

February 29, 2024

REGISTERED MAIL

James Anas
Finance Officer
Greek Orthodox Archdiocese of Canada

BN: 118947282RR0001
Case number: 36081541

Dear James Anas:

Subject: Notice of Penalty

We are writing further to our letter dated October 13, 2022 (copy enclosed), in which you were invited to submit representations as to why the Canada Revenue Agency (CRA) should not assess a penalty on the Greek Orthodox Archdiocese of Canada (the Organization) in accordance with sections 188.1 and/or 188.2 of the *Income Tax Act* (the Act).

We have reviewed and considered your written response dated December 7, 2022. However, notwithstanding your reply, our concerns with respect to the Organization's non-compliance with the requirements of subsection 188.1(4) of the Act have not been alleviated. The undue benefits are therefore subject to a penalty under subsection 188.1(4) of the Act.

Background information

The Organization has been the subject of four prior audits by the CRA. These audits were completed in 1997, 2002, 2008, and 2015. The current audit, which examined the Organization's fiscal periods ending December 31, 2018, and December 31, 2019, was conducted to follow-up on the compliance agreement the Organization signed with the CRA on March 1, 2015. The applicable corrective measures included an agreement by the Organization to not make gifts of its resources to non-qualified donees. Additionally, the audits concluded in 1997, 2002, and 2008, respectively, identified that the Organization gifted resources to non-qualified donees, demonstrating a pattern of repeated non-compliance.

The following details our analysis and the position of CRA in response to the Organization's representations to our letter of October 13, 2022.

Conferred an undue benefit on a person

As indicated in our letter of October 13, 2022, the Organization transferred funds to Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa, without demonstrating how it maintained direction and control over the resources it provided. As such, we have determined that the total funds transferred by the Organization to these entities represent gifts to non-qualified donees. The funds gifted are considered undue benefits under subsection 188.1(4) of the Act, as per the definition of “undue benefits” provided in subsection 188.1(5) of the Act.

In the Organization’s representations, Archbishop Sotirios Athanassoulas, advised that the Organization believes everything they do has been done in good faith and in accordance with the law, and if they have mistaken, it was an honest mistake.

The Organization provided funding statements and an Agency Agreement with the Ecumenical Patriarchate Greek Orthodox Church, demonstrating the use of its funds, however no source documents were provided. The Organization’s Treasurer, James Anas, provided documentation in the form of a listing of visits made by Archbishop Sotirios Athanassoulas, to the Ecumenical Patriarchate, to enquire into the charitable activities carried out and to review the expenditures that were funded under the Agency Agreement.

The Organization also provided press releases in support of the activities it undertook outside of Canada, and statements demonstrating that meetings or resolutions, relating to foreign activities, had been conducted verbally with the Board of Directors. The Organization’s representative, [REDACTED], advised that none of the payments referred to in the proposal were made to a specified person, that no penalties are applicable under subsection 188.1(4) of the Act, and that the contributions made towards the support of other ministries were devoted exclusively to the advancement of the Greek Orthodox religion, which can reasonably be considered as a means to advance the core charitable purpose of the Organization.

The Organization stated that as a gesture of good faith, it has temporarily ceased carrying out charitable activities outside of Canada until it has a clearer understanding of the rules, regulations, and practices to be applied.

CRA’s response

We acknowledge the Organization’s stated willingness to correct its non-compliance; however, the Organization’s representations have not alleviated our concerns. In particular, we are concerned with the Organization’s repeated non-compliance in relation to the gifting of resources to non-qualified donees.

Other non-compliance issues, not subject to penalty

Our letter dated October 13, 2022, also detailed concerns in the following areas:

- Non-charitable purpose

The Organization's fourth purpose, to "receive annually from the Greek Orthodox Communities (parishes) that are served by Priests appointed by the Greek Orthodox Metropolis of Toronto (Canada) 10% of their total gross income, 10% of which amount is to be submitted to the Ecumenical Patriarchate of Constantinople", is not charitable as the foreign entity is not a qualified donee as defined by the Act. A recommendation to amend the Organization's governing documents, to remove the fourth purpose as stated in its Supplementary Letters Patent dated March 11, 1997, was provided in the compliance agreement, dated February 29, 2024.

- Lack of devotion of resources to charitable activities

The Organization did not exercise the required degree of direction and control, and full accountability, which included documentation for audit verification, over the use of its funds provided to entities outside of Canada. A recommendation to draft and implement a written agreement between itself and its intermediaries, in accordance with the requirements outlined in CRA publications CG-002, *Canadian registered charities carrying out activities outside Canada*, as well as or Charities Guidance CG-004, *Using an intermediary to carry out a charity's activities within Canada*, was provided in the compliance agreement, dated February 29, 2024.

- Failure to maintain adequate books and records

The Organization failed to maintain adequate documentation to support the charitable activities abroad, issue official donation receipts in accordance with the Act, and issue the required income reporting slip (T4A) for an honorarium paid. Recommendations to maintain adequate supporting documentation to demonstrate ongoing direction and control of the resources it devotes to activities carried out under the terms of all agency agreements entered into with its intermediaries were provided in the compliance agreement, dated February 29, 2024.

- Issuing receipts not in accordance with the Act

Specifically, that the official donation receipts issued by the Organization did not contain the registration number assigned by the Minister to the Organization, the place or locality where the receipt was issued, where the donation is a cash donation, the day on which or the year during which the donation was received, and the name and Internet website of the Canada Revenue Agency. A recommendation to comply with the information disclosure requirements of

Regulation 3501(1) of the Act and Income Tax Folio S7-F1-C1, Split-receipting and Deemed Fair Market Value, was provided in the compliance agreement, dated February 29, 2024.

- Failure to file an information return for amounts paid (Form T4A)

The Organization failed to file Form T4A, Statement of Pension, Annuity and Other Income for an honorarium paid. A recommendation to comply with CRA's payroll requirements found in Guide T4001, *Employers' Guide – Payroll Deductions and Remittances*, was provided in the compliance agreement, dated February 29, 2024.

Penalty assessment

Consequently, for each of the reasons mentioned in our letter dated October 13, 2022, we will assess the following penalties against the Organization for each year under audit pursuant to subsection 188.1(4) of the Act.

The penalty to be assessed by the CRA is calculated as follows:

Fiscal period ending	Dec. 31, 2018	Dec. 31, 2019
Total amount of undue benefit – gifts to non-qualified donees	\$223,689	\$307,654
Penalty as per subsection 188.1(4)(a) of the Act	105%	105%
Total penalty owing as per subsection 188.1(4)(a) of the Act	\$234,873	\$323,037

In accordance with subsection 189(6.3) of the Act, the penalty may be paid to an eligible donee as defined in subsection 188(1.3) of the Act. An eligible donee in respect of a particular charity is a **registered charity**:

1. of which more than 50% of the members of the board of directors or trustees of the registered charity deal at arm's length with each member of the board of directors or trustees of the particular charity;
2. that is not subject to a suspension of tax-receipting privileges;
3. that has no unpaid liabilities under the Act or the *Excise Tax Act*;
4. that has filed all its information returns; and
5. that is not subject to a security certificate under the *Charities Registration (Security Information) Act*.

The CRA requires the following documentation to confirm that the eligible donee received the penalty payment:

- a letter addressed to the Director, Compliance Division, (mailed to the address below), signed by an authorized representative of the eligible donee, confirming

- the organization meets the definition of an eligible donee, that the penalty payment was received, and the amount paid; and
- a copy of either the cancelled cheque or evidence of a non-cash transfer.

Please note that in accordance with subsection 149.1(1.1) of the Act, a penalty payment made to an eligible donee shall not be deemed to be an amount expended on charitable activities nor a gift made to a qualified donee.

Conversely, should you choose to make your payment to the CRA, please make the cheque payable to the “Receiver General for Canada”. For more information about payments by cheque, go to canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/pay-cheque.html.

In either case, all documentation regarding the penalty payment should be mailed to:

Charities Directorate
Canada Revenue Agency
Ottawa ON K1A 0L5

The penalty takes effect immediately, and by virtue of paragraph 189(9)(b) of the Act, any amount of the penalty that remains unpaid as of the day that is one year after the mailing date of the Notice of Assessment is subject to interest in accordance with subsection 161(11) of the Act.

Failure to pay this penalty amount or make arrangements for payment will result in the CRA reconsidering its decision not to proceed with the issuance of a notice of intention to revoke the registration of the Organization in the manner described in subsection 168(1) of the Act.

Appeal process

Should the Organization choose to object to this notice of penalty in accordance with subsection 165(1) of the Act, a written notice of objection, with the Organization’s business number, the reasons for objection and all relevant facts, must be filed **within 90 days** from the mailing of the Notice of Assessment, which will be mailed to you separately. Please note that by signing the Compliance Agreement, which addresses the other areas of non-compliance not subject to penalty, the Organization is not waiving its right to object to the assessment of penalties.

The notice of objection(s) must be sent to:

Assistant Commissioner
Appeals Intake Centre
Post Office Box 2006, Station Main
Newmarket ON L3Y 0E9

Public notice

By virtue of paragraph 241(3.2)(g) of the Act, the following information relating to the Organization's penalty assessment will be posted on the Canada.ca/charities-giving website. While the effective date of the penalty is the date of this notice, the CRA will delay posting this information online until the Organization has exhausted its appeal rights, should it decide to object to the assessments of this penalty. Should the Organization choose to not exercise its appeal rights, the penalty will be posted online after 90 days of the date of the Notices of Assessment, which will be sent to you separately.

Penalty

Reason for penalty:	Undue Benefits
Amount of penalty:	\$557,910
Act reference:	188.1(4)(a)

A registered charity must comply with all provisions of the Act. The CRA strongly encourages the Organization to take appropriate actions to remedy the issue that led to the assessment of the penalty which may be subject to a future review.

If you have any questions or require further information or clarification regarding the penalty payment, please contact Karen Lockridge at 905-706-7792 or you can contact the Charities Directorate's Client Services area toll-free at 1-800-267-2384.

We trust the foregoing fully explains our position.

Yours sincerely,



Sharmila Khare
Director General
Charities Directorate

Enclosures

- CRA letter dated October 13, 2022
- Organization's response of December 7, 2022

c.c.: [REDACTED]

REGISTERED MAIL

October 13, 2022

James Anas
Finance Officer
Greek Orthodox Archdiocese of Canada

BN: 118947282RR0001
File #: 0351148
Case number: 36081541

Dear James Anas:

Subject: Audit of the Greek Orthodox Archdiocese of Canada

The Canada Revenue Agency (CRA) understands the significant personal and economic impact of COVID-19 on Canadians. The CRA is aiming to be responsive and to operate in a way that balances these realities with its duty to administer Canada's tax laws and the obligations of all Canadians to comply with tax laws.

This letter results from the audit of the Greek Orthodox Archdiocese of Canada (the Organization) conducted by the CRA. The audit related to the Organization's operations for the period from January 1, 2018 to December 31, 2019.

The CRA has identified specific areas of non-compliance with the provisions of the Income Tax Act and its Regulations in the following areas.

AREAS OF NON-COMPLIANCE		
	Issue	Reference
1.	It is not constituted and operated exclusively for charitable purposes I. Non-charitable purpose	149.1(1), 149.1(2), 168(1)(b)
2.	Failed to devote resources to charitable activities carried on by the Organization itself: I. Lacked direction and control over its own resources II. Gifted to non-qualified donees III. Delivered non- incidental private benefits IV. Conferred an undue benefit on a person	149.1(1), 168(1)(b), 188.1(4), 188.1(5), 188.2(1)(b)

3.	Failed to maintain adequate books and records	230(2), 230(4), 230(4.1), 168(1)(e), 188.2(2)(a)
4.	Failed to issue donation receipts in accordance with the Act and/or its Regulations	168(1)(d), 188.1(7), Regulations 3500 and 3501
5.	Failed to file an information return for amounts paid (Form T4A)	Regulation 200(2)

As a registered charity, the Organization must comply with the law. If it fails to comply with the law, it may either be subject to sanctions under sections 188.1 and/or 188.2 of the Act,¹ and/or have its registered charity status revoked in the manner described in section 168 of the Act.

This letter describes the areas of non-compliance identified by the CRA relating to the legislative and common law requirements that apply to registered charities, and offers the Organization an opportunity to provide representations to our findings to support why it believes that sanctions should not be assessed and/or why its registered status should not be revoked.

General legal principles

In order to maintain charitable registration under the Act, an organization must demonstrate that it is constituted and operated exclusively for charitable purposes (or objects) and that it devotes its resources to charitable activities carried on by the organization itself in furtherance thereof.² To be exclusively charitable, a purpose must fall within one or more of the following four categories (also known as “heads”) of charity³ and deliver a public benefit:

- (1) relief of poverty;
- (2) advancement of education;
- (3) advancement of religion; and
- (4) other purposes beneficial to the community as a whole in a way which the law regards as charitable.

¹ Financial sanctions are assessed under Section 188.1 of the Act. Suspensions of a registered charity’s authority to issue official donation receipt, and qualified donee status, are assessed under section 188.2 of the Act.

² See subsection 149.1(1) of the Act, which requires that a charitable organization devote all of its resources to “charitable activities carried on by the organization itself” and *Vancouver Society of Immigrant and Visible Minority Women v MNR*, [1999] 1 SCR 10, 1999 CanLII 704 (SCC) at paras 156-159. A registered charity may also devote resources to activities that, while not charitable in and of themselves, are necessary to accomplish their charitable purposes (such as expenditures on fundraising and administration). However, any resources so devoted must be within acceptable legal parameters and the associated activities must not become ends in and of themselves.

