UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2021

Commission File Number 000-55235

ABCO ENERGY, INC.
(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)		**20-1914514** (IRS Employer Identification No.)
2505 N. Alvernon Way **Tucson, Arizona** (Address of principal executive office)	**85712** (Zip Code)	**(520) 777-0511** (Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
COMMON STOCK	ABCE	OTC PINK MARKET

Securities registered pursuant to Section 12(b) of the Act: None.

Securities registered pursuant to Section 12(g) of the Act: Common Stock, par value $0.001 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b- 2 of the Exchange Act.

Large Accelerated ☐	Accelerated filer ☐
Non-Accelerated Filer ☐	Smaller reporting company ☒
(Do not check if a smaller reporting company)	Emerging growth company ☒

If an emerging growth company, indicate by check mark if registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Act.) Yes ☐ No ☒

As of April 18 2022, the aggregate market value of common stock held by non-affiliates was approximately $519,421 using the closing price on that day of $0.0047.

As of April 18, 2022 there were 260,515,166 shares of registrant’s common stock outstanding.

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PART I

FORWARD-LOOKING INFORMATION

This Annual Report on Form 10-K (including the section regarding Management's Discussion and Analysis of Financial Condition and Results of Operations) contains forward-looking statements regarding our business, financial condition, results of operations and prospects. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions or variations of such words are intended to identify forward-looking statements but are not deemed to represent an all- inclusive means of identifying forward-looking statements as denoted in this Annual Report on Form 10-K. Additionally, statements concerning future matters are forward-looking statements.

Although forward-looking statements in this Annual Report on Form 10-K reflect the good faith judgment of our Management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those specifically addressed under the heading "Risks Factors" below, as well as those discussed elsewhere in this Annual Report on Form 10-K. Readers are urged not to place undue reliance on these forward- looking statements, which speak only as of the date of this Annual Report on Form 10-K. We file reports with the Securities and Exchange Commission ("SEC"). You can read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. You can obtain additional information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us.

A 170 to 1 Reverse Stock Split became effective with the Financial Industry Regulatory Authority ("Finra") on January 4, 2021, where upon our common stock began to trade on a reverse split adjusted basis. All per share numbers and share prices included herein have been adjusted to reflect this Reverse Stock Split, including the audited financial statements.

We undertake no obligation to revise or update any forward-looking statements to reflect any event or circumstance that may arise after the date of this Annual Report on Form 10-K. Readers are urged to carefully review and consider the various disclosures made throughout the entirety of this Annual Report, which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

This Annual Report on Form 10-K includes the accounts of ABCO Energy, Inc., a Nevada C Corporation, ("Company") and its wholly owned subsidiaries, as follows, collectively referred to as "we", "us" or the "Company". Wholly owned subsidiaries include:

- ABCO Solar, Inc., an Arizona "C" Corporation
- ABCO Air Conditioning Services, Inc., an Arizona "C" Corporation
- Alternative Energy Finance Corporation, (AEFC), a Wyoming "LLC" Company
  (provides funding for leases of Solar systems)
- Alternative Energy Finance Corp., an Arizona "C" Corporation

ITEM 1. BUSINESS.

OVERALL STRATEGIC DIRECTION

The Company is in the Photo Voltaic (PV) solar systems industry, the LED and energy efficient lighting business, is a dealer for a solar powered and regular air conditioning system (HVAC) and is an electrical product and services supplier. The Company plans to build out a network of operations, through internal growth and acquisitions, in major cities in the USA to establish a national base of PV suppliers, lighting suppliers, HVAC and electrical service operations centers. This combination of services, solar PV, solar AC Systems, lighting and electric, provides the Company with a solid base in the electrical services business and a solid base in the growth markets of solar PV industry and the LED lighting industry.

OVERVIEW

As of December 31, 2021, we operated in Tucson and Phoenix, Arizona. We believe that the solar and energy efficiency business functions better if the employees are local individuals working and selling in their own community. Our customers have indicated a preference for dealing with local firms and we will continue our focus on company-owned integrated product and services offices. Once a local firm is established, growth tends to come from experience, quality and name recognition. We remain committed to high quality operations.

Our audited statements for the years ended December 31, 2021 and 2020 are presented below with major category details of revenue and expense including the components of operating expenses.

DESCRIPTION OF PRODUCTS

ABCO sells and installs Solar Photovoltaic electric systems that allow the customer to produce their own power on their residence or business property. These products are installed by our crews and are purchased from both USA and offshore manufacturers. We have available and utilize many suppliers of US manufactured solar products from such companies as Peimar, Mia Soleil, Canadian Solar, Boviet, Westinghouse Solar and various Korean, German, Italian and Chinese suppliers. In addition, we purchase from several local and regional distributors whose products are readily available and selected for markets and price. ABCO offers solar leasing and long term financing programs from Service Finance Corporation, Green Sky, AEFC and others that are offered to ABCO customers and other marketing and installation organizations.

ABCO also sells and installs energy efficient lighting products, solar powered streetlights and lighting accessories. ABCO contracts directly with manufacturers to purchase its lighting products which are sold to residential and commercial customers.

ABCO has Arizona statewide approval as a registered electrical services and solar products installer and as an air conditioning and refrigeration installer. Our license is ROC 258378 electrical and ROC 323162 Air Conditioning (HVAC0 and we are fully licensed to offer commercial and residential electrical services, HVAC and solar.

The ABCO subsidiary, Alternative Energy Finance Corporation, (AEFC) a Wyoming Company provides funding for leases of photovoltaic systems. AEFC financed its owned leases from its own cash and now arranges financing with funds provided by other lessors.

ABCO Solar offers solar systems “Operations and Maintenance Services” to residential and commercial customers that have solar systems built by ABCO or other solar installers. Many installers have gone out of business and ABCO’s service enables these customer’s system to continue to operate. ABCO’s service enables customers to maintain their warranties, remove and replace their systems for roof maintenance, clean solar panels and to maintain peak efficiency. ABCO now operates and maintains systems in many cities in Arizona and intends to continue to expand this operation and maintenance segment of its business.

COMPETITION

The solar power market itself is intensely competitive and rapidly evolving. Price and available financing are the principal methods of competition in the industry. Based upon these two criteria, our position in the industry is relatively small. There is no competitive data available to us in our competitive position within the industry. Our competitors have established market positions more prominent than ours, and if we fail to attract and retain customers and establish a successful distribution network, we may be unable to achieve sales and market share. There are several major multi-national corporations that produce solar power products, including, Suntech, Sunpower, First Solar, Kyocera, Sharp, GE, Mitsubishi, Solar World AG and Sanyo. Also, established integrators are growing and consolidating, including GoSolar, Sunwize and Sunenergy and we expect that future competition will include new entrants to the solar power market. Further, many of our competitors are developing and are currently producing products based on new solar power technologies that may have costs similar to, or lower than, our projected costs.

COMPETITIVE ADVANTAGES

The Company believes that its key competitive advantages are:

1. The ability to make decisions and use management’s many years of business experience to make the right decisions.
2. Experience with National expansion programs by management.
3. Experience with management of employee operated facilities from a central management office.
4. Experience with multi-media promotional program for name recognition and product awareness.
5. Alternative energy is a fast growing and popular industry that relates well to customers and current or future shareholders that recognize the market, products and business focus.

ADVANTAGES OF COMPETITORS OVER US

The Company believes the following are advantages of Competitors over us.

1. Larger competitors have more capital.
2. Larger companies have more experience in the market.
3. Larger companies will get the larger contracts because of the level of experience.
4. We have the same products but must pay more because of volume. This will be a price consideration in bidding competition
5. We are a small company that may not be able to compete because we do not have experience or working capital adequate to compete with other companies.

CURRENT BUSINESS FOCUS

We have developed very good promotional material and advertising products. We have developed the key messages and promotional pieces that are relevant to our business and inexpensive to produce. We have built an informative and interactive web site that will allow people to assess their requirements and partially build and price a system, much like the automobile dealers utilize. Additional sales promotion will increase when we have secured outside financing or increased sales through direct sales efforts. Readers should review our websites at www.abcosolar.com and www.abcoac.com.

We have established a direct sales force to sell to Government agencies including State, Local and Federal resources and a separate division to call on the many American Indian governments in the US. This allows us to quote with our specifications, products and services on Requests for Proposals (RFP's) that are issued by the Government Services Agency (GSA), Bureau of Indian Affairs (BIA) and other agencies. We have found that many projects are not known to the general public and most contractors because governmental agencies do not widely advertise their projects. By departmentalizing this opportunity, we get more information on projects than is available in the normal course of business.

ABCO does not manufacture its solar voltaic (PV) products. We will continue to be a sales and installation contractor with plans to enter the markets of major US and international cities. We will sell and use commercial off the shelf components. Initially this will include the solar panels and LED lighting products purchased to our specification. A strong alliance with a well-respected distributor will be the most conservative decision for the company at this time.

ABCO will contract directly with manufacturers for its Solar Street Light and other lighting products and will sell, install and maintain these products.

