



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	3.22	1.70	0.67	-0.16	-0.92	-1.67	-2.44	-3.26	-4.15	-5.11	-6.15
25	4.00	2.40	1.34	0.52	-0.19	-0.85	-1.50	-2.16	-2.86	-3.61	-4.41
30	4.82	3.14	2.03	1.19	0.49	-0.13	-0.71	-1.28	-1.85	-2.45	-3.08
35	5.71	3.94	2.76	1.88	1.16	0.55	0.01	-0.51	-1.01	-1.52	-2.03
40	6.67	4.82	3.56	2.62	1.87	1.25	0.70	0.21	-0.26	-0.70	-1.15
45	7.73	5.79	4.46	3.45	2.65	1.99	1.43	0.93	0.47	0.05	-0.35
50	8.89	6.87	5.47	4.40	3.54	2.83	2.22	1.70	1.24	0.81	0.42
55	10.19	8.10	6.63	5.49	4.56	3.79	3.14	2.58	2.08	1.64	1.24
60	11.67	9.51	7.97	6.76	5.77	4.94	4.23	3.62	3.08	2.60	2.17
65	13.39	11.16	9.55	8.28	7.23	6.33	5.56	4.89	4.29	3.77	3.29
70	15.42	13.14	11.47	10.13	9.02	8.06	7.23	6.50	5.84	5.26	4.73
75	17.93	15.58	13.86	12.46	11.29	10.28	9.39	8.59	7.88	7.24	6.65
80	21.20	18.81	17.03	15.58	14.35	13.28	12.33	11.49	10.72	10.02	9.37
85	25.99	23.57	21.74	20.24	18.96	17.83	16.83	15.93	15.11	14.35	13.65
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 no expected errors  
BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	2.82	1.25	0.15	-0.81	-1.75	-2.75	-3.85	-5.07	-6.42	-7.90	-9.51
25	3.41	1.78	0.66	-0.26	-1.12	-1.99	-2.92	-3.95	-5.08	-6.32	-7.67
30	4.00	2.29	1.15	0.24	-0.58	-1.37	-2.19	-3.07	-4.04	-5.09	-6.25
35	4.58	2.80	1.61	0.69	-0.10	-0.84	-1.58	-2.36	-3.20	-4.11	-5.11
40	5.17	3.31	2.07	1.13	0.34	-0.37	-1.07	-1.77	-2.51	-3.31	-4.18
45	5.76	3.83	2.53	1.56	0.76	0.05	-0.61	-1.26	-1.93	-2.64	-3.41
50	6.36	4.36	3.00	1.98	1.16	0.46	-0.19	-0.80	-1.43	-2.07	-2.76
55	6.97	4.89	3.48	2.41	1.57	0.85	0.21	-0.39	-0.98	-1.57	-2.19
60	7.58	5.44	3.97	2.85	1.97	1.23	0.59	0.00	-0.56	-1.12	-1.70
65	8.20	6.00	4.46	3.30	2.38	1.62	0.96	0.37	-0.18	-0.72	-1.25
70	8.82	6.56	4.98	3.76	2.80	2.01	1.33	0.73	0.19	-0.33	-0.85
75	9.46	7.14	5.50	4.24	3.23	2.40	1.70	1.09	0.54	0.03	-0.47
80	10.10	7.73	6.04	4.72	3.67	2.81	2.08	1.45	0.89	0.38	-0.11
85	10.75	8.33	6.59	5.23	4.13	3.23	2.47	1.81	1.24	0.72	0.24
90	11.41	8.94	7.15	5.74	4.60	3.66	2.87	2.19	1.59	1.06	0.57
95	12.08	9.56	7.72	6.27	5.09	4.11	3.28	2.57	1.95	1.41	0.91
100	12.75	10.20	8.31	6.82	5.59	4.57	3.70	2.96	2.32	1.76	1.25
125	16.28	13.52	11.45	9.76	8.34	7.13	6.08	5.17	4.38	3.68	3.06
150	20.07	17.15	14.90	13.05	11.47	10.09	8.89	7.82	6.87	6.02	5.26
200	28.19	25.47	22.92	20.80	18.95	17.31	15.84	14.50	13.28	12.17	11.15
300	29.08			28.27	32.18			28.27	29.74		28.47
400	29.30			28.31	29.62	31.78		28.48			30.41
500											

