# Security Guard Company Business Plan Sample — Canada

This **sample business plan for security guard company** presents **North Lantern Security Services Inc.**, a fictional Canadian company proposed for London, Ontario. It is clearly labelled a **SAMPLE**: no real business, client engagement, operating result or investment offer is depicted. Use this example to understand how ten connected sections turn an operating idea into an evidence-based financing discussion. Return to the sample business plan hub to compare other models.

**All company details, commercial prices, demand, capacity, costs and financial projections are illustrative assumptions.** They are not observed market statistics, professional advice or promises of revenue, profit, occupancy or financing approval. The appendix distinguishes the fictional operating choices from official research starting points. Confirm current rules for the actual application and premises.

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Five frequently asked questions


## 1. Sample executive summary

North Lantern Security Services Inc. proposes contracted unarmed guarding for commercial properties and scheduled access-control posts. Its initial customers are commercial property managers needing staffed, clearly defined unarmed posts. The proposed London, Ontario location is fictional; no specific premises, supplier agreement or customer contract has been secured. The launch will remain within a defined scope and expand only when delivery resources and cash support the extra work.

The illustrative opening capitalization is CAD $220,000, comprising $160,000 owner equity and $60,000 requested borrowing. Installed assets use $45,000, stock $3,000 and opening cash $172,000. The reserve is held at financing close before additional pre-opening operating expenses. The request is conditional on actual quotations, due diligence, permissions and lender underwriting. No unapproved grant fills a funding gap.

Year 1 illustrates revenue of $912,000 and net income / (loss) of $59,056. Sales are driven by the units and prices in section 3, with paid owner work included in payroll. Management must validate demand, reconcile the first-year monthly cash schedule and resolve launch conditions before making commitments. These numbers teach the relationship between operations and capitalization; they are not forecasts for an actual company.

> *What a reviewer reads for: a specific offer, an achievable delivery model, a traceable funding requirement and clear conditions before spending. A polished narrative cannot replace verified demand or sufficient cash.*

## 2. Sample company overview

North Lantern is a fictional Ontario corporation founded by Jonah Vale, an invented operations coordinator with nine years of contract scheduling and site-supervision experience. It proposes a base in London, Ontario. The founder owns all opening shares. The person, biography, business and all operating details are invented and illustrative; no actual credentials, authorization, customer agreements or operating history are represented.

The proposed offer is unarmed static guarding and access control under site-specific post orders. Armed services, private investigation, cash transport and promises to prevent every loss are excluded. Incorporation does not authorize security work: actual agency and individual licensing, training, insurance and client-site conditions must be confirmed before deployment.

The founder will document ownership, signing authority, equity contributions and business banking before entering contracts. The fictional name is a teaching identifier and has not been checked for availability. Business receipts, customer obligations and owner funds must remain distinguishable in the accounting records. A founder's experience is relevant to execution but does not establish demand or replace competent help where the actual activity requires it.

Premises and major purchasing commitments follow due diligence rather than an unsupported opening date. A letter of intent should identify conditions, permitted use, landlord responsibilities and what happens if a necessary approval is refused. Installation, access, insurance, repairs and restoration terms affect the budget as well as the lease. The owner will obtain qualified advice on the actual structure and agreements before committing the reserve.

## 3. Sample services and revenue model

The primary unit is one completed, accepted guard-hour. Annual hours of 24,000, 30,000 and 36,000 at CAD $38, $39 and $40 produce the revenue schedule. One guard working one hour is one unit; a two-guard post creates two units. There is no equipment resale or alarm-monitoring revenue. Contracted hours that are not staffed cannot be invoiced as delivered service.

Direct non-payroll costs for uniforms, communication supplies, site consumables and purchased support are four per cent of sales. Guard wages, relief, supervision, employer costs and owner work are included once in payroll. A contract price must cover paid breaks, training, absence and overtime exposure rather than only the hours shown on the customer invoice.

Written customer terms will identify the unit sold, what is included, what costs extra, when delivery occurs and how a complaint or change is handled. A large sales total is useful only if the company retains enough contribution to cover paid work and overhead. Management will maintain a cost sheet for each offer showing net selling price, purchased inputs, staff time and the constraint that limits delivery. Included products are not counted again as add-on revenue.