Our business and the industry are reliant upon several state and federal programs to assist our customers in the acquisition of our products and services. Such programs are the utility rebates paid directly to customers for wattage installations and the state and federal tax credit programs that allow a percentage of the actual cost of installations to be refunded in the form of tax credits. Many states have mandated the utilities to collect funds from their customers for the payment of rebates. All of these programs are listed on the website www.dsireusa.org.

Most of these programs are slated for expiration at differing times in the future. The federal tax credit of 30% of installation cost expired at the end of 2019 but will continue at reduced rates through 2024. The 2020 and 2021 rate is 26%. The customers benefit from the federal and state tax credits which pass through to the owners of the solar systems. Investors often require the ownership to remain in their hands so that the tax credits can be passed through to them. This results in a lesser amount to finance and a benefit to the lessee because it lowers the lease payments. To the extent known, the curtailment or reduction of this tax credit will make a material change in our business and will very likely lower our sales prices and gross margins. Extension of the program or small reductions will probably not have a material effect on sales or gross margins because the suppliers will adjust to the new norm. We again emphasize, we cannot predict any of the future or the outcome of unknowns. State rebate mandates and state tax credits are variable by state. All of these programs provide incentives for our customers that result in reduced cost. The price of solar products has also been reduced drastically in the past few years which is helping to balance the reduction of the subsidies.

The State of Arizona subsidized incentives are not material to our programs at this time. Since the State of Arizona offers $1,000 tax credit per residential installation and no utility rebates for residential or commercial installations of solar systems, this amount of credit is not likely to negatively impact our business because it will not materially affect the price of the installation. This amount currently represents less than 5% of the price of an average residential installation.

CUSTOMER BASE

Referrals are important in any market and time in business makes the customer base grow. No customer represented a significant percentage of the Company's total revenue in the fiscal years ended December 31, 2021, or 2020. The company believes that the knowledge, relationships, reputation and successful track record of its management will help it to build and maintain its customer base.

EXPERIENCED MANAGEMENT

The Company believes that it has experienced management. ABCO's president, David Shorey, has 14 years of experience in the sales and installation of solar products and more than 40 years of business experience. Mr. Shorey has the ability and experience to attract and hire experienced and talented individuals to help manage the company.

Mr. Wayne Marx has been a member of the ABCO Board of Directors for ten years. He also has over 40 years of self-employed business experience The Company believes that long term business experience is our most valuable management tool. Effective November 28, 2021, Mr. Marx resigned as an officer and director of the Company. Personal reasons were given for his resignation. Mr. Shorey, the remaining director, and his staff are assembling a list of officer and director candidates.

ABCO has several experienced and long-term employees on staff with a number of years of experience in provision of electrical services including lighting, HVAC and solar installations. The Company believes that the knowledge, relationships, reputation and successful track record of its management will help it to build and maintain its customer base.

FINANCIAL RESOURCES

ABCO's development activities since inception have been financially sustained through the sale of equity and capital contribution from shareholders. We will continue to source capital from the equity and debt markets in order to fund our plans for expansion if we are unable to produce adequate capital from operations. There is no guarantee that the Company will be able to obtain adequate capital from these sources, or at all.

EMPLOYEES

The Company presently has twelve [12] full-time employees with four [4] in management, and two [2] in sales and the balance are in various labor crew positions. The Company anticipates that it will need to hire additional employees as the business grows. In addition, the Company may expand the size of our Board of Directors in the future. Mr. Shorey devotes full time (40 plus hours) to the affairs of the Company. No employees are represented by a union and there have not been any work stoppages.

IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

We are an "emerging growth company", as defined in the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"). For as long as we are an "emerging growth company," we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 40(t) of the Sarbanes-Oxley Act ("SOX") and reduced disclosure obligations regarding executive compensation in our periodic reports.

Under the JOBS Act, we will remain an "emerging growth company" until the earliest of:

- the last day of the fiscal year during which we have total annual gross revenues of $1 Billion dollars;
- the last day of the fiscal year following the fifth anniversary of completion of our first offering;
- the date on which we have, during the previous three-year period, issued more than $1 billion in non-convertible debt; and
- The date on which we are deemed to be "large accelerated filer" under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We will qualify as a "large accelerated filer" as of the first day of the first fiscal year after we have (i) more than $700 million in accelerated common equity held by our non-affiliated shareholders and (ii) been public for at least 12 months. The value of our outstanding common equity will be measured each year on the last day of our second fiscal quarter.

The JOBS Act also provides that an "emerging growth company" can utilize the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the "Securities Act"), for complying with new or revisited accounting standards. However, we are choosing to "opt out" of such extended transition period, and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for companies that are not "emerging growth companies." Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an "emerging growth company," we may take advantage of exemptions from various reporting requirements that are applicable to either public company that are not "emerging growth companies," including not being required to comply with the auditor attestation requirements of Section 404 of SOX. As an "emerging growth company" we are required to report fewer years of selected historical financial data than that reported by other public companies. We may take advantage of these exemptions until we are no longer an "emerging growth company." We could be an "emerging growth company" for up to five years, although circumstances could cause us to lose that status earlier, including if the market value of our ordinary shares held by non-affiliates exceeds $700 million as of any June 30 (the end of our second fiscal quarter) in which case we would no longer be an "emerging growth company" as of the following December 31 (our fiscal year end). We cannot predict if investors will find our shares less attractive because we may rely on these exemptions. If some investors find our shares less attractive as a result, there may be less active trading market for our shares and the price of our shares may be more volatile.

ITEM 1A. RISK FACTORS

See below. Otherwise, not required under Regulation S-K for "smaller reporting companies."

COVID-19 DISCLOSURE

COVID-19 is currently impacting countries, communities, businesses, and markets, as well as global financial condition and results of operations for 2021 and 2020. We believe that it could have a bearing on our ability to follow through with our business plan for the next 12 months, including our ability to obtain necessary financing.

While acknowledging that the impact of COVID-19 and the new Omicron variant is evolving rapidly and involves uncertainties, the SEC encourages companies to provide disclosures that allow investors to evaluate the current and expected impact of COVID-19 and the new Omicron variant through the eyes of management. The SEC also encourages companies to proactively update disclosures as facts and circumstances change. To that end, we have endeavored to address, where applicable, how COVID-19 and the new Omicron variant have impacted our financial conditions in the MD&A. We do not know how COVID-19 and the new Omicron variant will impact future operating results and our long-term financial condition. We have indicated what our overall liquidity position is now, but we cannot predict the long-term outlook. COVID-19 has had a negative effect on fund raising and both may have a negative effect on our ability to service our debt on a timely basis. We do not currently anticipate any material impairment including increases in allowances for bad debt, restructuring charges or other changes which could have a material impact on our financial statements on a timely basis. We do not expect to experience any significant challenges to implementing our business continuity plans nor do we expect COVID-19 to materially affect the demand for our services nor do we see any material change in the relationship between cost and services. The supply chain disruption and the new Omicron variant have not had any significant effect on our operations to date.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES.

The Company purchased land and buildings for its operations on December 31, 2019 and moved into the property in October 2020. The property consists of 4800 square foot of office and 1200 square foot of warehouse space and approximately one-half acre of land. The entire cost of the property was $325,000 plus closing costs. The property was financed by a $25,000 loan from Green Capital (GCSG) and a mortgage from the seller for the balance. The purchase price was allocated between Building $125,000 and Land $200,000. The previously occupied space was abandoned at the end of its lease and the Company wrote off the cost of abandoned leasehold improvements in 2020. The Company considers these facilities adequate for current operations level and for substantial growth in the future. Additional space is available in the current locations if needed. The Company currently rents small warehouse space in Phoenix, Arizona to support it operations.

ITEM 3. LEGAL PROCEEDINGS.

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have, individually or in the aggregate, a material adverse effect on our business, consolidated financial condition, or operating results.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

A VERY LIMITED MARKET FOR OUR SHARES

Our shares are listed on the OTC PINK Market under the symbol ABCE. On December 31, 2021, there were approximately 210 record holders of Company shares, not including all unknown names in the transfer system "CEDE".

The OTC Bulletin Board® is maintained by the National Association of Securities Dealers (the NASD, now known as the Financial Industry Regulatory Authority (FINRA)). The securities traded on the Bulletin Board are not listed or traded on the floor of an organized national or regional stock exchange. Instead, these securities transactions are conducted through a telephone and computer network connecting dealers in stocks. Over-the-counter stocks are traditionally smaller companies that do not meet the financial and other listing requirements of a regional or national stock exchange.

Even if our shares are quoted on the OTC Bulletin Board®, a purchaser of our shares may not be able to resell the shares. Broker- dealers may be discouraged from effecting transactions in our shares because they will be considered penny stocks and will be subject to the penny stock rules. Upon becoming a reporting company, Rules 15g-1 through 15g-9 promulgated under the Securities Exchange Act of 1934, as amended, impose sales practice and disclosure requirements on FINRA brokers-dealers who make a market in a "penny stock." A penny stock generally includes any non-NASDAQ equity security that has a market price of less than $5.00 per share. Under the penny stock regulations, a broker-dealer selling penny stock to anyone other than an established customer or "accredited investor" (generally, an individual with net worth in excess of $1,000,000 or an annual income exceeding $200,000, or $300,000 together with his or her spouse) must make a special suitability determination for the purchaser and must receive the purchaser's written consent to the transaction prior to sale, unless the broker-dealer or the transaction is otherwise exempt. In addition, the penny stock regulations require the broker-dealer to deliver, prior to any transaction involving a penny stock, a disclosure schedule prepared by the Commission relating to the penny stock market, unless the broker-dealer or the transaction is otherwise exempt. A broker-dealer is also required to disclose commissions payable to the broker-dealer and the registered representative and current quotations for the securities. Finally, a broker-dealer is required to send monthly statements disclosing recent price information with respect to the penny stock held in a customer's account and information with respect to the limited market in penny stocks. The additional sales practice and disclosure requirements imposed upon broker-dealers may discourage broker-dealers from effecting transactions in our shares, which could severely limit the market liquidity of the shares and impede the sale of our shares in the secondary market, assuming one develops.

