

## Media Release

FOR IMMEDIATE RELEASE

26 September 2025

### St Kilda PCYC Public Statement

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#### **Postponement of the Sale of the Inkerman Street Facility**

The Board has resolved to postpone the proposed sale of the Inkerman Street facility, calling on all levels of government, philanthropic bodies, and members of the community for urgent support.

#### **The Value of the Inkerman Street Facility**

The Board and CEO of St Kilda PCYC deeply understand the value of our Inkerman Street facility, not only as a building, but as a community hub that has supported, welcomed, and empowered many people for decades. Contrary to recent media stories, political and community commentary, and social media posts, the Board and CEO **do not** want to see our facility closed or sold.

The Board are volunteers. They give their time and energy not for financial gain, but because they believe in the purpose and the reward of *empowering youth for life*. That, and that alone is what drives the Board.

The Board and CEO are proud of what the Club does, the people it represents, and the many different community demographics it serves. Whether it's young people who need guidance and support to help build confidence and resilience, seniors who rely on us to stay active and engaged, or local community members simply seeking a safe place to connect and belong, for 77 years, PCYC has always stood ready to serve. Despite all of this, one very simple fundamental question remains: who is paying for all of this?

#### **Funding History and Challenges**

Up until FY22, St Kilda PCYC was primarily funded through a national telemarketing lottery, run in conjunction with other state PCYCs. Pre-COVID, this was our main source of operational income that reliably covered our non-youth program expenses.

During and after COVID, combined with the cost-of-living pressures felt by all Australians, this income stream sharply declined and is no longer a reliable or viable funding source. The loss of this external income stream has been the primary driver of St Kilda PCYC's year-on-year operating deficits since FY23. Accompanying this, there has been a significant decline in specific Youth Program funding. From mid-2024 to present, we have experienced reduced support from multiple local government grants, as well as philanthropic sources. As a result, our youth program delivery has dropped from 15 programs per year to just 7.

#### **A Call for Support**

We are facing a limited window of time to turn around our financial position before we are forced to sell our facility. To remain viable, we require \$350,000 per annum to continue operating this much-loved community hub as we have in the past.

The Board has not sought direct community fundraising in this instance. We knew that a small campaign—while generous—would not realistically address the scale of the challenge. Instead, we have pursued government support at every level.

- **Federal Government:** Our applications for grants were unsuccessful, as we are not recognised as a peak body delivering state-wide or national impact.
- **State Government:** We have been advised that no funding is available from the state, and no collaborative pathways to facilitate proposed funding mechanisms have been offered.
- **Philanthropic:** Major philanthropic funding opportunities typically prioritise programs and services that can demonstrate evidence-based outcomes with state-wide or national impact. At this stage, we are not yet in a position to demonstrate that level of reach or impact.
- **Local Council:** We asked Council to purchase the facility to safeguard it for the community's future. Unfortunately, this offer was declined.

With these avenues closed, the Board has been left with no choice but to consider selling the facility in order to create a sustainable future for the organisation.

**Today, we are calling on our community, local councils—whom we already support through youth and community programs—and the State and Federal Governments to stand with us. With their partnership, we can avoid the sale of this facility and instead secure funding that allows us to expand our vital youth programs and preserve this important asset for generations to come.**

#### **Media & Political Misrepresentations**

The Board is disappointed with the misrepresentations and inaccuracies that have appeared in the media, on Social Media platforms, and from **some** political parties. The Board has no interest in engaging in a public back-and-forth or fuelling these narratives further. What we will say is simple: St Kilda PCYC is not, and should not be, a political pawn. We exist to deliver youth services to vulnerable and at-risk young people, and we should be supported by all levels of government and political parties.

#### **Financial Transparency**

Incorrect statements have been made regarding our financial position. Our accounts are independently audited annually. Matters concerning our financial position have been transparently reported at our last three AGMs. Unfortunately, attendance at AGMs is often low, and many members have not heard this commentary firsthand. Reviewing financial reports without that context provides only a snapshot in time, not the full picture of the challenges we are navigating or the direction we are heading.