The forecasts describe completed, earned sales rather than every enquiry received. Refunds, discounts, credits and uncollectible balances require explicit treatment. Growth in a secondary channel needs its own demand evidence, staffing and cash; it is not an automatic reward for primary sales. Before adding an offer, management will revisit training, insurance, stock, permissions and working capital so the new line does not weaken delivery of the original promise.

## 4. Sample market analysis

The initial London service area is deliberately small enough for supervisor response and relief staffing. Research will interview property managers about post schedules, procurement cycles, incident reporting and existing vendor gaps. A dated comparison will distinguish invoice rates from the paid costs of coverage. No customer interviews, tenders won or market-share estimates are claimed.

Alternatives include in-house personnel, other guarding agencies and electronic access systems with different capabilities. North Lantern's fictional positioning is reliable attendance, clear post orders and documented escalation. A cheaper hourly quote does not demonstrate equivalent supervision or relief coverage. Prospective contracts need credit review and evidence that the company can staff their actual hours.

The evidence register will separate observed information from management assumptions. A supplier quotation supports purchase cost; it cannot prove customer demand. An interview describes that respondent's circumstances; it is not a representative market survey without a suitable method. Competitor prices require a date, scope and tax basis. National industry revenue cannot establish how many customers this particular operation can reach and serve profitably.

Use the TAM, SAM and SOM glossary to distinguish broad opportunity, reachable customers and the smaller share that practical launch capacity supports. Build the obtainable case from units, service time, buying frequency and net price. For each material forecast input, the owner will record its definition, evidence, uncertainty and next review date. Evidence that contradicts the concept should change the plan rather than be discarded to preserve the original revenue target.

> *Adaptation note: support the chosen customer, geography and delivery capacity with dated evidence. Keep fictional demand assumptions separate from researched facts.*

## 5. Sample operations plan

Year 1 requires about 462 billed guard-hours a week over 52 weeks. At 90 per cent productive deployment, paid field time is about 513 hours weekly, or 26,667 annually. A CAD $640,000 field payroll envelope implies about $24 loaded cost per paid hour; another CAD $60,000 funds owner coordination and supervision. Actual lawful wage, overtime and relief schedules must fit before a contract is accepted.

Every site receives a risk assessment, written post orders, authorized-contact list and agreed incident-escalation process. Supervisors confirm licences and training, record attendance and verify shift handover. A missed check-in triggers relief and client notification. Staff act within their lawful authority; the sample does not imply police powers or authorize improvised enforcement.

The owner will verify Ontario agency and individual guard requirements, training, insurance and any site-specific obligations with the responsible authorities. Radios, uniforms, lone-worker checks and incident records are tested before deployment. No contract starts on the assumption that an unlicensed replacement can cover a vacant shift. Client security information is restricted to staff who need it.

Opening follows named readiness gates: a viable operating site, acceptable contractual terms, required authorization, installed and tested systems, trained staff and a funded cash calendar. Each unresolved condition has an owner and a decision point. Rent, payroll preparation and finance charges can continue while a gate is delayed. A commercial launch announcement does not make an unresolved permission or supplier commitment disappear.

The operating workbook will translate annual capacity into weeks and months, allowing for training, absence, downtime and cancellations. At least one trial of the full delivery process will test the assumptions before volume commitments expand. The manager will keep a continuity file with supplier contacts, backup responsibilities,

system recovery and customer communication procedures. Alternatives count as usable capacity only when their availability, cost and scope are confirmed.

## 6. Sample marketing and sales plan

The launch will use targeted property-manager introductions and small procurement opportunities compatible with the roster. A CAD $9,000 Year 1 allowance is included in overhead. Tender responses describe actual scope, supervision and insurance evidence; the sample has no signed contracts, endorsements or incident-reduction claims.

The owner tracks qualified site visits, quoted guard-hours, awarded hours, staffed hours and cash collected. Retention depends on punctual coverage, accurate reporting and a practical complaints response. Advertising pauses when relief coverage is insufficient. A prospective multi-site contract is evaluated for payroll funding and response travel before it is celebrated as growth.

