



Table 1: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 100) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 10 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	25	5.47	1.96	0.85	0.4	0.19	0.09	0.04	0.02	0.01	0
25	54.52	11.04	3.83	1.68	0.83	0.43	0.22	0.12	0.06	0.03	0.01
30	124.57	23.17	7.61	3.28	1.63	0.88	0.49	0.28	0.16	0.09	0.05
35	302.45	51.52	15.84	6.54	3.2	1.74	1.01	0.6	0.36	0.22	0.13
40	791.41	123.65	35.33	13.79	6.52	3.48	2.02	1.23	0.77	0.49	0.32
45	2268.39	326.26	86.42	31.64	14.21	7.33	4.16	2.53	1.61	1.05	0.7
50	7268.25	966.81	237.65	81.22	34.36	16.88	9.24	5.47	3.44	2.26	1.53
55	26749.28	3306.89	756.39	241.25	95.7	44.36	23.1	13.15	8.02	5.16	3.46
60	117453.15	13558.09	2896.31	863.55	320.87	139.79	68.73	37.16	21.66	13.42	8.74
65	650798.76	70448.1	14109.27	3944.18	1374.74	562.45	260.22	132.74	73.3	43.22	26.91
70	4970599.57	506514.61	95458.73	25102.57	8229.25	3166.85	1378.65	662.29	344.91	192.16	113.37
75	6.091679e+07	5863717.25	1043403.19	258952.38	80084.99	29064.03	11929.07	5402.21	2652.34	1393.57	775.78
80	1.616639e+09	1.474469e+08	2.484828e+07	5837673.44	1708209.64	586289.92	227473.46	97335.88	45136.96	22391.29	11765.47
85	1.989180e+11	1.723841e+10	2.758865e+09	6.152405e+08	1.708057e+08	5.559234e+07	2.044354e+07	8287060.49	3638641.03	1708209.64	848989.11
90	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf
95	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf
100											
125											
150											
200											
300											
400											
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 2: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 500) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 10 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	16.84	3.5	1.16	0.44	0.17	0.06	0.02	0.01	0	0	0
25	30.34	5.93	1.94	0.77	0.33	0.14	0.05	0.02	0.01	0	0
30	54.43	9.89	3.14	1.27	0.56	0.25	0.11	0.05	0.02	0.01	0
35	97.69	16.47	5.01	2	0.91	0.43	0.21	0.09	0.04	0.02	0.01
40	175.87	27.48	7.95	3.09	1.4	0.69	0.34	0.17	0.08	0.04	0.02
45	318.15	46.13	12.61	4.74	2.13	1.06	0.55	0.28	0.14	0.07	0.03
50	578.9	78.09	20.13	7.27	3.2	1.58	0.83	0.45	0.24	0.13	0.06
55	1060.17	133.45	32.41	11.19	4.78	2.34	1.23	0.68	0.38	0.21	0.11
60	1955.02	230.41	52.74	17.35	7.17	3.43	1.8	1	0.57	0.33	0.18
65	3631.37	402.03	86.84	27.17	10.8	5.04	2.61	1.45	0.83	0.49	0.29
70	6795.97	709.06	144.78	43.07	16.42	7.43	3.78	2.08	1.2	0.72	0.43
75	12817.3	1264.1	244.48	69.19	25.26	11.04	5.48	2.98	1.72	1.03	0.63
80	24367.04	2278.08	418.2	112.67	39.36	16.58	8	4.26	2.43	1.46	0.9
85	46705.28	4150.01	724.68	186.09	62.19	25.2	11.79	6.14	3.45	2.05	1.27
90	90277.95	7642.28	1272.07	311.79	99.73	38.84	17.57	8.9	4.92	2.89	1.77