³ The Act does not define charity or what is charitable. The exception is subsection 149.1(1) which defines charitable purposes as including “the disbursement of funds to qualified donees.” The CRA must therefore rely on the common law definition, which sets out four broad categories of charity. The four broad charitable purpose categories, also known as the four heads of charity, were outlined by Lord Macnaghten in *Commissioners for Special Purposes of the Income Tax v Pemsel*, [1891] AC 531 (PC). The classification approach was explicitly approved of by the Supreme Court of Canada in *Guaranty Trust Co of Canada v Minister of National Revenue*, [1967] SCR 133, and confirmed in *Vancouver Society of Immigrant and Visible Minority Women v MNR*, [1999] 1 SCR 10, 1999 CanLII 704 (SCC).

An organization's purposes must fall within one or more of these categories to be considered for registration as a charity. The formal purposes as set out in an organization's governing document must be clear and precise so as to reflect exclusively charitable purposes.

The public benefit requirement involves a two-part test:

- The first part of the test requires the delivery of a **benefit** that is recognizable and capable of being proved, and socially useful. To be recognizable and capable of being proved, a benefit must generally be tangible or objectively measurable.
 - Benefits may be measurable or intangible. Benefits that are not tangible or objectively measurable should be shown to be valuable or approved by the common understanding of enlightened opinion for the time being.⁴ In most cases, the benefit should be a necessary and reasonably direct result of how the purpose will be achieved.⁵ An assumed prospect or possibility of gain that is vague, indescribable or uncertain, or incapable of proof, cannot be said to provide a charitable benefit.⁶
- The second part of the test requires the benefit be directed to the **public** or a sufficient section of the public. This means a registered charity cannot:
 - have an eligible beneficiary group that is negligible in size, or restricted based on criteria that are not justified based on the charitable purpose(s);
Or
 - provide an unacceptable private benefit. Typically, a private benefit is a benefit provided to a person or organization that is not a charitable beneficiary, or to a charitable beneficiary that exceeds the bounds of charity. A private benefit will usually be acceptable if it is incidental, meaning it is necessary, reasonable, and not disproportionate to the resulting public benefit.⁷

The CRA must be satisfied that an organization's activities directly further charitable purposes in a manner permitted under the Act. In making a determination, we are obliged to take into account all relevant information. Accordingly, the current audit encompassed an enquiry into all

⁴ For more information about public benefit, see CRA Policy statement CPS-024, Guidelines for registering a charity: Meeting the public benefit test. See also generally British Columbia (Assessor of Area #09 - Vancouver) v Arts Umbrella, 2008 BCCA 103; and Vancouver Society of Immigrant and Visible Minority Women v MNR, [1999] 1 SCR 10, 1999 CanLII 704 (SCC).

⁵ For more information about public benefit, see CRA Policy statement CPS-024, Guidelines for registering a charity: Meeting the public benefit test, and CRA Guidance CG-019, How to draft purposes for charitable registration. See also; Commissioners for Special Purposes of the Income Tax v Pe msel, [1891] AC 531 (PC) at 583.

⁶ Co-operative College of Canada v. Saskatchewan (Human Rights Commission), 1975 CanLII 808 (SKCA) at para 19; Vancouver Society of Immigrant and Visible Minority Women v MNR, [1999] 1 SCR 10, 1999 CanLII 704 (SCC) at para 202; for more information about charitable purposes see CRA Guidance CG-019, How to draft purposes for charitable registration at para 19.

⁷ For more information about public benefit, see CRA Policy statement CPS-024, Guidelines for registering a charity: Meeting the public benefit test.

aspects of the Organization's operations. The fact that some of the areas of non-compliance identified in this letter may, or may not, have been evaluated in preceding audits does not preclude the need for compliance with existing legal requirements. Furthermore, the CRA may take a position that differs from that reached previously based on reconsideration of the pertinent facts and law.⁸

Background

The Organization was registered effective February 3, 1982, as a charitable organization. It was provincially incorporated by Letters Patent issued under the provisions of the Ontario Business Corporations Act, with the following object:

"It is operated to carry out and implement the functions, obligations, duties, and activities in Canada required of an Archdiocese of the Greek Orthodox Church."

Supplementary Letters Patent, dated January 15, 1997, amended its objects as follows:

1. To administer the life of the church according to the Eastern Orthodox faith and tradition, sanctifying the faithful through the divine liturgy and the holy sacraments and edifying the religious and ethical life of the faithful in accordance with the holy scriptures, the decrees and canons of the holy apostles and the seven ecumenical councils of the Ancient Undivided Church, as interpreted by the practice of the Great Church of Christ in Constantinople. As to its ecumenical activities, both inter-Christian and inter-religious, the Diocese shall follow the position and guidelines established by the Ecumenical Patriarchate.
2. To operate and maintain churches and related social and charitable institutions of the Greek Orthodox Communities and to provide religious education in connection with the foregoing.

Additional Supplementary Letters Patent, dated March 11, 1997, further amended its objects to the following:

1. Under the Canonical Jurisdiction of the Ecumenical Patriarchate of Constantinople, to administer through a hierarch or hierarchs elected according to the holy canons of the Greek Orthodox Church the life of the church according to the Greek Orthodox faith and tradition, sanctifying the faithful through the Divine Liturgy and the Holy Sacraments and edifying the religious and ethical life of the faithful in Canada in accordance with the Holy Scriptures, the decrees and canons of the Holy Apostles and the seven Ecumenical Councils of the Ancient Undivided Church as interpreted by the practice of the Ecumenical Patriarchate of Constantinople.

⁸ Canadian Magen David Adom for Israel v MNR, 2002 FCA 323 at para 69.

2. To operate and maintain churches, monasteries, cemeteries, and related social, educational, and charitable institutions of the Greek Orthodox Metropolis of Toronto (Canada) and its Communities (parishes), to provide education, and to prepare, provide and appoint Priests, in connection with the foregoing.
3. To oversee and ensure that the regulations governing all of the Greek Orthodox Communities (parishes) in Canada are not in conflict with the Letters Patent, Supplementary Letters Patent and the By-laws of the Corporation and are uniform.
4. To receive annually from the Greek Orthodox Communities (parishes) that are served by Priests appointed by the Greek Orthodox Metropolis of Toronto (Canada) 10% of their total gross income, 10% of which amount is to be submitted to the Ecumenical Patriarchate of Constantinople.

The Organization confirmed its objects, as per the Supplementary Letters Patent, dated March 11, 1997, in its response to our audit questionnaire received on October 15, 2021.

Previous audits

The organization has had four previous audits:

- the first audit conducted in 1997 covered the 1995 fiscal period;
- the second audit conducted in 2002 covered the 1998 fiscal period;
- the third audit conducted in 2008 covered the 2002 and 2003 fiscal periods; and
- the fourth audit conducted in 2015 covered the 2011 and 2012 fiscal periods.

The 1997 audit resulted in the Organization signing a letter of undertaking regarding the following areas of non-compliance:⁹

- Foreign activities – the Organization did not maintain adequate documentation to support the expenditure of its funds on its overseas activities.
- Form T3010, Registered Charity Information Return (Form T3010) – the return contained incorrect information relating to the number of donation receipts reported, and investment property totals.
- Official donation receipts – the Organization's donation receipts were missing information relating to the address of the donors, and identical donation receipts were being issued.
- Devotion of resources to non-charitable activities – the Organization provided interest free loans to certain officers and members.

⁹ Taken from CRA's letter to the Organization dated, July 16, 1997.

In its July 31, 1997, letter to the Charities Directorate, the Organization committed to the following:

- Foreign activities – implementing a reporting system to document the expenditures for the amounts sent overseas.
- Form T3010 – ensure that the information provided in its Form T3010 is factual and complete.
- Official donation receipts – new tax receipts will be printed to include the full address and postal code of the donor.
- Devotion of resources to non-charitable activities – interest free loans to officers and members will no longer be made available.

The 2002 audit resulted in an administrative fairness letter for the following areas of non-compliance:¹⁰

- Foreign activities – the Organization did not implement the necessary policies and procedures to allow the CRA to substantiate whether proper direction and control was exercised over the resources it transferred to third party entities outside Canada. Additionally, the written agency agreement with Ecumenical Patriarchate was not acceptable as it lacked the authority and means to maintain direction and control over the use of its resources, and over its intermediary's actions related to the charity's activities.
- Official donation receipts – the Organization's donation receipts did not comply with requirements of Regulation 3501 of the Act in that they did not always show the name, address and registration number of the Organization as recorded with the CRA, the full address and postal code of the donors was not indicated on all the receipts issued, receipts issued for gifts of property did not always contain a brief description of the property, and receipts were issued for a portion of the ticket price of a fundraising dinner held in excess of the amount permitted by the Act.
- Form T3010 – many items reported on the Organization's Form T3010 return were incorrectly identified or omitted.

In its March 29, 2002, letter to the Charities Directorate, the Organization provided the following explanation:¹¹

- Foreign activities – the expenditures on charitable activities outside of Canada are relatively minor; normally much less than 5%. A new agency agreement with the Ecumenical Patriarch has been executed which complied with the auditor's

¹⁰ Taken from CRA's letter to the Organization dated, March 6, 2002.

¹¹ Letter was signed by Secretary, James Anas, and accepted by the CRA.

recommendations. The Organization will continue to implement policies, procedures, and provide training to qualified personnel to ensure they meet the standard of reporting required by the Act.

- Official donation receipts – the donation receipts issued by the Organization contained the name, address and charitable registration number in a minor font size. The Organization has implemented policies, procedures and provided training to its finance personnel to ensure that the charitable donation receipts are issued with the full name and address of the donor and all other information as appropriate and as required by the Act.
- Form T3010 – it was not the Organization's intent to report inaccurate information in its Form T3010. The disclosures in its Form T3010 were based on its audited financial statements and prepared based upon its books and records.

The 2008 audit identified the following areas of non-compliance:¹²

- Books and records - the donation receipts issued by the Organization could not be reconciled to its books and records or its Form T3010; donation receipt numbers were issued multiple times; the expenditures could not be verified due to the lack of documentation; and there was no supporting documentation for the inventory and mortgage.
- Official donation receipts - the Organization did not exercise due care to ensure that its official donation receipts were serially numbered and that the numbers flowed sequentially from one year to the next; donation receipts were issued for a golf tournament event where the donation amount could not be confirmed as per the requirements of the Act; a donation receipt was issued to an individual for a gift received from a company owned by that individual; and donation receipts were issued for services rendered.
- Foreign activities - no documentation was provided for the funds allocated to programs outside Canada; there were no agency agreements in place to provide direction and control over the activities conducted outside Canada; the amount spent on activities outside Canada did not reconcile with the Organization's book and records; documentation for all expenditures could not be provided; and there were no reports detailing how the funds were spent.

In signing the compliance agreement, the Organization committed to the following:¹³

- Books and records – its books and records will be maintained according to sections 230 and 230.1 of the Act. The Organization agreed to maintain the following:

¹² Taken from CRA's letter to the Organization dated, May 29, 2008.

¹³ Taken from CRA's letter to the Organization dated, July 8, 2008. Confirmed that the compliance agreement was received by the Organization. The Organization agreed to proceed with the corrective measures.

- duplicate of receipts for a minimum of two years from the end of the calendar year in which the donations were made;
- books and records, together with the accounts and vouchers, containing summaries of the year-to-year transactions of the charity;
- minutes of meetings of the executive;
- minutes of meetings of the members; and
- all governing documents and by-laws.
- Official donation receipts – the Organization will ensure that the official donation receipts are issued in accordance with Regulation 3501(1) of the Act. Additionally, official donation receipts issued for “like events”, such a golf tournament, will be issued in compliance with IT-110R3.
- Foreign activities – the Organization will ensure that it adheres to legal requirements regarding carrying out charitable activities abroad. When working through an intermediary, they will enter into a written agreement and implement its terms and provisions, monitor and supervise the activity by obtaining regular reporting, and make periodic transfers of resources based on demonstrated performance.

In addition to the corrective measures agreed upon in the compliance agreement, the Organization provided a letter¹⁴ advising it would implement corrective action, effective in its 2007 fiscal year, in the following manner:

- Donations will be audited and reconciled to the total donations reported on the Form T3010.
- Donation receipts issued will be reviewed to ensure compliance with CRA guidelines.
- Expenses will be properly documented, supported and available for CRA review.
- Donation receipts issued for fundraising events will be adjusted against the value of the advantage received by the participant.
- A copy for the agency agreement between the Organization and the Ecumenical Patriarchate will be available for review and His Eminence Archbishop Sotirios, who visits the Patriarchate on a regular basis, will maintain minutes of his visits detailing how the disbursements from the Organization to the Patriarchate were spent.

The 2015 audit identified the following areas of non-compliance:¹⁵

- Expense review – the Organization did not accurately report its expenses and costs incurred on its Form T3010. The audit found that:
 - The reporting of the HST was inconsistent.
 - The allocation of the total expenses on line 4950 was incorrectly reported on lines 5000 thru to 5040.

¹⁴ Taken from the Organization’s letter to the CRA dated, May 28, 2008.

¹⁵ Taken from the compliance agreement signed by the Organization on February 20, 2015.

- Funds were provided to non-qualified donees.
- Foreign activities - the agency agreement in place with the Organization's intermediary, did not meet CRA's requirements. In particular, the documentation provided for the funds provided to Ecumenical Patriarchate in Istanbul, Turkey, was only a budget detailing how the funds were to be used. No supporting documents to verify the expenditures, and no reports detailing how the funds were spent, were provided.
- Donation receipts - the Organization's donation receipts issued did not contain all the required information as per Regulation 3501(1) of the Act. Donation receipts were issued in error to registered charities, and for services provided.
- Revenue review – the Organization's total revenue was not calculated or reported correctly on its Form T3010, as expense amounts were netted against revenue accounts.

