Our customer deposit platform, launched in 2019, has allowed us to offer a wider range of deposit products to further diversify our funding and improve customer experience. In the first half we introduced a new online portal, with a number of new savings products to come during the 2021 financial year, including cash Individual Savings Accounts ("ISA") products, which will continue to grow and diversify our retail deposit base and further optimise our cost of funding and maturity profile. Deposits increased 5% overall to £5.9 billion (31 July 2019: £5.6 billion) with non-retail deposits decreasing slightly to £3.3 billion (31 July 2019: £3.5 billion) and retail deposits increasing by 22% to £2.6 billion (31 July 2019: £2.1 billion).

Our range of secured funding facilities include securitisations of our Premium and Motor Finance loan books, and during the year we raised £200 million via a third public Motor Finance securitisation. Following admission to the Bank of England's Term Funding Scheme with additional incentives for SMEs ("TFSME"), we transitioned £228 million of drawings previously under the Term Funding Scheme to TFSME at the end of July 2020.

Unsecured funding, which includes senior unsecured bonds and undrawn facilities, remained broadly unchanged at £1.5 billion (31 July 2019: £1.5 billion).

We have maintained a prudent maturity profile. The average maturity of funding allocated to the loan book remained ahead of the loan book at 18 months (31 July 2019: 20 months), while the average loan book maturity stood at 15 months (31 July 2019: 14 months).

LIBOR, which had been the principal sterling reference rate used by the group, is due to be withdrawn by the end of 2021. The group is actively participating in initiatives to determine the appropriate treatment of all instruments on the withdrawal of LIBOR, including the use of SONIA, the Sterling Overnight Index Average.

Our strong credit ratings have been considered by both Moody's Investors Services ("Moody's") and Fitch Ratings ("Fitch") during the year. Moody's rates Close Brothers Group "A3/P2" and Close Brothers Limited "Aa3/P1" with a "negative" outlook.

Group Funding[1]

	31 July 2020 £ million	31 July 2019 £ million
Customer deposits	**5,917.7**	5,638.4
Secured funding	**1,418.2**	1,404.8
Unsecured funding[2]	**1,460.1**	1,462.2
Equity	**1,449.6**	1,406.4
Total available funding	**10,245.6**	9,911.8
Of which term funding (>1 year)	**4,671.6**	5,493.4
Total funding as % of loan book	**135%**	129%
Average maturity of funding allocated to loan book[3]	**18 months**	20 months

1 Numbers relate to core funding and exclude working capital facilities at the business level.
2 Unsecured funding excludes £7.9 million (2019: £29.0 million) of non-facility overdrafts included in borrowings and includes £295.0 million (2019: £295.0 million) of undrawn facilities.
3 Average maturity of total funding excluding equity and funding held for liquidity purposes.

Group Liquidity

	31 July 2020 £ million	31 July 2019 £ million
Cash and balances at central banks	**1,375.8**	1,106.4
Sovereign and central bank debt	**72.2**	48.3
Certificates of deposit	**285.9**	240.7
Treasury assets	**1,733.9**	1,395.4

Fitch applied a one notch downgrade to our ratings alongside several mid-sized UK banks following their downgrade of UK sovereign debt to AA-, reflecting their view of the negative impact of Covid-19 on the UK economy. The result was a rating of "A-/F2"(from "A/F1"), with a "negative" outlook (previously "stable") for both Close Brothers Group and Close Brothers Limited.

Liquidity

The group continues to adopt a conservative stance on liquidity, ensuring it is comfortably ahead of both internal risk appetite and regulatory requirements. Against a backdrop of a generally weak economic UK outlook driven by the continued uncertainty over the final Brexit settlement and the Covid-19 crisis, treasury assets increased 24% to £1.7 billion (31 July 2019: £1.4 billion) and were predominantly held on deposit with the Bank of England, giving us continued good headroom to both internal and external liquidity requirements.

We regularly assess and stress test our liquidity requirements and continue to comfortably meet the LCR requirements under the Capital Requirements Directive IV ("CRD IV"), with a 12-month average LCR unchanged at 823% (2019: 823%).

Basis of Presentation

Results are presented both on a statutory and an adjusted basis to aid comparability between periods. Adjusted measures are presented on a basis consistent with prior periods and exclude amortisation of intangible assets on acquisition, to present the performance of the group's acquired businesses consistent with its other businesses; any exceptional items, which are non-recurring and do not reflect trading performance; and discontinued operations. Discontinued operations relate to the unsecured retail point of sale finance business, which was sold on 1 January 2019.