95	176014.2	14226.73	2261.81	529.98	162.36	60.76	26.53	13.05	7.04	4.08	2.48
100	346230.21	26774.26	4073.36	913.89	268.42	96.53	40.64	19.38	10.19	5.79	3.48
125	1.174959e+07	746969.6	93443.32	17253.49	4179.71	1245.23	437.77	176.38	79.65	39.6	21.34
150	5.183002e+08	2.797347e+07	2970151.77	465430.99	95703.16	24213.03	7236.99	2484.52	959.66	410.41	191.83
200	2.643183e+12	1.099437e+11	8.961022e+09	1.077204e+09	1.698372e+08	3.293590e+07	7544104.84	1984879.57	587772.03	192886.15	69297.44
300	6.805179e+14	4.212730e+14	5.529208e+14	1.701295e+14	2.527638e+14	Inf	4.656175e+14	2.764604e+14	1.164044e+14	6.965931e+13	1.701295e+13
400	Inf	3.050597e+14	4.656175e+14	Inf	4.212730e+14	1.734653e+14	4.656175e+14	Inf	5.897822e+14	Inf	5.203960e+14
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 3: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 1000) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 10 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	16.12	3.33	1.09	0.41	0.15	0.05	0.02	0	0	0	0
25	28.52	5.53	1.79	0.7	0.29	0.12	0.04	0.01	0	0	0
30	50.05	9.06	2.86	1.13	0.49	0.22	0.09	0.04	0.01	0	0
35	87.57	14.72	4.46	1.76	0.78	0.36	0.17	0.07	0.03	0.01	0
40	153.12	23.89	6.89	2.66	1.19	0.57	0.28	0.13	0.06	0.02	0.01
45	268.01	38.85	10.63	3.99	1.77	0.86	0.43	0.22	0.1	0.05	0.02
50	470.02	63.44	16.4	5.93	2.59	1.26	0.65	0.34	0.17	0.08	0.04
55	826.29	104.15	25.42	8.81	3.76	1.82	0.94	0.5	0.27	0.14	0.07
60	1456.65	172.01	39.63	13.13	5.44	2.6	1.35	0.73	0.4	0.22	0.12
65	2575.56	285.83	62.24	19.67	7.87	3.68	1.89	1.03	0.58	0.32	0.18
70	4568.1	477.9	98.48	29.66	11.44	5.21	2.65	1.44	0.82	0.47	0.27
75	8128.12	803.99	157.06	45.09	16.71	7.38	3.68	1.99	1.13	0.66	0.39
80	14509.87	1360.74	252.49	69.12	24.58	10.52	5.13	2.74	1.55	0.91	0.54
85	25988.46	2316.63	409.1	106.89	36.46	15.07	7.16	3.76	2.11	1.24	0.75
90	46704.89	3966.71	667.99	166.77	54.56	21.76	10.05	5.17	2.87	1.68	1.01
95	84222.61	6830.25	1098.93	262.5	82.41	31.67	14.18	7.12	3.89	2.26	1.37
100	152404.79	11825.49	1821.1	416.78	125.62	46.51	20.17	9.87	5.3	3.04	1.83
125	3119284.12	198995.19	25212.82	4756.54	1186.9	366.82	134.52	56.73	26.83	13.94	7.81
150	7.007415e+07	3795305.12	408253.11	65406.17	13870.39	3649.15	1142.87	413.93	169.61	77.25	38.52
200	4.791690e+10	1.993201e+09	1.646130e+08	2.024409e+07	3295384.94	665671.43	160186.41	44643.21	14114.6	4982.88	1939.62
300	5.950799e+14	1.785240e+15	1.684189e+14	1.194940e+13	1.381765e+12	1.909633e+11	3.127040e+10	5.934168e+09	1.277075e+09	3.068627e+08	8.131636e+07
400	1.487700e+15	6.375857e+14	Inf	Inf	Inf	1.487700e+15	Inf	Inf	3.187928e+14	Inf	8.582884e+13