In signing the compliance agreement, the Organization committed to the following:¹⁶

- Expenses - all expenses and costs incurred will be reported in its books and records and its Form T3010, on a consistent basis; the total expenses reported on line 4950 will be accurately reported on lines 5000 through to 5040; and amounts will not be gifted to non-qualified donees.
- Foreign activities – the Organization will take all necessary measures to direct and control the use of its resources when an intermediary is carrying out activities on its behalf outside Canada. The following steps are to be implemented:
 - create a written agreement with the intermediary and implement its terms;
 - communicate a clear, complete, and detailed description of the activity;
 - monitor and supervise the activity;
 - provide clear, complete, and detailed instructions to the intermediary on an on-going basis;
 - arrange for the intermediary to keep the Organization's funds separate from its own and keep separate books and records; and
 - make periodic transfers of resources, based on demonstrated performance.

These steps are required for all amounts sent outside Canada and would include, any and all amounts sent to the Ecumenical Patriarchate in Istanbul, Turkey.

- Donation receipts – the Organization will ensure that all official donation receipts are issued in accordance with Regulation 3501 of the Act; not issue an official donation receipt to registered charities for amounts received; not issue an official donation receipt for services performed; report the total of all donation receipts issued in a fiscal year in

¹⁶ Taken from CRA's letter to the Organization dated, March 2, 2015. Confirmed the compliance agreement was received by the Organization. The Organization agreed to proceed with the corrective measures.

Schedule 6, line 4500 of the Form T3010; report the total of funds received from qualified donees in Schedule 6, line 4510 of the Form T3010; report funds received for which an official donation receipt was not issued on Schedule 6, line 4530 of the Form T3010.

- Revenue – the Organization will report all revenue amounts, without having associated expenses, netted against the revenue accounts, and will maintain a ledger to reconcile the deferred revenue and all funds for which a donation receipt was issued.

The balance of this letter describes the areas of non-compliance identified by the current audit, as well as the potential consequences of this non-compliance.

Identified areas of non-compliance

1. It is not constituted and operated exclusively for charitable purposes

Legislation and jurisprudence

As indicated in the discussion, above, of the General Legal Principles, to be registered as a charity under the Act, Canadian law requires that an organization's purposes be exclusively charitable, and define the scope of the activities that can be engaged in by the organization.¹⁷ Further, a purpose must fall within one or more of the four categories of charity and deliver a charitable public benefit.

The question of whether an organization is constituted exclusively for charitable purposes cannot be determined solely by reference to its stated purposes but must take into account the activities in which the organization currently engages. In *Vancouver Society of Immigrant and Visible Minority Women v MNR*, the Supreme Court of Canada stated as follows:

In *Guaranty Trust*, *supra* at p.144, this Court expressed the view that the question of whether an organization was constituted exclusively for charitable purposes cannot be determined solely by reference to the objects and purposes for which it was originally established. It is also necessary to consider the nature of the activities presently carried on by the organization as a potential indicator of whether it has since adopted other purposes. In other words, as Lord Denning put it in *Institution of Mechanical Engineers v Cane*, [1961] A.C. 696 (H.L.), at p. 723, the real question is, “for what purpose is the Society at present instituted? (emphasis in original).¹⁸

A charitable activity is one that directly furthers a charitable purpose, which requires a clear relationship and link between the activity and the purpose it purports to further. If an activity is,

¹⁷ *Vancouver Society of Immigrant and Visible Minority Women v MNR*, [1999] 1 SCR 10, 1999 CanLII 704 (SCC) at para 159; *Travel Just v Canada Revenue Agency*, 2006 FCA 343 at para 2.

¹⁸ *Vancouver Society of Immigrant and Visible Minority Women v MNR*, [1999] 1 SCR 10, 1999 CanLII 704 (SCC) at para 194, Iacobucci J. See also *AYSA Amateur Youth Soccer Association v Canada (Revenue Agency)*, 2007 SCC 42 at para 42.

or becomes, a substantial focus of an organization, it may no longer be in furtherance of a stated purpose. Instead, the activity may further a separate or collateral purpose. An organization with a collateral non-charitable purpose is ineligible for registration under the Act.

I. Non-charitable purpose

Although the formal purposes of a registered charity are the apparent source of reference for whether or not the charity is constituted exclusively for charitable purposes, it is not the sole indicator. The CRA also examines an organization's activities to determine whether it may be pursuing an unstated collateral non-charitable purpose.

Audit findings

An organization's purposes must meet all the current legislative and administrative requirements. Statute law, common law, and administrative policies concerning charities change over time. Therefore, even though the Organization's formal purposes may have been previously acceptable when it made its application in 1997, they may not be considered charitable at law today. In this regard, we note that the Organization's fourth object, as stated in its Supplementary Letters Patent issued on March 11, 1997, is not charitable. The Organization cannot "receive annually from the Greek Orthodox Communities (parishes) that are served by Priests appointed by the Greek Orthodox Metropolis of Toronto (Canada) 10% of their total gross income, 10% of which amount is to be submitted to the Ecumenical Patriarchate of Constantinople" as this foreign entity is not a qualified donee as defined by the Act.

Due to the limited documentation provided by the Organization with respect to its purported activities outside Canada, and given the Organization's lack of direction and control over its purported activities outside Canada (as discussed below), it is our view that the Organization appears to have been established to gift funds to non-qualified donees. Funding entities that are not qualified donees is not a charitable purpose.

In summary

It is our view that the Organization is not constituted and operated exclusively for charitable purposes due to the non-charitable purpose of funding a non-qualified donee. As the Organization has ceased to comply with the requirements of the Act for its continued registration, there may be grounds for revocation of the Organization's charitable status in the manner described in paragraph 168(1)(b) of the Act.

2. Failed to devote resources to charitable activities carried on by the Organization itself

To comply with the requirement that a registered charity devote all of its resources to charitable activities carried on by the organization itself, the Act allows a registered charity to use its resources (funds, personnel, and property) inside or outside Canada in only two ways:

- for its own charitable activities – undertaken by the charity itself under its continued supervision, direction and control; and
- for gifting to qualified donees as defined in the Act.

Our audit found that the Organization failed to demonstrate that it devoted its resources to its own charitable activities. Specifically, the Organization:

- I. Lacked direction and control over its own resources;
- II. Gifted to non-qualified donees;
- III. Delivered non- incidental private benefits; and
- IV. Conferred an undue benefit on a person.

Legislation and jurisprudence

I. Lacked direction and control over its own resources

Subsection 149.1(1) of the Act defines a charitable organization, and reads in part as:

charitable organization, at any particular time, means an organization, whether or not incorporated,
(a) constituted and operated exclusively for charitable purposes,
(a.1) all the resources of which are devoted to charitable activities carried on by the organization itself [...]

The Act allows a registered charity to carry out its charitable purposes either by making gifts to other organizations that are on the list of qualified donees set out in the Act, and by carrying on its own charitable activities. In contrast to the relatively passive transfer of money or other resources involved in making gifts to qualified donees, carrying on one's own activities implies that the charity is an active and controlling participant in a program or project that directly achieves a charitable purpose.

A charity can carry on its own activities using its staff, including volunteers, directors, and employees, or through an intermediary (for example, a private contractor) acting on its behalf. Whether it uses its own staff or works through an intermediary, a charity must direct and control the use of its resources. Although it may delegate the responsibility for day-to-day operating decisions to an intermediary, it cannot act as a conduit that merely funnels resources to an organization that is not a qualified donee. A charity's resources include all its physical and financial resources as well as its staff and volunteers.¹⁹

A charitable organization must be careful about how it carries on its activities and ensure that it keeps sufficient direction and control over its resources. The absence of appropriately structured arrangements, that establish the necessary direction and control over the resources devoted to an

¹⁹ For more information, see CRA Guidance CG-002, Canadian registered charities carrying out activities outside Canada and CRA Guidance CG-004, Using an intermediary to carry out a charity's activities within Canada.

activity, indicates that the charity is simply gifting its funds to non-qualified donees, which is not a charitable activity and contrary to the provisions of the Act.

We refer to the comments of the Federal Court of Appeal (FCA) in Canadian Committee for the Tel Aviv Foundation v Canada:

Pursuant to subsection 149.1(1) of the Act, a charity must devote all its resources to charitable activities carried on by the organization itself. While a charity may carry on its charitable activities through an agent, the charity must be prepared to satisfy the Minister that it is at all times both in control of the agent, and in a position to report on the agent's activities.²⁰

And

Under the scheme of the Act, it is open to a charity to conduct its overseas activities either using its own personnel or through an agent. However, it cannot merely be a conduit to funnel donations overseas.²¹

As reiterated by the FCA in Lepletot v MNR, an organization may carry on charitable activities through an agent if the activities are conducted on behalf of the organization. However, it is not enough for an organization to fund an intermediary that carries on certain activities. The law requires that the intermediary actually conduct those activities on the organization's behalf. Likewise, in Canadian Magen David Adom for Israel, the FCA highlighted the importance of monitoring the activities when it stated that:

[A] charity that chooses to carry out its activities in a foreign country through an agent or otherwise must be in a position to establish that any acts that purport to be those of the charity are effectively authorized, controlled and monitored by the charity.

II. Gifts to non-qualified donees

As indicated above, a registered charity is permitted to use its resources to make gifts to qualified donees. A qualified donee means an entity defined in subsection 149.1(1) of the Act, and includes the following:

- a registered charity (including a registered national arts service organization);
- a registered Canadian amateur athletic association;
- a registered housing corporation resident in Canada constituted exclusively to provide low-cost housing for the aged;
- a registered Canadian municipality;
- a registered municipal or public body performing a function of government in Canada;

²⁰ Canadian Committee for the Tel Aviv Foundation v Canada, 2002 FCA 72 at para 40, Rothstein JA.

²¹ Canadian Committee for the Tel Aviv Foundation v Canada, 2002 FCA 72 at para 30, Rothstein JA.

- a registered university outside Canada, the student body of which ordinarily includes students from Canada;
- a registered charitable organization outside Canada to which Her Majesty in right of Canada has made a gift;
- Her Majesty in right of Canada or a province, or a territory; and
- the United Nations and its agencies.

III. Delivered non- incidental private benefits

A charitable organization is defined by subsection 149.1(1) of the Act, and is amongst other criteria, “an organization [...] no part of the income of which is payable to, or otherwise available for, the personal benefit of any proprietor, member, shareholder, trustee or settler thereof.”

A registered charity must be established and operated for the purpose of delivering a charitable benefit to the public or a sufficient segment thereof. The public benefit requirement prevents a charity from conferring an unacceptable private benefit in the course of pursuing charitable purposes.

At common law, a private benefit²² means a benefit provided to a person or organization that is not a charitable beneficiary, or where a benefit goes beyond what is considered charitable. A private benefit can be conferred on a charity’s staff, directors, trustees, members, and/or volunteers while they are carrying out activities that support the charity, or to third parties who provide the charity with goods or services. Where it can be fairly considered that the eligibility of a recipient relates solely to the relationship of the recipient to the organization, any resulting benefit will not be acceptable.

Providing a private benefit is unacceptable unless it is **incidental** to accomplishing a charitable purpose. A private benefit will usually be incidental where it is necessary, reasonable, and proportionate to the resulting public benefit.²³

(i) **Necessary** – Necessary means legitimately and justifiably resulting from:

- (a) an action taken to achieve a charitable purpose; or
- (b) a necessary step, a consequence, or a by- product of an action taken to achieve a charitable purpose; or
- (c) the operation of a related business as defined in paragraph 149.1(1) of the Act.

and

²² The term “personal benefit” is also sometimes used interchangeably with the term “private benefit”.

²³ For more information, see CRA Policy statement CPS-024, Guidelines for registering a charity: Meeting the public benefit test.

(ii) **Reasonable** – Reasonable means related to the charitable need and no more than is needed to achieve the purpose, and fairly and rationally assessed and distributed.

and

(iii) **Proportionate** – Proportionate means the private benefit cannot be a substantial part of a purpose or activity, or be a non-charitable end in itself. The private benefit must be secondary, and the public benefit must be predominant and more significant.

The public benefit cannot be too speculative, indirect or remote, as compared to a more direct private benefit, particularly when a direct benefit is to private persons, entities, or businesses.

Examples of unacceptable (not incidental) private benefit might include:

- paying excessive salaries/remuneration;
- paying for expenses, or providing benefits that are not justified or needed to perform required duties;
- providing excessive per diems;
- unjustified/unnecessary or excessive payments for services, facilities, supplies, or equipment; and
- promoting the work, talent, services, or businesses of certain persons or entities, without justification.

IV. Conferred an undue benefit on a person

As stated above, pursuant to subsection 149.1(1) of the Act, no part of the Organization's income can be payable to, or otherwise made available for, the personal benefit of any proprietor, member, shareholder, trustee or settler thereof. Any portion of a charitable organization's income that is received by such a person would be an unacceptable private benefit.

Typically, private benefits that are unacceptable under the common law will also be undue under subsection 188.1(5) of the Act.²⁴ An undue benefit means a benefit provided by a registered charity, a registered Canadian amateur athletic association (RCAAA), or a third party at the direction, or with the consent, of a charity or RCAAA that would otherwise have had a right to that amount. An undue benefit includes a disbursement by way of a gift or the amount of any part of the income, rights, property or resources of the charity or RCAAA that is paid, payable, assigned or otherwise made available for the personal benefit of any person who:

- (a) is a proprietor, member, shareholder, trustee or settlor of the charity or RCAAA;
- (b) has contributed or otherwise paid into the charity or RCAAA more than 50% of the capital of the charity or RCAAA; or
- (c) does not deal at arm's length with a person in (a) or (b), or with the charity or RCAAA.

