

RESPONSE TO FINAL SERIES OF QUESTIONS

Question 1

1. Please describe how parishioner donations for religious services are accounted for.

Participation in training and auditing religious services at a church of Scientology by a parishioner is preceded in many cases by a fixed donation with respect to a particular religious service or series of services. Often these donations are made in advance of participation in the service. There may be a series of small donations made over time which add up to the amount requested.

When a parishioner makes a donation with respect to a religious service, whether he intends to start that service immediately or at sometime in the future, there is a credit invoice written (Exhibit IV-1-A) for the amount of the donation and the parishioner is given the top white copy for his records. Another copy is filed and logged in his or her parishioner folder. (Exhibit IV-1-B.) The other invoice copies are used for accounting purposes.

When a parishioner commences a service, a debit invoice is written for the donation amount requested for participation in that particular religious service. (Exhibit IV-1-C.) A copy of the debit invoice is given to the parishioner for his records and another copy is attached to a form which is then taken by the parishioner to the Course Supervisor in the case of training or to the Director of Processing in the case of auditing. Another copy is filed and logged in the parishioner's folder. In many instances, a parishioner will have donated funds in excess of the amount requested. Both the Church and the parishioner, then, maintain a record of unused donations on account. A parishioner may also have donated funds to another Church of Scientology which he can request be transferred to the Church where he wishes to participate in religious services. (Exhibit IV-1-D.)

In addition to these accounting records, the parishioner and the Church track a parishioner's participation in religious services in terms of his progress as a spiritual being. The nature of the service taken varies from parishioner to parishioner depending where he or she is on the Bridge. There is a sequence of services for both the training and auditing sides of the Bridge. For example, one cannot train to become a Level Two auditor until one has successfully completed training on Level One and so forth. Similarly, one cannot be audited on Grade III until one has completed Grade II. The Bridge consists of a series of gradient steps, each of which prepares one for the next more difficult step so that it too can be successfully attained.