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	2.78	1.20	0.08	-0.90	-1.87	-2.91	-4.07	-5.36	-6.79	-8.35	-10.06
25	3.35	1.71	0.58	-0.35	-1.24	-2.15	-3.14	-4.23	-5.43	-6.76	-8.21
30	3.91	2.20	1.05	0.13	-0.71	-1.53	-2.40	-3.34	-4.38	-5.52	-6.77
35	4.47	2.69	1.50	0.56	-0.25	-1.02	-1.80	-2.63	-3.54	-4.53	-5.62
40	5.03	3.17	1.93	0.98	0.18	-0.56	-1.29	-2.04	-2.85	-3.72	-4.68
45	5.59	3.66	2.36	1.38	0.57	-0.15	-0.84	-1.53	-2.26	-3.05	-3.90
50	6.15	4.15	2.80	1.78	0.95	0.23	-0.43	-1.09	-1.76	-2.47	-3.23
55	6.72	4.65	3.24	2.18	1.33	0.60	-0.06	-0.69	-1.32	-1.97	-2.66
60	7.28	5.15	3.68	2.57	1.69	0.95	0.30	-0.32	-0.92	-1.52	-2.16
65	7.85	5.66	4.13	2.98	2.06	1.30	0.64	0.03	-0.55	-1.12	-1.72
70	8.43	6.17	4.59	3.39	2.44	1.65	0.97	0.37	-0.20	-0.76	-1.32
75	9.00	6.69	5.06	3.81	2.82	2.00	1.30	0.69	0.12	-0.42	-0.95
80	9.58	7.22	5.53	4.24	3.20	2.35	1.64	1.01	0.44	-0.09	-0.61
85	10.17	7.75	6.01	4.67	3.60	2.71	1.97	1.32	0.75	0.22	-0.29
90	10.75	8.29	6.50	5.12	4.00	3.08	2.31	1.64	1.05	0.52	0.01
95	11.34	8.83	7.00	5.57	4.41	3.46	2.65	1.96	1.36	0.82	0.31
100	11.93	9.38	7.51	6.03	4.83	3.84	3.00	2.29	1.67	1.11	0.60
125	14.95	12.20	10.14	8.47	7.08	5.90	4.90	4.04	3.29	2.63	2.06
150	18.07	15.15	12.92	11.09	9.54	8.20	7.04	6.03	5.13	4.35	3.65
200	24.62	21.41	18.92	16.82	15.01	13.41	11.98	10.71	9.55	8.51	7.57
300				27.75	27.01	25.88	24.12	22.50	20.97	19.54	18.21
400				28.03	27.77	30.25	27.51	28.36	27.87		28.78
500				29.12	28.15		27.65	29.63	28.77		

