

3 September 2025

An Open Letter from St Kilda PCYC

Dear Members, Supporters, Funders, and Friends,

For 77 years, the St Kilda PCYC has stood as a beacon of hope and a haven for disengaged and vulnerable youth in our community. This enduring legacy is a testament to the dedication of our staff, the trust of our members, and the incredible support we have received from each of you. It is with a deep sense of responsibility and resolve that I write to you today to share some critical decisions regarding our future.

The Board of St Kilda PCYC has resolved that there must be significant changes to our organisational structure, including the continued operation of our gym and numerous unfunded programs. This decision has been driven by a thorough assessment of our financial sustainability, which, regrettably, has been a growing challenge over several years.

We have faced a series of significant financial headwinds, including, but not limited to:

- Year-on-year financial losses, including a loss of \$61k in FY23, \$252k in FY24, and an estimated loss of \$281k in FY25, with a similar deficit projected for FY26.
- A loss of approximately \$150k (PA) in income from the national lottery for the 24 and 25 financial years.
- A significant decline in specific program funding.
- Unbudgeted costs for ongoing building maintenance, repairs, and remediation.
- Subsidising, at considerable cost and financial loss, numerous programs that are outside the scope of our core organisational remit and constitutional purpose of focusing on core youth program delivery.

These factors have created an unsustainable financial model. At a Board meeting on 28 August 2025, the difficult but necessary decision was made to close the gym and cease all **unfunded** programs effective 3 October 2025. This will, with a heavy heart, result in the cessation of all unfunded gym-related programs, and the termination and redundancy of relevant casual and other employee positions linked to these operations.

Gym-related programs

All programs operating and linked to the gym operations will cease on Friday 3 October 2025.

We're currently looking at an opportunity for one of our personal trainers, Eugene, to continue important programs that support our older members within a local fitness facility. These programs are Master's, Life Fit, and Stretch programs, and possibly others. We'll advise our older members as these discussions and plans progress.

Gym membership refunds – effective 3 October 2025

We've conducted a review of all impacted gym memberships and have calculated the necessary refunds to impacted members, as of 3 October 2025. These membership categories include:

- Bronze Annual Membership
- Concession Bronze Annual Membership
- Concession Silver Annual Membership
- Monthly Concession Membership
- Monthly Membership
- Silver Annual Membership

We will contact members directly and arrange the necessary refunds and cessation of fees from 3 October 2025, including those members with direct debit arrangements.

As all gym membership fees are reinvested back into our organisation supporting disadvantaged youth, I respectfully ask you to not request a refund prior to 3 October 2025 as our youth charity relies on that revenue, whilst having subsidised numerous unfunded programs at a significant loss over many years. Your understanding is welcomed and valued.

Fee-for-Service – Contractor – Business Bookings

All fee-for-service, contractor, and business bookings that utilise the facilities at St Kilda PCYC will also cease on 3 October 2025. We've contacted all impacted clients directly and have advised them of the imminent cessation of their facility hire, effective 3 October 2025. Our administration team will continue to liaise with impacted clients directly and assist in any way possible to facilitate a smooth transition.

Boxing for Parkinson's Program

This program remains funded until 30 June 2026 and will continue to operate from St Kilda PCYC, until further notice.

Youth Programs

Funded and future youth program expansion is the core focus of our organisation. These programs will continue to operate as normal, and from the St Kilda PCYC site until further notice.

Advocacy & Requests for Financial Support

Over the past months, I have spent considerable time speaking with, presenting to, and requesting immediate and ongoing financial support from:

- City of Port Phillip Council
- Stonnington Council
- Glen Eira Council
- Josh Burns MP
- David Southwick MP
- Rachel Westaway MP
- State Government representatives
- Numerous other key stakeholders, philanthropic organisations and funders

Unfortunately, immediate financial support, in the absence of historical, longer-term engagement and situational awareness of our financial challenges, made it difficult for these key stakeholders and supporters to provide immediate funding support.

It's important to acknowledge the incredible support I received from all the MPs, and in particular, the CEO and General Manager of Community Wellbeing and Inclusion at the City of Port Phillip (CoPP) during this process.

Our Future Direction

These decisions, while difficult, do not mark the end of our journey but represent a pivotal step toward a more sustainable and impactful future. The Board has also ratified the decision to sell our facility at 179 Inkerman Street, St Kilda, at auction. The funds from this sale will be invested in our new, longer-term strategy of building **Victoria PCYC** into a powerful, statewide organisation.

This is a strategic move that aligns with the incredible reach and success of PCYC organisations in other states, which operate hundreds of clubs that serve thousands of vulnerable young people. Our core mission remains unwavering: to provide essential services to disengaged and disadvantaged youth. By establishing a comprehensive Strategic Plan for 2025 and beyond, we aim to not only continue operating for another 77 years but to expand our services and reach across multiple venues and sites across Victoria, securing the long-term employment security of our staff and guaranteeing expanded and uninterrupted services for young people.

I want to express my deepest gratitude to our staff, both past and present, for their hard work and dedication. Their commitment to our mission has been the heart of this organisation. We will continue to communicate openly as we navigate this transition.

I would also like to sincerely thank our members, funders, key stakeholders, community members, and supporters, acknowledging 50 years of contributions and community support for our youth charity at Inkerman Street. This is not the end; it is only the beginning of our exciting new chapter.

I commit to providing regular updates regarding our future now that we have a clear vision and way forward.

Thank you for your understanding and for your enduring support for our mission.

Sincerely,



Chris Potaris
CEO & Secretary,
St Kilda PCYC