KEYSTONE

ASSURANCE & GOVERNANCE / OUR APPROACH

Internal scrutiny that sees the whole picture.

Independent challenge. Stronger governance.
Assurance that leads to action.



OUR VIEW

Compliance is the starting point. Confidence comes from knowing where a trust is exposed, whether its controls work in practice and what should happen next.

KNOWLEDGE. PASSION. TRUST.

01 / THE PHILOSOPHY

Good scrutiny makes better organisations.

A trustee needs more than a record of compliance. They need a dependable view of risk and the confidence to ask the right questions.

The purpose of internal scrutiny is not to find fault. It is to make sure the important things can be trusted.

Schools and academy trusts operate within complex rules, stretched resources and competing priorities. Good governance relies on knowing whether policies and controls are effective where they matter most: in classrooms, in offices, in payroll, in safeguarding decisions, and in the choices made by leaders and trustees.

That is why Keystone built its internal scrutiny service around the Academy Trust Handbook and the practical needs of the sector, with relevant professional internal audit guidance informing the rigour of our approach. We believe independent assurance should improve understanding, strengthen decision-making and leave the trust better equipped for what comes next.

THREE PRINCIPLES THAT SHAPE EVERY REVIEW

01 / INDEPENDENCE

Say what needs to be said.

Our responsibility is to provide an objective view to trustees. Constructive relationships matter, but uncomfortable findings are not softened or hidden.

02 / EVIDENCE

Look beyond the policy.

An approved procedure is not, on its own, an effective control. We test how arrangements operate, examine evidence and distinguish fact from assumption.

03 / ACTION

Make the finding useful.

Good recommendations are proportionate, practical and clear about the control improvement needed, so management can act and trustees can follow progress.

THE FOUNDATION

Know the sector.

Our work combines audit discipline with first-hand understanding of academy operations and the pressures facing trust leaders, staff and governing boards.

OUR TEST

After a review, can trustees understand the exposure, trust the evidence and see what needs to change? If not, the report has not done its job.

Designed around the trust, not a checklist.

The audit and risk committee sets the direction. We bring the structure, independence and technical judgement to turn that direction into useful assurance.

01

Listen first

Understand the trust's strategy, risk register, recent incidents, external audit findings, organisational changes and the questions trustees want answered.

02

Build a risk-led programme

Agree a balanced programme of financial and non-financial reviews, sequenced across the year and, where useful, viewed over a longer planning cycle.

03

Agree the remit and independence

Define the objective, scope, evidence required, timetable and reporting route for each review. Consider conflicts, including any other Keystone services provided to the trust.

04

Test what happens in practice

Assess design and operation of controls using interviews, documentary evidence, transaction testing, sampling and corroboration appropriate to the risk.

05

Report clearly to trustees

Discuss factual accuracy with management, then provide an independent conclusion, transparent limitations and prioritised recommendations to the audit and risk committee.

06

Close the loop

Record management responses and ownership, support tracking of agreed actions and bring the year's findings together in an annual internal scrutiny summary.

THE OUTPUTS

An agreed annual programme; assignment scopes and fieldwork; clear written reports with risk-prioritised findings; management responses; an annual summary for committee oversight and DfE submission; and an ongoing professional conversation about control, exposure and improvement.

One trust. Many sources of risk.

A strong programme looks across the full control environment. Our modular approach allows trustees to choose the right depth, sequence and specialist input without losing sight of how risks connect.

FINANCIAL ASSURANCE

Control and sustainability

Financial operations, budgeting and forecasting, payroll control, procurement, contract management, fraud prevention and oversight of financial decision-making.

GOVERNANCE & RISK

Good decisions and clear accountability

Governance structures, delegated authorities, risk management, committee oversight, whistleblowing, internal reporting and major strategic decisions.

PEOPLE & SAFEGUARDING

People-centred controls

Safeguarding assurance, safer recruitment, employment processes, workforce compliance, training records and the effectiveness of controls that protect pupils and staff.

SYSTEMS & OPERATIONS

Operational resilience

Cybersecurity, data governance, business continuity, estates, health and safety, capital projects and the resilience of systems on which a trust relies.

A PROGRAMME IS A JUDGEMENT, NOT A MENU

The starting point is the trust's risk register, but the conversation goes further. We consider audit history, control maturity, growth, changes in leadership, financial pressure and emerging sector risks. Some areas warrant annual attention; others need a deeper review at a particular moment. We help the committee make those choices explicitly.