In addition to the "penny stock" rules described above, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. The FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

MARKET INFORMATION HOLDERS

As of April 1, 2022, we had approximately 210 shareholders of record of our common stock. The number of record holders was determined from the records of our transfer agent and from other sources including NOBO listing of beneficial owners of common stock whose shares are held in the names of various security brokers, dealers, and registered clearing agencies. The transfer agent of our common stock is VStock Transfer LLC, 18 Lafayette Place, Woodmere, New York, 17598.

DIVIDENDS

We have never paid any cash dividends on our capital stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We intend to retain future earnings to fund ongoing operations and future capital requirements of our business. Any future determination to pay cash dividends will be at the discretion of the Board and will be dependent upon our consolidated financial condition, results of operations, capital requirements, and such other factors as the Board deems relevant.

ITEM 6. SELECTED FINANCIAL DATA.

Not required under Regulation S-K for “smaller reporting companies.”

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward Looking Statements

This Management’s Discussion and Analysis of Financial Condition and Results of Operations include several forward-looking statements that reflect management’s current views with respect to future events and financial performance. You can identify these statements by forward-looking words such as “may,” “will,” “expect,” “anticipate,” “believe,” “estimate” and “continue,” or similar words. Those statements include statements regarding the intent, belief or current expectations of us and the management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward- looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements.

Readers are urged to carefully review and consider the various disclosures made by us in this report and in our other reports filed with the Securities and Exchange Commission. Important factors not currently known to management could cause actual results to differ materially from those in forward-looking statements. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time. We believe that our assumptions are based upon reasonable data derived from and business and operations of the Company. No assurances are made that actual results of operations or the results of our future activities will not differ materially from our assumptions. Factors that could cause differences include, but are not limited to, expected market demand for our products, fluctuations in pricing for materials, and competition.

RESULTS OF OPERATION

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE FISCAL YEARS ENDED DECEMBER 31, 2021, AND 2020

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes. This discussion and analysis contain certain statements that are not historical facts, including, among others, those relating to our anticipated financial performance for fiscal 2021 and 2020, cash requirements, and our expansion plans. Only statements which are not historical facts are forward-looking and speak only as of the date on which they are made. Information included in this discussion and analysis includes commentary on company-owned offices and sales volumes. Management believes such sales information is an important measure of our performance and is useful in assessing consumer acceptance of the ABCO Energy Business Model and the overall health of the Company. All our financial information is reported in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Such financial information should not be considered in isolation or as a substitute for other measures of performance prepared in accordance with GAAP.

OVERVIEW

As of December 31, 2021, we operated in Tucson and Phoenix, Arizona. The Company's plan is to expand to more locations in North America in the next year. We believe that the solar and energy efficiency business functions better if the employees are local individuals working and selling in their own community. Our customers have indicated a preference for dealing with local firms and we will continue our focus on company-owned integrated product and services offices. Once a local firm is established, growth tends to come from experience, quality and name recognition. This will result in larger contracting jobs, statewide expansion and growth in revenue. We remain committed to high quality operations.

Our operating results for the years ended December 31, 2021, and 2020 are presented below with major category details of revenue and expense including the components of operating expenses. Footnotes to the financial statements discloses the related party transactions of Officer, Directors and other related parties.

FISCAL YEAR ENDED DECEMBER 31, 2021, COMPARED TO FISCAL YEAR ENDED DECEMBER 31, 2020

Sales increased to $1,372,410 in 2021, an increase of $211,304 or 18% over 2020 sales of $1,161,106. The Covid 19 Pandemic, Lack of funds and available staff has reduced our ability to maintain our sales momentum. Our experience has shown us that there is going to be such pressure on our market, and we are changing to prevent the decreases in sales in the future. We have added new products and new sales personnel and intend to find merger and acquisition funding and acquisition or merger candidates during the current year. There is no assurance that ABCO will be able to accomplish these goals in the coming year.

Cost of sales increased by $164,161, or 21% to $948,891 in 2021 from $784,730 in 2020 due primarily to the increase in sales. The Company also changed its focus from residential installs to a commercial focus in order to meet changes in the market. Gross margin as a percentage of total sales was at 31% in 2021 from 32% in 2020, primarily due to higher margins associated with commercial jobs and better management of costs on the larger commercial jobs in 2019. We hope to bid these contracts more favorably in the future to prevent negative cost of sales numbers. We hope that more efficient production and a sales mix shift to the higher profit commercial market emphasis will improve these numbers.

General and administrative expenses increased by $246,78 to $1,093,425 in 2021 from $846,640 in 2020 due primarily to increases in stock based compensation to management which accounted for more than the total increase for the period. We also decreased our administration staff since 2020 in order to control operating expenses and to closely administering public company expenses.

Net loss from operations increased by $199,642 to $(669,906) for the year ended December 31, 2021, as compared to a loss from operations of $(470,264) for the year ended December 31, 2020. This increase is attributable to expenses from stockbased compensation and financing. We had similar margins in 2021 as in 2020 due to the emphasis on commercial projects.

Total Net loss for the twelve months ended December 31, 2021, was $(668,375) and $(524,759) for the year ended December 31, 2020. This decrease is attributable to expenses from stock based compensation, financing and professional fee charges in 2021 that did not occur in 2020.

LIQUIDITY AND CAPITAL RESOURCES

Our primary liquidity and capital requirements have been for carrying cost of accounts receivable and inventory during and after completion of contracts. This process can easily exceed 90 days and requires the contractor to pay all or most of the cost of the project without assistance from suppliers. Our working capital on December 31, 2021, was $(1,390,788) and it was $(1,507,716) on December 31, 2020. This decrease of $129,720 was primarily funded by our officer's loans and private equity offerings.

ABCO Energy has increased its loan obligations or long-term debt in 2021. Our long-term debt net of current portion totaled $495,525 on December 31, 2021, and $472,293 on December 31, 2020, due mainly to the SBA loans and equipment purchase loans obtained by the Company.

On December 31, 2021 and 2020, the Company owed Officers and Directors $533,244 and $311,340 respectively on demand notes. This is an increase of$221,904 which represents an additional loan from the President of ABCO

Bank financing has not been available to the Company.

STATEMENTS OF CASH FLOWS

During the years ended December 31, 2021, and 2019 our net cash used in operating activities was $(612,849) and $(66,859) respectively. Net cash used by operating activities in the period ended December 31, 2021, and 2020 consisted primarily of net loss from operations adjusted for non-cash expenses, stock based compensation expense and a decrease in accounts payable and accrued expenses.

Net cash provided by (used in) investing activities for the years ended December 31, 2021, and 2020 was $667 and $(47,094) respectively. This is primarily due to the purchase of autos for operations and investment in our building improvements. Net cash provided by financing activities for the years ended December 31, 2021, and 2020 was $563,844 and $55,601 respectively. Net cash provided by financing activities for 2021 and 2020 resulted primarily from the issuance of common stock and the conversion of convertible debt into common stock and officer's loans.

Since our inception on August 8, 2008, through December 31, 2021, we have incurred net losses of $(7,754,642), including the effects of derivatives on convertible debt totaling $2,136,674 and stock based compensation of $562,699 over the last few years. Our cash and cash equivalent balances were $31,414 and $54,268 as of December 31, 2021, and 2020 respectively. On December 31, 2021, we had total liabilities of $2,249,620 as opposed to $2,398,499 on December 31, 2020, an decrease of $148,879. Most of the increase occurred because of the SBA long term loan, officer's loans and the auto purchases.

We plan to satisfy our future cash requirements, primarily the working capital required for the marketing of our products and services, by additional financing and more operations income. This will likely be in the form of future debt or equity financing. Based on our current operating plan, we have sufficient working capital to sustain operations for the short term if we do not expand our business. We will not however, be able to reach our goals and projections for multistate expansion without a cash infusion. We expect that our revenue will increase at a steady pace and that this volume of business will result in profitable operations in the future.

OFF BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet transactions during the years ended December 31, 2021, and 2020.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required under Regulation S-K for "smaller reporting companies."

ITEM 8. FINANCIAL STATEMENTS.

ABCO ENERGY, INC.

FOR CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Slack & Company CPAs, LLC

To the Board of Directors and Stockholders of ABCO Energy, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of ABCO Energy, Inc. ("the Company") as of December 31, 2020, and 2019, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the two years then ended, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and 2019, and the results of its operations and its cash flows for each of the two years ended December 31, 2020, and 2019, respectively, in conformity with accounting principles generally accepted in the United States of America.

