers and duties conferred and imposed by the subsequent provisions of this Schedule on the accountant

- (2) The accountant shall hold office on such terms (including terms as to remuneration) as may be determined by the registering authority after consultation with the registered pool promoter.
- (3) The remuneration of the accountant shall be payable by the registering authority, but any sum paid by them by way of such remuneration shall be recoverable by the registering authority as a debt due to them from the registered pool promoter.
- (4) In this paragraph " remuneration " includes any sums paid or to be paid to the accountant in respect of his expenses.

Conduct of registered pool promoter's business

- 13 Subject to paragraphs 14 to 19 of this Schedule, the pool betting business carried on by any registered pool promoter shall comply with the following requirements—
 - (a) it shall take the form of the promotion of competitions for prizes for making forecasts as to sporting or other events, the bets being entries in the competitions and the winnings in respect of the bets being the prizes or shares in the prizes;
 - (b) each bet shall be an entry in a particular competition;
 - (c) the stakes and the winnings shall be wholly in money;
 - (d) in each competition, the prizes shall be equally available for all the bets, and accordingly the question which bets qualify for, or for shares in, the prize or prizes and, save so far as it depends on the amounts staked, the amounts of the respective shares in the prizes, shall be determined solely by the relative success of the forecasts embodied in the respective bets;
 - (e) the total amount payable by way of winnings shall, in the case of each competition, be the total amount of the stakes in respect of entries in that competition less such percentage of that total amount as may be determined by the promoter, being—
 - (i) the same percentage in respect of all his competitions which depend on the same events or on events taking place on the same day ; and
 - (ii) a percentage which is determined and notified to the accountant before that day ;
 - (f) the rules applying to the competition shall be notified to the accountant before the first of the relevant sporting or other events takes place.
- 14 Notwithstanding anything in paragraph 13 (d) or (e) of this Schedule, the rules applicable to any competition may provide—
 - (a) that the winnings shall not, in the case of any bet, exceed a stated amount and that any resulting decrease in the total amount payable in the case of the winning bets qualifying for, or for shares in, a prize in the competition shall be applied in increasing the amount payable in the case of the winning bets qualifying for, or for shares in, another prize or other prizes in that competition;
 - (b) that, in specified circumstances, one or more of the prizes shall not be paid and that the amount which would have been payable in the case of the winning bets qualifying for, or for shares in, that prize or those prizes shall be applied in increasing the amount payable in the case of the winning

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bets qualifying for, or for shares in. another prize or other prizes in that competition;

- (c) for the winnings of winning bets (being bets staking the minimum permissible under the rules of the competition) being increased or decreased (with a view to facilitating payment) by not more than sixpence, and consequentially for the winnings of other winning 'bets (being bets staking more than the said minimum) being increased or decreased by not more than a proportionately greater sum than sixpence,

and the total amount payable by way of winnings in the case of the competition may exceed or fall short of the amount specified in the said paragraph 13 (e) to such extent as is reasonably necessary having regard to any such provision of the rules applicable thereto as is mentioned in sub-paragraph (c) of this paragraph.

15 Notwithstanding anything in paragraph 13 (d) or (e) of this Schedule, if it is found that a bet which ought to have been treated as a winning bet has been inadvertently overlooked, the promoter may pay to the person making that bet the sum paid by him to other persons making comparable bets, or, if there are no comparable bets, such sum as may be proper, and any sum paid under this paragraph shall be left out of account for the purposes of the said paragraph 13 (e).

16 Nothing in paragraph 13 (b) of this Schedule shall be construed as preventing—

- (a) several bets being made by a person relating to the same competition; or
- (b) several bets (whether relating to the same competition or to different competitions) being made by a person by means of the same coupon or other entry form ; or
- (c) the use of a formula for the purpose of making several bets and, in particular, the use for that purpose of any form of the device commonly known as a permutation.

17 Nothing in paragraph 13(f) of this Schedule shall be construed as requiring, in the case of a series of competitions proposed to be held under the same rules, that those rules should be re-notified to the accountant on the occasion of each competition, and, if the rules are altered before the series is completed, it shall suffice if the alteration is notified to the accountant before any of the sporting or other events relevant to the first competition to which the alteration applies takes place.

18 Nothing in paragraphs 13 to 17 of this Schedule shall prevent the rules of any competition from providing that the competition may be declared void in specified circumstances.

