Fears have grown about a minibond company that has raised more than £25 million from investors after it missed a second consecutive interest payment.

Blackmore Bond, which is yet to pay the quarterly coupon payment that was due in October, has told more than 2,000 investors that it is also unable to pay their January interest, according to an email to bondholders seen by *The Times*.
The second missed coupon has increased bondholders' concerns about Blackmore's financial health.

Blackmore was founded by Patrick McCreesh, 40, and Phillip Nunn, 41, in Manchester in 2016 and has sold high-risk, unregulated minibonds to small savers to raise money to finance property developments around Britain. The business attracted savers by offering them returns of as much as 9.9 per cent.
It stopped issuing minibonds to British investors last March, following an intervention by the Financial Conduct Authority.

Investors' worries about the company started to grow last July, when it was late paying some investors their interest, and intensified following the missed October payment.

Blackmore has blamed its problems on a slowdown in the housing market that has delayed sales of its properties.

The company had raised £25.4 million from its minibonds by the end of 2017, according to its last set of accounts, although the total is now likely to be higher given it said it was attracting about £1.5 million a month.

Investors have been left in the dark about its finances after it failed to file its 2018 figures at Companies House.

Minibonds have come in for scrutiny following the collapse a year ago of London Capital & Finance, which had raised more than £237 million selling illiquid debt securities to 11,625 small investors.

Bondholders in LCF are now expected to suffer heavy losses on their investments and the Serious Fraud Office is investigating the failed firm.

Blackmore has drawn attention because it used a Brighton-based company called Surge to promote its minibonds, the same marketing business that had been hired by LCF.

The furore over LCF's implosion prompted the Financial Conduct Authority to introduce a ban on the mass marketing of minibonds to retail investors, which came into effect at the beginning of the year.

Mr McCreesh did not respond to a request for comment.