500	1.487700e+15	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 4: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 100) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 5 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	6.48	1.71	0.66	0.29	0.13	0.06	0.02	0.01	0	0	0
25	10.09	2.63	1.04	0.48	0.23	0.12	0.06	0.03	0.01	0.01	0
30	15.95	4.05	1.62	0.77	0.4	0.21	0.11	0.06	0.03	0.01	0.01
35	25.82	6.35	2.51	1.22	0.65	0.37	0.21	0.12	0.07	0.04	0.02
40	43.15	10.19	3.97	1.93	1.05	0.61	0.37	0.22	0.14	0.08	0.05
45	75.14	16.97	6.43	3.1	1.7	1.01	0.63	0.4	0.26	0.17	0.11
50	137.78	29.66	10.87	5.14	2.81	1.68	1.06	0.7	0.47	0.31	0.21
55	269.61	55.22	19.48	8.96	4.82	2.87	1.82	1.21	0.83	0.58	0.41
60	573.06	111.63	37.73	16.79	8.82	5.17	3.27	2.18	1.5	1.07	0.77
65	1356.3	251.34	81.2	34.75	17.69	10.12	6.29	4.15	2.87	2.05	1.5
70	3709.09	654.55	201.91	82.84	40.63	22.52	13.64	8.83	6.01	4.25	3.11
75	12437.71	2093.3	616.62	242.08	113.92	60.81	35.61	22.38	14.87	10.32	7.42
80	56832.71	9138.29	2572.74	966.11	435.41	222.97	125.54	76.06	48.85	32.89	23.03
85	440132.79	67735.6	18251.41	6560.14	2830.7	1388.52	749.44	435.71	268.86	174.2	117.56
90	1.048985e+07	1547911.88	399823.02	137732.23	56949.85	26765.48	13840.69	7709.59	4558.45	2830.7	1831.46
95	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf	Inf
100											
125											
150											
200											
300											
400											
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 5: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 500) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 5 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	4.88	1.13	0.36	0.12	0.04	0.01	0	0	0	0	0
25	6.76	1.56	0.52	0.19	0.07	0.02	0.01	0	0	0	0
30	9.29	2.12	0.73	0.28	0.11	0.04	0.01	0	0	0	0
35	12.68	2.84	0.98	0.39	0.16	0.06	0.02	0.01	0	0	0
40	17.25	3.76	1.31	0.54	0.23	0.1	0.04	0.01	0	0	0
45	23.43	4.95	1.72	0.72	0.32	0.14	0.06	0.02	0.01	0	0
50	31.82	6.51	2.23	0.94	0.43	0.2	0.09	0.04	0.02	0.01	0
55	43.24	8.53	2.88	1.22	0.57	0.27	0.13	0.06	0.03	0.01	0
60	58.85	11.19	3.7	1.56	0.74	0.36	0.18	0.09	0.04	0.02	0.01
65	80.26	14.69	4.76	1.99	0.95	0.48	0.24	0.12	0.06	0.03	0.01
70	109.73	19.33	6.11	2.53	1.21	0.62	0.32	0.17	0.09	0.04	0.02
75	150.47	25.51	7.85	3.21	1.53	0.79	0.42	0.23	0.12	0.06	0.03
80	207	33.77	10.1	4.07	1.93	1	0.54	0.3	0.16	0.09	0.04
85	285.74	44.88	13.04	5.16	2.43	1.26	0.69	0.39	0.22	0.12	0.06
90	395.89	59.9	16.89	6.54	3.05	1.58	0.87	0.5	0.28	0.16	0.09
95	550.63	80.3	21.97	8.32	3.82	1.98	1.09	0.63	0.37	0.21	0.12
100	768.94	108.18	28.7	10.62	4.8	2.46	1.37	0.79	0.47	0.28	0.16
125	4362.14	519.25	118.33	38.5	15.78	7.57	4.06	2.34	1.42	0.89	0.57
150	27992.56	2878.89	569.8	162.6	59.31	25.83	12.82	7.02	4.14	2.57	1.66
200	1814039.47	146445.34	22806.91	5144.29	1495.01	525.05	213.94	98.29	49.83	27.4	16.12