Consideration of the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has a loss from operations and an accumulated deficit. It also intends to fund operations through future financing, of which no assurance can be given that the Company will be successful in raising such capital. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Slack & Company CPAs LLC

We have served as the Company's auditor since 2020 | Dated: April 15, 2021

ABCO ENERGY, INC.
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2021, and 2020

	December 31 2021	December 31 2020
ASSETS		
Current Assets		
Cash	$ 31,414	$ 54,268
Accounts receivable on completed projects	33,772	43,221
Costs and estimated earnings on contracts in progress	298,121	319,001
Total Current Assets	$ 363,307	$ 416,490
Fixed Assets		
Fixed assets – net of accumulated depreciation	378,891	393,887
Other Assets		
Investment in long term leases	3,641	3,995
Security deposits		-
Total Other Assets	3,641	3,995
Total Assets	$ 745,839	$ 814,372
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 521,819	$ 526,981
Short term notes payable	155,979	347,459
Excess billing on contracts in progress	268,435	558,907
Notes payable from officers	533,244	311,340
Convertible debentures – net of discount	233,810	153,817
Current portion of long-term debt	40,808	27,702
Total Current Liabilities	1,754,095	1,926,206
Long term debt, net of current portion	495,525	472,293
Total Liabilities	2,249,620	2,398,499
Commitments and contingencies	-	-
Stockholders' Deficit:		
Preferred stock, 100,000,000 shares authorized, $0.001 par value, and 30,000,000 shares issued and outstanding on December 31, 2021, and on December 31, 2020	12,800	30,000
Common stock, 2,000,000,000 shares authorized, $0.001 par value, 255,308,636 and 15,702,037, issued and outstanding on December 31, 2021, and December 31, 2020, respectively	255,309	15,702
Additional paid-in capital	5,982,752	5,456,438
Accumulated deficit	(7,754,642)	(7,086,267)
Total Stockholders' Deficit	(1,503,781)	(1,584,127)
Total Liabilities and Stockholders' Deficit	$ 745,839	$ 814,372

See accompanying notes to the consolidated financial statements.

ABCO ENERGY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2021, and 2020

	December 31, 2021	December 31, 2020
Revenues, net	$ 1,372,410	$ 1,161,106
Cost of Sales	948,891	784,730
Gross Profit	423,519	376,376
Operating Expenses:		
Payroll	217,735	262,006
Stock based compensation	300,700	14,500
Advertising and marketing	53,372	12,803
Consulting expense	69,703	81,028
Corporate expense	62,648	31,511
Insurance	75,768	60,239
Professional fees	35,227	106,624
Rent	10,049	31,580
Other selling and administrative expense	268,223	246,349
Total operating expense	1,093,425	846,640
Net (Loss) from operations	(669,906)	(470,264)
Other expenses:		
Interest expense, net	(64,475)	(37,657)
Amortization of original issue discount	(33,543)	-
Change in derivative liability (Gain) Loss	(12,792)	(13,629)
Finance Fees – derivatives	(93,706)	(3,209)
Gain on extinguishment of debt	206,047	-
Total other expenses	1,531	(54,495)
Net (Loss) before provision for income taxes	(668,375)	(524,759)
Provision for income tax	-	-
Net (loss)	$ (668,375)	$ (524,759)
Net (loss) Per Share (Basic and Fully Diluted)	$ (0.01)	$ (0.01)
Weighted average number of common shares used in the calculation	135,505,337	8,293,933

See accompanying notes to the consolidated financial statements.

ABCO ENERGY, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2021, and 2020

Shares are recast in 2021 and 2020 for 170 for 1 reverse of common stock	Common Stock Shares	Common Stock Amount $0.001 Par	Preferred Stock	Additional Paid in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance on December 31, 2019	885,829	$ 886	$ 30,000	$ 5,036,796	$ (6,562,508)	$ (1,493,826)
Common shares issued for warrants under private placement offering - net of expenses	9,107,296	9,107		220,658		229,765
Common shares issued for conversion of convertible debenture notes - net of expenses	5,708,912	5,709		198,984		204,693
Net (loss) for the year					(524,759)	(524,759)
Balance - December 31, 2020	15,702,037	$ 15,702	$ 30,000	$ 5,456,438	$ (7,086,267)	$ (1,584,127)
Common shares issued for warrants under private placement offering - net of expenses	11,864,969	11,865		96,635		108,500
Common shares issued for conversion of convertible debenture notes - net of expenses	48,121,630	48,122		291,399		339,521
Common shares issued for compensation to insiders	172,000,000	172,000	(17,200)	17,200		172,000
Common shares issued for compensation to non-insiders	7,620,000	7,620		121,080		128,700
Net (loss) for the year					(668,375)	(668,375)
Balance - December 31, 2021	255,308,636	$ 255,309	$ 12,800	$ 5,982,752	$ (7,754,642)	$ (1,503,781)

See accompanying notes to the consolidated financial statements.

ABCO ENERGY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021, and 2020

	December 31 2021	December 31 2020
Cash Flows from Operating Activities:		
Net loss	$ (668,375)	$ (524,759)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	14,683	13,486
Change in amortizable debt discount on convertible debt	(33,543)	
Shares issued to officers and consultants	300,700	
Change in derivative liability		89,561
Derivative liability (Gain) Loss	(12,792)	13,629
Finance fees on derivatives	(93,706)	3,209
Gain (loss) on extinguishment of debt	206,047	
Changes in operating assets and liabilities:		
Changes in Accounts receivable	(30,329)	(88,121)
Change in accounts receivable on incomplete contracts	(290,472)	482,855
Accounts payable and accrued expenses	(5,162)	(56,719)
Net cash used in operating activities	(612,949)	(66,859)
Cash Flows used in Investing Activities:		
Cash paid for land and building	(10,044)	
Purchase of equipment	10,357	(52,435)
Proceeds from investments in long term leases	354	141
Increase in lease deposits		5,200
Net cash used in investing activities	667	(47,094)
Cash Flows from Financing Activities:		
Proceeds from sale of common stock net of expenses	448,021	495,394
Proceeds from convertible debenture	92,785	(319,154)
Payments of and conversions of convertible debentures	-	(84,602)
Proceeds from merchant loans	-	6,828
Payments on merchant loans	-	(65,470)
Proceeds (Payments) on related party notes payable	221,904	123,834
Increase in loans from material lenders	(18,140)	(208,390)
Change in derivative liability		(97,974)
Proceeds (Payment) on long term debt	36,338	181,136
Payments on short term debt	(191,480)	-
Proceeds from SBA PPE loan payroll	-	123,999
Net cash provided by financing activities	589,428	155,601
Net increase (decrease) in cash	(22,854)	41,648
Cash, beginning of period	54,268	12,620
Cash, end of period	$ 31,414	$ 54,268
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 64,475	$ 37,657
Income taxes paid or accrued	-	-
Proceeds from mortgage on Equipment, land and buildings	-	48,280
Proceeds from SBA loan 30 years	-	150,000
Proceeds from SBA payroll loan EIDL	(123,999)	123,999
Supplemental Disclosure of Non-cash investing and financing activities:		
Shares issued or to be issued for services	$ 300,700	14,500
Common shares issued for conversion of convertible debenture notes - net of expenses	339,521	204,693

See accompanying notes to the consolidated financial statements.

ABCO ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021, AND
DECEMBER 31, 2020

Note 1 – Overview and Description of the Company

ABCO Energy, Inc. was organized on July 29, 2004, and operated until July 1, 2011, as Energy Conservation Technologies, Inc. (ENYC). On July 1, 2011, ENYC entered into a share exchange agreement (SEA) with ABCO Energy, Inc. ("Company") and acquired all the assets of ABCO. ENYC changed its name to ABCO Energy, Inc. on October 31, 2011. As a result of the SEA, the outstanding shares of ENYC as of June 30, 2011, were restated in a one for twenty-three (1 for 23) reverse stock split prior to the exchange to approximately 9% of the post-exchange outstanding common shares of the Company.

On January 13, 2017, the Board of Directors of the Company approved a reverse stock split of its common stock, at a ratio of 1-for-10 (the "Reverse Stock Split"). The Reverse Stock Split became effective with FINRA (the Financial Industry Regulatory Authority) and in the marketplace on January 13, 2017 (the "Effective Date"), whereupon the shares of common stock began trading on a split adjusted basis. As a result of the Reverse Stock Split the number of authorized shares of common stock was reduced to 50,000,000 from 500,000,000 shares. The Company held a Special Meeting of Stockholders in May 2017 which authorized an amendment to the Articles of Incorporation to increase the authorized common share capital to 2,000,000,000 common shares and 100,000,000 preferred shares. Thereafter, on September 27, 2017, by written consent the holders of a majority of the outstanding shares voted to authorize an additional amendment to increase the authorized common shares to 2,000,000,000 shares.

On December 13, 2020, the Board of Directors of the Company approved a reverse stock split of its common stock, at a ratio of 1-for-170 (the "Reverse Stock Split"). The Reverse Stock Split became effective with FINRA (the Financial Industry Regulatory Authority) and in the marketplace on January 4, 2021 (the "Effective Date"), whereupon the shares of common stock began trading on a split adjusted basis.