HOW IT CONNECTS

A programme might move from governance and whistleblowing, to financial operations, and then to SEND resources or cyber resilience. The sequence is chosen for the trust's risks, not because every client receives the same three reviews.

For every assignment we agree the specific controls being assessed, the evidence required, the testing approach and the limits of the assurance. The resulting opinion relates to that review; it does not claim to certify the entire organisation.

04 / WHAT MAKES US DIFFERENT

Audit discipline. Real-world judgement.

Our scrutiny is deliberately broader than testing whether a procedure has been followed. We want to know whether the organisation is protected, understood and able to improve.

A checklist can tell you whether a control exists. It cannot always tell you whether it will hold.

01 / PRACTITIONER PERSPECTIVE

We understand how trusts actually run.

Keystone brings experience of school and trust leadership alongside structured assurance work. We test policy against operational reality, rather than assuming the two are the same.

02 / THE WHOLE CONTROL ENVIRONMENT

Finance does not sit in isolation.

The risks trustees carry span procurement, governance, safeguarding, people, estates, systems and financial sustainability. Our modular approach follows those connections and can draw on specialist expertise.

03 / PROPORTIONATE CHALLENGE

Material risks before minor irritations.

We distinguish an isolated process lapse from a weakness that could expose the trust to financial loss, poor decisions, safeguarding harm or regulatory failure. Priority follows consequence.

04 / RECOMMENDATIONS THAT TRAVEL

The practical route matters.

An observation has little value if nobody can implement the answer. We explain why action matters, what better control looks like and how ownership and follow-up should work.

PROFESSIONAL DEPTH

Keystone maintains membership of the Chartered Institute of Internal Auditors. Our Chair, Peter Marples, is a former KPMG partner who led its education team. This experience complements the independent judgement and sector understanding our assurance work demands.

The result is scrutiny rigorous enough to inform the board and practical enough to improve what happens next.

05 / THE STANDARDS BEHIND THE SERVICE

Built on the right foundations.

The Academy Trust Handbook defines what trusts must secure. Professional audit standards provide a disciplined benchmark for how independent assurance should be undertaken.

01 THE REQUIREMENT

ACADEMY TRUST HANDBOOK 2026

Part 3 requires every academy trust to secure a risk-based programme of independent internal scrutiny across financial and non-financial controls. The audit and risk committee directs the work, receives reporting and oversees management action.

02 THE PRACTICAL GUIDANCE

DfE INTERNAL SCRUTINY GOOD PRACTICE

The DfE's guidance recognises that effective scrutiny may include internal audit and should be tailored to the trust's scale, complexity and risk. It emphasises judgement, relevant expertise, broad scope and meaningful information for trustees.

03 THE PROFESSIONAL BENCHMARK

GLOBAL INTERNAL AUDIT STANDARDS

The IIA's Global Internal Audit Standards, effective since January 2025, set expectations for ethics, independence, governance, management of an audit function, engagement performance and quality. They are an established professional benchmark and inform the way we maintain our methodology.

WHERE THE PRINCIPLES SHOW UP IN OUR WORK

Independence and authority	Clear reporting lines to the audit and risk committee; objective scope and appropriate management of conflicts.
Risk-led planning	A programme justified by the trust's current risks, informed by previous assurance and changing circumstances.
Evidence and professional judgement	A defined workplan, proportionate testing, supported findings, clear conclusions and stated limitations.
Quality and accountability	Appropriate competence, review of the work, transparent recommendations and board-visible follow-up.

What trustees should expect.

The test of a good assurance partner is not the length of the report. It is whether trustees have a more reliable understanding of the organisation and its risks.

OUR COMMITMENT

An honest view. Findings presented independently, with material issues escalated and the scope of our assurance made clear.

A genuinely risk-led programme. Review activity selected for the trust's circumstances, not simply carried forward because a module was undertaken last year.

Technical depth with sector context. The right expertise for the topic, testing that withstands scrutiny and conclusions that reflect the working realities of schools and trusts.

Action after the report. Priorities made visible, practical recommendations and a clear basis for trustees to hold management to account for completion.

Conformity and transparency

Keystone's internal scrutiny programme is designed to conform to the principles set out in this document, all keystone audits are based around an agreed audit scope which is agreed between us and the trust prior to the audit so that everybody is clear on what is and is not being reviewed, and how our audits are carried out. That is the responsible way to give trustees confidence.

THE KEYSTONE DIFFERENCE

Independent challenge. Evidence that matters. Recommendations that make a difference.