

Chapter 20:**Financial viability of the Magdalen Laundries*****Summary of findings:***

This Chapter examines the financial viability of the Magdalen Laundries, on the basis of the financial accounts or other financial records prepared contemporaneously by the relevant Religious Congregations.

The results of the financial analysis carried out tends to support a view that the Magdalen Laundries were operated on a subsistence or close to break-even basis rather than on a commercial or highly profitable basis.

This view is supported both by the contemporaneously prepared accounting records of the Congregations which were reviewed by the Committee, as well as the separate Financial Reports prepared (though not audited) by the professional advisors to the Congregations and submitted to the Committee.

Introduction

1. During the course of its work, the Committee was given full access by the relevant Religious Congregations to the financial records of the Magdalen Laundries. The primary purpose of the Committee's examination of these records was to identify any evidence in relation to funding of or financial assistance to the Magdalen Laundries by the State or State Agencies. This was carried out in pursuance of the core mandate of the Committee to establish the facts of State involvement in the Magdalen Laundries. The findings of the Committee in relation to the question of State funding of or financial assistance to the Magdalen Laundries are set out in Chapter 13.

2. However, the Committee was also aware in its examination of these records that there is significant public interest in relation to the question of the profitability of the Magdalen Laundries during their years of operation. A common perception has been that the Laundries were highly profitable.
3. In public comment on this matter there have been instances where laundry receipts (income) have been confused with profit (income minus expenditure). For example, a recent current affairs television programme broadcast a statement that the Magdalen Laundry in Galway made a profit of £56,000 in 1968. This is incorrect. The financial accounts for that year demonstrate that the figure broadcast was the approximate value of the Laundry receipts without any deduction of operating costs and expenses. When these are taken into account, the Magdalen Laundry in Galway in fact made a *net loss* in that year.
4. Although the Committee was not required to do so, it decided, in the public interest, to conduct an analysis of the available financial records of the Magdalen Laundries in order to more accurately assess their financial viability. This Chapter sets out the results of that analysis.
5. In summary, the analysis of the available financial records suggested that, in general, the Magdalen Laundries operated on a subsistence or close to break-even basis, rather than on a commercial or highly profitable basis and would have found it difficult to survive financially without other sources of income – donations, bequests and financial support from the State.

Financial records of the Magdalen Laundries

6. Financial records of 5 of the Magdalen Laundries survived and were available for examination by the Committee. The records examined in respect of each Magdalen Laundry are described below.

Order of Our Lady of Charity

7. Archived financial ledgers are held in the archives of the Order of Our Lady of Charity relating to both High Park and Sean McDermott Street from 1922 to 1973. In both cases, these are summary ledgers that record receipts and payments on a biannual or annual basis.
8. For both High Park and Sean McDermott Street, these summary ledgers are supported by the prime books of entry, which contain a more detailed breakdown of income and expenditure.
9. In addition to these ledgers, the following combined Laundry and Residential Home accounts prepared by the Congregation's accountants were also available:
 - Sean McDermott Street for each of the years from 1974 to its closure in 1996 and
 - High Park for each of the years from 1985 to its closure in 1991.

Sisters of the Good Shepherd

10. An accounts ledger for the Good Shepherd Convent, schools and Laundry in Limerick covering the period December 1920 to 1992 was the primary source of information on the finances of the Magdalen Laundry in Limerick.
11. This accounts ledger is a single hardcover book, with pre-printed ledger pages for receipts and expenditure. The ledger includes details of 4 different accounts: the Convent, the "penitents" (i.e. combined laundry and residence accounts for the women. This title changed to St Mary's from 1975 onwards), the industrial school (St Georges) and the reformatory school (St Josephs). All receipts and expenditure are allocated to the appropriate account, by way of separate pre-printed headings for substantive columns. From 1970 to 1982 the accounts ledger is supported by prime books of entry, for the Laundry and

St. Mary's, which contain a more detailed breakdown of income and expenditure.