²⁴ Undue benefits are sanctioned under subsection 188.1(4) of the Act.

An undue benefit does not include:

- (a) a gift to a qualified donee;
- (b) reasonable consideration or remuneration for property acquired or services received by the charity or RCAA; or
- (c) a gift made, or a benefit provided, in the course of a charitable act²⁵ in the ordinary course of the charitable activities carried on by the charity or RCAA, unless it can be reasonably considered that the beneficiary was eligible for the benefit solely due to the relationship of the beneficiary to the charity or RCAA.

Subsection 188.1(4) of the Act provides for the levying of a penalty to registered charities under specific circumstances. Under the Act, a registered charity cannot confer on a person an undue benefit (for example, a transfer of property or other resources of the charity to a person who does not deal with the charity at arm's length or who is the beneficiary of a transfer because of a special relationship with a donor or charity).

Under subsection 188.1(4) of the Act, a registered charity that confers on a person an undue benefit is liable to a penalty equal to 105% of the amount of the benefit. This penalty increases to 110% and the suspension of tax-receipting privileges for a repeat infraction within 5 years.

Audit findings

I. Lacked direction and control over its own resources

The Organization is conducting its foreign activities through affiliated entities and, most, if not all, of the purported activities were already being conducted by these affiliated entities. For this reason, the existence of a structured arrangement between the Organization and its intermediaries which demonstrates that the Organization is exercising sufficient and continuous direction and control, and full accountability for, its resources, is essential. However, the Organization has stated that no such agreement exists between itself and either the Ecumenical Patriarchate Greek Orthodox Church or the Greek Orthodox Metropolis of Sweden. Furthermore, the agreement between itself and Iera Moni Triados (Agios Nektarios) Aeginas (Greece) was missing Schedule A, which was to provide a detailed description of the project activities, and the agreements with the Orthodox Metropolis of Korea, the Greek Orthodox Patriarchate of Alexandria and All Africa were not adhered to.

Given the information and documentation we have received and reviewed, it is our view that the Organization does not exercise the required degree of direction and control over the use of its funds to establish that it is carrying out its own charitable activities in accordance with the provisions of the Act. Rather, it appears that the Organization is acting as a conduit by funding the programs of its agents. The following sections outline the basis for our concerns.

²⁵ While charitable act is not defined in the Act, it is considered to refer to an activity that itself provides a charitable benefit to an eligible beneficiary.

Funds transferred to Ecumenical Patriarchate Greek Orthodox Church

Our review of the Organization's books and records found that it paid amounts to the Ecumenical Patriarchate Greek Orthodox Church, a non-qualified donee based in Istanbul, Turkey. Specifically, in account number 5320 – Patriarchate Institutions, of its general ledger, the Organization indicated that it provided funds to the Ecumenical Patriarchate Greek Orthodox Church, via cheque, totalling \$170,000 in 2018 and \$238,000 in 2019.²⁶

During the audit, we made requests for information to support the nature of the payment amounts; however, the Organization only provided the following information:

- (a) A memorandum of understanding for each fiscal year, prepared by the Ecumenical Patriarchate – Greek Orthodox Church, which outlined the budgeted amount to be spent on child orphanages, nursing homes, education, and Greece forest fire relief. The total of the statement, which reconciled to the amounts provided by the Organization in each fiscal year, was signed by Finance Officer, [REDACTED], of Ecumenical Patriarchate, and was in Canadian dollars.
- (b) A letter²⁷ signed by Sotirios Athanassoulas, the Organization's President, which advised that he had visited the Ecumenical Patriarchate several times in 2020 to oversee and monitor the correct disbursement of the funds contributed in 2019 and that he was satisfied the funds were used in accordance with memorandum of understanding.
- (c) In response to our interview questionnaire dated October 15, 2021, the Organization stated, "Direction and control was exercised through various direct and indirect means and arrangements. The Archbishop also regularly traveled to Constantinople (sometimes monthly, and annually each September) to meet with and discuss with the Ecumenical Patriarchate, other faith leaders and Patriarchate finance officials, and to more directly review, the needs of supported Greek Orthodox Christian communities, and the detailed implementation and progress of initiatives."

Funds transferred to the Greek Orthodox Metropolis of Sweden

Our review of the Organization's accounting books, account number 5076 – Missions - Support a Priest (Sweden), found that the Organization paid \$6,000²⁸ to the Greek Orthodox Metropolis of Sweden, a non-qualified donee located in Stockholm, Sweden. During the audit, we made requests for information to support the nature of the payment amounts; however, the Organization only provided the following information:

- (a) Response to our interview questionnaire dated October 15, 2021, "Direction and control were exercised through various direct and indirect means and arrangements. The Archbishop also personally visited the Greek Orthodox Metropolis of Sweden in 2019 to review the needs, and progress of initiatives, of that Metropolis (Archdiocese)."

²⁶ The payment amounts were confirmed in the bank statements provided.

²⁷ Letter was dated November 24, 2020.

²⁸ The payment amount was confirmed in the bank statements provided.

(b) Information in a letter received from the Organization dated January 14, 2022,
“An agency agreement for this amount was not executed. This was a verbal arrangement
to a request from the Greek Orthodox Metropolitan of Sweden.”

Funds transferred to the Iera Moni Triados (Agios Nektarios) Aeginas

Our review of the Organization’s books and records found that it paid amounts to the Iera Moni Triados (Agios Nektarios) Aeginas, a non-qualified donee located in Corinth, Greece. Specifically, in account number 5075 – donation expense, of its general ledger, the Organization indicated that it provided funds to the Iera Moni Triados (Agios Nektarios) Aeginas, via cheque, totalling \$26,000 in 2018, and \$30,000 in 2019.²⁹

During the audit, we made requests for information to support the nature of the payment amounts; however, the Organization did not provide any details describing its activities abroad. We were advised, in response to our initial interview questionnaire, that direction and control was exercised through an agency agreement. The agency agreement provided did not contain any information regarding the project activities to be undertaken, despite the fact that the charitable activities were to be outlined in Schedule “A”, which was not provided.

Funds transferred to the Orthodox Metropolis of Korea

Our review of the Organization’s books and records found that it paid amounts to the Orthodox Metropolis of Korea, a non-qualified donee located in Seoul, South Korea. Specifically, in account number 5075 – donation expense, of its general ledger, the Organization indicated that it provided funds to the Orthodox Metropolis of Korea, via cheque, totalling \$12,000 in 2018, and \$24,020 in 2019.³⁰

During the audit, we made requests for information to support the nature of the payment amounts. We were advised, in response to our initial interview questionnaire, that direction and control was exercised through an agency agreement. As per Schedule “A” of the agency agreement, a salary supplement in the amount of \$1,200 was to be provided for ten priests. The name and parish of each priest was not provided for the 2018 and 2019 fiscal years, nor was any documentation for verification purposes.

Funds transferred to the Greek Orthodox Patriarchate of Alexandria and All Africa

Our review of the Organization’s books and records found that it paid amounts to the Greek Orthodox Patriarchate of Alexandria and All Africa, a non-qualified donee located in Seoul, South Korea. Specifically, in account number 5075 – donation expense, of its general ledger, the Organization indicated that it provided funds to the Greek Orthodox Patriarchate of Alexandria and All Africa, via cheque and wire transfer, totalling \$15,689 in 2018, and \$9,634 in 2019.³¹

²⁹ Payment amounts were confirmed in the bank statements provided.

³⁰ Payments were confirmed in the bank statements provided.

³¹ Payments were confirmed in the bank statements provided.

During the audit, we made requests for information to support the nature of the payment amounts. We were advised, in response to our initial interview questionnaire, that direction and control was exercised through an agency agreement; however, there was no supporting documentation provided for our review.

In summary, the Organization did not provide any documentation to support its charitable activities abroad. Specifically, we note that during the course of the current audit, the Organization did not provide the following documents:

- Minute books or resolutions discussing project overviews and or documentation that the activities abroad were approved by the board of directors.
- A comprehensive, clear, and detailed description of its activities.
- Progress reports or project correspondences.
- A lead sheet or summary of expenses detailing who payments were made to, the amount(s) paid, or when the payments were made.
- Bank statements or accounting records of the overseas agents.
- Invoices, vouchers, or other source documents to support expenditures.

Accordingly, it is our view that as the Organization transferred funds to foreign entities that were not qualified donees, without demonstrating how it maintained direction and control over the resources it provided, or providing any explanation for the payments, it has not shown that it directed and controlled these funds. We also note that the Organization had previously entered into compliance agreements with the CRA in which it agreed to maintain sufficient documentation to this effect. The Organization's failure to provide this documentation demonstrates repeated non-compliance with the provisions of the Act.

II. Gifted to non-qualified donees

As discussed above, our audit revealed that due to its inability to demonstrate that it had direction and control over how its funds were used by the Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa, the Organization was unable to establish that the foreign activities it was financially supporting were its own. As such, we have determined that all of the funds the Organization transferred to these entities were gifts to non-qualified donees.

Although the Organization had agency agreements in place with Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa our review concluded that the agreements were not adhered to in any manner.

In addition, in the absence of a structured arrangement to establish the necessary direction and control over the funds it provided to the Ecumenical Patriarchate Greek Orthodox Church and the Greek Orthodox Metropolis of Sweden, it is our position that these funds were also gifted to

non-qualified donees, which is not a charitable activity and is contrary to the provisions of the Act.

III. Delivered non-incidental private benefits

The Organization gave funds to the Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa, all of which are non-qualified donees, without maintaining adequate direction and control over how those entities would use the funds they received. The Organization allowed these entities to use its resources in whatever manner they chose, and while some of these entities may have applied the Organization's resources toward activities that could be charitable, the Organization made no effort to ensure that the resources were used in furtherance of any charitable purposes, including its own. In doing so, it provided the Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa with a private benefit.

We must now determine whether these private benefits were acceptable. That is, we must determine if the three conditions are met: whether the private benefit was necessary, reasonable and proportionate to the resulting public benefit.

Our review found that the payments made to the Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa were not necessary to fulfill a charitable purpose as they would have been capable of running their programs without the Organization's contributions.

Concerning the charitable purpose(s) that the Organization was intending to fulfill with its contributions to the Ecumenical Patriarchate Greek Orthodox Church and the Greek Orthodox Metropolis of Sweden, we are not certain of the specifics in this regard due to both the lack of an agency agreement to define the intended use of the funds and the limited supporting documentation. Further, we are not certain of the specifics of the charitable purposes that the Organization was intending to fulfill with Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa due to the lack of a comprehensive, clear and detailed description of the activity, and supporting documentation. Consequently, it is our position that the Organization has not provided sufficient evidence that a public and charitable benefit resulted from the funds it transferred to these entities.

Our review also found that the private benefit created was neither reasonable nor proportional to the public benefit derived from the transfer of funds. It was not reasonable because there are no source documents to substantiate the manner in which the transferred funds were used. As such, we are unable to determine if the transferred funds led to a public benefit being provided. As we do not know the extent of the public benefit provided through these resources, we cannot

conclude that the private benefit received by having access to the Organization's resources was reasonable or proportionate to the public benefit the resources generated.

Regarding the proportionality of the private benefit to the Organization's total expenses, our review has found that the following amount of the Organization's resources are used in support of the activities of the entities (i.e., the private benefit).

	2019	2018
Wire transfers & cheques	\$ 307,654	\$ 223,689
Return, line 5100 total	5,326,433	5,075,561
Percentage of total expenses	6%	4%

There is no documentation to show that a public and charitable benefit resulted from charitable resources being given to these entities. As there is no indication of how these funds were spent, we have concluded that the disbursement of the funds was not reasonable as no services or properties were received in return. While an argument could be made that the amounts transferred to the entities were not a substantial proportion of the Organization's total expenditures, all three of the above-noted conditions must be met in order for a private benefit to be considered acceptable, and it is our position that the Organization failed to meet all these conditions.

IV. Conferred an undue benefit on a person

As outlined above, it is our view that the Organization provided unacceptable private benefits when it transferred resources to the Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa. In our view, these unacceptable private benefits also meet the definition of undue benefits, and could be subject to sanction under subsection 188.1(4) of the Act.

As explained above, the Organization provided resources to the Ecumenical Patriarchate Greek Orthodox Church, Greek Orthodox Metropolis of Sweden, Iera Moni Triados (Agios Nektarios) Aeginas, Orthodox Metropolis of Korea, and the Greek Orthodox Patriarchate of Alexandria and All Africa without maintaining direction and control over the funds transferred and as result we consider these amounts to be gifts to non-qualified donees.

It is our view that the funds transferred to these entities were not reasonable consideration for property acquired or services received by the Organization,³² were not made in the course of a charitable act,³³ and were not given to a qualified donee.³⁴

³² Paragraph 188.1(5)(a) of the Act.

³³ Paragraph 188.1(5)(b) of the Act.

³⁴ Paragraph 188.1(5)(c) of the Act.

As such, the funds gifted can be considered as undue benefits under subsection 188.1(4) of the Act, as per the definition of “undue benefits” provided in subsection 188.1(5) of the Act. Please see the table below for a calculation of the total undue benefit in this regard.

