NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

11. Deferred income tax (continued)

	Company							
	Capital allowances R'000	Invest-ment R'000	Provisions R'000	Prepay-ments R'000	Assessed loss* R'000	Business combina-tions R'000	Other R'000	Total R'000
Deferred income tax assets								
Balance as at 1 July 2016	–	–	1 400	–	16 345	–	–	17 745
Credit to profit for the year	–	12 815	1 260	–	(16 345)	–	–	(2 270)
Balance as at 30 June 2017	–	12 815	2 660	–	–	–	–	15 475
(Charge)/credit to profit for the year	–	(592)	(2 660)	–	–	–	–	(3 252)
Balance as at 30 June 2018	**–**	**12 223**	**–**	**–**	**–**	**–**	**–**	**12 223**

* *As a result of the increase in operations, the companies will generate sufficient income which will be utilised against the assessed loss going forward.*

12. Inventory

	Group		Company	
	June 2018 R'000	June 2017 R'000	**June 2018 R'000**	June 2017 R'000
Merchandise	74 366	63 848	–	–
Finished goods	9 166	9 528	–	–
Inventory on hand at year end	83 532	73 376	–	–

The finished goods on hand at year end relates to specialised equipment that will be sold in the next financial period. Merchandise refers to pharmaceutical products that are on hand at year end.