12. Financial records for the Magdalen Laundries at New Ross, Waterford and Cork did not survive.

Religious Sisters of Charity

13. Financial records relating to the Magdalen Laundry operated by the Religious Sisters of Charity at Peacock Lane, Cork, comprise both Annual Accounts and Payments and Receipts Books.

14. The Payments and Receipts books are three handwritten hard-backed books, which were the books of prime entry for the institution. One Receipts Book covers the years 1974-1996 and two Payments Books cover the years 1974-April 1985 and May 1985-January 1993 respectively.

15. There are annual income and expenditure accounts relating to the following:

- the Laundry
- the Institution (in this context, 'institution' refers to the residence or living quarters for the women who worked in the laundry); and
- the Convent.

16. Laundry accounts were identified for the years 1970 to 1983, as well as for the years 1986, 1988 and 1990. In addition accounts were available for the 9 month period to 30 September 1989. The total period covered by these accounts amounted to 17 years and 9 months.

17. For the years 1970 to 1973, the Laundry and Institution (i.e. residence) accounts are combined. Separate accounts for the Laundry and Institution were prepared from 1974 onwards.

18. Most of the accounts, from 1970 to 1986, comprise a Receipts and Payments account and bank reconciliation. Additional information is included in some cases, such as a list of the staff employed and their weekly wages (these were paid outside staff and typically comprised of 2 van men, a “helper” and 2 office staff).
19. The accounts from 1988 to 1990 (which appear to have been prepared by a firm of accountants) are more complete, including a detailed Trading and Profit and Loss Account, a Balance Sheet, Statement of Source and Application of Funds and Notes to the Accounts.
20. As noted above, combined Laundry and Institution (i.e. residence) accounts were prepared for 3 years but for the years 1974 to 1986 they were prepared separately. These separate accounts are similar in format comprising receipts and payments accounts with a bank reconciliation.
21. Accounts for the Convent were also examined. These accounts span the years 1974 to 1986, with the exception of the years 1981, 1984 and 1985 for which no accounts were available.
22. Financial records for the Donnybrook Magdalen Laundry did not survive.

Sisters of Mercy

23. The Sisters of Mercy in Galway had a practice of submitting annual accounts to the local Ordinary, the Bishop of Galway. Accounts, which appear to have been prepared by a firm of external accountants for submission to the Diocesan Office in accordance with this practice, were identified for the years 1943 to 1971. Within that period, the accounts for 5 years were missing: 1949, 1950, 1964, 1969 and 1970.

24. This means that annual accounts are available for the Magdalen Laundry in Galway for a total of 24 years. The accounts are comprised of an income and expenditure account over the 3 bank accounts operated, namely:

- the Convent and Home (the residence for the women) bank account;
- the Laundry bank account; and
- the Capital bank account.

25. Financial records for the Dun Laoghaire Magdalen Laundry did not survive and the practice of submission of accounts to the Diocesan Office did not operate.

Examination of records

26. The Committee examined the records detailed above. This examination suggested that the Magdalen Laundries were operated on a subsistence or close to break-even basis rather than on a commercial or highly profitable basis.

27. In order to seek clarification on this matter the Committee requested the Religious Congregations to ask their accountants to review the records and, where possible, to prepare financial reports. The accountants were requested to include in their reports a statement of average annual income and expenditure for the periods under review expressed in 2011 euro values using the Consumer Price Index produced by the Central Statistics Office.¹

28. The financial reports prepared by the accountants to each Religious Congregation are included in the archives of the Committee's work.

29. The figures in the individual reports were prepared consistently from year to year, on a cash, as opposed to an accruals, basis.