Fiscal period end	Gifts to Ecumenical Patriarchate Greek Orthodox Church
December 31, 2018	\$170,000
December 31, 2019	\$238,000
Total Undue Benefit	\$408,000

Fiscal period end	Gifts to Greek Orthodox Metropolis of Sweden
December 31, 2019	\$6,000
Fiscal period end	Gifts to Iera Moni Triados (Agios Nektarios) Aeginas
December 31, 2018	\$26,000
December 31, 2019	\$30,000
Total Undue Benefit	\$56,000

Fiscal period end	Gifts to Orthodox Metropolis of Korea
December 31, 2018	\$12,000
December 31, 2019	\$24,020
Total Undue Benefit	\$36,020

Fiscal period end	Gifts to Greek Orthodox Patriarchate of Alexandria and All Africa
December 31, 2018	\$15,689
December 31, 2019	\$ 9,634
Total Undue Benefit	\$25,323

Calculation of the total undue benefits conferred by the Organization

Fiscal period ended	Gifts to Ecumenical Patriarchate Greek Orthodox Church	Gifts to Greek Orthodox Metropolis of Sweden	Gifts to Iera Moni Triados (Agios Nektarios) Aeginas	Gifts to Orthodox Metropolis of Korea	Gifts to Greek Orthodox Patriarchate of Alexandria and All Africa	Annual total
Dec. 31, 2018	\$170,000	-	\$26,000	\$12,000	\$15,689	\$223,689
Dec. 31, 2019	\$238,000	\$6,000	\$30,000	\$24,020	\$ 9,634	\$307,654
					Total Undue Benefit	\$531,343

The table below details the calculation of the penalty assessed.

Fiscal period ended	Type of Sanction	Sanction %	Sanctioned amount	Sanction
Dec. 31, 2018	Undue Benefit	105%	\$223,689	\$234,873
Dec. 31, 2019	Undue Benefit	105%	\$307,654	\$323,037
			Total	\$557,910

In summary

Accordingly, it is our view that by gifting funds to non-qualified donees the Organization provided unacceptable private benefits. As a result, the Organization has failed to meet the requirements of subsection 149.1(1) of the Act that it devote its resources to charitable activities carried on by the Organization itself.

The total penalty owing under the provisions of subsection 188.1(4) of the Act would be \$557,910. However, due to the serious nature of the other non-compliance issues identified during the audit, we are proposing to revoke the Organization's status as a registered charity in accordance with subparagraph 149.1(2)(c)(i) and paragraph 168(1)(b) of the Act, in lieu of assessing a penalty. We reserve the right to revisit this decision before making a final determination regarding the Organization's status.

3. Failed to maintain adequate books and records

Legislation and jurisprudence

Subsection 230(2) of the Act requires that every registered charity shall maintain adequate records³⁵ and books of account at an address in Canada recorded with the Minister or designated by the Minister containing;

- (a) information in such form as will enable the Minister to determine whether there are any grounds for revocation of its registration under the Act;
- (b) a duplicate of each receipt containing prescribed information for a donation received by it;
- (c) other information in such form as will enable the Minister to verify the donations to it for which a deduction or tax credit is available under this Act.”

This provision is necessary to enable a charity to accurately provide the CRA with the information required by the Act, as well as ensuring the CRA can verify the accuracy of reported information through an audit and determine whether there are any grounds for revocation of the charity's registration.

³⁵ Subsection 248(1) of the Act defines a record in the following way: “record includes an account, an agreement, a book, a chart or table, a diagram, a form, an image, an invoice, a letter, a map, a memorandum, a plan, a return, a statement, a telegram, a voucher, and any other thing containing information, whether in writing or in any other form.”

Subsection 231.1(1) of the Act permits an authorized person to inspect, audit, or examine the books and records of a taxpayer, as well any document of the taxpayer, or of any other person that relates, or may relate, to the information that is, or should be, contained in the books and records of the taxpayer, or to any amount payable by the taxpayer under the Act.

In order to meet these requirements, a charity's books and records must allow the CRA to verify the charity's revenues and expenses, as well as any official donation receipts it may have issued. Further, the Act requires that a charity's records contain such information to allow the CRA to determine whether the charity's activities continue to be charitable at law.

Subsection 230(4) also states that every person required by this section to keep records and books of account shall retain:

- (a) the records and books of account referred to in this section in respect of which a period is prescribed, together with every account and voucher necessary to verify the information contained therein, for such period as is prescribed; and
- (b) all other records and books of account referred to in this section, together with every account and voucher necessary to verify the information contained therein, until the expiration of six years from the end of the last taxation year to which the records and books of account relate.

Subsection 230(2) of the Act requires that registered charities maintain adequate books and records³⁶ of account, at an address in Canada registered with the CRA, containing information in such form as will enable the Minister to determine whether there are any grounds for the revocation of its registration under the Act.

The requirement relating to the maintenance of books and records, and books of account, is based on several court decisions, which have held, among other things, that:

- the onus is on the registered charity to prove that its charitable status should not be revoked.³⁷
- a registered charity must maintain and make available to the CRA at the time of an audit, meaningful books and records, regardless of its size or resources. It is not sufficient to supply the required books and records at some later date.³⁸

³⁶ Subsection 248(1) of the Act defines a record in the following way: "record includes an account, an agreement, a book, a chart or table, a diagram, a form, an image, an invoice, a letter, a map, a memorandum, a plan, a return, a statement, a telegram, a voucher, and any other thing containing information, whether in writing or in any other form."

³⁷See Canadian Committee for the Tel Aviv Foundation, 2002 FCA 72 at paras 26-27, [2002] 2 CTC 93.

³⁸Canadian Committee for the Tel Aviv Foundation v Canada, 2002 FCA 72 at para 39, [2002] 2 CTC 93.

Furthermore, failing to comply with the requirements of section 230 of the Act by refusing to make documents available can lead to a fine and imprisonment, in addition to the penalty otherwise provided. See subsection 238(1) of the Act. See also The Lord's Evangelical Church of Deliverance and Prayer of Toronto v Canada, 2004 FCA 397.

- Paragraph 168(1)(e) of the Act provides that the Minister may propose to revoke registration of a charitable organization if it fails to comply with, or contravenes, any of sections 230 to 231.5 of the Act., and the Federal Court of Appeal has determined that non-compliance with section 230(2) of the Act is a proper basis upon which the Minister may issue such a notice.
- Paragraph 188.2(2)(a) of the Act provides that the Minister may suspend the authority of a registered charity to issue official donation receipts for one year if it fails to comply with or contravenes any of sections 230 to 231.5 of the Act.
- The requirement to keep proper books and records is foundational and non-compliance with the requirement is serious and justifies revocation.³⁹

While paragraph 230(2)(a) of the Act does not explicitly set out the types of books and records that a registered charity is required to maintain, which could therefore lead to a technical failure to comply with the Act, given the significant privileges that flow from registration as a charitable organization under the Act, the Minister must be able to monitor the continuing entitlement of charitable organizations to those privileges. In that regard, the Federal Court of Appeal has held that there exists a serious obligation for registered charities to maintain adequate books and records, and that material or significant, and/or repeated, non-compliance with the requirements of subsection 230(2) of the Act constitutes sufficient grounds for revocation.⁴⁰

Audit findings

The audit found that the Organization failed to maintain adequate books and records with respect to the following facets of its operations.

- (a) Lack of documentation to support the charitable activities abroad.
 - No minute book or resolutions discussing project overviews and/or documenting that the foreign activities were approved by the board of directors.
 - No documentation to provide a comprehensive, clear and detailed description of the charitable activities abroad.
 - No agency agreements with the Ecumenical Patriarchate Greek Orthodox Church and the Greek Orthodox Metropolis of Sweden.
 - No progress reports or project correspondence.
 - No lead sheet or summary of expenses detailing who payments were made to, the amount paid, or when the payments were made.
 - No bank account statements or accounting records of the overseas agents.
 - No invoices, vouchers, or other source documents to support expenditures.

³⁹ Jaamiah Al Uloom Al Islamiyyah Ontario v Canada (National Revenue), 2016 FCA 49 at para 15; and Ark Angel Foundation v Canada (National Revenue), 2019 FCA 21 at para 43.

⁴⁰ Ark Angel Foundation v Canada (National Revenue), 2019 FCA 21 at para 43.

- (b) There were no loan agreements in place to support the amounts owed to two parishioners. As per director, James Anas, the agreements were made with a handshake.⁴¹
- (c) The official donation receipts were missing some of the required information as per Regulations 3501 of the Act.
- (d) T4A was not issued for an honorarium paid.

In summary

It is our view that the Organization failed to maintain adequate books and records or to make records available to the CRA during our audit, as required by subsection 230(2) of the Act. Under paragraph 188.2(2)(a) of the Act, the Minister may suspend the Organization's authority to issue official donation receipts for one year for such non-compliance. However, due to the serious nature of the other non-compliance issues identified by the audit, we are proposing to revoke the Organization's status as a registered charity in accordance with paragraph 168(1)(e) of the Act,⁴² in lieu of suspending its receipting privileges. We reserve the right to revisit this decision before making a final determination regarding the Organization's status.

4. Failed to issue donation receipts in accordance with the Act and/or its Regulations

Legislation and jurisprudence

The law provides various requirements with respect to issuing official donation receipts (ODRs) by registered charities. These requirements are contained in Regulation 3500 and 3501 of the Act and are described in detail in Income Tax Folio S7-F1-C1, Split-receipting and Deemed Fair Market Value.

Subsection 3501(1) of the Regulations provides that each official donation receipt that a registered charity issues must contain, in a manner that cannot be readily altered, the prescribed contents of a receipt.

Audit Findings

We were advised that the Archbishop had delegated the authority to qualified individuals to issue donation receipts from the Greek Orthodox Archdiocese of Canada, the Missions, and the Monastery in accordance with the policies and practices of the Archdiocese and the requirements of the Income Tax Act. The audit revealed that the official donation receipts issued by each department were missing some of the required information as per Regulations 3501 of the Act. Below, by department name, is a listing of the required information that was missing on the donation receipts issued.

⁴¹ Advised during a telephone conversation on January 24, 2022.

⁴² Under paragraph 168(1)(e), the Minister may, by registered mail, give notice to the registered charity that the Minister proposes to revoke its registration if it fails to comply with or contravenes any of sections 230 to 231.5 of the Act.

Greek Orthodox Archdiocese of Canada

The name Canada Revenue Agency, and website address, www.canada.ca/charities-giving, and the place or locality where the receipt was issued were missing.

Missions

The name Canada Revenue Agency, and website address, www.canada.ca/charities-giving, and the place or locality where the receipt was issued were missing. The registration number did not include the extension RR0001.

Monastery

The name Canada Revenue Agency, and website address, www.canada.ca/charities-giving, and the place or locality where the receipt was issued were missing. The registration number did not include the extension RR0001. If cash and multiple donations, the date or the year during which the donations were received was missing. The date on which the receipt was issued when the receipt is issued on a date sub-sequent to the actual receipt was missing.

In summary

Based on the above audit findings, it is position that the Organization has issued ODRs that are not in accordance with the Act and/or its Regulations. As such, there are grounds for the Minister to revoke the charitable status of the Organization as per the provisions of paragraph 168(1)(d) of the Act.

5. Failed to file an information return for amounts paid (Form T4/T4A)

Legislation and jurisprudence

Regulation 200(2) of the Act states that a Form T4A, Statement of Pension, Annuity and Other Income, must be issued if you are a payer, such as an employer, a trustee, an estate executor (or liquidator), an administrator, or a corporate director, and you paid other types of income related to an employment, such as lump-sum payments or self-employed commissions. Further, Regulation 200(2) of the Act requires that Form T4A slips, and summaries be prepared for contract payments to individuals exceeding \$500 in the calendar year.

Audit findings

The audit revealed that an honorarium in the \$7,600 was paid to the youth camp co-director for services rendered at Camp Metamorphosis and that a T4A was not issued to the individual even though one should have been issued as the individual was not an employee of the Organization.

In summary

When a charity pays an honorarium, it must comply with the CRA's payroll requirements, such as issuing T4A slips to those individuals. More information on these requirements can be found in Guide T4001, Employers' Guide – Payroll Deductions and Remittances, available on the CRA's website at Canada.ca/taxes.

Conclusion

On the basis of our audit findings it is our position that there are sufficient grounds to levy financial penalties against the Organization under subsection 188.1(4) and/or suspend the Organization's receipting privileges under paragraph 188.2(2)(a) of the Act. Further, for the reasons provided above, there also appears to be sufficient grounds to revoke the Organization's registration as a charity under subsections 149.1(2) and 168(1) of the Act. At this time we are proposing to revoke the registered status of the Organization in lieu of pursuing financial penalties or suspension, although we reserve the right to revisit this decision before making a final determination regarding the Organization's status.

The Organization's options

a) Respond

If the Organization chooses to respond, it must send written representations and any additional information regarding the findings outlined above **within 30 days** from the date of this letter to the address below. After considering the response, we will decide on the appropriate course of action. The possible actions include:

- no compliance action;
- issuing an educational letter;
- resolving the issues through a compliance agreement;
- applying penalties or suspensions or both, as described in sections 188.1 and 188.2 of the Act; or
- issuing a notice of intention to revoke the registration of the Organization in the manner described in subsection 168(1) of the Act.

b) Do not respond

The Organization may choose not to respond. In that case, we may proceed with the application of penalties and/or suspensions described in sections 188.1 and/or 188.2 of the Act, or give notice of its intention to revoke the registration of the Organization by issuing a notice of intention to revoke in the manner described in subsection 168(1) of the Act.

If the Organization appoints a third party to represent it in this matter, send us a written request with the individual's name, the individual's contact information, and explicit authorization that the individual can discuss the file with us. For more information on how to authorize a

representative, go on our website at <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/aut-01.html>.

If you have any questions, please contact the undersigned at the telephone number listed below. My manager, Julie McCaffrey, may also be reached at (613) 850-7091.