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	1.87	0.53	-0.42	-1.25	-2.05	-2.87	-3.72	-4.63	-5.59	-6.61	-7.69
25	2.31	0.97	0.04	-0.74	-1.45	-2.16	-2.89	-3.65	-4.45	-5.29	-6.18
30	2.77	1.40	0.48	-0.26	-0.92	-1.55	-2.18	-2.83	-3.50	-4.20	-4.94
35	3.25	1.85	0.92	0.20	-0.43	-1.00	-1.56	-2.12	-2.69	-3.29	-3.90
40	3.76	2.32	1.38	0.66	0.05	-0.49	-1.00	-1.50	-1.99	-2.50	-3.02
45	4.32	2.83	1.86	1.13	0.53	0.01	-0.47	-0.92	-1.36	-1.80	-2.24
50	4.93	3.39	2.39	1.64	1.03	0.52	0.06	-0.36	-0.77	-1.16	-1.54
55	5.60	4.01	2.97	2.19	1.57	1.05	0.60	0.19	-0.19	-0.55	-0.89
60	6.35	4.72	3.63	2.82	2.18	1.64	1.18	0.78	0.41	0.07	-0.26
65	7.21	5.53	4.40	3.55	2.87	2.31	1.84	1.42	1.05	0.72	0.40
70	8.22	6.48	5.31	4.42	3.70	3.11	2.61	2.18	1.79	1.45	1.13
75	9.43	7.65	6.42	5.49	4.74	4.11	3.57	3.11	2.70	2.33	2.00
80	10.95	9.12	7.85	6.87	6.08	5.41	4.83	4.33	3.89	3.49	3.14
85	12.99	11.12	9.81	8.79	7.95	7.24	6.62	6.08	5.59	5.16	4.77
90	16.17	14.25	12.90	11.83	10.95	10.19	9.54	8.95	8.42	7.95	7.51
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 no expected errors  
BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	1.58	0.12	-1.01	-2.11	-3.27	-4.53	-5.92	-7.44	-9.07	-10.81	-12.65
25	1.91	0.45	-0.65	-1.66	-2.71	-3.84	-5.08	-6.43	-7.89	-9.44	-11.10
30	2.23	0.75	-0.32	-1.28	-2.24	-3.27	-4.38	-5.59	-6.90	-8.30	-9.80
35	2.54	1.04	-0.02	-0.94	-1.83	-2.77	-3.78	-4.87	-6.06	-7.33	-8.69
40	2.85	1.32	0.27	-0.62	-1.47	-2.34	-3.26	-4.26	-5.34	-6.50	-7.74
45	3.15	1.60	0.54	-0.33	-1.14	-1.96	-2.81	-3.72	-4.71	-5.77	-6.90
50	3.46	1.87	0.80	-0.06	-0.84	-1.61	-2.40	-3.25	-4.15	-5.12	-6.17
55	3.77	2.14	1.06	0.20	-0.57	-1.30	-2.04	-2.82	-3.66	-4.55	-5.51
60	4.07	2.42	1.31	0.45	-0.30	-1.01	-1.71	-2.44	-3.22	-4.04	-4.93
65	4.39	2.69	1.56	0.69	-0.05	-0.74	-1.41	-2.10	-2.82	-3.58	-4.41
70	4.70	2.96	1.81	0.93	0.19	-0.48	-1.13	-1.78	-2.45	-3.17	-3.93
75	5.01	3.24	2.06	1.17	0.43	-0.23	-0.86	-1.48	-2.12	-2.79	-3.50
80	5.33	3.52	2.31	1.40	0.66	0.00	-0.61	-1.21	-1.81	-2.44	-3.11
85	5.66	3.80	2.57	1.64	0.89	0.23	-0.37	-0.95	-1.53	-2.12	-2.74
90	5.98	4.09	2.83	1.88	1.11	0.46	-0.14	-0.70	-1.26	-1.82	-2.41
95	6.31	4.39	3.09	2.12	1.34	0.68	0.09	-0.46	-1.00	-1.54	-2.10
100	6.65	4.68	3.36	2.36	1.57	0.90	0.31	-0.23	-0.76	-1.28	-1.81
125	8.38	6.25	4.77	3.65	2.76	2.02	1.40	0.85	0.35	-0.12	-0.57
150	10.24	7.97	6.35	5.09	4.08	3.25	2.55	1.95	1.42	0.95	0.51
200	14.41	11.89	10.03	8.55	7.31	6.26	5.37	4.59	3.91	3.31	2.78
300	25.59	22.66	20.44	18.60	17.01	15.61	14.36	13.23	12.21	11.28	10.42
400					31.72					30.27	28.77
500											

Note:

This table presents Bayes factors based on equal prior probabilities and no expected errors

BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	1.55	0.07	-1.10	-2.24	-3.47	-4.82	-6.32	-7.95	-9.72	-11.61	-13.61
25	1.87	0.39	-0.74	-1.80	-2.91	-4.13	-5.47	-6.94	-8.53	-10.24	-12.05
30	2.17	0.68	-0.42	-1.42	-2.45	-3.55	-4.77	-6.10	-7.54	-9.09	-10.75
35	2.47	0.96	-0.13	-1.09	-2.04	-3.06	-4.16	-5.38	-6.69	-8.12	-9.64
40	2.76	1.22	0.14	-0.78	-1.69	-2.63	-3.64	-4.75	-5.96	-7.27	-8.67
45	3.05	1.48	0.40	-0.51	-1.37	-2.25	-3.19	-4.21	-5.33	-6.53	-7.83
50	3.34	1.74	0.65	-0.25	-1.08	-1.91	-2.79	-3.73	-4.76	-5.88	-7.08
55	3.62	1.99	0.88	0.00	-0.81	-1.60	-2.43	-3.31	-4.26	-5.30	-6.42
60	3.90	2.24	1.12	0.23	-0.56	-1.32	-2.10	-2.93	-3.82	-4.78	-5.82
65	4.19	2.48	1.35	0.46	-0.32	-1.06	-1.80	-2.58	-3.41	-4.31	-5.29
70	4.47	2.73	1.57	0.67	-0.10	-0.81	-1.52	-2.26	-3.05	-3.89	-4.80
75	4.76	2.98	1.80	0.89	0.12	-0.58	-1.27	-1.97	-2.71	-3.50	-4.36
80	5.05	3.23	2.02	1.10	0.33	-0.36	-1.03	-1.70	-2.40	-3.15	-3.95
85	5.33	3.48	2.24	1.31	0.54	-0.15	-0.80	-1.45	-2.12	-2.83	-3.58
90	5.62	3.73	2.47	1.52	0.74	0.05	-0.59	-1.21	-1.85	-2.52	-3.24
95	5.91	3.99	2.69	1.72	0.94	0.25	-0.38	-0.99	-1.61	-2.25	-2.92
100	6.20	4.24	2.92	1.93	1.13	0.45	-0.18	-0.78	-1.37	-1.99	-2.63
125	7.68	5.56	4.09	2.99	2.11	1.38	0.75	0.18	-0.36	-0.88	-1.41
150	9.21	6.94	5.34	4.11	3.13	2.33	1.65	1.06	0.53	0.03	-0.45
200	12.40	9.89	8.05	6.59	5.41	4.42	3.58	2.87	2.25	1.70	1.21
300	19.44	16.58	14.38	12.58	11.04	9.71	8.54	7.51	6.59	5.78	5.05
400	27.31	24.47	22.04	19.97	18.17	16.58	15.15	13.86	12.68	11.61	10.62
500	28.79	28.18	28.19		26.86	25.36	23.69	22.15	20.77	19.49	18.29

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$



Table 7: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 100) —  
Logarithmic Impartial Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 2 Percent

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	0.97	-0.23	-1.11	-1.88	-2.62	-3.37	-4.13	-4.91	-5.72	-6.55	-7.41
25	1.21	0.03	-0.81	-1.54	-2.22	-2.89	-3.56	-4.25	-4.97	-5.70	-6.46
30	1.46	0.29	-0.53	-1.21	-1.84	-2.44	-3.05	-3.66	-4.29	-4.94	-5.60
35	1.72	0.55	-0.24	-0.89	-1.48	-2.03	-2.58	-3.12	-3.68	-4.25	-4.83
40	1.99	0.82	0.04	-0.58	-1.13	-1.64	-2.14	-2.63	-3.12	-3.62	-4.13
45	2.28	1.10	0.34	-0.27	-0.79	-1.27	-1.72	-2.16	-2.60	-3.04	-3.48
50	2.59	1.41	0.64	0.05	-0.45	-0.90	-1.31	-1.71	-2.11	-2.50	-2.89
55	2.92	1.73	0.97	0.39	-0.10	-0.52	-0.91	-1.28	-1.64	-1.98	-2.33
60	3.30	2.09	1.32	0.74	0.27	-0.14	-0.51	-0.85	-1.17	-1.49	-1.79
65	3.72	2.49	1.72	1.14	0.67	0.27	-0.08	-0.41	-0.71	-0.99	-1.27
70	4.20	2.96	2.17	1.58	1.11	0.72	0.38	0.07	-0.22	-0.48	-0.73
75	4.77	3.51	2.70	2.10	1.63	1.24	0.90	0.59	0.32	0.07	-0.16
80	5.48	4.19	3.36	2.75	2.26	1.86	1.52	1.22	0.95	0.70	0.48
85	6.40	5.08	4.23	3.60	3.10	2.68	2.33	2.02	1.75	1.50	1.28
90	7.73	6.39	5.51	4.85	4.33	3.90	3.53	3.21	2.92	2.66	2.43
95	10.22	8.84	7.94	7.26	6.71	6.25	5.85	5.51	5.20	4.92	4.67
100											
125											
150											
200											
300											
400											
500											