¹ Table CPA 04 - Consumer Price Index by Selected Base Reference Period and Year

30. The treatment of machinery and other fixed assets was consistent in all accounts – the associated costs were included as an expense in the year in which the costs were incurred, and not depreciated over their useful life time. The exceptions to this are the accounts of the Religious Sisters of Charity, Peacock Lane, from 1988 to 1990 and the accounts of the Order of Our Lady of Charity in respect of Sean McDermott Street from 1974 to 1996 and High Park from 1985 to 1991.
31. Other income such as donations, bequests, dowry income, fundraising and State financial assistance, has been included in the statements of income and expenditure for all the Magdalen Laundries with the exception of the Magdalen Laundry in Galway operated by the Sisters of Mercy.
32. The costs associated with the running of the Laundries were identified as the direct operating costs (Laundry Expenses) and the General Maintenance costs of the girls and women who lived and worked there. The Laundry expenses include capital expenditure on machinery, equipment, vans and related repairs, refurbishment costs, boiler fuel oil, detergents, washing powders, bleach, packaging, clothing for ironing machines, solvent and tape for polymarking machines, salt for water softeners, fuel for delivery vans and so on. In the case of the Magdalen Laundries in Galway and Limerick capital expenditure is shown separately in the statements of income and expenditure.
33. Wages were not paid either to the girls or women who worked in the Laundries or to the members of the Religious Congregations who also worked there. However, included in Laundry Expenses are wages paid to van drivers and, in some cases, Laundry managers and external labour as the number of women declined. Payment of pocket-money to the girls and women who worked in the Laundries (which commenced at different times in different laundries) is included in the General Maintenance costs for the girls and women.

34. General Maintenance expenses for the girls and women include costs in relation to food, clothing, infirmary, household (residential quarters) such as fuel and so on.
35. The maintenance costs and expenses relating to the Sisters who managed and worked in the Laundries are included. Charges for their contributions to the operation of the Laundries are also included in all statements of income and expenditure with one exception, namely the statement prepared for the Magdalen Laundry in Galway operated by the Sisters of Mercy.
36. The Committee is conscious of the fact that none of the statements of income and expenditure examined in this chapter were subject to independent audit and that, as outlined above, there were some differences of approach adopted by the Laundries in the recognition and allocation of costs.

Financial Reports

Order of Our Lady of Charity

37. The following information and figures are taken from the report prepared by Robert J Kidney & Co. from the available records of the Laundries at Sean McDermott Street and High Park.

a. Sean McDermott Street

38. The following table shows the average annual income and expenditure for Sean McDermott Street Convent, Residence and Laundry from 1922 to 1973, converted to their equivalent in 2011 euro values.

	1922-1973 Average (2011 Euro values)
Laundry Receipts	<u>705,063</u>
Expenditure	
Laundry expenses	414,080
Maintenance expenses	415,748
Other	84,935
	<u>914,763</u>
Deficit before other income	(209,700)
Other income	<u>222,057</u>
Surplus	€ <u>12,357</u>

*Average annual income and expenditure 1922 - 1973
Sean McDermott Street Convent, Residential & Laundry
(expressed in 2011 Euro values)*

39. As noted above, the financial records of Sean McDermott Street Laundry and Residential Home for the period from 1974 until their closure in 1996 were also available.

40. The following table shows the combined annual average income and expenditure for Sean McDermott Street laundry and Residential Home from 1974 to their closure in 1996 expressed in 2011 Euro terms.

	1974-1996 Average (2011 Euro values)
Income	
Laundry sales	603,147
Laundry Expenses	<u>525,168</u>
Laundry (Deficit)	(77,979)
Other income	<u>119,484</u>
Total income	<u>197,463</u>
Expenditure	
Residents Maintenance	<u>259,836</u>
Total expenditure	259,836
Total (Deficit)	€ <u>(62,373)</u>

*Combined Average annual income and expenditure 1974-1996,
Sean McDermott Street Laundry and Residential Home.
(expressed in 2011 Euro values)*

41. Robert J Kidney & Co. made the following comments in relation to the above tables relating to Sean McDermott Street:

- "... the laundry sales were relatively consistent from year to year, increasing slightly from €456k in 1922 to €677k in 1973. Within that period the most notable changes were in the 1944 to 1948 period where sales increased from €540k to €956k. The 1948 sales were the highest and the sales generally decreased on an annualised basis after that".