Yours sincerely,

Karen Lockridge
Assisted Compliance Section
Charities Directorate, Canada Revenue Agency
320 Queen Street, Tower A, Place de Ville
Ottawa ON K1A 0L5
Telephone: (905) 706-7792
Facsimile: (613) 541-7161

c.c.: [REDACTED]



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Letter from Archbishop

December 07, 2022

Ms. Karen Lockridge
Assisted Compliance Section
Charities Directorate, Canada Revenue Agency
320 Queen Street, Tower A, Place Ville de Ville
Ottawa, ON K1A0L5

Ms. Lockridge

Re: Audit of the Greek Orthodox Archdiocese of Canada (the “Archdiocese”)

BN: 118947282 RR0001 File # 0351148 and Case # 36081541

I received a copy of the Canada Revenue Agency (the “CRA”)’s letter of October 13th to James Anas, our Treasurer, and I wish to respond with further information about our Archdiocese.

Firstly, let me extend our thanks for the CRA’s grant of extra time so that we can respond in a meaningful and thoughtful manner.

At the outset, I feel that it is important to provide the CRA with some background as to the organization and activities of the Archdiocese for I fear that the CRA’s determined focus, as I understand it, on the Archdiocese’s foreign activities may be somewhat misdirected.

History of our Church

In 1054 AD as a result of the Great Schism, the Christian Church became the Roman Catholic and Greek Orthodox Churches. The spiritual world leader of the Greek Orthodox Church since that time has been the Ecumenical Patriarch of Constantinople (Istanbul,



Turkey). Presently, Ecumenical Patriarch Bartholomew is the world leader of the Orthodox Church.

The Orthodox Church today, numbering over 300 million souls worldwide, is a communion of self-governing Churches, each administratively independent of the other, but united by a common faith and spirituality. Their underlying unity is based on identity of doctrines, sacramental life and worship, which distinguishes Orthodox Christianity. All share full communion with one another. The living internal life of each independent Church is administered by the Bishops, Metropolitans or Archbishops of that particular Church.

The first Orthodox Christians came to Canada in the late 19th and beginning of the 20th centuries. Mainly there were Russians and came through Alaska and Aleutian Islands (mind you, Juan de Fuca-Ioannis Phokas, was Greek). The first Greek Orthodox parishes were established at the beginning of the 20th century in Montréal, Toronto and Thunder Bay.

In the year 1922, the Greek Orthodox Archdiocese of North and South America was established under the spiritual leadership of the Ecumenical Patriarchate of Constantinople and the Greek Orthodox parishes in Canada joined the Greek Orthodox Archdiocese of North and South America. In the year 1982, the Greek Orthodox Diocese of Toronto was incorporated in Canada within the jurisdiction of the Greek Orthodox Archdiocese of North and South America.

In the year 1997, the Greek Orthodox Diocese of Toronto was promoted to the Greek Orthodox Metropolis of Toronto (Canada) which was incorporated in Canada as a separate jurisdiction under the spiritual leadership of the Ecumenical Patriarchate of Constantinople. In the year 2020, the Greek Orthodox Metropolis of Toronto (Canada)



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was promoted to an Archdiocese continuing under the spiritual leadership of the Ecumenical Patriarchate of Constantinople and named Greek Orthodox Archdiocese of Canada.

As referenced in the CRA letter, copy of the incorporation documents for all the above were made available to the CRA including the Letters Patent of Greek Orthodox Diocese of Toronto; Supplementary Letters Patent of Greek Orthodox Metropolis of Toronto (Canada); and the Supplementary Letters Patent of Greek Orthodox Archdiocese of Canada.

Mainly, the Archdiocese runs churches, schools and monasteries, and provides guidance and support to the faculty and students at a theological academy. There are approximately three hundred and fifty thousand (350,000) Greek Orthodox Christians across Canada grouped in 78 parishes (communities) across Canada under the aegis of the Archdiocese. In addition, the Archdiocese is responsible for several day, afternoon and sabbatical schools, and two monasteries. The properties used by some of these establishments are owned by the Archdiocese. The rest are owned by corporations which operate under the Uniform Community Regulations of the Greek Orthodox Archdiocese of Canada (UCR <https://goarchdiocese.ca/uniform-community-regulations/>). The Patriarchal Toronto Orthodox Theological Academy was established in 1998 and is affiliated with Saint Paul University in Ottawa. Since its establishment, 53 young men have graduated, of which 36 have been ordained as priests to serve throughout Canada. The headquarters of the Archdiocese is located in a building owned by the Archdiocese, at [REDACTED]

[REDACTED] The Central Offices section in our 2022 yearly calendar on Pages 60-61 (2022 Calendar <https://goarchdiocese.ca/archdiocesan-calendar/>) lists the of services offered (see also the website at www.goarchdiocese.ca which provides with particulars for all the Archdiocese's activities).



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The Archdiocese, the parishes (communities), the schools and the monasteries are governed according to the special regulations and the Uniform Community Regulations of the Greek Orthodox Archdiocese of Canada <https://goarchdiocese.ca/uniform-community-regulations/> (copy of the Special Regulations are attached).

The highest legislative body of the Archdiocese is the Biennial Clergy-Laity Assembly of all the communities across Canada for everything except dogma matters. Doctrinal matters are legislated by the Holy Synod of the Ecumenical Patriarchate of Constantinople (see Special Regulations).

Since that time I have been the head of the Diocese-Metropolis and now Archdiocese of Canada. In the year 2000, the Canadian Conference of Orthodox Bishops was established and, from the very beginning to this day, I am its Chairman. The 2022 yearly calendar (2022 Calendar <https://goarchdiocese.ca/archdiocesan-calendar/>) lists the fifteen (15) member Bishops of the CCOB (pages 64-65).

These documents confirm that the Archdiocese's main activities relate to churches, schools, monasteries and the Patriarchal Toronto Orthodox Academy in Canada. The charitable work that the Archdiocese is doing outside of Canada is quite modest by comparison.

The provision in the Supplementary Letters Patent "To receive annually from the Greek Orthodox Communities that are served by Priests appointed by the Greek Orthodox Metropolis of Toronto (Canada) 10% of their total gross income, 10% of which amount to



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be submitted to the Ecumenical Patriarchate of Constantinople", was added in 1997 – almost 25 years ago, and has never to my knowledge been questioned by the CRA. This provision was added to clarify expectations with respect to the degree to which resources would be used for charitable activities outside of Canada. It is not intended to bind the Archdiocese or to determine the manner in which such activities would be carried out.

To comply with the CRA guidelines regarding using money outside of Canada for charitable purposes, the Archdiocese has entered into an Agency Agreement with the Ecumenical Patriarchate (among others), and requested from the Ecumenical Patriarchate every year a detailed list showing the use of the funds of the Archdiocese certified by a senior officer of the Ecumenical Patriarchate (copies of List of Income and Expenditures for 2018 and 2019 are included).

Regarding the \$6,000 sent to the Greek Orthodox Metropolis of Sweden and all of Scandinavia for which there is no agency agreement, it should be noted that this was used to pay salary to a priest whose activities are devoted to advancing the Greek Orthodox religion in that region.

The CRA must understand, Ms. Lockridge, that everything we do has been done in good faith and in accordance with the law. However, if you disagree and you believe I am mistaken, it could only be an honest mistake. **For an honest mistake like this, to deregister the Archdiocese would be disproportionate and devastating. A full catastrophe that would affect the lives of hundreds of thousands of people in Canada.**

It is also important to understand the situation and the difficulties that the Archdiocese and the Ecumenical Patriarchate of Constantinople, as well as other sister churches, face in trying to maintain and advance the Greek Orthodox faith, and its institutions



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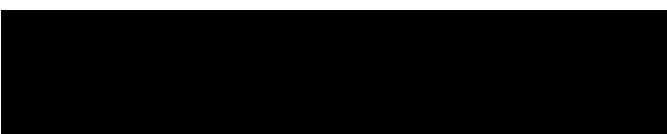
operating in Turkey and other complex environments. Enclosed is copy of an article penned by Theodore Bozonelis, a Judge of the Superior Court of New Jersey, USA, which is enlightening.

Finally, as a further gesture of good faith, our Archdiocese will pause our charitable activities outside of Canada until we have a clearer understanding, with your guidance, of the rules, regulations and practices to be applied by the CRA.

Please afford me the opportunity to have a meeting with you and your colleagues at any convenient time for you, preferably in person, to discuss the matter further, before you reach any conclusions as part of this important process.

I thank you and I remain

Yours truly,



Archbishop Sotirios Athanassoulas
President, Greek Orthodox Archdiocese of Canada

Attachments/Enclosures

Greek Orthodox Archdiocese of Canada Special Regulations

Ecumenical Patriarchate of Constantinople Income and Expenditures for 2018 and 2019

The Systematic Persecution of Religious Minorities in Turkey by Mr. Theodore Bozonelis
Appendix to ltr of AB- Ecumenical Patriarchate

Special Regulations

**OF THE
GREEK ORTHODOX METROPOLIS
OF TORONTO (CANADA)**

**UNDER THE CANONICAL JURISDICTION
OF THE ECUMENICAL PATRIARCHATE
OF CONSTANTINOPLE**

**1999
TORONTO**

ARTICLE I

THE METROPOLIS ASSEMBLY OF COMMUNITIES

Section 1: The Metropolis Assembly of Communities is comprised of the following, each having one vote: the Metropolitan Archbishop, the Bishops, the clergy and lay representatives of the Communities and the members of the Metropolis Council.

Section 2: Each Community shall be represented by three Lay delegates and their Clergymen, each having one vote: that is the President of the Community Council and in his absence the Vice President or in his absence any member of the Community Council designated by it, and two members of the Community elected by the Community Council.

Section 3: Except for questions of a doctrinal or canonical nature, the Assembly of the Communities shall concern itself with all matters affecting the life, growth and unity of the Orthodox Church, her institutions, her finances, her administration educational and philanthropic concerns, and her growing role of the Orthodox Church in religious life in Canada.

Section 4: The presiding officer of the Assembly of Communities shall be the Metropolitan or his appointed Clergyman. The Secretariat shall be appointed by the Chair.

Section 5: A majority of the accredited registered delegates in attendance shall constitute a quorum for the purpose of conducting the business of the Assembly.

ΑΡΘΡΟ Ι ΣΥΝΕΛΕΥΣΙΣ ΚΟΙΝΟΤΗΤΩΝ ΤΗΣ ΙΕΡΑΣ ΜΗΤΡΟΠΟΛΕΩΣ

Παράγραφος 1: Η Μητροπολιτική Συνέλευσις Κοινοτήτων απαρτίζεται υπό των κάτωθι, μετά δικαιώματος μιάς ψήφου: Ο Μητροπολίτης, οι Επίσκοποι, οι ιερείς, οι λαϊκοί Αντιπρόσωποι των Κοινοτήτων, και τα Μέλη του Μητροπολιτικού Συμβουλίου.

Παράγραφος 2: Εκάστη Κοινότης αντιπροσωπεύεται υπό τριών Αντιπροσώπων και των Κληρικών της, εκδόσου έχοντος δικαιώματος μιάς ψήφου, ήτοι του Προέδρου του Κοινοτικού Συμβουλίου, και εν απουσίᾳ αυτού του Αντιπροέδρου εν απουσίᾳ δε και τούτου, ενός οιουδήποτε μέλους του Κοινοτικού Συμβουλίου, διοριζομένου υπ' αυτού, και ετέρων δύο μελών της Κοινότητος εκλεγομένων υπό του Κοινοτικού Συμβουλίου.

Παράγραφος 3: Εξαιρουμένων των δογματικής, ή κανονικής φύσεως θεμάτων, η Συνέλευσις Κοινοτήτων ασχολείται περι πάντων των θεμάτων, των αφορώντων την ζωήν, ανάπτυξιν και ενότητα της Ορθοδόξου Εκκλησίας, καθώς και τα Ιδρύματα τα οικονομικά, την διοίκησιν, την παιδείαν, την φιλανθρωπίαν και τον αυξανόμενο ρόλον της Ορθοδόξου Εκκλησίας εις την Θρησκευτικήν ζωήν του.

Παράγραφος 4: Πρόεδρος της Συνέλευσεως Κοινοτήτων της Ιεράς Μητροπόλεως είναι ο Μητροπολίτης ή ο υπ' αυτού διοριζόμενος Κληρικός. Η Γραμματεία της Συνέλευσεως διορίζεται υπό της έδρας.

Παράγραφος 5: Η πλειοψηφία των διά διοπιστευτηρίων εγγεγραμμένων αντιπροσώπων, αποτελεί την απαιτούμενην απαρτίαν πρός διεξαγωγήν των εργασιών της συνέλευσεως.

Section 6: The Assembly of Communities shall be convened biennially by the Metropolitan Archbishop. It may be convened in extraordinary session if need be. The time and place of the Assembly shall be fixed by the Metropolis Council.

Section 7: The Metropolis shall prepare the agenda for the Assembly of Communities and shall submit the agenda to the Communities not later than sixty days prior to the convening of the Assembly.

Section 8: The decisions of the Assembly of Communities after ratification by the Ecumenical Patriarchate, shall be transmitted in Greek and English texts to the Communities of the Metropolis and shall be obligatory for all Communities.

ARTICLE II SPIRITUAL COURT

Section 1: An Ecclesiastical Court of the First Instance will function within the Metropolis. It will be comprised of five clerical members who will be appointed by the Metropolitan Archbishop, who presides over it and hears cases involving family problems, divorce, as well as ethical and canonical offences of Clergy and Laity. For matters of grave importance, the issue at hand will be forwarded to the spiritual court of the second instance, before the All-Venerable and Sacred Ecumenical Patriarchate.

Παράγραφος 6: Η συνέλευσις Κοινοτήτων συγκαλείται υπό του Μητροπολίτου τακτικώς μεν ανά διετίαν, εκτάκτως δε εάν παραστεί ανάγκη. Ο χρόνος και ο τόπος της Συνελεύσεως προσδιορίζονται υπό του Μητροπολιτικού Συμβουλίου.