The sales register distinguishes an enquiry, a qualified prospect, an agreed order or booking, completed delivery and collected cash. Forecasting every enquiry as a sale hides both conversion risk and the collection delay. Management reviews the cost of acquiring customers against contribution after delivery costs, not against gross receipts alone. Repeat business is tracked separately from new acquisition so existing accounts do not make an unproven advertising campaign look effective.

Campaigns have spending limits and review points. If an offer attracts demand for a time, product or service the team cannot deliver, that demand is not usable revenue. The owner will record the reason for lost business, customer credits and cancellations and adjust scope or scheduling accordingly. Proposed partnerships remain prospects until their obligations are agreed. Published claims must reflect actual service and evidence rather than invented reviews or endorsements.

## 7. Sample management and staffing

Jonah manages scheduling and contract review, with a paid field supervisor and trained relief responsibility. The Year 1 CAD $700,000 payroll envelope includes CAD $640,000 field costs and CAD $60,000 coordination, including CAD $45,000 owner compensation. Years 2 and 3 scale payroll with delivered hours and supervision; unpaid standby labour is not assumed.

The supervisor maintains a verified deployment roster and a daily exception log. Time sheets are reconciled with attendance evidence before customer billing and payroll approval. An independent bookkeeping adviser reviews payroll liabilities and overdue invoices. Backup authority covers overnight escalation, and staff receive a clear stop-and-escalate procedure for unsafe or out-of-scope instructions.

The payroll envelope must become a roster of paid positions, hours, wages, employer costs, leave and relief coverage before the plan is used. Contractor status requires an assessment of the real working relationship. The model does not assume that giving someone a contractor label removes employment responsibilities. Sensitive staff and customer records have role-based access, a retention policy and a response procedure appropriate to the actual operation.

A weekly management review compares delivered units, net price, direct cost, paid hours, overdue balances, cash and upcoming commitments. Each material variance receives a cause, an action and a responsible person. Increasing sales cannot repair a persistent collection failure, and cutting maintenance can make a capacity problem worse. The founder will delegate routine authority and identify who can approve urgent decisions during an absence rather than assume the owner is always available.

Absence, licence expiry, an unsafe instruction or a delayed client payment can create immediate operational pressure. Paid relief, advance credential checks and stop-work authority are essential. No single property contract

should dictate the entire payroll exposure without an explicit concentration decision. The cash calendar must fund wages before client collection without assuming overtime can be eliminated after a fixed post is promised.

## 8. Illustrative financial projections

All financial amounts, prices, volumes, percentages and projections below are illustrative assumptions, not market benchmarks, approved credit terms or promised results. Years 1–3 mean the first three operating years after an authorized opening. Annual totals do not establish adequate monthly liquidity. Sales exclude collected sales taxes; actual tax collected, recoverable purchase taxes and remittances require separate control accounts. Nonrecoverable taxes belong in the real cost quotes.

The opening schedule describes financing close before additional pre-opening operating expenses. Cash reserves must therefore cover actual legal work, hiring, training, deposits, advertising and carrying costs as well as the operating ramp. The model does not pretend those costs disappear. Itemize them before launch, determine whether they are expenses, deposits or assets, and replace the opening balances accordingly. The illustrative opening model has no receivables, supplier payables or customer deposits.

### Illustrative opening sources and uses

| Use | Amount | Source | Amount |
|---|---|---|---|
| **Fit-out and equipment** | $45,000 | Owner equity | $160,000 |
| **Opening inventory at cost** | $3,000 | Requested borrowing | $60,000 |
| **Opening cash and reserves** | $172,000 | Grants assumed | $0 |
| **Total uses** | $220,000 | Total sources | $220,000 |

Illustrative financing-close capitalization, CAD

### Illustrative revenue drivers

| Line | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| **Primary annual units** | 24,000 | 30,000 | 36,000 |
| **Net revenue per primary unit** | $38 | $39 | $40 |
| **Primary revenue** | $912,000 | $1,170,000 | $1,440,000 |
| **Secondary revenue** | $0 | $0 | $0 |
| **Total revenue** | $912,000 | $1,170,000 | $1,440,000 |