On December 23, 2018, the Board of Directors of the Company approved a reverse stock split of its common stock, at a ratio of 1-for 20 (the "Reverse Stock Split"). The Reverse Stock Split became effective with FINRA (the Financial Industry Regulatory Authority) and in the marketplace on December 23, 2018 (the "Effective Date"), whereupon the shares of common stock began trading on a split adjusted basis.

On November 8, 2018, by written consent the holders of a majority of the outstanding shares voted to authorize an additional amendment to increase the authorized common shares to 5,000,000,000 shares. All share numbers through-out these financial statements and notes thereto have been adjusted to reflect this reverse split.

The Company is in the Photo Voltaic (PV) solar systems industry, the LED and energy efficient commercial lighting business and is an electrical product and services supplier. In 2018 ABCO entered the HVAC business with the acquisition of a small company's assets and qualifying license. The Company plans to build out a network of operations in major cities in the USA to establish a national base of PV, HVAC, lighting and electrical service operations centers. This combination of services, solar and electric, provides the Company with a solid base in the standard electrical services business and a solid base in the growth markets of solar systems industry.

DESCRIPTION OF PRODUCTS

ABCO sells and installs Solar Photovoltaic electric systems that allow the customer to produce their own power on their residence or business property. These products are installed by our crews and are purchased from both USA and offshore manufacturers. We have available and utilize many suppliers of US manufactured solar products from such companies as Mia Soleil, Canadian Solar, Westinghouse Solar and various Italian, Korean, German and Chinese suppliers. In addition, we purchase from several local and regional distributors whose products are readily available and selected for markets and price. ABCO offers solar leasing and long-term financing programs from Service Finance Corporation, Green Sky, AEFC and others that are offered to ABCO customers and other marketing and installation organizations.

ABCO also sells and installs energy efficient lighting products, solar powered streetlights and lighting accessories. ABCO contracts directly with manufacturers to purchase its lighting products which are sold to residential and commercial customers.

ABCO has Arizona statewide approval as a registered electrical services and solar products installer and as an air conditioning and refrigeration installer. Our license is ROC 258378 Electrical and ROC 323162 HVAC, and we are fully licensed to offer commercial and residential electrical services, HVAC and Solar Electric.

ABCO ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND
DECEMBER 31, 2020

ABCO has three subsidiaries, ABCO Solar, Inc. an Arizona Corporation which provides solar and electric services and products, Alternative Energy Finance Corporation, (AEFC) a Wyoming Company which provides funding for leases of photovoltaic systems, and ABCO Air Conditioning Services, Inc., an Arizona Corporation which sells residential and commercial air conditioning equipment and services in Arizona. In addition, AEFC has two subsidiaries, Alternative Energy Solar Fund, LLC, and Arizona limited liability Company that was formed to invest in solar projects and Alternative Energy Finance Corporation, LLC, an Arizona limited liability company formed so AEFC could do business in Arizona.

ABCO Solar offers solar systems “Operations and Maintenance Services” to residential and commercial customers that have solar systems built by ABCO or other solar installers. Many installers have gone out of business and ABCO’s service enables these customer’s system to continue to operate. ABCO’s service enables customers to maintain their warranties, remove and replace their systems for roof maintenance and to maintain peak efficiency. ABCO now operates and maintains systems in many cities in Arizona and intends to continue to expand this operation and maintenance segment of its business.

Note 2 – Summary of significant accounting policies.
Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles, or “GAAP.” The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. Intercompany transactions and balances have been eliminated. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. We have identified the following to be critical accounting policies whose application have a material impact on our reported results of operations, and which involve a higher degree of complexity, as they require us to make judgments and estimates about matters that are inherently uncertain.

C***ash and Cash Equivalents***
There are only cash accounts included in our cash equivalents in these statements. For purposes of the statement of cash flows, the Company considers all short-term securities with a maturity of three months or less to be cash equivalents. There are no short-term cash equivalents reported in these financial statements.

Fixed Assets
Property and equipment are to be stated at cost less accumulated depreciation. Depreciation is recorded on the straight-line basis according to IRS guidelines over the estimated useful lives of the assets, which range from three to ten years. Maintenance and repairs are charged to operations as incurred.

Revenue Recognition
The Company generates revenue from sales of solar products, LED lighting, installation services and leasing fees. During the last two fiscal years, the company had product sales as follows:

Sales Product and Services Description	**December 31, 2021**		**December 31, 2020**	
Solar PV residential and commercial sales	$ 1,181,805	86%	$ 938,633	81%
Air conditioning sales and service	65,128	5%	28,800	2
Energy efficient lighting & other income	125,165	9%	193,333	17%
Interest Income	312	-%	340	-%
Total revenue	$ 1,372,410	100%	$ 1,161,106	100%

The Company recognizes product revenue, net of sales discounts, returns and allowances. These statements establish that revenue can be recognized when persuasive evidence of an arrangement exists, delivery has occurred, and all significant contractual obligations have been satisfied, the fee is fixed or determinable, and collection is considered probable.

ABCO ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021, AND
DECEMBER 31, 2020

Our revenue recognition is recorded on the percentage of completion method for sales and installation revenue and on the accrual basis for fees and interest income. We recognize and record income when the customer has a legal obligation to pay. All our revenue streams are acknowledged by written contracts for any of the revenue we record. There are no differences between major classes of customers or customized orders. We record discounts, product returns, rebates and other related accounting issues in the normal business manner and experience very small number of adjustments to our written contractual sales. There are no post-delivery obligations because warranties are maintained by our suppliers. Our lease fees are earned by providing services to contractors for financing of solar systems. Normally we will acquire the promissory note (lease) on a leased system that will provide cash flow for up to 20 years. Interest is recorded on the books when earned on amortized leases.

Accounts Receivable and work-in-progress
The Company recognizes revenue upon delivery of product to customers and does not make bill-and-hold sales. Contracts spanning reporting periods are recorded on the percentage of completion method, based on the ratio of total costs to total estimated costs by project, for recognition of revenue and expenses. Accounts receivable includes fully completed and partially completed projects and partially billed statements for completed work and product delivery. The Company records a reserve for bad debts in the amount of 2% of earned accounts receivable. When the Company determines that an account is uncollectible, the account is written off against the reserve and the balance to expense. If the reserve is deemed to be inadequate after annual reviews, the reserve will be increased to an adequate level.

Inventory
The Company records inventory of construction supplies at cost using the first in first out method. After review of the inventory on an annual basis, the Company discounts all obsolete items to fair market value and has established a valuation reserve of 10% of the inventory at total cost to account for obsolescence. As of December 31, 2019, all inventory was written off resulting in balances on December 31, 2021, of $0 and on December 31, 2020, of $0.

Income Taxes
The Company has net operating loss carryforwards as of December 31, 2021, totaling approximately $5,055,269 net of accrued derivative liabilities and stock-based compensation, which are assumed to be non-tax events. A deferred 21% tax benefit of approximately $1,061,606 has been offset by a valuation allowance of the same amount as its realization is not assured. The full realization of the tax benefit associated with the carry-forward depends predominately upon the Company's ability to generate taxable income during future periods, which is not assured.

The Company files in the US only and is not subject to taxation in any foreign country. There are three open years for which the Internal Revenue Service can examine our tax returns so 2018, 2019 and 2020 are still open years and 2021 will replace 2017 when the tax return is filed.

Fair Values of Financial Instruments
ASC 825 requires the Corporation to disclose estimated fair value for its financial instruments. Fair value estimates, methods, and assumptions are set forth as follows for the Corporation's financial instruments. The carrying amounts of cash, receivables, other current assets, payables, accrued expenses and notes payable are reported at cost but approximate fair value because of the short maturity of those instruments.

The Company measures assets and liabilities at fair value based on expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale date of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level.

ABCO ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021, AND
DECEMBER 31, 2020

The following are the hierarchical levels of inputs to measure fair value:

Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Unobservable inputs reflecting the Company's assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

The carrying amounts of the Company's financial assets and liabilities, such as cash, accounts payable and accrued expenses, approximate their fair values because of the current nature of these instruments. Debt approximates fair value based on interest rates available for similar financial arrangements. Derivative liabilities which have been bifurcated from host convertible debt agreements are presented at fair value. See note 11 for complete derivative and convertible debt disclosure.

Derivative Financial Instruments
Fair value accounting requires bifurcation of embedded derivative instruments such as convertible features in convertible debts or equity instruments, and measurement of their fair value for accounting purposes. In determining the appropriate fair value, the Company uses the binomial option-pricing model. In assessing the convertible debt instruments, management determines if the convertible debt host instrument is conventional convertible debt and further if there is a beneficial conversion feature requiring measurement. If the instrument is not considered conventional convertible debt, the Company will continue its evaluation process of these instruments as derivative financial instruments.

Once determined, derivative liabilities are adjusted to reflect fair value at each reporting period end with any increase or decrease in the fair value being recorded in results of operations as an adjustment to fair value of derivatives. In addition, the fair value of freestanding derivative instruments, such as warrants, are also valued using the binomial option-pricing model.

