



Wallet Transactions Assurance

Providing reasonable assurance that all events processed by the production platform reflect the balances reported in the player wallets.

The Wallet Transactions Assurance is an independent assessment targeted to the management of online gaming operators to provide a reasonable degree of assurance that all the events processed by the production platform reflect the balances reported in the player wallets.

In the online gaming business, the transactional data on which the player wallet balance is constructed is considered amongst the most critical piece of information that is processed by the gaming production platform. The accuracy and completeness of players' transactional data is fundamental to different account

balances including but not limited to Gross Gaming Revenue (GGR).

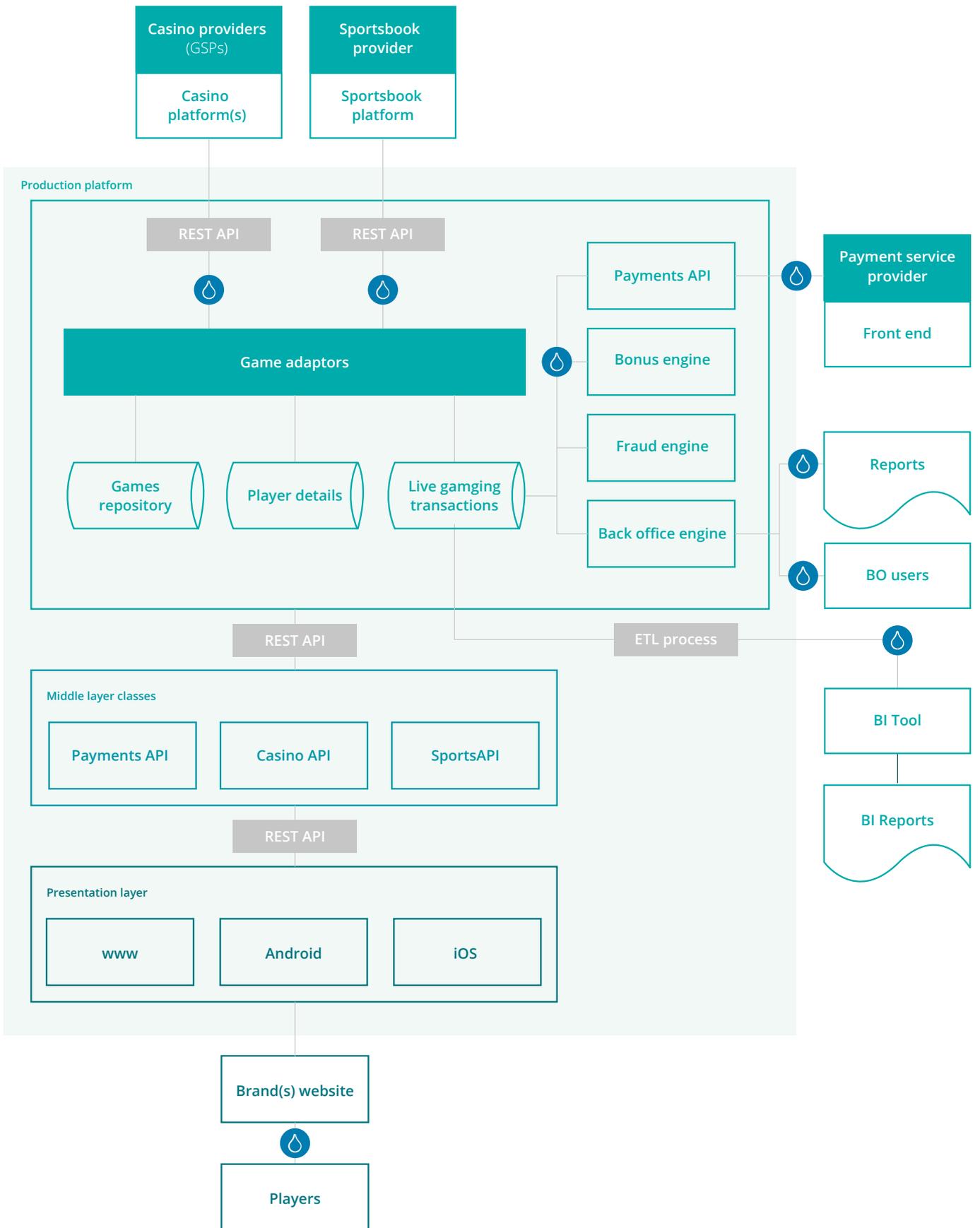
Different gaming platforms implement different algorithms to construct the players' wallet balance. Typically, the funds available to punters is dependent on different events or transactions that originate from multiple and distinct sources such as sportsbook, casinos, poker, virtual games and payment services. The complexity of such gaming events, coupled with the multiple and different properties of sources producing these transactions, pose different risks to gaming operators - among which, is the risk that not all players' activities are reflected accordingly in the

computation of the player's wallet balance. Such occurrences could unavoidably lead to revenue leakages and players will be allowed to initiate betting activities without having the necessary funds. Punters will typically log a complaint if they experience overcharging, but they will not raise a hand if their wallet's balance is not featuring all their betting or withdrawal activities.

Common pitfalls

- Inadequate integration
- Inadequate parameter configuration
- Communication problems
- Unauthorised manual postings
- Reporting errors

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Unless gaming operators employ an effective control environment, that encompass technical considerations on how player transactions are updated and reported; there exists a high probability that instances of revenue leakages or inaccurate player liabilities figures will go unnoticed. If any of the following statements sound familiar, then it is a likely indication that player wallets are exposed to the risks related with player transactions.

“The bonus conversions to real money are not featuring in the transaction history”

“The player transactions report is missing the events originating from Casino ABC”

“A player deposit could not be traced in the Back Office”

How confident are you that the player’s wallet is not missing any gaming events or payment transactions?

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How can Deloitte help?

Deloitte’s specialist teams help online gaming clients manage risks related to player wallet transactions, by providing an independent assessment that verifies whether the player wallets balances reflect all the events processed by the production platform and the related third parties.

The following are key activities that are typically performed during an engagement.

- Understanding and documenting control flows related to wallet management.
- SQL validation. Analysis of the code/query used to extract the required information to ensure the accuracy and completeness of the reported data.
- Manual adjustment controls. High level review of the controls around manual postings (4 eye principle).
- Exception handling controls. High level review of the controls around exception handling scenarios (such as communication errors and failed database updates).

- Outlier transaction analysis. For each transaction category will identify the sample outlier transactions and verify the respective transaction validity.
- Financial reconciliation exercise covering 100% of the player balances within a pre-defined period.

Implementing the above procedures within certain previous engagements has resulted in detected instances of: Unsynchronised deposit and withdrawals events, betting events generated by test accounts, unsynchronised bonus events, software bugs, negative balances, inaccurate and complete reporting, inadequate adjustment controls and inadequate exception handling controls and escalation procedures.

Our team is backed by years of experience in the gaming industry and is well positioned to help clients understand and identify potential issues in their wallet management procedures. Please contact us for more information.

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