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$



Table 8: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 500) —  
Logarithmic Impartial Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 2 Percent

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	0.74	-0.71	-1.93	-3.16	-4.47	-5.89	-7.40	-8.99	-10.67	-12.42	-14.24
25	0.91	-0.52	-1.70	-2.86	-4.09	-5.42	-6.83	-8.33	-9.91	-11.56	-13.27
30	1.06	-0.35	-1.49	-2.59	-3.75	-5.00	-6.33	-7.74	-9.22	-10.78	-12.39
35	1.22	-0.19	-1.29	-2.35	-3.44	-4.61	-5.87	-7.20	-8.60	-10.07	-11.59
40	1.37	-0.03	-1.10	-2.12	-3.16	-4.27	-5.45	-6.71	-8.03	-9.42	-10.87
45	1.52	0.13	-0.93	-1.90	-2.90	-3.95	-5.06	-6.25	-7.51	-8.83	-10.20
50	1.66	0.27	-0.76	-1.71	-2.65	-3.65	-4.71	-5.84	-7.03	-8.28	-9.58
55	1.81	0.42	-0.60	-1.52	-2.43	-3.38	-4.38	-5.45	-6.58	-7.77	-9.01
60	1.95	0.56	-0.45	-1.34	-2.22	-3.12	-4.08	-5.09	-6.16	-7.29	-8.47
65	2.09	0.70	-0.30	-1.17	-2.02	-2.88	-3.79	-4.76	-5.78	-6.85	-7.98
70	2.23	0.83	-0.16	-1.01	-1.83	-2.66	-3.53	-4.44	-5.42	-6.44	-7.51
75	2.38	0.97	-0.02	-0.86	-1.65	-2.45	-3.28	-4.15	-5.08	-6.05	-7.07
80	2.52	1.10	0.12	-0.71	-1.48	-2.25	-3.04	-3.88	-4.76	-5.69	-6.66
85	2.66	1.23	0.25	-0.56	-1.31	-2.06	-2.82	-3.62	-4.46	-5.35	-6.28
90	2.80	1.36	0.38	-0.42	-1.16	-1.87	-2.61	-3.37	-4.18	-5.02	-5.91
95	2.95	1.49	0.51	-0.28	-1.00	-1.70	-2.41	-3.14	-3.91	-4.72	-5.57
100	3.09	1.63	0.64	-0.15	-0.86	-1.54	-2.22	-2.92	-3.66	-4.43	-5.24
125	3.83	2.29	1.28	0.50	-0.17	-0.78	-1.37	-1.96	-2.57	-3.19	-3.84
150	4.61	2.99	1.93	1.13	0.47	-0.11	-0.65	-1.17	-1.68	-2.20	-2.73
200	6.34	4.56	3.36	2.47	1.76	1.18	0.66	0.20	-0.23	-0.63	-1.03
300	10.90	8.82	7.35	6.20	5.28	4.51	3.85	3.29	2.80	2.36	1.97
400	18.81	16.50	14.80	13.43	12.27	11.28	10.41	9.63	8.94	8.31	7.74
500											

Note:

This table presents Bayes factors based on equal prior probabilities and no expected errors