Effects of Recently Issued Accounting Pronouncements
The Company has reviewed all recently issued accounting pronouncements and have determined the following have an effect on our financial statements:

Stock-Based Compensation
The Company accounts for employee and non-employee stock awards under ASC 505 and ASC 718, whereby equity instruments issued to employees for services are recorded based on the fair value of the instrument issued and those issued to non-employees are recorded based on the fair value of the consideration received or the fair value of the equity instrument, whichever is more reliably measurable. For employees, the Company recognizes compensation expense for share-based awards based on the estimated fair value of the award on the date of grant and the probable attainment of a specified performance condition or over a service period.

Per Share Computations
Basic net earnings per share are computed using the weighted-average number of common shares outstanding which was 135,505,337 on December 31, 2021 and 8,293,933 on December 31, 2020. Diluted earnings per share is computed by dividing net income by the weighted-average number of common shares and the dilutive potential common shares outstanding during the period. All shares were considered anti-dilutive on December 31, 2021, and 2020. Potentially dilutive share issues are: 1) all unissued common shares sold, 2) all convertible debentures have a possibility of a large number of shares being issued and would result in a larger number of shares issued if the price remains low, 3) the preferred stock of the company held by insiders is convertible into common shares and the preferred stock is voted on a 20 to 1 basis, 4) all options issued. All of the above are potential dilutive items.

ABCO ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021, AND
DECEMBER 31, 2020

Stock subscriptions executed under an earlier offering included a provision whereby ABCO agrees to pay a dividend (defined as interest) of from 6% to 12% of the total amount invested for a period of one year from receipt of the invested funds. This dividend (defined as interest) is allocated between the broker and the investor with amounts paid to the broker treated as a cost of the offering and netted against additional paid in capital and amounts paid to the investor treated as interest expense. Total amounts paid or accrued under this agreement and charged to additional paid-in capital for the years ended December 31, 2021, and 2020, amounted to $0 and $0, respectively. Total amounts paid under this agreement and charged to interest expense for the years ended December 31, 2021, and 2020, amounted to $0 and $0, respectively. The accrued balance due on this obligation to shareholders totals $49,290 on December 31, 2021, and 2020.

ABCO has evaluated these agreements under ASC 480-10: Certain Financial Instruments with Characteristics of Both Liabilities and Equity and determined that the capital contributions made under these subscription agreement more closely resemble equity than liabilities as they can only be settled through the issuance of shares and although they have a stated cost associated with them which accrues in the same manner as interest, the cost is only incurred in the first twelve months after placement as is more closely associated with a cost of raising funds than interest expense.

Note 3 – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the recoverability of assets and the satisfaction of liabilities in the normal course of business. Since its inception, the Company has been engaged substantially in financing activities and developing its business plan and marketing. The Company incurred a net loss of $(668,375), the net cash flow used in operations was $(612,949) and its accumulated net losses from inception through the period ended December 31, 2021, is $(7,754,642), which raises substantial doubt about the Company's ability to continue as a going concern. In addition, the Company's development activities since inception have been financially sustained through capital contributions from shareholders.

The ability of the Company to continue as a going concern is dependent upon its ability to raise additional capital from the sale of common stock or through debt financing and, ultimately, the achievement of significant operating revenues. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might result from this uncertainty.

Note 4 – Accounts Receivable

Accounts receivable as of December 31, 2021, and 2020, consists of the following:

Description	December 31, 2021	December 31, 2020
Accounts receivable on completed contracts	$ 33,772	$ 43,221
Costs and estimated earnings on contracts in progress	298,121	319,001
Total	$ 331,893	$ 362,222

Costs and Estimated Earnings on projects are recognized on the percentage of completion method for work performed on contracts in progress on December 31, 2020, and December 31, 2019.

The Company records contracts for future payments based on contractual agreements entered into at the inception of construction contracts. Amounts are payable from customers based on milestones established in each contract. Larger contracts are billed and recorded in advance and unearned profits are netted against the billed amounts such that accounts receivable reflect current amounts due from customers on completed projects and amounts earned on projects in process are reflected in the balance sheet as costs and estimated earnings in excess of billings on contracts in progress. Excess billings on contracts in process are recorded as liabilities and were $268,435 on December 31, 2021, and $558,907 on December 31, 2020.

Note 5 – Inventory

Inventory of construction supplies not yet charged to specific projects was $ 0 on December 31, 2021, and $ 0 as of December 31, 2020. The Company values items of inventory at the lower of cost or net realizable value and uses the first in first out method to charge costs to jobs. The Company wrote off all of its inventory during 2018.

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Note 6 – Investment in long term leases

Long term leases recorded on the consolidated financial statements were $3641 on December 31, 2021, and $3,995 at December 31, 2020, respectively. During the year ended December 31, 2020, one of the leases owned by AEFC was paid in full by the customer.

Note 7 – Fixed Assets

The Company has acquired all its office and field work equipment with cash payments and financial institution loans. The total fixed assets consist of land and building, vehicles, office furniture, tools and various equipment items and the totals are as follows:

Asset	December 31, 2021	December 31, 2020
Land and Building	$ 336,444	$ 326,400
Equipment	163,634	173,991
Accumulated depreciation	(121187)	(106,504)
Fixed Assets, net of accumulated depreciation	$ 378,891	$ 393,887

Depreciation expenses for the years ended December 31, 2021, and 2020 was $14,683 and $13,486 respectively.

On December 31, 2019, the Company purchased a building at 2505 N Alvernon consisting of 4,800 SF building and approximately ½ acre of land. The property was financed by a $25,000 loan from Green Capital (GCSG) and a mortgage from the seller for the $300,000 balance. The purchase price was $325,000 plus closing costs of $1,400. During 2021 the Company invested $10,044 in improvements to the attached warehouse on the property.

Note 8 – Notes Payable to Officers

Notes payable as of December 31, 2021, and December 31, 2020, consists of the following:

Description	December 31, 2021	December 31, 2020
Notes payable – Prior Director bearing interest at 12% per annum, unsecured, demand notes.	$ 60,000	$ 60,000
Note payable – President bearing interest at 12% per annum, unsecured, demand note.	339,521	251,340
Total	$ 399,521	$ 311,340

The first note in the amount of $60,000 provides for interest at 12% per annum and is unsecured. This note resulted in an interest charge of $50,465 accrued and unpaid on December 31, 2021, and $43,263 on December 31, 2020.

The second note has a current balance of $339,521 as of December 31, 2021. The note is a secured demand note and bears interest at 12% per annum. This note resulted in an interest charge of $83,258 accrued and unpaid on December 31, 2021, and $53,117 on December 31, 2020. The Note was converted to a secured note on April 1, 2021, covering all assets of the Company.

The combined total funds due to Officers and related parties totaled $533,244 with principal and interest on December 31, 2021.

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Note 9 – Short Term Notes Payable

Description	December 31, 2021	December 31, 2020
Bill'd Exchange, LLC, an equipment capital lender, initial financing August 2, 2019, finances equipment for commercial contracted customers in varying amounts	$ 20,000	$ 31,462
Merchant loan – Knight Capital Funding, LLC	-	33,694
Merchant loan – Pearl lending	-	51,750
Merchant loan – Green Capital	7,747	11,748
Private money loan from Perfectly Green Corporation	-	33,754
Private money loan from prior officer of ABCO	-	61,052
SBA loan for Payroll - forgiven	-	123,999
SBA loan for payroll	128,232	
Total	$ 155,979	$ 347,459

Bill'd Exchange, LLC, a customer equipment capital lender, made their initial financing on August 2, 2019. They finance equipment for commercial contracted customers in varying amounts. These loans bear interest at varying rates and are paid weekly for the amount of interest due on the account at each date. Each loan is secured by the accounts receivable from the customer and by personal guarantee of an affiliated officer of ABCO Solar, Inc. On March 2, 2021, the Company made an agreement to pay $20,000 to settle this note in 5 payments of $4,000. This note is classified as short-term debt. The balance at December 31, 2021 was recorded at $20,000 and $31,462 on December 31, 2020.

On January 30, 2019, the Company borrowed $153,092 including principal and interest from Knight Capital Funding, LLC, and ["KCF"] bearing interest at 23% per annum, unsecured. This loan was refinanced on August 10, 2019 and replaced with a new loan of $144,900 from KCF. The balance and accrued interest on December 31, 2019, was $61,747. On February 18, 2020, ABCO defaulted on this loan due to the reduction in business from Covid-19. On March 29, 2021, the Company made a settlement payment on this note for $22,000. The savings on the payoff of this note was classified as "gain on extinguishment of debt" on our income statement.

On December 6, 2019, the Company borrowed $52,174 from Pearl Delta Funding that contained a repayment in the amount of $72,000 in 160 payments of $450. This unsecured note bears interest at the imputed rate of approximately 36% per annum. The unpaid balance of principal and interest on December 31, 2019, was $65,664. On February 18, 2020, ABCO defaulted on this loan due to the reduction in business from Covid-19 when the balance of the note was $51,750. On March 29, 2021, the company made a settlement payment in the amount of $36,998. The savings on the payoff of this note was classified as "gain on extinguishment of debt" on our income statement.

