

SilverBridge shows positive results

SilverBridge, a provider of software solutions to the financial services industry, has posted solid results with profit after tax of R5.9-million for the year ended 30 June 2014 compared to R2.3-million for the previous year.

SilverBridge CEO Jaco Swanepoel is pleased with the results. "Overall revenue increased marginally, however our annuity-based rental revenue grew healthily with a nine percent increase from the previous year. In years past this was and remains a core focus area for our business."

"The growth in rental revenue was driven by a combination of increased usage by existing clients and the addition of new clients. After the allocation of direct costs related to warranty, maintenance and indirect costs, the SilverBridge rental segment made a good profit in comparison to the previous year," he explains.

There was also a healthy increase in margins in both the Connect implementation and Connect support segments. Swanepoel attributes this to more focus on small to medium sized customers which typically yield higher margins than the contracts with larger customers.

Cash flow from operating activities led to a net inflow of R6.7-million, a R6.8-million improvement from last year. The cash position of the Group improved to a R7.9-million balance in cash and cash equivalents at year end in comparison to R3.2-million last year.

The changing environment within the financial services market continues to present new opportunities for the Group as the market searches for new ways to reduce costs and improve service to its clients.

Swanepoel says SilverBridge will focus on growing the overall revenue of the Group by not only continuing to operate within the current business models, but also by leveraging existing competencies in new market segments.

"The overall outlook for the Group remains positive as it continues to build its annuity revenue and strengthen its core business around this," he concludes.