19 Where two or more competitions of the same registered pool promoter are so conducted that entries in all of them can be effected by a person without completing more than a single coupon or other entry form, the promoter may arrive at the total amount of the stakes in respect of the entries in each competition by—

- (a) ascertaining the aggregate total amount of the stakes in respect of the entries in all the competitions ; and
- (b) causing the said aggregate total amount to be apportioned among those competitions by reference to the results of an inspection of samples of the completed coupons or forms ;

and if the sampling, inspection and apportionment is such (both as to the process adopted and as to the manner of carrying it out) that the amount apportioned to each competition is not likely to differ from the total amount actually staked therein by more than one per cent. the amount so apportioned to any such competition shall for

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all the purposes of this Schedule be deemed to be the total amount actually staked in that competitions

Information to be given by promoters

- 20 (1) As soon as may be after the events to which any of his competitions relates have taken place, and in any case not later than seven days after the announcement of the results of that competition, every registered pool promoter shall send to the accountant a statement showing—
- (a) the total amount of the stakes in respect of entries in the competition;
 - (b) the total amount payable by way of winnings in that competition;
 - (c) the total amount of the stakes in respect of winning bets in the competition and, if there are more prizes than one in the competition, the total amount of the stakes in respect of winning bets qualifying for, or for shares in, each of the prizes; and
 - (d) the amount payable in respect of each winning bet or, as the case may be, of each winning bet qualifying for, or for a share of, each of the prizes, bets staking more than the minimum which is permissible under the rules of the competition being treated for the purposes of this paragraph as if they were several separate bets each staking the said minimum.
- (2) Where a payment is made in accordance with paragraph 15 of this Schedule after the sending of the statement to the accountant under the foregoing sub-paragraph, the registered pool promoter shall as soon as may be send particulars of that payment to the accountant
- 21 (1) Every registered pool promoter shall, not more than twenty-one days after the events to which any of his competitions relate have taken place, send to every competitor in that competition a statement of the percentage (calculated to the nearest one-tenth of one per cent.) which the first of the amounts hereinafter mentioned bears to the second of those amounts, that is to say—
- (a) the aggregate total stakes in that competition and all other competitions of that promoter which depend on those events or on other events taking place on the same day, after deducting the aggregate prizes in, and the aggregate pool betting duty payable in respect of, all those competitions;
 - (b) the said aggregate total stakes, without any such deduction,
- unless he has secured all such publicity as is reasonably necessary for the said statement by means of a newspaper announcement or newspaper announcements published within the said twenty-one days.
- (2) The statement aforesaid may take the following form, that is to say—
- Commission and expenses per cent.**
- with the addition (if in the context this is necessary) of words identifying the competition or competitions to which the statement relates.
- 22 The statements and announcements referred to in paragraphs 20 and 21 of this Schedule may be expressed to be subject to some form of check or scrutiny, but where a statement expressed to be subject to a check or scrutiny is sent to the accountant under sub-paragraph (1) of the said paragraph 20, the registered pool promoter shall as soon as may be send to the accountant a further statement, stating that, as the result of the check or scrutiny, specified corrections or no corrections are necessary in the earlier statement or that the check or scrutiny has not been made and is not intended to be made.

- 23 (1) In August in each year every registered pool promoter shall send to the accountant and to the registering authority a statement showing, as respects his competitions depending on events which took place on any day during the period of twelve months ending with 31st July in that year—
- (a) the aggregate total stakes in all those competitions ;
 - (b) the said aggregate total stakes after deducting the aggregate prizes in. and the aggregate pool betting duty payable in respect of those competitions ; and
 - (c) the amount of the promoter's commission or, at the option of the promoter, the percentage (calculated to the nearest one-tenth of one per cent.) which the said commission bears to the said aggregate total stakes :

Provided that, if the percentage referred to in paragraph (c) of this sub-paragraph does not exceed three per cent., the statement required by that paragraph may, if the promoter so desires, be a statement that the said percentage does not exceed three per cent.