On December 31, 2019, ABCO borrowed $25,000 from Green Capital Funding, LLC. The proceeds from this loan were used to acquire the real estate purchased on the date of the loan. This unsecured loan bears interest at approximately 36% and has a repayment obligation in the amount of $35,250 in 76 payments. The unpaid balance of principal and interest on December 31, 2020, was $11,748 after several months of daily payment and a default on February 18, 2020, due to the reduction in business from Covid-19. As of the date of filing this report, no arrangements for resuming payments had been accomplished however the Company has been paying $1,000 per month for several months. As of December 31, 2021, the Company has reduced the balance to $7,747.

Mr. Charles O'Dowd, former President and Director of ABCO Energy resigned from all positions with the Company on October 7, 2019. Prior to his resignation, Mr. O'Dowd had loaned the Company $61,052 at the time. He currently holds a promissory note that is unsecured that also has unpaid interest accrual at 12-31-21 in the amount of $63,000 including imputed interest. Mr. O'Dowd has settled the amount due under this note for a cash payment of $5,000 and a monthly payment of $1,500 including interest, for 48 months until paid in full. The balance will require 42 payments after December 31, 2021. This loan is now classified as long-term debt.

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On February 24, 2021, the Company executed a promissory note evidencing and unsecured loan ("Loan") for $128,232 under the Paycheck Protection Plan ("PPP"). The terms of the Loan are 3.75% interest and delayed payments until notified. This Loan is forgivable, but no assurance can be given that the Company will receive forgiveness. The Loan is from the Bank of America and is guaranteed by the SBA under the PPP program resulting from the COVID-19 pandemic.

The Company borrowed $123,999 from Bank of America and the SBA guaranteed the loan under the EIDL program because of Covid-19 pandemic. This loan was forgiven in March of 2021 and the Company has no further obligation to the SBA or the Bank of America under this note. The forgiveness of this note was classified as "gain on extinguishment of debt" on our income statement.

Note 10 – Convertible debentures -net of discounts

During the year ended December 31, 2021, the Company [partially] funded operations with borrowing on new convertible promissory notes. This table presents the positions on the notes as of December 31, 2021, and 2020.

Holder	Date of Loan	Loan amount	OID and discounts and fees	Interest rate	Balance December 31, 2021	Balance December 31, 2020
Power Up Lending Group, Ltd	3-29-21	$ 80,000	7,500	12%	$ 0	$ 0
Power Up Lending Group, Ltd	5-25-21	53,625	4,875	10%	0	0
Power Up Lending Group Ltd	10-06-21	50,000	$ 3,750	8%	53,750	0
6th Street Lending LLC	11-10-21	35,000	3,750	12%	38,750	0
6th Street Lending LLC	12-17-21	40,000	3,750	12%	43,750	0
Oasis Capital	07-19-21	118,000	10,000	8%	7,653	153,817
Derivative liability	12-31-21				99,034	0
Total convertible debt		$ 376,625	$ 33,625		242,937	153,817
Less Original issue discounts					(9,127)	0
Balances at 12-31-21 and 2020					$ 233,810	$ 153,817

On March 29, 2021, the Board of Directors of the Company deem it in the best interests of the Company to enter into the Securities Purchase Agreement dated March 29, 2021 (the "Agreement") with Power Up Lending Group Ltd. ("PowerUp"), in connection with the issuance of: (i) a promissory note of the Company, in the aggregate principal amount of $80,000.00 (including $7,500.00 of Original Issue Discount) (the "Note"), (ii) Three Hundred Seventy Three Thousand Three Hundred Thirty Three (373,333) restricted common shares of the Company ("Commitment Shares") to be delivered to PowerUp in book entry with the Company's transfer agent prior to the Closing Date, (iii) Seventy Hundred Forty Six Thousand Six Hundred Sixty Seven (746,667) restricted common shares of the Company ("Security Shares" and together with the Note and the Commitment Shares, collectively, the "Securities") to be delivered to PowerUp in book entry with the Company's transfer agent prior to the Closing Date; and in connection therewith to enter into an irrevocable letter agreement with Vstock Transfer LLC, the Company's transfer agent, with respect to the reserve of shares of common stock of the Company to be issued upon any conversion of the Note (only upon default); the issuance of such shares of common stock in connection with a conversion of the Note (the "Letter Agreement"). The Conversion terms of this note allow for a 25% discount to market based upon the price on the day before the announced date of conversion. The proceeds of this note were specifically slated for payment of the settlement of the Knight Capital Merchant Loan for $22,000 and the final payment of the Pearl Capital merchant note for $36,998. These discounted payoffs of these notes saved the company $26,446 plus future interest. During 2021 the Company paid $26,880 in payments on this note and PowerUp converted the balance of $62,720 into 3,318,505 shares of stock. The balance of this note on December 31, 2021, is $0.

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On May 25, 2021, the Board of Directors of the Company deem it in the best interests of the Company to enter into the Securities Purchase Agreement (the “Agreement”) with Power Up Lending Group Ltd. (“PowerUp”), in connection with the issuance of: (i) a promissory note of the Company, in the aggregate principal amount of $53,625 (including $4,875 of Original Issue Discount and $3,750 for legal expenses.) (the “Note”), (ii)1,340,625 restricted common shares of the Company (“Commitment Shares”) to be delivered to PowerUp in book entry with the Company’s transfer agent prior to the Closing Date, to be issued upon any conversion of the Note (only upon default); the issuance of such shares of common stock in connection with a conversion of the Note (the “Letter Agreement. The Conversion terms of this note allow for a 25% discount to market based upon the price on the day before the announced date of conversion”. During 2021 the Company paid $11,798 in payments on this note and PowerUp converted the balance of $58,785 into 11,080,577 shares of stock. The balance of this note on December 31, 2021, is $0.

On September 30, 2021, the Board of Directors of the Company deem it in the best interests of the Company to enter into the Securities Purchase Agreement (the “Agreement”) with Power Up Lending Group Ltd. (“PowerUp”), in connection with the issuance of: (i) a promissory note of the Company, in the aggregate principal amount of $53,750 (including $3,750 for legal expenses.) (the “Note”), (ii) restricted common shares of the Company (“Commitment Shares”) to be delivered to PowerUp in book entry with the Company’s transfer agent prior to the Closing Date, to be issued upon any conversion of the Note (only upon default); the issuance of such shares of common stock in connection with a conversion of the Note (the “Letter Agreement”). The Conversion terms of this note allow for a 42% discount to market based upon the lowest trading price during the 20 day period before the announced date of conversion. The balance of this note on December 31, 2021, is $53,750.

On November 10, 2021, the Board of Directors of the Company deem it in the best interests of the Company to enter into the Securities Purchase Agreement (the “Agreement”) with 6th Street Lending LLC, of Alexandria Virginia, in connection with the issuance of a promissory note of the Company, in the aggregate principal amount of $38,750 (including $3,750 for legal expenses.) (the “Note”), bearing interest at the rate of 12% per annum and convertible into common stock at the rate of 58% of the lowest market price in the 20-trading day period prior to the conversion date. The balance of this note on December 31, 2021, is $38,750.

On December 17, 2021, the Board of Directors of the Company deem it in the best interests of the Company to enter into the Securities Purchase Agreement (the “Agreement”) with 6th Street Lending LLC, of Alexandria Virginia, in connection with the issuance of a promissory note of the Company, in the aggregate principal amount of $43,750 (including $3,750 for legal expenses.) (the “Note”), bearing interest at the rate of 12% per annum and convertible into common stock at the rate of 58% of the lowest market price in the 20-trading day period prior to the conversion date. The balance of this note on December 31, 2021, is $43,750.

The Company issued to Power Up Lending Group, Inc. a $96,300 Convertible Promissory Note dated May 13, 2019, which contains an original issue discount of $10,000 (OID) and expenses of $3,300 [“Note”]. The Note is convertible into Company common stock beginning six months after the date of the Note with a stated discount rate of 19% as set forth in the Note. There is no trigger of derivative liability from conversion features until six months after initial borrowing date. Without the OID, the effective discount would have been 35%. The net proceeds from this Note were used for working capital. $92,000 of this note was converted in 2019 and 2020. The balance of $4,300 was converted during the year ended December 31, 2020.

The Company issued to Power Up a $68,000 Convertible Promissory Note dated August 14, 2019 [“Note”] which contains an original issue discount of $10,000.00 (OID) and expenses of $3,000.00 [“Note”]. The Note is convertible into Company common stock beginning six months after the date of the Note with an effective discount rate of approximately 19% upon conversion. There is no trigger of derivative liability from conversion features until six months after initial borrowing date. Without the OID, the effective discount rate would be 35% as set forth in the Note. The net proceeds from the Note, was used for working capital. $68,000 of this note was converted during the year ended December 31, 2020.

The Company issued to Power Up a $76,000 Convertible Promissory Note dated September 11, 2019 [“Note”] which contains an original issue discount of $10,000.00 (OID) and expenses of $3,000.00 [“Note”]. The Note is convertible into Company common stock beginning six months after the date of the Note with an effective discount rate of approximately 19 % upon conversion. There is no trigger of derivative liability from conversion features until six months after initial borrowing date. Without the OID, the effective discount rate would be 35% as set forth in the Note. The net proceeds from the Note, was used for working capital. $18,550 of this note was fully converted during the year ended December 31, 2020.