Illustrative earned sales, CAD; units are defined in section 3

## Illustrative three-year pro-forma income statement

| Line | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| **Revenue** | $912,000 | $1,170,000 | $1,440,000 |
| **Direct supplies, merchandise and channel costs** | $36,480 | $46,800 | $57,600 |
| **Gross contribution before employee payroll** | $875,520 | $1,123,200 | $1,382,400 |
| **Employee payroll, owner work and employer costs** | $700,000 | $875,000 | $1,050,000 |
| **Rent and occupancy** | $18,000 | $18,900 | $19,800 |
| **Other operating overhead** | $75,000 | $90,000 | $105,000 |
| **EBITDA** | $82,520 | $139,300 | $207,600 |
| **Depreciation** | $4,500 | $4,500 | $4,500 |
| **Interest** | $4,200 | $3,780 | $3,360 |
| **Profit / (loss) before tax** | $73,820 | $131,020 | $199,740 |
| **Hypothetical tax provision** | $14,764 | $26,204 | $39,948 |
| **Net income / (loss)** | $59,056 | $104,816 | $159,792 |

Illustrative annual income statement, CAD

Direct costs follow the industry-specific assumptions in section 3. Employee payroll includes paid owner work and employer costs and is presented separately to avoid counting the same labour twice. Other operating overhead is an envelope for insurance, marketing, professional support, software, maintenance and activity-specific administration. Itemized quotes must replace it before a financing decision. No unpaid founder labour is used to make the business appear sustainable.

Depreciation is an illustrative accounting charge equal to ten per cent of the original installed asset pool annually; it is not a statutory tax allowance. Capital replacements start in Year 2 at three per cent of that original pool and are included in net assets. Interest is calculated on each year’s opening debt solely for this simplified illustration. Actual monthly interest and amortization will differ. Principal is a cash outflow and does not reduce accounting profit.

A hypothetical twenty per cent provision is applied only to positive annual pretax income, with no modeled loss carryforward. It is a teaching convention, not a statutory rate or tax opinion. The scenario assumes the company is taxed at entity level for this illustration; the actual entity, elections, owner obligations and jurisdiction require professional review. Taxes and interest are assumed paid in the year charged. There are no dividends, new borrowing, grants or asset-sale proceeds after financing close.

## Illustrative working capital and cash flow

Year-end receivables are assumed at 12 per cent of earned revenue and supplier payables at 5 per cent of direct costs. Interest is assumed at seven per cent of each year's opening debt, with CAD $6,000 of annual principal. These inputs are fictional commercial timing and debt conventions, not approved credit terms or industry benchmarks.

Working capital follows the explicit assumptions below. Receivables are earned but uncollected sales; stock is carried at cost, not selling price. Supplier payables are obligations, not free revenue. Opening inventory stays unchanged at the end of Year 1, then rises to fifteen per cent and thirty per cent above the opening stock balance in Years 2 and 3. Those are stock-planning assumptions, not regulatory ratios or evidence of optimum inventory.

The working-capital cash movement equals the increase in supplier payables less increases in receivables and inventory. A positive movement supplies cash; a negative movement consumes it. This model assumes no customer deposits or trust balances. A real business taking advance customer money must schedule the corresponding service obligation rather than classify every deposit as additional earned sales. Cash must be reconciled to the bank and to restricted obligations before it is described as available to spend.

| Line | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| **Opening cash** | $172,000 | $121,940 | $193,012 |
| **Net income / (loss)** | $59,056 | $104,816 | $159,792 |
| **Add back depreciation** | $4,500 | $4,500 | $4,500 |
| **Working-capital cash movement** | ($107,616) | ($30,894) | ($32,310) |
| **Operating cash flow** | ($44,060) | $78,422 | $131,982 |
| **Capital replacements paid** | $0 | $1,350 | $1,350 |
| **Loan principal paid** | $6,000 | $6,000 | $6,000 |
| **Closing operating cash** | $121,940 | $193,012 | $317,644 |