- “The average laundry receipts over that period of €705k would not be considered substantial in today’s terms given that the current turnover threshold for a small company for audit purposes for example is €3.8 million”.
- “The average surplus of €12,358.00 varied considerably due to fluctuations in fundraising and bequest income and repairs or improvements expenditure. All other income and expenses were largely consistent from year to year”.
- “It is evident that the average cash surplus of €12k is significantly lower than the average income from other sources of €222k. This indicates that in themselves, the laundries did not generate sufficient income to cover the running costs of the facility”.

b. High Park

42. It was not possible for Robert J Kidney & Co. to compile a similar chart of average annual laundry income and expenditure for High Park, for the following reason: the records were prepared in a way that all the expenditure was pooled.

43. This was easily overcome in the Sean McDermott Street records as the laundry was the main activity on the premises so the income and expenditure was easily identifiable. Given the different types of activities that took place in High Park (e.g. the farm and school) it was not possible to retrospectively separate the share of various expenditure heading costs between the different activities. For example it is not possible to allocate a portion of the overall share of fuel, repairs and maintenance to the Laundry as compared to the School or Convent.

44. Although the calculation of the average annual income and expenditure for the High Park Laundry was not possible, Robert J Kidney & Co. was able to

determine that the average annual laundry receipts over the period 1922 to 1979 was € 695,842.

45. Based on these calculations, Robert J Kidney & Co has noted that "it can be seen that although High Park was a larger campus in relation to operations generally, the scale of the laundry facility was not dissimilar to Sean McDermott Street".

46. A combined Laundry and Residential Home income and expenditure statement for High Park was prepared by Robert J Kidney & Co for the period 1985 until the closure of the laundry in 1991. This is expressed in 2011 euro values and is set out in the following table.

	1985-1991 € Average
Income	
Laundry Sales	361,229
Laundry Expenses	<u>419,271</u>
Laundry (Deficit)	(58,042)
Other income	<u>303,547</u>
Total income	<u>245,505</u>
Expenditure	
Residents Maintenance	281,081
Other costs	<u>101,322</u>
Total expenditure	<u>382,403</u>
Total (Deficit)	<u>€(136,898)</u>

*Combined average annual income and expenditure,
High Park Laundry and Residential Home (1985-1991)
(expressed in 2011 Euro values)*

47. The following overall comments were also made by Robert J Kidney & Co in relation to both Sean McDermott Street and High Park:

- “The Laundries were not financially substantial undertakings. Average sales from both Sean McDermott Street and High Park from 1922 to 1973 was around €700k per annum in 2011 euro terms.
- “The Receipts from the laundry sales were applied towards the maintenance of the residents and the religious”.
- “There is no evidence that operation of the laundries had a financial benefit to the Order”.
- “Sean McDermott Street was heavily reliant on other sources of revenue to survive financially. The average deficit from the facility before other sources of income such as bequests and donations for the period 1922 to 1973 was €210k in 2011 euro terms”.

Sisters of the Good Shepherd

48. The following information and figures are taken from the report prepared by Noel Delahunty & Co on the basis of the financial records for the Magdalen Laundry in Limerick operated by the Good Shepherd Sisters.

49. The following note was attached to explain the reason for the provision of two tables:

“The Sisters managed the laundry up to 31 December 1975. From 1 January 1976 it was managed by Mr John Kennedy who, from that date, introduced outside people to the workforce. It is apparent from the records that the operation of the laundry moved from the provision

of a local service to a commercial operation after Mr Kennedy's appointment. We have, therefore, prepared Income and Expenditure accounts in 2 parts, 1922 to 1975 and 1976 to 1982. We have prepared the figures on an actual basis and also at 2011 Euro values".