#### **Refocusing our Mission**

- Our Constitution clearly states that the purpose of the Club is “*empowering youth for life*” through recreational, sporting, cultural, educational, health, and welfare programs—primarily for disadvantaged young people.
- Going forward, this must remain our sole operational focus.

- While we acknowledge the importance of non-youth activities to the broader community, we alone are no longer in a financial position to fund or subsidise them through PCYC.

### **Interim Measures**

- In 2023, the Board resolved to sell a neighbouring property at 175 Inkerman Street (a rooming house), which settled in 2024.
- The net proceeds—approximately \$700k—strengthened our cash reserves.
- The amount of money we currently have in our bank account is \$ 550k - These funds are now being used to sustain current operations, at significant monthly losses, giving us a runway of approx. 18-24 months. This period is critical for implementing sustainable change for PCYC.
- Without change, and to continue with the current business model, would essentially lead to the appointment of administrators—a path the Board and the original founder and her family is determined to avoid.

### **State Government Funding Challenges**

- The State Government has indicated that 'growth funding' for critical community services organisations like ours is unlikely to be considered for many years due to Victoria's substantial state-wide deficit.
- To attract larger and sustained grants and funding, St Kilda PCYC must pivot and strategically align with the State Government's Youth Strategy and Early Intervention Investment Framework (EIIF) by transitioning to a Peak Body entity. This is essential for our long-term viability, sustainability, and growth as a youth charity.
- Without being recognised as a peak body with a state-wide or national reach, we are unlikely to ever qualify for significant government or philanthropic grants or ongoing financial support.

### **Strategic Pivot**

- The key focus for the Board is the strategic transition to establish **Victoria PCYC**, a statewide Youth Services Peak Body.
- St Kilda will continue as a key branch and retain its long-standing name, but our youth programs will operate from a smaller administrative base and utilise council- or community-owned facilities for delivery.
- Our vision includes developing a staged Network Development and Growth Plan—similar to models adopted by other state-based PCYC bodies—with the goal of establishing clubs in priority communities across Victoria.
- Due to the loss of our external lottery income stream, and without stable, recurring financial support, the Board resolved at its meeting on 17 July 2025 to sell the facility at 179 Inkerman Street (the current gym site). At the subsequent meeting on 28 August, the Board also resolved to close the gym, which operates at a loss, effective 3 October 2025.”

- The proposed sale has now been postponed while we actively explore alternative funding solutions to secure the future of Inkerman Street
- The gym will still close on 3 October 2025.

#### **Current Grant Funding Applications Underway or Imminent**

- St Kilda PCYC currently have \$683,240 worth of grant applications for specific youth programs submitted, or pending imminent submission
- This figure was approximately \$1.4 million a few short weeks ago, however, we continue to face ongoing rejections

#### **Membership Categories and Voting Rights**

St Kilda PCYC's categories of membership are set out in clause 6.1 of its constitution. They are:

- (a) full members;
- (b) associate members; and
- (c) supporter organisations.

Clause 7.1 of the constitution provides that full membership is open to individuals who wish:

- (a) to participate in the business of the Club; and
- (b) to use the facilities of the Club.

Clause 7.1 may be contrasted with clause 7.2 of the constitution, which provides that associate membership is open to individuals and families who wish to use the facilities of the Club

The Board has obtained legal advice as to whether members who have gym membership are associate members or full members. The substance of that advice is that by simply acquiring a gym membership the member becomes an associate member, not a full member with voting rights and other privileges.

#### **Conclusion**

Recent events, media reports, social media commentary, political posts, and petitions have included inaccuracies and misrepresentations that do not reflect our organisation, our community, or the facts of the matter. The St Kilda PCYC CEO and staff have been subject to inappropriate forms of personal aggression and misleading narratives, despite their sole focus being the continuation of our 77-year youth charity in service of disengaged young people. Now is the time for us all to work together to secure the future of Inkerman Street for the community.

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