

District-Inspector McCredie, in his recent inspection, made the following remarks: "Order—good. Discipline—good. Proficiency—tolerable."

7. A considerable reduction has taken place in the expenditure per head. The ship cost £300 less than the preceding year, notwithstanding more boys were dealt with. The lads on the ship cost £23 each. Altogether, including the apprentices, 669 boys was the average daily number under my control, and the cost for the year £7 18s. 9d. each, which is the lowest sum yet reached.

8. Religious instruction has been conducted on board by the Rev. W. Charlton, Rev. J. Hagarty, Rev. A. Turnbull, Rev. A. Boyle, the Sisters of St. Joseph, Mrs. Ford, and occasionally by other ladies and gentlemen. The religious instructors are worthy of all praise for their kindness and earnest labours. On Sundays the boys landed and marched to their respective places of worship.

9. A large number of ex-"Vernon" apprentices visited us during the year, and a correspondence has been maintained, to the extent of many hundreds of letters, with a still larger number of former inmates. It is one of the most pleasant things in connection with the ship to find that such a friendly feeling prevails.

10. The officers continue to perform their duties in a cheerful, hearty spirit. They have shown an interest in their work, and have been patient and kind to the boys.

I have, &c.,

FREDK. W. NEITENSTEIN,

Commander and Superintendent.

*A.—Cost per Head for Year (Daily Average, 219).*

	£	s.	d.
Provisions ... ..	1,931	5	5
Crockery, mess utensils, knives, forks, &c. ... ..	35	16	2
Clothing ... ..	644	14	1
Stores, rope, paint, &c. ... ..	196	13	1
School stationery, good-conduct awards ... ..	66	5	2
Salaries (including two teachers for school duties) ... ..	1,842	11	10
Fuel and light ... ..	89	7	3
Boats and oars ... ..	46	16	0
Medicines and surgeon's salary ... ..	97	7	10
Bedding, hammocks, and blankets ... ..	90	7	6
Repairs generally ... ..	223	7	8
Various petty charges ... ..	39	4	10
Gross cost of only those on board ... ..	5,303	16	10
Deduct parent's contributions... ..	270	0	0
Net cost ... ..	5,033	16	10

Or £23 each, being £1 6s. 5d. less than last year, and the lowest cost in the ship's history.

*Expenses of Apprentices.*

	£	s.	d.
Proportion of salaries ... ..	200	0	0
Visiting, stamps, &c. ... ..	76	16	9
Total ... ..	276	16	9

*Net Cost to State of all "Vernon" Boys under Control.*

	£	s.	d.
Average number on ship, 219—cost ... ..	5,033	16	10
" " apprenticed, 450—cost ... ..	276	16	9
Total cost of 669 maintained ... ..	5,310	13	7
Cost per head per annum ... ..	= £7 18 9		
" daily ... ..	= 0 0 5		

*B.—Admissions and Discharges during the Year.*

Particulars.	No.	Total.	Particulars.	No.	Total.
Admissions—			Discharges—		
Committals ... ..	...	194	Apprenticed ... ..	...	125
Returned, various causes ... ..	...	15	Young boys transferred to the State Children's Relief Department ... ..	...	34
			Otherwise discharged ... ..	...	48
Total admissions ... ..	...	209	Total discharges ... ..	...	207