Period 1922 to 1975

	Yearly Average	
	Actual	2011 Values
	£	€
Laundry Income	<u>29,623</u>	<u>766,381</u>
Laundry Expenditure	14,919	411,624
Laundry Plant & Equipment	<u>1,337</u>	<u>29,547</u>
Surplus	13,367	325,210
Other Income	<u>866</u>	<u>14,571</u>
	14,233	339,781
General Expenses		
- Girls and women	7,875	207,614
- Sisters	<u>4,260</u>	<u>118,811</u>
Surplus	<u>£2,098</u>	<u>€13,356</u>

*Average annual income and expenditure,
Good Shepherd Laundry Limerick 1922-1975
(Expressed in Irish Pounds and at Euro 2011 values)*

50. The following table sets out the average annual income and expenditure for the period 1976-1982, during which an external commercial manager operated the laundry for the Sisters of the Good Shepherd, with the assistance of external paid employees.

Period 1976 to 1982

	Yearly Average	
	Actual	2011 Values
	£	€
Laundry Income	283,076	1,311,237
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Laundry Expenditure	214,203	983,456
Laundry Plant & Equipment	17,907	82,076
Surplus	<u>50,966</u>	<u>245,705</u>
Other Income	<u>33,556</u>	<u>154,402</u>
	84,522	400,107
General Expenses		
- Girls and Women	37,108	183,852
- Sisters	<u>22,768</u>	<u>113,954</u>
Surplus	<u>£24,646</u>	<u>€102,301</u>

*Average annual income and expenditure,
Good Shepherd Laundry Limerick 1976-1982
(Expressed in Irish Pounds and Euro 2011 values)*

51. The following notes were attached to the tables above:

- “General Expenses for the girls and women who lived and worked there: This included food, medical, bedding and clothing, outings and pocket money. If one costed their work at average weekly earnings for industrial workers the results would show massive deficits, for example year 1950 would show, in 2011 values, estimated deficit of €664,000 compared with €13,000 in the above figures.
- General Expenses Sisters: This represents similar outlay as for the girls and women in respect of Sisters in the laundry. Taking into account the number of Sisters involved in all aspects of the operation of the laundry over the full period under review, to ignore their work contribution would distort the laundry costs”.

52. The following comments were made by Delahunty & Co in relation to the two tables above:

“The above summaries illustrate the impact which the employment of lay staff from 1976 had on the turnover and net surplus for the laundry from that date. They also support the view already expressed that:

- The Sisters were not skilled in the management of a commercial enterprise. The laundry, while under their management, was operated as a source of funds to support the maintenance of the girls and women together with a contribution to the upkeep of the sisters.
- A review of the laundry operation over the 61 years, 1922 to 1982, should be done in two time-spans, before / after 1976.
- Any assessment of the funds generated over the periods must take account of the increases as a result of lay staff employment over the last 7 years”.

53. The following general comments were also made by Delahunty & Co in relation to all the information examined:

- “No significant variations in income pattern were noted with the exceptions of (a) the Shannon Airport Contract and (b) the knock-on effect of the employment of lay manager / staff.
- The figures show, on average after other income, a small yearly surplus for the years 1922-1975 with substantial increase in the following 7 years. The breakdown was as follows:

Years showing surplus	27
Years showing deficit	<u>34</u>
Total	61

- The Laundry did not generate large sums of money for the Province, the records show that it was operated as a source of funds to support the maintenance of the girls and women together with contribution towards the upkeep of the Sisters. Any surplus was part used to fund other works. For example, in 2011 values, €536,761 was spent on Capital Outlay for a Teenage Unit”.

54. The Committee was also provided with input in this regard by the lay manager who operated the laundry from 1976-1982 on behalf of the Sisters of the Good Shepherd.