- (2) In the foregoing sub-paragraph, the expression "the promoter's commission" means the amount by which the aggregate total stakes in all the competitions referred to in that sub-paragraph exceeds the sum of—
- (a) the aggregate prizes in those competitions ; and
 - (b) the aggregate pool betting duty payable in respect of the competitions; and
 - (c) the expenses of the promoter actually incurred by him in the conduct of those competitions, excluding any expenses properly chargeable to capital and any interest on borrowed money, and, in particular, excluding any provision for depreciation of buildings or equipment, any emoluments payable to the promoter or, if the promoter is a partnership, to any of the partners, or, if the promoter is a body corporate, to any of the directors, and in any case, any emoluments payable to any person whose emoluments depend to any extent on the profits of the promoter.
- (3) The registering authority shall preserve any statement sent to them under this paragraph for at least two years and shall deposit it at their office and permit any member of the public to inspect it during office hours free of charge.
- 24 (1) Where a registered pool promoter is a company to which section 148 of the Companies Act 1948 applies, then, whenever a profit and loss account of the company is laid before the company in general meeting in pursuance of that section, the company shall forthwith send a copy of that account and of the relevant auditor's report to the accountant
- (2) Every registered pool promoter to whom the foregoing sub-paragraph does not apply shall at least once in every calendar year send to the accountant a profit and loss account of his pool betting business, covering, in the case of the first account, a period beginning at the commencement of the business, and, in the case of subsequent accounts, a period beginning at the end of the period covered by the last account, together with a report thereon by an auditor, being a qualified accountant who neither is, nor is a partner of, nor is in the employment of any person who is, an officer or servant of the registered pool promoter; and Schedule 9 to the Companies Act 1948 (which enumerates the matters which are to be expressly stated in auditors' reports) shall, with the necessary adaptations, apply in relation to every such report

Duties and powers of the accountant

- 25 The accountant shall—

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- (a) examine all statements submitted to him under paragraph 20, 22 or 23 of this Schedule with a view to determining whether there is cause to believe that any of the provisions of this Schedule are being contravened in relation to the competition in question ; and
 - (b) retain all such statements for two years ; and
 - (c) at any time during that period give facilities for their examination by any officer or servant of the registering authority authorised in that behalf by that authority.
- 26 The accountant and any servant of his authorised in that behalf by him in writing may at all reasonable times enter any premises on which a registered pool promoter is carrying on his business and enquire into the manner in which that business is being carried on. and may require the registered pool promoter or any servant of his to give to the accountant or his servant authorised as aforesaid all such information, and to produce all such accounts, books and other documents and carry out such checks or additional checks of coupons or other entry forms, as the accountant or his servant authorised as aforesaid may think necessary for the purpose of determining whether there is cause to believe that any of the provisions of this Schedule are being contravened; and it shall be the duty of the promoter to preserve, or, to such extent as he may prefer to do so, to preserve photographic copies of, all accounts, books or other documents (including coupons or other entry forms) which relate wholly or partly to any of his competitions for at least two months from the day on which the events take place on which that competition depends.
- 27 (1) If at any time the accountant has cause to believe that any of the provisions of this Schedule are being contravened in relation to any of the competitions of a registered pool promoter, he shall report the matter to the registering authority.
(2) Not later than the end of October in each year the accountant shall furnish to the registering authority a report stating, if such be the fact that he—
 - (a) has examined all statements submitted to him by a registered pool promoter under paragraph 20, 22 or 23 of this Schedule in respect of the period of twelve months ending with 31st July in that year;
 - (b) has conducted such enquiries into the manner in which the business of that promoter is carried on and made such examination of that promoter's records as he considers necessary; and
 - (c) has no cause to believe that any of the provisions of this Schedule have been contravened in relation to any of the competitions of that promoter taking place during the said period except in relation to such matters (if any) as have been reported by the accountant in pursuance of the foregoing sub-paragraph.
- 28 Paragraphs 20 to 27 of this Schedule shall apply in relation to a competition declared void in pursuance of any such rule of the competition as is mentioned in paragraph 18 of this Schedule as they apply in relation to other competitions, except that—
 - (a) instead of the statements required by paragraphs 20 and 21 of this Schedule to be sent to the accountant in respect of the competition and to be included in announcements of the results of, or to be sent to competitors in, the competition, there shall be sent statements that the competition has been declared void and that sums paid as stakes therein will be repaid or credited to the payers thereof;
 - (b) the competition shall be left out of account in computing the percentage a statement of which is required by the said paragraph 21 to be included

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in announcements of the results of, or to be sent to competitors in, other competitions depending on the same events or other events taking place on the same day.

Enforcement

- 29 (1) Any person who—
- (a) obstructs the accountant or any servant of his in the execution of any powers or duties under this Schedule; or
 - (b) fails to comply with any requirement duly made of him by the accountant or any servant of his or, in response to such a requirement, knowingly gives any information which is false or misleading,
- shall be guilty of an offence.
- (2) If any registered pool promoter fails to comply with any duty imposed upon him by this Schedule or if any of the provisions of this Schedule, except so far as they impose duties on the accountant or the registering authority, are contravened in the case of the business of any registered pool promoter, the registered pool promoter shall be guilty of an offence.
- (3) In England, the registering authority shall have power to take proceedings for offences under this paragraph or under section 4 (2) of this Act