Illustrative annual cash flow, CAD; capital and principal rows are outflows

## Illustrative year-end balance sheets

| Line | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| **Cash** | $121,940 | $193,012 | $317,644 |
| **Accounts receivable** | $109,440 | $140,400 | $172,800 |
| **Inventory at cost** | $3,000 | $3,450 | $3,900 |
| **Fit-out and equipment, net** | $40,500 | $37,350 | $34,200 |

| Line | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| **Total assets** | $274,880 | $374,212 | $528,544 |
| **Supplier payables** | $1,824 | $2,340 | $2,880 |
| **Loan outstanding, total** | $54,000 | $48,000 | $42,000 |
| **Owner share capital / contributed equity** | $160,000 | $160,000 | $160,000 |
| **Cumulative retained earnings / (deficit)** | $59,056 | $163,872 | $323,664 |
| **Total liabilities and equity** | $274,880 | $374,212 | $528,544 |

Illustrative pro-forma balance sheets, CAD

The loan line combines current and longer-term portions to keep the teaching balance sheet compact. A lender submission should classify them using actual repayment dates. Retained earnings equal cumulative modeled net income with no distributions. Net assets equal original installed cost plus replacements less cumulative depreciation; cash comes directly from the cash-flow statement. These links are necessary checks, not a substitute for a complete accountant-reviewed financial package.

The monthly workbook must show the sequence hidden by annual totals: pre-opening spending, trading ramp, customer collection, stock purchases, payroll, tax and debt payments. Test the lowest week of cash as well as year-end balances. A company can show annual profit while lacking money for next Friday's payroll. A negative cash point requires committed funding, a genuinely avoidable cost reduction or a redesigned launch before obligations are accepted.

## Illustrative break-even, repayment and combined downside

Using Year 2's channel mix, contribution before employee payroll is $1,123,200 divided by $1,170,000, or 96.0 per cent. Fixed operating expenses are $983,900. Dividing those costs by the contribution fraction gives EBITDA break-even revenue of about $1,024,896 annually. Adding Year 2 interest and principal gives a simplified cash debt-service sales threshold of about $1,035,083, before tax, replacement capital and working-capital movements. The staffing and capacity plan must support that activity; the calculation itself is not evidence of demand.

For a separately defined repayment cross-check, Year 2 operating cash flow after modeled tax, interest and working-capital movements is $78,422. Adding back $3,780 interest gives $82,202 before debt service and replacement capital. Dividing by $9,780 of principal plus interest gives illustrative coverage of 8.41 times. Deducting $1,350 replacement capital would leave $80,852 before debt service. This is a disclosed teaching calculation, not a lender's required definition or threshold.

A combined ten per cent Year 2 sales reduction at the same mix and ten per cent payroll overrun reduces EBITDA by approximately $199,820, leaving ($60,520) before remedial action. This assumes direct costs vary with sales while scheduled payroll and other fixed costs do not fall automatically. Also test an opening delay, slower collections and the specific risks in section 7. Rebuild monthly cash under the stressed assumptions rather than subtracting a profit variance from annual cash and assuming timing is harmless.

## 9. Sample funding request

The fictional request is CAD $60,000 borrowing plus $160,000 owner equity. Installed assets use $45,000, opening stock $3,000 and cash $172,000. Workstations, radios and dispatch equipment use the installed-asset budget; opening supplies are recorded separately at cost. The large cash reserve reflects payroll paid before contract collections. The lender file will contain licensing workstreams, a wage-and-hours roster, relief coverage, draft post orders, insurance quotes, client credit procedures and conditional contract evidence.

The lender will review actual borrower evidence, site and operating conditions, supplier terms, payroll assumptions, equity sources and monthly cash forecasts. The seven per cent interest convention is purely illustrative; actual amortization, fees, security and guarantees require written terms. No future grant or unsigned contract fills a repayment gap. If the real costs exceed the envelope, management must revise scope or commit additional equity before accepting obligations.

