# DISPUTE IN SYDNEY'S ARMENIAN CATHOLIC COMMUNITY

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**Category:** Opinions

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**Armenian Catholic Community Association**, November 2013

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**Historical Context:**

In 2005 Fr. Basil Sasounian was mandated to receive upon his arrival in Sydney a church, a school and a library. He inherited a church in ruins and renovations which had been suspended. He raised funds to rebuild and develop the church. The parishioners dipped into their pockets twice: the first time they gave the funds to the departing Monsignor Anton Totonjian for the renovation of the church (the parishioners claim  Monsignor Totonjian left church renovations unfinished when he left for Armenia); the second time the recipient of parishioner donations was Fr. Sasounian.

The Armenian Catholic Community of Sydney started an association (Armenian Catholic Community) in 1960. It then became the Armenian Catholic Benevolent Society. The society, under the auspices of Monsignor Ouzounian initiated the St. Gregory Armenian School project and registered it for tax-deduction purposes as required by law.

The society was dissolved by Fr. Totonjian when he was appointed to his new position in 1982/1983. In its place he created the Armenian Catholic Church Council. From then on there are no archival or reliable financial records covering the period 1982 to the arrival of Fr. Basil. However, Fr. Totonjian managed to build and complete the St. Gregory Armenian School, a remarkable achievement in Australia, because the school had a record enrollment of nearly 286 students, if not more.

The documents displayed  at the Armenian Catholic Church website  (copies are also in the parish publication) show that donations were given by the community to Fr. Totonjian as the parish priest of the Armenian Catholic community, and for a school belonging to the Armenian community. Most, if not all, donors said that they believed this to be so. The evidence is therefore hard to refute. Not only the funding requests to the Congregation for Oriental Churches (Rome) but also information on the

website demonstrate that funds were given by that congregation to the school because it belonged to the pastoral work of the Armenian Catholic Church, a church which forms part of the work of that congregation.

Also available on the website is the listing of that school as part of the Catholic system of education. What the records tell us is that a meeting was held on Jan. 23, 1983 to dissolve the Armenian Catholic Benevolent Society which was registered with the Chief Secretary Department and that the society did have land and property in Cabramatta for the St. Gregory Armenian School project. To help fund St. Gregory School Project the society launched a world-wide appeal to almost 800 addresses and collected $10,000 from that drive. What is known is that upon the dissolution of that society and upon the sale of its assets, a property at the back of the church was purchased and a school named St. Gregory emerged. Fr. Totonjian then went on to found the St. Gregory School Association which vested the membership of the school to another format of ownership.

Most donors to the school insist today that the format was of no interest to them and that by giving the funds to Fr. Totonjian, they were giving it to what was commonly known as the Armenian Catholic School. At a meeting three years ago with the Armenian Catholic community solicitor, some members of the previous ACBS and Fr. Totonjian, and members of the community were told by Fr. Totonjian to concentrate their efforts to regain control through the membership clauses of St. Gregory. The association should have then operated within the guidelines of the registered associations run by the Department of Fair Trade in New South Wales and policed from Bathurst. Membership then vested in the members--mainly the parents of the St. Gregory School--according to the articles. The Armenian Catholic Community Association collected 150 statutory declarations by the would-be members claiming that the association did not invite them at general meetings and that they were unaware of major decisions and events at the school. Many said that they felt threatened. The parents met also in 2012 and formed the St. Gregory School Members Association. That association (SGSMA) has decided that it will devote its efforts to ensure that the residue funding from the St. Gregory School will go to the Armenian Catholic Looyce School.

Fr. Sasounian, who replaced Fr. Totonjian, and who had a special position in the association according to the constitution, had a major disagreement with the “existing board” and was no longer a board member.  The visible and active community is vastly illiterate in Australian corporation mechanisms which has been recently enacted. So in effect there was no legal challenge or complaint as to what was happening to the management of the school.

Differences soon erupted among the “managers/directors” of the school. On the one side Fr. Sasounian and his followers and on the other a duo of directors--brothers Michael and Daniel Ghougassians. The number of students had gradually declined to six before its forced closure by the Commonwealth Bank. These six were related to the Ghougassians according to the names recorded on the enrollments.

As a result of these unfortunate events, a generation of young people have lost the opportunity to continue their faith and Armenianness.

There is also a shameful silence, in this case.

Because of the above events, the community has wondered why the difficulties have not been resolved in a simple manner. They are also wondering what has happened to the property of the school, estimated to be worth $27 million if subdivided. The Commonwealth Bank seized the property and sold it to recoup its unpaid loan of around $900,000: a small figure in comparison to the value of the property. If this matter was well managed, an alerted community would have been able to save the school and avoid its sale.

It is believed that the Commonwealth Bank was concerned in the second mortgage held on that property and wanted an exit. The two brothers had a private mortgage over the school worth $1 million dollars. The bank proceeded quickly to sell a plot worth $27 million for $9.2 million at auction. This was purchased by an Islamic school. They received a built school and one that had neighborhood acceptance. From the $9.2 million, debts were paid and the remaining $7 million is being claimed by unsecured debts and according to the liquidators, the bulk of those claims are made by the two brothers. There is currently a legal battle between the liquidator and the Ghougassians regarding the remaining funds. Meantime, the community is not benefiting as the liquidators are also paying their fees and their time from the residual pool.

Now there are $6 million or thereabouts. The ACCA was told that the liquidator represents the government and as such should proceed with a judicial investigation. The liquidators are saying that such a judicial investigation will commence on completion of the liquidation process.

We request legal assistance from attorneys the world over to see if they can assist the association to obtain its rights:

a. To seek indemnity from the bank for the sale of a $27 million asset for $900,000 to cover its mistake of advancing funds to these two individuals and not following due diligence in lending procedures and having to exit at such a terrible cost, not to mention the selling of a Christian school to an Islamic association.

b. To seek completion of the liquidation and force the authorities to investigate whether the association was run according to departmental and government guidelines so as to close the case and fast track the completion. The community can still operate an Armenian day school with the remaining $7 million and wash the dishonor.

c. We, therefore, seek to see if a lawyer/firm/team of lawyers can help us on a basis of no-win, no-fee as we cannot afford legal representation with $2,500 in the bank.

The community owns a Saturday school (“LOOYCE”) which will become a day school. (It now has 43 students). "LOOYCE" has operated for three years in a northwest suburb of Sydney. Both ACCA

constitution and that of "LOOYCE" make reference to an Armenian Day School. The "LOOYCE" aim to become a day school will be realized once funds are on hand. Details of "LOOYCE" are also on the Internet site of the Armenian Catholic Church. The ACCA feels that the Armenian Catholic Church and its community are the legitimate heirs and will use all the avenues at their disposal to vigorously defend its equity. The "LOOYCE" school deserves our empathy, sympathy and support.