300	1.231446e+11	6.949121e+09	7.567879e+08	1.194376e+08	2.431022e+07	5989138.42	1716259.78	556706.43	200414.31	78888.98	33561.12
400	1.738556e+15	Inf	Inf	Inf	Inf	Inf	3.951264e+14	5.913456e+13	1.168384e+13	3.133663e+12	1.033501e+12
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 6: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 1000) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 5 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	4.72	1.07	0.33	0.11	0.03	0.01	0	0	0	0	0
25	6.48	1.47	0.48	0.16	0.05	0.02	0	0	0	0	0
30	8.78	1.97	0.66	0.24	0.09	0.03	0.01	0	0	0	0
35	11.81	2.6	0.88	0.34	0.13	0.05	0.02	0	0	0	0
40	15.81	3.4	1.15	0.46	0.19	0.07	0.03	0.01	0	0	0
45	21.1	4.4	1.49	0.6	0.25	0.11	0.04	0.01	0	0	0
50	28.09	5.68	1.91	0.78	0.34	0.15	0.06	0.02	0.01	0	0
55	37.35	7.3	2.42	1	0.45	0.2	0.09	0.04	0.01	0	0
60	49.63	9.36	3.06	1.26	0.57	0.27	0.12	0.05	0.02	0.01	0
65	65.95	11.99	3.84	1.58	0.73	0.35	0.17	0.08	0.03	0.01	0.01
70	87.68	15.36	4.81	1.96	0.91	0.44	0.22	0.1	0.05	0.02	0.01
75	116.63	19.69	6.02	2.43	1.13	0.56	0.28	0.14	0.07	0.03	0.01
80	155.29	25.26	7.53	3	1.39	0.7	0.36	0.18	0.09	0.04	0.02
85	206.99	32.45	9.42	3.7	1.71	0.86	0.45	0.23	0.12	0.06	0.03
90	276.23	41.77	11.8	4.55	2.09	1.06	0.56	0.3	0.16	0.08	0.04
95	369.14	53.85	14.79	5.6	2.55	1.29	0.69	0.37	0.2	0.11	0.05
100	494	69.58	18.57	6.89	3.1	1.56	0.84	0.46	0.25	0.14	0.07
125	2170.81	259.45	59.97	19.87	8.27	3.99	2.12	1.2	0.7	0.41	0.24
150	9958.5	1029.6	207.65	60.94	22.94	10.29	5.22	2.89	1.69	1.03	0.64
200	241807.33	19637.03	3126.18	731.23	223.05	82.96	35.98	17.61	9.47	5.48	3.35
300	2.783800e+08	1.580635e+07	1761984.43	289278.49	62188.98	16414.95	5107.57	1821.41	729.13	322.42	155.45
400	9.948293e+11	4.345571e+10	3.724310e+09	4.702226e+08	7.776707e+07	1.579868e+07	3785911.45	1040699.78	321543.93	109945.71	41099.82
500	Inf	8.847017e+15	4.423508e+13	4.330405e+12	5.816197e+11	9.588079e+10	1.865405e+10	4.164043e+09	1.044844e+09	2.901797e+08	8.812093e+07

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 7: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 100) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 2.5 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	3.37	0.96	0.39	0.18	0.09	0.04	0.02	0.01	0	0	0
25	4.56	1.31	0.55	0.27	0.14	0.07	0.04	0.02	0.01	0	0
30	6.24	1.79	0.77	0.38	0.2	0.11	0.06	0.03	0.02	0.01	0
35	8.67	2.47	1.07	0.55	0.3	0.17	0.1	0.06	0.03	0.02	0.01
40	12.26	3.44	1.49	0.78	0.44	0.27	0.16	0.1	0.06	0.04	0.02
45	17.79	4.9	2.12	1.11	0.65	0.4	0.25	0.16	0.11	0.07	0.05
50	26.64	7.16	3.07	1.62	0.95	0.6	0.39	0.26	0.18	0.12	0.08
55	41.5	10.87	4.59	2.41	1.43	0.91	0.61	0.42	0.29	0.21	0.15
60	68.04	17.31	7.17	3.73	2.2	1.41	0.95	0.67	0.48	0.35	0.26
65	119.2	29.39	11.9	6.09	3.57	2.28	1.55	1.1	0.8	0.59	0.45