55. As set out elsewhere in this Report, John Kennedy was employed as manager of the laundry operated by the Good Shepherds at Limerick from 1976 to 1982. In 1982 he purchased the business from the Order as a going concern.

56. Mr Kennedy has been quoted publicly as saying that he made a profit of approximately £100,000 in his first year trading in 1982. Mr Kennedy has commented as follows on this point:

“it is stated that I made a profit of 100,000 pounds in my first years trading after I bought the business from the Nuns. Firstly, this figure is misleading, as it is gross profit and secondly I worked tooth and nail to increase turnover in that year to repay my borrowings. Thirdly, it bears no relation to what the Nuns may or may not have earned in previous years”.²

² Note for the Inter-Departmental Committee by John Kennedy, dated 8 October 2012

57. He also refers to the fact that he secured:

“many new contracts and had to increase the throughput of the Laundry to handle this extra work. I achieved this by, for example, installing bigger and better washing machines, taking on extra male staff for the heavy physical work, buying bigger delivery vans and sinking a high capacity submersible pump in the borehole well for our own reliable, cheaper, high pressure water supply”.³

Religious Sisters of Charity

58. The following information and figures are taken from a report prepared by Nolan & Associates on the basis of the available financial records of the Peacock Lane Laundry, Cork.

59. The following table shows the average annual Laundry income and expenditure for the 17 years and 9 months period for which records are available. The figures are expressed in both Irish Pounds and their equivalent in 2011 Euro values.

	Actual £	2011 €
Receipts	130,809	621,238
Laundry Expenses	<u>(92,985)</u>	<u>(415,909)</u>
	37,824	205,329
Maintenance Expenses		
- Girls and Women	(25,397)	(142,746)
- Sisters	<u>(11,377)</u>	<u>(57,599)</u>
Surplus	<u>£1,050</u>	<u>€4,984</u>

*Average annual income and expenditure, Peacock Lane, Cork
for the 17 years and 9 months period detailed in paragraph 16*

³ Id

(Expressed in Irish Pounds and in Euro 2011 values)

60. Notes were attached to the above table, which are summarised as follows:

- The Laundry accounts are unusual in that there is no expense for rent or insurance, which was paid by the Convent.
- Maintenance Expenses – Sisters represents the amounts paid to the Convent for the upkeep of the sisters who worked there (in the Laundry), but also includes some maintenance of the institution and grounds, insurance and chapel / chaplain costs, all of which were shared with the women.
- For the first four years (1970-1973), the Laundry and Institution (Residence) accounts are combined - costs have been allocated between “Maintenance of the Institution”, “Maintenance of the Convent”, as accurately as possible (most items were clearly one or the other). The formats of the accounts for the last two years and the nine months period were less clear and allocation of costs has been calculated by way of the total transfers to the Institution (drawn from its Receipts Book) for those years.
- The Convent Accounts show that its main source of income was the salaries of Sisters working in the schools.
- An average of about eight or nine Sisters worked in the Laundry/Institution at any one time (the number could vary).

61. Nolan & Associates made the following comments on the table above:

- “For most years there were small surpluses or deficits. There may have been distortions caused by the purchase of equipment (which was simply included in the repairs expense in the year of purchase) or

because of the nature of Receipts and Payments accounts, which don't use accruals to relate expenditures to the appropriate time periods”.

– “The figures appear to support the contention by the Sisters that the purpose of the Laundry was both “to provide the residents with an activity and to produce funds to support them, and that it was never run on a commercial basis”.

Sisters of Mercy

62. The following information and figures are taken from a report prepared by L & P Trustee Services Limited on the basis of available diocesan returns for the Magdalen Laundry, Galway.

63. As noted previously, the figures included in the Diocesan Returns are comprised of three separate income and expenditure accounts i.e. one for each bank account.

64. The 3 separate income and expenditure accounts, relating respectively to the Convent & Home, Laundry and Capital bank accounts were reviewed and analysed for each of the available 24 years to determine which items related to the operation of the Laundry.