BF =  $e^{\log(\text{BF})}$





Table 9: Statistical Sampling Results based on the Beta-Binomial Distribution (N = 1000) —  
Logarithmic Impartial Bayes Factors in favor of Tolerable Misstatement for a Performance Materiality of 2 Percent

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	0.72	-0.78	-2.08	-3.42	-4.88	-6.47	-8.18	-10.00	-11.93	-13.94	-16.03
25	0.87	-0.61	-1.86	-3.13	-4.50	-6.00	-7.62	-9.34	-11.16	-13.07	-15.06
30	1.02	-0.44	-1.65	-2.86	-4.16	-5.58	-7.11	-8.74	-10.47	-12.29	-14.18
35	1.17	-0.28	-1.46	-2.62	-3.85	-5.20	-6.65	-8.20	-9.85	-11.58	-13.38
40	1.31	-0.13	-1.28	-2.39	-3.57	-4.85	-6.23	-7.71	-9.28	-10.93	-12.65
45	1.44	0.01	-1.11	-2.19	-3.31	-4.53	-5.84	-7.25	-8.75	-10.33	-11.98
50	1.58	0.15	-0.95	-1.99	-3.07	-4.23	-5.48	-6.83	-8.26	-9.78	-11.36
55	1.71	0.28	-0.80	-1.81	-2.85	-3.96	-5.15	-6.44	-7.81	-9.26	-10.78
60	1.84	0.41	-0.66	-1.64	-2.64	-3.70	-4.85	-6.08	-7.39	-8.78	-10.24
65	1.97	0.53	-0.52	-1.48	-2.45	-3.47	-4.56	-5.74	-7.00	-8.34	-9.74
70	2.10	0.66	-0.39	-1.33	-2.26	-3.24	-4.29	-5.43	-6.64	-7.92	-9.27
75	2.23	0.78	-0.26	-1.18	-2.09	-3.03	-4.04	-5.13	-6.29	-7.52	-8.82
80	2.35	0.90	-0.14	-1.04	-1.92	-2.84	-3.81	-4.85	-5.97	-7.15	-8.41
85	2.48	1.01	-0.02	-0.91	-1.77	-2.65	-3.59	-4.59	-5.66	-6.81	-8.01
90	2.60	1.13	0.10	-0.78	-1.62	-2.47	-3.38	-4.34	-5.38	-6.48	-7.64
95	2.73	1.24	0.21	-0.65	-1.47	-2.30	-3.18	-4.11	-5.10	-6.16	-7.28
100	2.85	1.36	0.33	-0.53	-1.34	-2.14	-2.99	-3.89	-4.84	-5.87	-6.95
125	3.48	1.92	0.87	0.03	-0.72	-1.44	-2.16	-2.93	-3.73	-4.59	-5.50
150	4.11	2.47	1.39	0.55	-0.17	-0.84	-1.49	-2.16	-2.85	-3.58	-4.35
200	5.41	3.62	2.43	1.54	0.81	0.18	-0.39	-0.95	-1.50	-2.06	-2.64
300	8.25	6.18	4.75	3.66	2.80	2.09	1.49	0.96	0.49	0.04	-0.38
400	11.54	9.24	7.58	6.29	5.23	4.35	3.61	2.98	2.42	1.93	1.50
500	15.44	12.95	11.11	9.63	8.39	7.34	6.43	5.64	4.94	4.32	3.77

Note:

This table presents Bayes factors based on equal prior probabilities and no expected errors

BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	0.63	-0.46	-1.24	-1.90	-2.51	-3.10	-3.69	-4.28	-4.88	-5.49	-6.10
25	0.79	-0.28	-1.03	-1.66	-2.23	-2.78	-3.32	-3.86	-4.41	-4.96	-5.52
30	0.96	-0.10	-0.83	-1.43	-1.97	-2.48	-2.98	-3.47	-3.96	-4.46	-4.97
35	1.14	0.09	-0.62	-1.20	-1.71	-2.18	-2.64	-3.09	-3.54	-3.99	-4.45
40	1.32	0.28	-0.41	-0.96	-1.45	-1.89	-2.32	-2.73	-3.14	-3.55	-3.96
45	1.52	0.49	-0.19	-0.73	-1.19	-1.61	-2.00	-2.38	-2.75	-3.12	-3.49
50	1.74	0.70	0.04	-0.48	-0.92	-1.32	-1.69	-2.04	-2.38	-2.71	-3.04
55	1.97	0.94	0.28	-0.23	-0.65	-1.03	-1.37	-1.69	-2.01	-2.31	-2.61
60	2.22	1.19	0.54	0.04	-0.37	-0.72	-1.05	-1.35	-1.64	-1.91	-2.18
65	2.50	1.47	0.83	0.34	-0.06	-0.40	-0.71	-0.99	-1.26	-1.51	-1.75
70	2.83	1.80	1.15	0.67	0.28	-0.05	-0.35	-0.61	-0.86	-1.09	-1.31
75	3.21	2.17	1.52	1.04	0.66	0.34	0.05	-0.20	-0.43	-0.65	-0.85
80	3.68	2.63	1.97	1.50	1.11	0.80	0.52	0.28	0.06	-0.15	-0.34
85	4.27	3.22	2.56	2.07	1.69	1.38	1.10	0.87	0.65	0.46	0.28
90	5.13	4.05	3.38	2.90	2.51	2.19	1.92	1.68	1.47	1.27	1.10
95	6.63	5.54	4.86	4.36	3.96	3.64	3.36	3.11	2.90	2.70	2.52
100											
125											
150											
200											
300											
400											
500											

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	0.42	-1.01	-2.21	-3.40	-4.66	-5.98	-7.36	-8.81	-10.31	-11.85	-13.43
25	0.51	-0.89	-2.06	-3.21	-4.42	-5.68	-7.01	-8.40	-9.84	-11.32	-12.84
30	0.61	-0.78	-1.92	-3.03	-4.19	-5.41	-6.68	-8.01	-9.40	-10.82	-12.28
35	0.70	-0.67	-1.79	-2.86	-3.98	-5.14	-6.37	-7.65	-8.98	-10.35	-11.76
40	0.79	-0.57	-1.66	-2.70	-3.77	-4.90	-6.08	-7.31	-8.59	-9.91	-11.27
45	0.88	-0.47	-1.54	-2.55	-3.58	-4.67	-5.80	-6.99	-8.22	-9.49	-10.80
50	0.97	-0.37	-1.42	-2.40	-3.40	-4.44	-5.54	-6.68	-7.86	-9.09	-10.35
55	1.06	-0.27	-1.30	-2.26	-3.23	-4.23	-5.29	-6.39	-7.53	-8.71	-9.93
60	1.15	-0.18	-1.19	-2.13	-3.06	-4.03	-5.05	-6.11	-7.21	-8.35	-9.53
65	1.23	-0.09	-1.09	-2.00	-2.91	-3.84	-4.82	-5.84	-6.91	-8.01	-9.14
70	1.32	0.00	-0.98	-1.87	-2.75	-3.66	-4.60	-5.59	-6.62	-7.68	-8.78
75	1.41	0.09	-0.88	-1.75	-2.61	-3.49	-4.40	-5.35	-6.34	-7.37	-8.42
80	1.49	0.18	-0.78	-1.64	-2.47	-3.32	-4.20	-5.12	-6.07	-7.06	-8.09
85	1.58	0.27	-0.68	-1.52	-2.33	-3.16	-4.01	-4.90	-5.82	-6.78	-7.77
90	1.66	0.35	-0.59	-1.41	-2.20	-3.00	-3.83	-4.68	-5.57	-6.50	-7.46
95	1.75	0.44	-0.50	-1.30	-2.08	-2.85	-3.65	-4.48	-5.34	-6.23	-7.16
100	1.83	0.52	-0.40	-1.20	-1.95	-2.71	-3.48	-4.28	-5.11	-5.98	-6.87
125	2.27	0.94	0.04	-0.71	-1.39	-2.05	-2.72	-3.40	-4.10	-4.83	-5.59
150	2.71	1.37	0.47	-0.25	-0.88	-1.48	-2.06	-2.65	-3.25	-3.87	-4.51
200	3.68	2.26	1.34	0.64	0.06	-0.46	-0.95	-1.41	-1.87	-2.33	-2.79
300	6.16	4.55	3.50	2.71	2.09	1.58	1.14	0.75	0.40	0.07	-0.23
400	10.39	8.60	7.37	6.42	5.66	5.02	4.48	4.00	3.59	3.22	2.89
500											