70	228.29	54.46	21.47	10.76	6.22	3.95	2.67	1.89	1.39	1.04	0.8
75	495.28	114.21	43.7	21.38	12.12	7.58	5.08	3.58	2.62	1.98	1.52
80	1294.11	288.32	106.88	50.81	28.1	17.2	11.33	7.88	5.71	4.28	3.29
85	4594.9	989.09	354.73	163.47	87.8	52.34	33.65	22.9	16.3	12.02	9.13
90	29870.16	6215.38	2155.71	961.34	500.15	289.09	180.44	119.42	82.77	59.55	44.19
95	1254571.27	252551.36	84736.42	36555.41	18399.08	10289.95	6215.38	3981.89	2672.55	1862.79	1339.62
100											
125											
150											
200											
300											
400											
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 8: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 500) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 2.5 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	2.48	0.58	0.18	0.05	0.01	0	0	0	0	0	0
25	3.02	0.72	0.23	0.07	0.02	0.01	0	0	0	0	0
30	3.65	0.88	0.29	0.1	0.03	0.01	0	0	0	0	0
35	4.4	1.07	0.36	0.13	0.05	0.02	0	0	0	0	0
40	5.27	1.28	0.45	0.17	0.06	0.02	0.01	0	0	0	0
45	6.31	1.53	0.54	0.21	0.08	0.03	0.01	0	0	0	0
50	7.53	1.82	0.65	0.26	0.11	0.04	0.02	0.01	0	0	0
55	8.97	2.15	0.78	0.32	0.14	0.06	0.02	0.01	0	0	0
60	10.69	2.54	0.92	0.39	0.17	0.07	0.03	0.01	0	0	0
65	12.73	2.98	1.09	0.47	0.21	0.09	0.04	0.02	0.01	0	0
70	15.17	3.51	1.28	0.56	0.26	0.12	0.05	0.02	0.01	0	0
75	18.07	4.11	1.5	0.66	0.31	0.15	0.07	0.03	0.01	0.01	0
80	21.54	4.82	1.76	0.78	0.37	0.18	0.09	0.04	0.02	0.01	0
85	25.71	5.66	2.05	0.91	0.44	0.22	0.11	0.05	0.02	0.01	0
90	30.71	6.64	2.39	1.06	0.52	0.26	0.13	0.07	0.03	0.02	0.01
95	36.74	7.79	2.78	1.24	0.61	0.32	0.16	0.08	0.04	0.02	0.01
100	44.02	9.15	3.23	1.44	0.72	0.38	0.2	0.11	0.05	0.03	0.01
125	111.69	20.95	6.95	3.02	1.52	0.83	0.47	0.27	0.16	0.09	0.05
150	300.16	50.69	15.54	6.43	3.16	1.73	1.01	0.61	0.38	0.24	0.15
200	2723.36	377.45	97.29	34.94	15.5	7.94	4.5	2.74	1.75	1.16	0.79
300	931048.26	93781.96	17706.75	4717.71	1581.81	627.45	283.32	141.85	77.25	45.1	27.9
400	2.485954e+10	1.964405e+09	2.911099e+08	6.091481e+07	1.605386e+07	5011166.78	1783507.86	705405.26	304409.91	141381.23	69929.69
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 9: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 1000) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 2.5 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	2.38	0.53	0.15	0.04	0.01	0.00	0.00	0.00	0.00	0.00	0.00
25	2.86	0.66	0.19	0.06	0.01	0.00	0.00	0.00	0.00	0.00	0.00
30	3.42	0.8	0.24	0.08	0.02	0.01	0.00	0.00	0.00	0.00	0.00
35	4.06	0.95	0.30	0.10	0.03	0.01	0.00	0.00	0.00	0.00	0.00
40	4.79	1.13	0.37	0.13	0.04	0.01	0.00	0.00	0.00	0.00	0.00
45	5.64	1.33	0.44	0.16	0.05	0.02	0.01	0.00	0.00	0.00	0.00
50	6.62	1.56	0.53	0.20	0.07	0.02	0.01	0.00	0.00	0.00	0.00