Παράγραφος 7: Το πρόγραμμα της ημερησίας διατάξεως της Συνελεύσεως Κοινοτήτων προετοιμάζεται υπό της Ι. Μητροπόλεως και αποστέλλεται προς τας Κρινότητας ουχί αργότερον των εξήκοντα ημερών προ της συγκλήσεως της Συνελεύσεως.

Παράγραφος 8: Αι αποφάσεις της Συνελεύσεως Κοινοτήτων κατόπιν εγκρίσεως και επικυρώσεως αυτών υπό του Οικουμενικού Πατριαρχείου, αποστέλλονται εις την Ελληνικήν και Αγγλικήν γλώσσαν προς όλας τας Κοινότητας της Ιεράς Μητροπόλεως και είναι υποχρεωτικά δι' όλας τας Κοινότητας.

ΑΡΘΡΟΝ ΙΙ ΠΝΕΥΜΑΤΙΚΟΝ ΔΙΚΑΣΤΗΡΙΟΝ

Παράγραφος 1: Ενα πρωτοβάθμιον Εκκλησιαστικόν Δικαστήριον θα λειτουργείεις την Ι. Μητρόπολιν. Θα συνίσταται εκ πέντε μελών κληρικών, τα οποία θα διορίζονται υπό του Μητροπολίτου, ο οποίος και θα προεδρεύει αυτού, και θα εξετάζει περιπτώσεις οικογενειακών προστριβών, ηθικά και κανονικά παραπτώματα κληρικών και λαϊκών. Επί ζητημάτων μείζονος σημασίας θα τίθεται το ζήτημα δευτεροβαθμίως ενώπιον του Οικουμενικού Πατριαρχείου.

ARTICLE III METROPOLIS COUNCIL

Section 1: The Metropolis Council is the advisory and consultative body to the Metropolitan Archbishop.

Section 2: The Metropolis Council shall be comprised of the following: the Metropolitan Archbishop, nine clergymen elected by the Metropolis Clergy Syndesmos, eleven lay persons elected by the Assembly of the Communities seven clergy or lay persons appointed by the Metropolitan Archbishop, and the Heads of the institutions and organizations of the Metropolis. The members of the Metropolis Council shall serve for a two--year term starting at the end of each Assembly of Communities.

Section 3: The Metropolitan Archbishop convenes the Metropolis Council at least twice a year.

Section 4: In addition to the Metropolitan Archbishop as Chairman, the Metropolis Council shall have a Vice Chairman, a Secretary, a Treasurer, and such additional officers as it may require, elected at its first meeting following the biennial Assembly of the Communities.

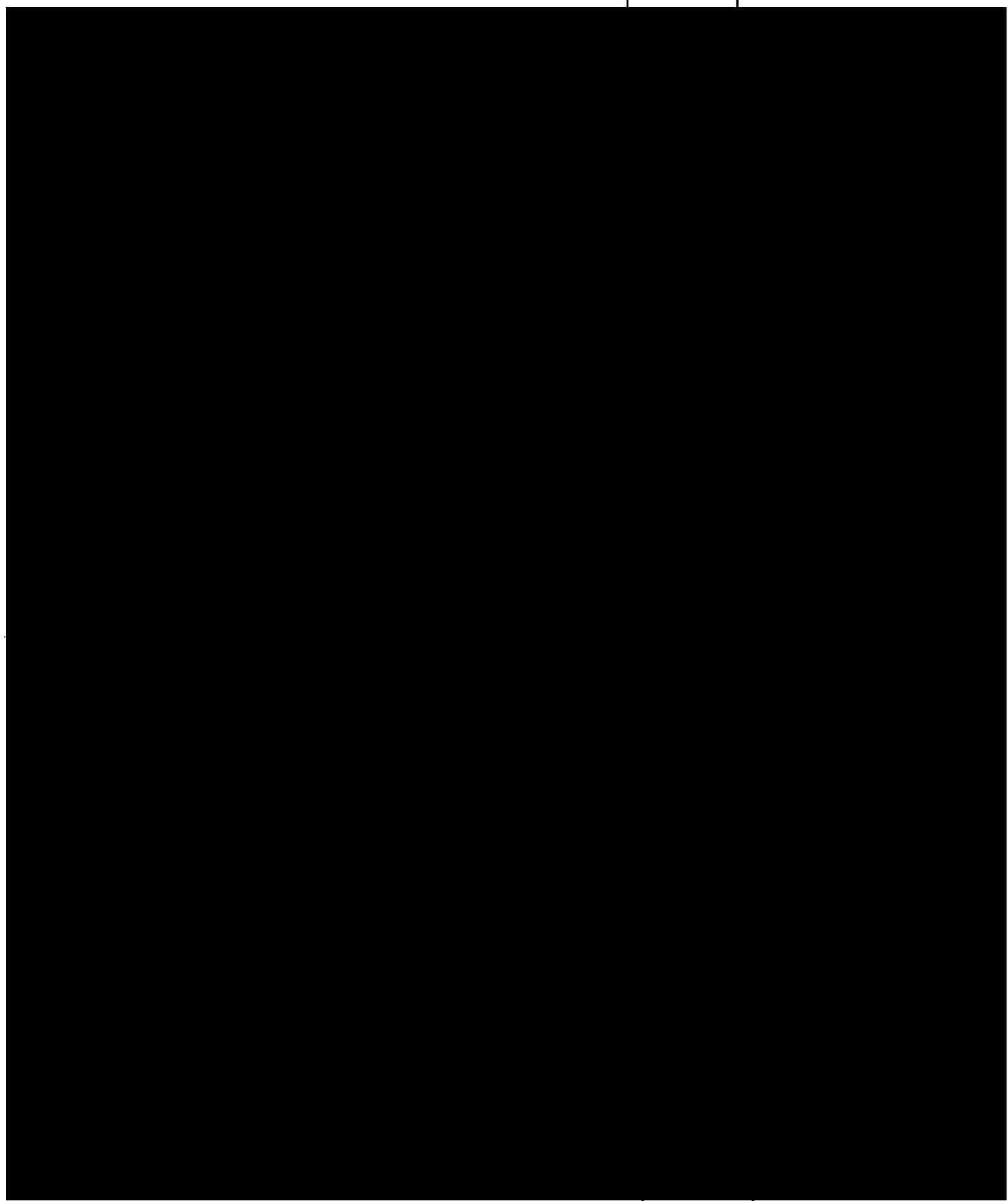
ΑΡΘΡΟΝ III ΜΗΤΡΟΠΟΛΙΤΙΚΟΝ ΣΥΜΒΟΥΛΙΟΝ

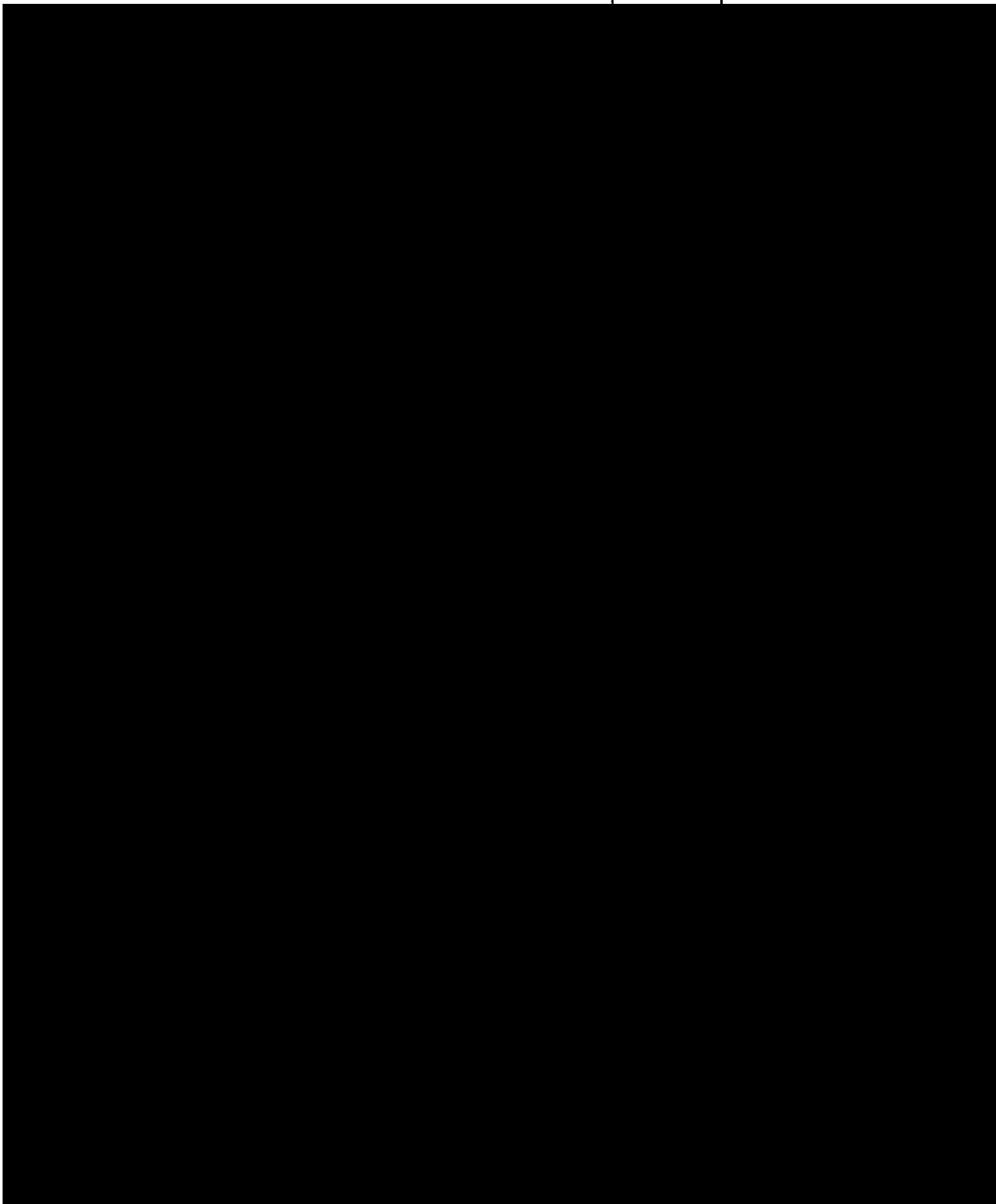
Παράγραφος 1: Το Μητροπολιτικόν Συμβούλιον είναι το συμβουλευτικόν και γνωμοδοτικόν, παρά τω Μητροπολίτη, Σώμα.

Παράγραφος 2: Το Μητροπολιτικόν Συμβούλιον απαρτίζεται υπό των κατωτέρω: Τον Μητροπολίτην, 9 κληρικούς, τους οποίους εκλέγει ο Σύνδεσμος Ιερέων της Ιεράς Μητροπόλεως, 11 λαϊκούς, τους οποίους εκλέγει η Συνέλευσις Κοινοτήτων. 9 Ιερείς ή λαϊκούς τους οποίους διορίζει ο Μητροπολίτης και τα αυτεπάγγελτα μέλη: οι υπεύθυνοι των ιδρυμάτων και οργανισμών της Ι. Μητροπόλεως και πρόεδροι Ελληνικών Εθνικών Οργανισμών στον Καναδά. Η θητεία του Μητροπολιτικού Συμβουλίου είναι διετής, αρχαμένης από τού τέλους εκάστης Συνελεύσεως Κοινοτήτων.

Παράγραφος 3: Ο Μητροπολίτης συγκαλεί το Μητροπολιτικόν Συμβούλιον τουλάχιστον δις του έτους.

Παράγραφος 4: Πλήν του Μητροπολίτου - Προέδρου, το Μητροπολιτικόν Συμβούλιον έχει ένα Αντιπρόεδρον, ένα Ταμία, ένα Γραμματέα και όσους άλλους αξιωματούχους ήθελον χρειασθεί, εκλεγησομένους κατά την πρώτην συνεδρίασιν του Μητροπολιτικού Συμβουλίου μετά το πέρας της ανά διετίαν Συνελεύσεως των Κοινοτήτων.





The Systematic Persecution of Religious Minorities in Turkey

By Hon B. Theodore Bozonelis

The Hon. B. Theodore Bozonelis is a retired State Chief Judge and Secretary of the Order of Saint Andrew the Apostle, Archons of the Ecumenical Patriarchate. He is Chairman of the Order's Patriarchal Properties and Minority Concerns Committee.

Despite the world-wide recognition of the status of His All-Holiness Ecumenical Patriarch Bartholomew as the spiritual leader of all Orthodox Christians, the government of Turkey will give no legal standing and status to the Ecumenical Patriarchate, the historical Holy Center of Orthodox Christianity at the Phanar, in Istanbul. The lack of legal standing and status in essence nullifies property and other fundamental civil rights in Turkey for the Ecumenical Patriarchate which precludes its full exercise of religious freedom. The Ecumenical Patriarchate cannot own in its name the churches to serve the faithful or the cemeteries to provide for their repose. Since it lacks a legal standing, the Ecumenical Patriarchate is powerless to pursue legal remedies to assert property rights or even seek to repair deteriorating property without government approval.

Instead and in lieu of legal standing, Turkey has established a system of minority (community) foundations for Orthodox Christians and other non-Muslim religious minorities to hold properties supervised and controlled by the Turkish government's General Directorate of Foundations. The Directorate regulates all the activities of religious community foundations which include approximately 75 Greek Orthodox, 42 Armenian and 19 Jewish foundations. The 1935 Law on Religious Foundations, and a subsequent 1936 Decree, required all foundations, Muslim or non-Muslim, to declare their properties by registering the same with the General Directorate of Foundations.