65. This data was used to prepare an average annual income and expenditure statement for the Laundry for the period under review. This is expressed in historic Irish pounds and 2011 euro values and is set out in the following table:

Average annual Laundry related cash-flows	£ Average actual figures	Euro (Average after yearly figures have been Indexed to 2011 values)
Laundry receipts	31,681	815,774
Laundry expenses	<u>(19,489)</u>	<u>(479,709)</u>
Net Laundry income	12,192	336,065
General expenses	<u>6,375</u>	<u>76,922</u>
Surplus	5,817	159,143
Capital expenditure	<u>(3,891)</u>	<u>(109,372)</u>
Net Surplus	<u>£1,926</u>	<u>€49,771</u>

Average annual income and expenditure for the Magdalen Laundry, Galway for a 24 year period between 1943 and 1971 as detailed in paragraph 23 (Expressed in Irish Pounds and in Euro 2011 values)

66. The following notes were attached to the above table, in relation to the basis on which these figures were prepared:

- The figures included in the report are cash-flow figures and as such, capital expenditure on items such as machinery, delivery vans, etc. has been written-off in the year of acquisition.
- The Laundry-related figures were averaged over the 24 years, i.e. over all years for which accounts have survived.
- These figures were then indexed-up on a year-by-year basis so as to also show them in 2011 values; and then averaged over the 24 years.

67.L & P Trustee Services also made the following comments on the findings of these calculations:

- “The Laundry element of the Home generated a surplus for 16 of the 24 years and a deficit for the other eight years”.
- The average annual Laundry-related surplus for the 24 years was IR£1,925. When all the figures are indexed to 2011 values, the average annual Laundry related surplus increases to €49,771”.
- “Were these figures to have been prepared in respect of a business, charges would have been recorded for the services provides by the Sisters of Mercy in the management and operation of the Home and laundry and for the utilisation of its premises. However, as this was a charitable undertaking no such charges are recorded”.
- “There is no evidence of the Home, Laundry or Capital bank accounts receiving any State subvention”.
- “The average annual capital expenditure appears to reflect a pattern of continual modernisation of equipment, machinery and premises”.
- “While the figures above indicate that the Laundry element of the Home generated an average annual surplus over these 24 years, the Sisters of Mercy continued to care for 18 Women in the Home after the closure of the Laundry in 1984 for the remainder of their lives. For some Women, this provision included financing care in Private Nursing Homes prior to the introduction of the Nursing Home Support Scheme in late 2009”.

Galway - Income and expenditure for 1968

68.A Prime Time programme broadcast on 25 September 2012 stated that in 1968, the Magdalen Laundry in Galway made a profit of over €1 million in 2011 values. However, on the basis of a review of the diocesan returns for the Magdalen Laundry, L & P Trustee Services Limited has noted that:

“this is plainly mistaken as the figures referred to are the turnover / receipt figures, without any reference to the expenses associated with generating this income”;

and that

“the Laundry related deficit for 1968 was (IR£1,741). When the figures are indexed to 2011 values, the deficit increases to (€32,605)”.

69.The following table provides a summary income and expenditure statement for the Galway Magdalen Laundry in 1968.

Laundry related cash-flows for 1968	£ (Average actual figures)	Euro (Average after yearly figures have been indexed to 2011 values)
Laundry receipts	54,680	1,024,008
Laundry expenses	<u>(45,572)</u>	<u>(853,440)</u>
Net Laundry income	9,108	170,568
General expenses	<u>(6,712)</u>	<u>(125,698)</u>
Surplus	2,396	44,870
Capital expenditure	(4,137)	(77,475)
Net Deficit	<u>(£1,741)</u>	<u>(€32,605)</u>

*Income and expenditure for the Magdalen Laundry, Galway 1968
(Expressed in Irish Pounds and Euro 2011 values)*