55	7.75	1.81	0.62	0.24	0.09	0.03	0.01	0.00	0.00	0.00	0.00
60	9.06	2.1	0.73	0.29	0.11	0.04	0.01	0.00	0.00	0.00	0.00
65	10.58	2.43	0.85	0.34	0.14	0.05	0.02	0.01	0.00	0.00	0.00
70	12.33	2.8	0.99	0.40	0.17	0.07	0.03	0.01	0.00	0.00	0.00
75	14.36	3.22	1.14	0.47	0.20	0.08	0.03	0.01	0.00	0.00	0.00
80	16.71	3.7	1.30	0.54	0.24	0.10	0.04	0.02	0.01	0.00	0.00
85	19.44	4.24	1.49	0.63	0.28	0.12	0.05	0.02	0.01	0.00	0.00
90	22.61	4.86	1.70	0.72	0.33	0.15	0.06	0.03	0.01	0.00	0.00
95	26.3	5.56	1.94	0.82	0.38	0.17	0.08	0.03	0.01	0.01	0.00
100	30.59	6.36	2.21	0.94	0.44	0.21	0.10	0.04	0.02	0.01	0.00
125	65.37	12.42	4.12	1.75	0.84	0.43	0.22	0.11	0.05	0.02	0.01
150	141.55	24.46	7.64	3.16	1.52	0.80	0.43	0.23	0.13	0.07	0.03
200	705.39	101.35	27.36	10.26	4.70	2.43	1.36	0.80	0.48	0.29	0.17
300	24131.79	2539.29	513.17	149.20	55.33	24.44	12.28	6.80	4.04	2.54	1.65
400	1437939.13	118871.1	18,932.96	4,361.79	1,292.99	462.56	191.72	89.46	46.00	25.62	15.24
500	1.840864e+08	1.252888e+07	1,644,218.44	312,429.82	76,493.74	22,646.37	7,790.20	3,029.74	1,305.95	614.51	311.89

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 10: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 100) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 1 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	1.87	0.63	0.29	0.15	0.08	0.04	0.02	0.01	0.01	0	0
25	2.2	0.75	0.36	0.19	0.11	0.06	0.04	0.02	0.01	0.01	0
30	2.61	0.9	0.44	0.24	0.14	0.08	0.05	0.03	0.02	0.01	0.01
35	3.12	1.09	0.54	0.3	0.18	0.11	0.07	0.05	0.03	0.02	0.01
40	3.76	1.33	0.66	0.38	0.24	0.15	0.1	0.07	0.04	0.03	0.02
45	4.58	1.63	0.83	0.48	0.31	0.2	0.14	0.09	0.06	0.04	0.03
50	5.67	2.02	1.04	0.62	0.4	0.27	0.19	0.13	0.09	0.07	0.05
55	7.14	2.55	1.32	0.8	0.52	0.36	0.25	0.18	0.13	0.1	0.07
60	9.21	3.29	1.71	1.05	0.69	0.49	0.35	0.26	0.19	0.15	0.11
65	12.24	4.37	2.28	1.4	0.94	0.67	0.49	0.37	0.28	0.22	0.17
70	16.94	6.02	3.15	1.95	1.32	0.95	0.71	0.54	0.42	0.34	0.27
75	24.8	8.76	4.58	2.84	1.93	1.4	1.06	0.82	0.65	0.52	0.43
80	39.47	13.83	7.2	4.46	3.05	2.22	1.68	1.32	1.06	0.86	0.72
85	71.86	24.92	12.89	7.96	5.43	3.96	3.02	2.38	1.92	1.58	1.32
90	168.39	57.63	29.51	18.09	12.29	8.93	6.8	5.35	4.33	3.58	3.01
95	759.63	255.92	129.25	78.29	52.66	37.92	28.66	22.46	18.09	14.89	12.48
100											
125											
150											
200											
300											
400											
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 11: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 500) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 1 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	1.52	0.37	0.11	0.03	0.01	0	0	0	0	0	0
25	1.67	0.41	0.13	0.04	0.01	0	0	0	0	0	0
30	1.84	0.46	0.15	0.05	0.02	0	0	0	0	0	0
35	2.01	0.51	0.17	0.06	0.02	0.01	0	0	0	0	0
