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Hubbard siphoned Scientology funds, ex-member testifies

Associated Press

LOS ANGELES — Church of Scientology founder L. Ron Hubbard put more than \$200-million in church funds into Swiss bank accounts while keeping secret control of the church, an attorney for a former church member said Friday.

Attorney Michael Flynn said at the trial of Gerald Armstrong, a former member and archivist accused by Scientology officials of stealing documents from the church, that the documents will show Hubbard received more than \$200-million from various Scientology corporations while claiming he was receiving nothing.

Flynn tried to question Armstrong about a tape recording of church officials and attorneys that is under court seal. He

said the tape showed church leaders and attorneys tried to conceal the transfers.

Flynn said Armstrong discovered the alleged transfer while working on a project with other church officials to sort out internal problems of the organization.

Armstrong testified that the purpose of the project was to "set up legal ways for Hubbard to control the Scientology organizations, but not be responsible for them."

But church attorney Barry Litt said the project's goal was to retain attorneys, gather information for them and then seek advice from them regarding the best way to handle problems that had arisen with the church and Scientology organizations.

But Flynn said that Armstrong "realized that he and every Scientologist has been grossly misrepresented as to Hubbard's control of the church and the Scientology funds he was receiving."

The church is seeking to recover the documents from Armstrong, claiming he illegally took the material.

Armstrong has said the church branded him a thief and rumormonger.