Through its controls, the government of Turkey has nationalized and/or declared certain Greek Orthodox and other religious minority foundations as non-functioning with no right of appeal. This resulted in the systematic seizure of thousands of properties of Christian and other non-Muslim religious minorities in the years that followed, including thousands of income producing and valuable properties of the Ecumenical Patriarchate. In 1936 the Ecumenical Patriarchate, its churches and institutions, owned approximately 8,000 properties. In 1998, 2,000 remained and today fewer than 500 properties are owned by minority foundations loyal to the Ecumenical Patriarchate, most of which are churches, cemeteries, or other properties which produce no income.

With Turkey seeking accession to the European Union, it sought to improve the property restrictions on non-Muslim religious minority foundations. In this regard, the 1935 Law on Religious Foundations was amended during the years of 2002 to 2008 to allow religious minority foundations, with restrictions, to acquire properties and apply for the return of confiscated properties. Within this historical context, Turkey's then Prime Minister, Recep Tayyip Erdogan (now President), also announced by Decree, not parliamentary law, on August 27, 2011, that 162 recognized minority foundations may apply to regain religious properties declared and registered in 1936 and confiscated from them by the state or they could seek compensation. The Decree provided that applications to regain properties generally had to be made within 12 months—by August 27, 2012—and regulations for implementation were adopted October 1, 2011.

Of the 162 recognized minority foundations, more than 70 Greek Orthodox foundations claimed and timely submitted applications for more than 1200 properties in issue. Of these applications, more than 300 were accepted, and some 900 were rejected. Of the applications that were accepted, few resulted in the actual transfer of title and few were income producing properties. Although disputed by Turkey, religious minorities reported that administration by the General Directorate of Foundations was slow and arbitrary as even accepted applications were not always processed. The August 27, 2012 submission deadline also did not allow sufficient time to submit the required volume of paper work for most of the property applications. This was further complicated by the fact that local Turkish Government offices did not timely respond to requests for title documents which prevented processing within the deadline.

In addition, the Decree is limited. Properties not declared by religious minority foundations under the 1936 law are not covered. Also, certain religious institutions, including Catholic churches, do not have foundations or a legal status and are not covered. Most important, it does not address the properties of seized religious minority foundations that the government took over because of its claim of lack of

foundation management or charitable purposes. Further, under the Decree, the determination of compensation, when in issue, is not made by an independent body but rather by the government.

Accordingly, despite Turkey's claims that the value of properties returned to all non-Muslim religious minorities exceeds one billion dollars, the application procedures in reality proved to be more form over substance. In the end, it was not just the number of properties returned to foundations loyal to the Ecumenical Patriarchate or other religious minority foundations that mattered, but the quality of properties returned. If properties are not income producing, they cannot be properly maintained. In this regard and of most importance, the Turkish government continued to delay or allow the election of religious minority foundation board members to manage the properties. Without functioning religious minority foundations, the return of property is meaningless because the properties, under existing Turkish law, cannot be managed effectively. Turkish law also restricts the eligibility of Orthodox Christians who wish to serve as religious minority foundation board members to manage the foundations. Clergy are not allowed to serve. With the significant decline in population of Orthodox Christians eligible to be elected board members, the religious minority foundations will not be able to sustain returned properties. With the lack of legal standing and status, the government then has the ability to declare the property abandoned and seize the same without compensation.

While Turkey points to the fact that its Sunni Muslim majority religion also lacks a legal personality, the Sunni Muslims are treated in a more favorable manner. For all practical purposes Sunni Muslims have a "legal status" exercised through The Diyanet or Directorate (Presidency) of Religious Affairs of the government which is all Sunni Muslim, and in effect controls the exercise of religious freedom in Turkey. The Diyanet administers mosques which must be all Sunni and oversees all its religious training schools. It obtains billions of dollars from the government to function. Imams and other religious employees are paid by the government. Without any such financial support combined with the lack of a legal status, non-Muslim religious minorities, including the Ecumenical Patriarchate and Turkey's Alevi Muslim minority, have difficulty in exercising religious freedom without sufficient foundation properties to produce income. The General Directorate of Foundations in its administration has limited the financial viability of religious minority community foundations.

The European Court of Human Rights (ECHR) has been an alternative avenue to pursue Christian and other non-Muslim religious minority property rights in Turkey. For example, after extensive litigation, the Ecumenical Patriarchate obtained a ECHR Judgment in 2008 for the return of the Prinkipos (Buyukada) Orphanage Building. The Judgment produced in November 2010 a deed title for the property in the name of *Rum Patrikhanesi*, Patriarchate of the Roman Greeks, the official name for the Ecumenical Patriarchate used by the government of Turkey. The deed title as issued and accepted by the Turkish courts in the name of *Rum Patrikhanesi* in effect created a *de facto* legal status. It established a legal argument to further the cause of obtaining official recognition of a legal personality for the Ecumenical Patriarchate and all religious minorities.

Also, in March 2011, Turkey implemented a ECHR Judgment of March 2009 which returned property rights to the Greek Orthodox minority foundation, Kimisis Theodokou Greek Orthodox Church, on the island of Tenedos (Bozcaada).

Further, a significant ECHR case was settled in 2013 whereby the General Directorate of Foundations returned the historic former Ayia Foka Greek Elementary School building in Istanbul to the foundation despite the fact that it was utilized as the offices of the government's European Union Ministry.

However, the government of Turkey has refused to recognize these developments as confirming legal status and has failed to register additional properties in the name of the Ecumenical Patriarchate. The lack of legal status persists. This is in stark contrast to Turkey's international and national human rights obligations.

Turkey is a member of the United Nations, Council of Europe, NATO, Organization for Security and Cooperation in Europe (OSCE) and in 2005 began formal accession negotiations to join the European Union. Moreover, by virtue of its membership in all these organizations, Turkey has taken on binding obligations to protect the rights of religious minorities. As a participating state in OSCE, Turkey has obligations under Article VII of the Helsinki Accords to guarantee and protect the rights of national minorities. The Concluding Document of the 1989 Vienna Meeting of the organization requires participating states to protect the rights of religious communities. As a member of the Council of Europe,

Turkey has ratified the European Convention on Human Rights and Fundamental Freedoms. Article 9 of the Convention requires Turkey as a member state to protect freedom of religion, including the right to manifest religion in worship, teaching, practice, and observance, subject only to limitations as necessary in a democratic society in the interests of public safety, for the protection of the public order, health or morals, or for the protection of the rights and freedoms of others.

In the Treaty of Lausanne of 1923, Turkey guaranteed freedom of religion to its non-Muslim religious minorities. Articles 40 and 42 granted non-Muslim religious minorities autonomy and legal status.

“All facilities and authorisation will be granted to the pious foundations, and to the religious and charitable institutions of the said minorities at present existing in Turkey, and the Turkish Government will not refuse, for the formation of new religious and charitable institutions, any necessary facilities which are guaranteed to other private institutions of that nature.” (Article 42, para. 3).

With the lack of legal standing on property rights for the Ecumenical Patriarchate and other non-Muslim religious minorities, these rights have not been respected by Turkey. History has also shown that the Ecumenical Patriarchate itself has been further deprived of other significant properties by virtue of its religious identity.

During the time of the Treaty of Lausanne negotiations, the Turkish delegation demanded that the Ecumenical Patriarchate be removed from Turkey as it symbolized the last remnants of an international Christian and Greek religious presence in Turkey. Further, at that time, a bill was introduced in the government of Turkey to establish a so-called Turkish National Orthodox Church to counter the Ecumenical Patriarchate. This attempt to create a Turkish National Orthodox Church with government support was led by a since excommunicated village priest known as “Papa Eftim,” who in 1922 proclaimed a “Turkish Orthodox Patriarchate” with no authority, recognition or congregation.

The status of the Ecumenical Patriarchate to be recognized and remain in Turkey was finally settled by the Treaty of Lausanne in 1923 and reaffirmed by a League of Nations Settlement in 1930. However, this unrecognized priest, with Turkish government support, had seized in the interim Ecumenical Patriarchate churches and properties in the Galata region of Istanbul that his family descendants continue to hold to date. The Ecumenical Patriarchate has repeatedly called upon the government of Turkey to return the churches and properties unlawfully seized but to no avail.

Further complicating religious freedom, property and fundamental rights for Christian and other non-Muslim religious minorities is the recent political unrest in Turkey. In July 2016, an attempted coup against the government of Turkey took place by an alleged faction of the military which Turkey blamed on Fethullah Gulen, a Muslim cleric and his followers. The government called on Turkish citizens to flood the streets and thwarted the coup. Thereafter, Turkey called for the extradition of Fethullah Gulen who now resides and is based in the State of Pennsylvania. A massive government crackdown occurred, that resulted in an estimated 9000 police fired, 6000 military arrested, 3000 judges suspended, 21,000 teachers suspended, and 1500 university deans ordered to resign. Turkey ordered a 3-month state of emergency followed by the government shutdown of 45 newspapers, 16 television channels, and 15 magazines.

As the above significant events unfolded in Turkey, false and derogatory articles were reported in Turkey and Greece seeking to tie His All-Holiness Ecumenical Patriarch Bartholomew to Fethullah Gulen and the failed coup. The intent was to disparage the Ecumenical Patriarchate and further inflame an anti-Christian climate in Turkey. Although the Ecumenical Patriarchate is committed to the resolution of all issues of religious freedom and property rights peacefully and within the existing government in Turkey, the false reporting threatens the progress to seek additional property rights and religious freedom for Orthodox Christians and other religious minorities.

In April 2017, Turkey’s Constitutional Referendum vote approved calls for 2019 elections that will replace Turkey’s parliamentary system with an all-powerful presidency and abolish the office of prime minister. The result will likely be to cement the absolute control of President Erdogan and his political ruling party. With absolute control coupled with Sunni Muslim dominance, Alevi Muslims, Christian, and other religious minorities fear further restrictions on religious freedom.

Turkey should embrace the historical roots of Christian heritage and other faiths in its lands. It should look upon His All Holiness Ecumenical Patriarch Bartholomew, and all religious minority leaders, and their institutions, for their accomplishments and their desire to live in peace with equal property and fundamental rights. Turkey seeks to join the European Union and has binding obligations to ensure religious freedom for the Ecumenical Patriarchate and other religious minorities that must be enforced. However, the recent political movement in Turkey toward Sunni Muslim uniformity in the government, education, and institutions throughout the country is cause for concern. The need continues for world-wide diplomatic efforts from other countries to exert political pressure on Turkey to require the government to comply with its binding human rights and religious freedom obligations. Legal standing and status for the Ecumenical Patriarchate and other religious minorities that will provide meaningful property rights is the first step.

Appendix to letter from Archbishop Sotirios

Ecumenical Patriarchate of the Orthodox Church

The function of the Ecumenical Patriarchate as centre *par excellence* of the life of the entire Orthodox world emanates from its centuries-old ministry in the witness, protection, and outreach of the Orthodox faith. The Ecumenical Patriarchate, therefore, possesses a supra-national and supra-regional character. From this lofty consciousness and responsibility for the people of Christ, regardless of race and language, were born the new regional churches of the East for the diaspora, from the Caspian to the Baltics, and from the Balkans to central Europe. This activity today extends to all of the Orthodox faithful on five continents.

Some of the Specific operations of the Ecumenical Patriarchate as a charity in Istanbul and Turkey include assistance for seniors homes; Greek School education for youth; outreach; maintenance of the ancient library at Halki; education of men to the clergy; etc.

It oversees and maintains Greek Orthodox churches in Istanbul:

1. Church of the Zoodochos Peghe ("Life-giving Spring")

The compound at Balogai today consists of a monastery, large church, an underground shrine with the holy spring, and the cemetery of patriarchs and a hospital.

2. Holy Trinity Church in Taksim Square

In the pogrom of 1955, the church was plundered and severely damaged. However, Patriarch Bartholomew initiated its complete restoration in 2000.

3. The Holy Shrine of the Virgin Vefa

Presently, the church of the Virgin Vefa is a patriarchal and stavropegeic shrine.

The shrine of the Virgin Vefa attracts countless worshippers of all religions and curious travelers from all nations, assembling them around the universal ideals of faith and love.

4. The Church of St. Euphemia the Great Martyr

A church in honor of Saint Euphemia was erected in Kadiköy's old marketplace. It was constructed in 1694 over the ruins of an early Byzantine church.

5. The Cathedral of the Holy Trinity

Historically, this is the last Orthodox church to be erected in Istanbul prior to the collapse of the Ottoman Empire in 1923. The tomb of Patriarch Germanos lies in the courtyard.

The Ecumenical Patriarchate has great difficulty in dealing with the Turkish Government and authorities to undertake its full charitable and church affairs in the country, but because of its 2,000-year history, still persists in its mission.

1. The Systematic Persecution of Religious Minorities in Turkey **See below**
2. Ancient Churches converted to Mosques
3. Vandalization of Holy Transfiguration Monastery
4. 90 Tombs Desecrated at Baloukli Cemetery
5. The Ecumenical Patriarchate cannot train new clergy in Turkey and its theological school was forcibly closed down by the Turkish Government.
6. The Theological School of Halki was forcibly closed down by Turkish authorities in 1971. Since its closure, the Ecumenical Patriarchate has had to send the young men from its community desiring to enter the priesthood to one of the theological schools in Greece. In many instances, they do not return given the onerous restrictions in getting work permits and the general climate of intimidation. Despite promises by the Turkish government to re-open our theological school, there has been no progress.

For more details on the above see

<https://www.archons.org/the-ecumenical-patriarchate/the-orthodox-church>