40	2.21	0.57	0.19	0.07	0.02	0.01	0	0	0	0	0
45	2.42	0.63	0.22	0.08	0.03	0.01	0	0	0	0	0
50	2.64	0.69	0.24	0.09	0.03	0.01	0	0	0	0	0
55	2.88	0.76	0.27	0.1	0.04	0.01	0.01	0	0	0	0
60	3.15	0.83	0.3	0.12	0.05	0.02	0.01	0	0	0	0
65	3.43	0.92	0.34	0.14	0.05	0.02	0.01	0	0	0	0
70	3.74	1	0.37	0.15	0.06	0.03	0.01	0	0	0	0
75	4.08	1.1	0.41	0.17	0.07	0.03	0.01	0	0	0	0
80	4.44	1.2	0.46	0.19	0.08	0.04	0.02	0.01	0	0	0
85	4.84	1.31	0.5	0.22	0.1	0.04	0.02	0.01	0	0	0
90	5.27	1.42	0.56	0.24	0.11	0.05	0.02	0.01	0	0	0
95	5.74	1.55	0.61	0.27	0.13	0.06	0.03	0.01	0	0	0
100	6.26	1.69	0.67	0.3	0.14	0.07	0.03	0.01	0.01	0	0
125	9.64	2.57	1.04	0.49	0.25	0.13	0.07	0.03	0.02	0.01	0
150	15.07	3.93	1.6	0.78	0.41	0.23	0.13	0.07	0.04	0.02	0.01
200	39.57	9.61	3.82	1.9	1.06	0.63	0.39	0.24	0.15	0.1	0.06
300	471.38	94.89	33.02	15.07	8.1	4.84	3.12	2.11	1.49	1.08	0.8
400	32644.89	5441.77	1586.55	616.24	286.91	151.58	87.93	54.81	36.17	24.98	17.92
500											

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.



Table 12: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 1000) —
Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 1 Percent

Sample Size	Actual Number of Deviations Found										
	0	1	2	3	4	5	6	7	8	9	10
20	1.48	0.33	0.09	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.00
25	1.62	0.37	0.10	0.03	0.01	0.00	0.00	0.00	0.00	0.00	0.00
30	1.77	0.41	0.11	0.03	0.01	0.00	0.00	0.00	0.00	0.00	0.00
35	1.93	0.45	0.13	0.04	0.01	0.00	0.00	0.00	0.00	0.00	0.00
40	2.09	0.49	0.15	0.04	0.01	0.00	0.00	0.00	0.00	0.00	0.00
45	2.27	0.54	0.17	0.05	0.01	0.00	0.00	0.00	0.00	0.00	0.00
50	2.46	0.59	0.19	0.06	0.02	0.00	0.00	0.00	0.00	0.00	0.00
55	2.67	0.65	0.21	0.07	0.02	0.01	0.00	0.00	0.00	0.00	0.00
60	2.88	0.71	0.23	0.08	0.02	0.01	0.00	0.00	0.00	0.00	0.00
65	3.11	0.77	0.25	0.09	0.03	0.01	0.00	0.00	0.00	0.00	0.00
70	3.36	0.83	0.28	0.10	0.03	0.01	0.00	0.00	0.00	0.00	0.00
75	3.62	0.90	0.31	0.11	0.04	0.01	0.00	0.00	0.00	0.00	0.00
80	3.90	0.97	0.33	0.12	0.04	0.01	0.00	0.00	0.00	0.00	0.00
85	4.20	1.05	0.37	0.14	0.05	0.02	0.01	0.00	0.00	0.00	0.00
90	4.52	1.13	0.40	0.15	0.06	0.02	0.01	0.00	0.00	0.00	0.00
95	4.86	1.22	0.43	0.17	0.06	0.02	0.01	0.00	0.00	0.00	0.00
100	5.23	1.31	0.47	0.18	0.07	0.03	0.01	0.00	0.00	0.00	0.00
125	7.48	1.87	0.69	0.29	0.12	0.05	0.02	0.01	0.00	0.00	0.00
150	10.65	2.61	0.98	0.43	0.20	0.09	0.04	0.02	0.01	0.00	0.00
200	21.72	5.04	1.89	0.86	0.43	0.22	0.11	0.06	0.03	0.01	0.01
300	98.38	19.62	6.81	3.07	1.59	0.90	0.53	0.32	0.19	0.11	0.07
400	547.51	92.42	28.21	11.65	5.77	3.21	1.93	1.22	0.80	0.53	0.36
500	4,150.30	599.34	158.81	58.08	26.09	13.51	7.75	4.79	3.12	2.12	1.49

Note:
This table presents Bayes factors based on equal prior probabilities and zero expected errors.