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$



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

Sample Size	Actual Number of Misstatements Found										
	0	1	2	3	4	5	6	7	8	9	10
20	0.39	-1.11	-2.44	-3.81	-5.29	-6.86	-8.53	-10.29	-12.12	-14.01	-15.95
25	0.48	-1.01	-2.30	-3.63	-5.05	-6.57	-8.18	-9.88	-11.65	-13.48	-15.36
30	0.57	-0.90	-2.16	-3.45	-4.82	-6.29	-7.85	-9.49	-11.20	-12.98	-14.81
35	0.66	-0.80	-2.04	-3.28	-4.61	-6.03	-7.54	-9.13	-10.79	-12.51	-14.28
40	0.74	-0.70	-1.91	-3.12	-4.41	-5.78	-7.25	-8.79	-10.40	-12.06	-13.79
45	0.82	-0.61	-1.80	-2.97	-4.22	-5.55	-6.97	-8.46	-10.02	-11.64	-13.32
50	0.90	-0.52	-1.68	-2.83	-4.04	-5.33	-6.70	-8.15	-9.67	-11.24	-12.87
55	0.98	-0.43	-1.58	-2.70	-3.87	-5.12	-6.45	-7.86	-9.33	-10.86	-12.45
60	1.06	-0.35	-1.47	-2.57	-3.71	-4.92	-6.21	-7.58	-9.01	-10.50	-12.04
65	1.14	-0.26	-1.37	-2.44	-3.55	-4.73	-5.98	-7.31	-8.70	-10.15	-11.65
70	1.21	-0.18	-1.28	-2.32	-3.40	-4.55	-5.77	-7.06	-8.41	-9.82	-11.28
75	1.29	-0.10	-1.18	-2.21	-3.26	-4.37	-5.56	-6.81	-8.13	-9.51	-10.93
80	1.36	-0.03	-1.09	-2.10	-3.12	-4.21	-5.36	-6.58	-7.86	-9.20	-10.59
85	1.44	0.05	-1.01	-1.99	-2.99	-4.05	-5.17	-6.36	-7.61	-8.91	-10.26
90	1.51	0.13	-0.92	-1.89	-2.87	-3.89	-4.99	-6.14	-7.36	-8.63	-9.95
95	1.58	0.20	-0.84	-1.79	-2.74	-3.75	-4.81	-5.93	-7.12	-8.36	-9.65
100	1.65	0.27	-0.76	-1.69	-2.63	-3.60	-4.64	-5.74	-6.89	-8.10	-9.36
125	2.01	0.62	-0.37	-1.25	-2.09	-2.97	-3.88	-4.85	-5.86	-6.93	-8.05
150	2.37	0.96	-0.02	-0.85	-1.63	-2.42	-3.24	-4.09	-5.00	-5.94	-6.93
200	3.08	1.62	0.64	-0.15	-0.85	-1.52	-2.19	-2.89	-3.61	-4.36	-5.15
300	4.59	2.98	1.92	1.12	0.47	-0.11	-0.64	-1.16	-1.66	-2.17	-2.70
400	6.31	4.53	3.34	2.46	1.75	1.17	0.66	0.20	-0.22	-0.63	-1.02
500	8.33	6.40	5.07	4.06	3.26	2.60	2.05	1.57	1.14	0.75	0.40

Note:  
This table presents Bayes factors based on equal prior probabilities and no expected errors  
BF =  $e^{\log(\text{BF})}$