Funding release should follow the actual readiness gates and dated invoices. Do not buy equipment that cannot be installed, promise service before qualified coverage exists or consume the reserve while an essential condition remains unresolved. If a lender offers less than the requested amount, the owner must reconcile the revised sources and uses and prove the smaller launch can work before accepting the facility.

A business plan cannot guarantee approval. The lender evaluates the actual borrower, evidence, repayment, security and its current requirements. The requested route and the owner's commercial ambition do not establish program eligibility. For help connecting your verified operating evidence and financial schedules, explore our business plan writing services; scope and deliverables need to be agreed for the real project.

## 10. Sample appendix and official-source register

The appendix makes the operating and financial case reviewable. Organize ownership and signing records, relevant resumes, premises terms, itemized supplier quotations, insurance, applicable permissions, staffing and training records, customer terms and the monthly workbook. Reference each attachment from the section it supports. Keep sensitive personal and commercially confidential documents in the receiving institution's designated secure channel rather than publishing them with a sample plan.

Maintain an assumptions index recording the input, unit, source, date, owner, uncertainty and review trigger. Mark each item as verified evidence, provisional quotation or management estimate. When a price, volume or payment term changes, update the narrative, financial statements and funding request together. A quote can expire, a premises condition can change and a prospective customer can decline; the evidence register should make those changes visible.

The official links below are research starting points for the stated topics, not a claim that this fictional operation has been licensed or that every current requirement has been verified. No regulatory fee, approval timeline, statutory tax rate or entitlement is reproduced. Confirm the current rules for the actual location, activities and transaction with the responsible authority and qualified advisers before relying on the plan.

- Ontario — Private security and investigative services — Research agency and individual licensing and training for the proposed scope.
- Ontario — Employment standards — Research hours, pay and employment obligations for the actual roster.

Details deliberately left for verification include the actual site, product or service permissions, employment treatment, transaction taxes, financing conditions and the current official requirements. This sample quotes no regulatory rate or automatic approval entitlement. Use the related planning guide to frame further research, while keeping the company's assumptions separate from rules governing the actual application.

Final adaptation checks: confirm the exact scope and premises, verify demand, cost the roster, obtain current supplier terms, classify opening expenses and deposits, reconcile all three statements and test the lowest monthly cash point. Resolve any condition preventing lawful delivery before taking unconditional commitments. The PDF

reproduces this sample; a real submission requires the business's own evidence and the receiving lender's current checklist.

## Frequently asked questions

### What does this security guard company business plan sample include?

It includes North Lantern Security Services Inc., a fictional company in London, Ontario, ten connected plan sections, an operating model, linked three-year CAD income statements, cash flow and balance sheets, a conditional funding request and a supporting-source register. Replace all fictional details with your own evidence.

### How much funding does this fictional business need?

The scenario uses CAD $220,000 of opening capitalization: $160,000 owner equity and $60,000 requested borrowing. That is a teaching scenario, not a typical startup cost. Actual quotes, launch expenses, staffing and payment delays determine the real requirement.

### Does this security guard company sample cover armed services?

No. It models unarmed guarding and access-control posts only. Armed work, investigation and cash transport are excluded. Confirm agency and individual licensing, training, insurance, authority and site instructions for the actual operation before accepting a deployment.

### Are the three-year financials a forecast or profit promise?

No. Every commercial input and statement is illustrative. The tables show how revenue drivers, costs, working capital, debt payments and capitalization connect. Neither profit nor financing approval is assured. Prepare a detailed monthly model and the further forecast horizon requested by the lender.

### Can I download and adapt this security guard company example?

Yes. The linked PDF reproduces the online sample. Use it as a structural reference, replace fictional company details and every commercial assumption, obtain current quotations and official confirmations, and reconcile the operating narrative and financial model before using the plan for a real decision.


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## Written by Atul Jagga, CPA Ontario

Founder of The Biz Plans, Toronto. MBA Finance & Strategy (UBC); 20+ years in corporate finance and consulting involving RBC, BMO, and CIBC. Since 2016, Atul has written bank-financing and investor business plans for Canadian startups and small businesses. About Atul · Professional plan writing services

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