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As of September 1, 2018, the Company entered into an Equity Purchase Agreement with Oasis Capital, LLC, a Puerto Rico limited liability company ("Investor") pursuant to which Investor agreed to purchase up to $5,000,000 of the Company's common stock at a price equal to 85% of the market price at the time of purchase ("Put Shares"). The Company agreed to file a new registration statement to register for resale the Put Shares. The Registration Statement must be effective with the SEC before Investor is obligated to purchase any Put Shares. In addition, the Company [i] issued to Investor a one year $150,000 note which is convertible at a fixed price of $.01 per share as a commitment fee for its purchase of Put Shares and [ii] delivered to Investor a Registration Rights Agreement pursuant to which the Company agreed to register all Put Shares acquired under the Equity Purchase Agreement. This note was paid with the first conversion of shares in 2021 and the 12-31-20 balance of $3,264. The balance of this note is $0 on December 31, 2021.

As of January 21, 2020 ("Effective Date"), the Company issued to Oasis a $208,000 Promissory Note, net of a prorated original issue discount of $16,000 ("1/21/20 Note"). The Company received $34,000 ("First Tranche") with four additional Tranches through December 31, 2020, totaling $85,000. There were three Tranches for the period of January 1, 2021, to February 19, 2021, totaling $70,000. Each Tranche matured nine months from the effective date of each such payment. The Company issued Warrants with each Tranche totaling 5,000,000 shares for which Oasis claims additional penalty shares and the Company disagrees. Each Warrant expires five years from the date of issuance and is exercisable at a conversion price of 120% of the closing price on the trading day prior to the funding date of the respective Tranche. The Company also agreed to issue to Oasis 5,000,000 shares of common stock as an incentive/commitment fee in connection with the transactions. The Company valued these shares at $14,500. The 1/21/20 Note is convertible into common stock at a 35% discount to market. The balance of the Note on December 31, 2021, is $35,505.

On July 19, 2021 The Company entered into a "Senior Secured Convertible Promissory Note" agreement with Oasis Capital, LLC in the amount of $118,000 that bears interest at 8% per annum. The first nine months of the interest was guaranteed. The note was secured with a securities purchase agreement that contained a $10,000 Original Issue Discount (OID) and an $8,000 transaction fee. The note was to be paid to ABCO (Borrower) in tranches as requested by the borrower. The first tranche paid was $20,000 and the note then accrued the $8,000 fee and prorated segment of $2,000 of the OID. The second tranche was for $25,000 and the prorated OID was $2,500. The company accrued interest of $1,090 on these two loans. As of December 31, 2021 the Company owed $50,590 on this note. The note also entitled Oasis to a warrant to acquire 7,379,612 shares of common stock.. With the two tranches of borrowing, Oasis has earned 1,718,861 warrants. The balance on this note at December 31, 2021 is $58,590.

On July 19, 2021, the Company entered into an Equity Purchase Agreement ("EPA") with Oasis Capital, LLC, a Puerto Rico limited liability company ("Investor") pursuant to which Investor agreed to purchase up to $2,500,000 of the Company's common stock at a price equal to 80% of the lowest traded price of the common stock during the five trading days immediately preceding the applicable purchase ("Put Shares"). In addition, the Company entered into a Registration Rights Agreement ("RRA") with Investor pursuant to which the Company agreed to register all Put Shares acquired under the Equity Purchase Agreement. The Company agreed to file a new registration statement on or before August 18, 2021, to register for resale of the Put Shares. The Registration Statement must be effective with the SEC before Investor is obligated to purchase any Put Shares. The parties subsequently agreed that the requirement to file the Registration Statement would terminate the agreement, so the Company elected to terminate both the EPA and RRA.

During 2021 Oasis converted $282,241 of debt consisting of payments of principal, interest and penalties and received 39,931,068 shares of common stock. In addition, Oasis received 5,545,039 shares of common stock upon exercise of warrants during 2021. On January 3, 2022, Oasis received an additional 5,206,350 common stock shares upon exercise of warrants.

The shareholders on January 11, 2021, authorized an increase in the Authorized Common Shares to 2,000,000,000 from 29,411,765. Our board of directors believes that it is desirable to have additional authorized shares of common stock available for possible future financings, acquisition transactions, joint ventures and other general corporate purposes. Our board of directors believes that having such additional authorized shares of common stock available for issuance in the future will give us greater flexibility and may allow such shares to be issued without the expense and delay of a special shareholders' meeting unless such approval is expressly required by applicable law. Although such issuance of additional shares with respect to future financings and acquisitions would dilute existing shareholders, management believes that such transactions would increase the overall value of the Company to its shareholders.

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Effective March 3, 2021, the Company issued an aggregate of 5,000,000 restricted common shares for services rendered, of which 500,000 were awarded to Wayne Marx, an officer and Director, 3,5000,000 shares to an LLC controlled by David Shorey, President, CEO and CFO, and 1,000,000 shares to an outside consultant.

Derivative Instruments

The Financial Accounting Standard ASC 815 Accounting for Derivative Instruments and Hedging Activities require that instruments with embedded derivative features be valued at their market values. The Black Scholes model was used to value the derivative liability for the fiscal year ending December 31, 2021, and December 31, 2020. The initial valuation of the derivative liability on the non-converted common shares totaled $0 on December 31, 2021. This value includes the fair value of the shares that may be issued according to the contracts of the holders and valued according to our common share price at the time of acquisition.

The Company complies with the provisions of FASB ASC No. 820, *Fair Value Measurements and Disclosures* ("ASC 820"), in measuring fair value and in disclosing fair value measurements at the measurement date. ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements required under other accounting pronouncements. FASB ASC No. 820-10-35, Fair Value Measurements and Disclosures- Subsequent Measurement ("ASC 820-10-35"), clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820-10-35-3 also requires that a fair value measurement reflect the assumptions market participants would use in pricing an asset or liability based on the best information available. Assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and/or the risks inherent in the inputs to the model.

The following table shows the change in the fair value of the derivative liabilities on all outstanding convertible debt on December 31, 2021, and on December 31, 2020:

Description	December 31, 2021	December 31, 2020
Purchase price of the convertible debenture - net of discount	$ 0	$ 0
Valuation reduction during the period		
Balance of derivative liability net of discount on the notes (See Consolidated Balance sheet liabilities)	$ 0	$ 0
Derivative calculations and presentations on the Statement of Operations		
Loss on note issuance	$ -	$ -
Change in Derivative (Gain) Loss	(12,792)	(13,629)
Derivative Finance fees	(93,706)	(3,209)
Gain (loss) on extinguishment of debt derivatives only	-	0
Derivative expense charged to operations in 2020 and 2019 (See Consolidated Statement of Operations)	$ (106,498)	$ (16,838)

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Note 12 – Long term debt

Holder	Date issued	Interest rate	Amount due December 31, 2021	Amount due December 31, 2020
Real Estate Note Allen-Neisen Family trust – Et. Al.	12-31-19	5.00%	$ 280,811	$ 290,271
US Treasury SBA guaranteed loan	07-21-20	3.75%	149,900	149,900
Ascentium Capital	10-01-18	13.00%	2,757	6,998
Fredrick Donze	09-02-18	6.00%	341	2,374
Charles O'Dowd	05-20-21	imputed	63,000	0
Charles O'Dowd (officer)	08-09-18	6.00%	0	2,560
GMAC Chev truck	09-26-20	5.99%	19,724	23,574
Mechanics bank – Chev Truck	11-15-20	8.99%	20,140	24,318
Total long-term debt			536,333	499,995
Less Current portion			40,808	27,702
Total long-term debt			$ 495,525	$ 472,293

On December 31, 2019, ABCO completed negotiations, financial arrangements and closed on the purchase of a 4,800 square foot office and warehouse building located on one/half acre of paved land on one of Tucson's busiest streets. This property will be more than adequate to house both the Solar business and our HVAC expansion. The land and outbuildings will accommodate all of our equipment. The property acquisition was priced at $325,000 the company paid $25,000 down payment and the seller financed $300,000 mortgage based on a twenty-year amortization and a 5% interest rate with a balloon payment at the end of five (5) years. The monthly payment is $1,980.

On July 21, 2020, the Company received an SBA loan from Bank of America in the amount of $149,900 that is guaranteed by the US Treasury Department. Installment payments, including principal and interest, of $731.00 monthly, will begin Twelve (12) months from the date of the promissory Note. The balance of principal and interest will be payable Thirty (30) years from the date of the promissory Note. Interest will accrue at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date(s) of each advance. Each payment will be applied first to interest accrued to the date of receipt of each payment, and the balance, if any, will be applied to principal. For loan amounts of greater than $25,000, Borrower hereby grants to SBA, the secured party hereunder, a continuing security interest in and to any and all "Collateral" as described herein to secure payment and performance of all debts, liabilities and obligations of Borrower to SBA hereunder without limitation, including but not limited to all interest, other fees and expenses (all hereinafter called "Obligations"). The Collateral includes the following property that Borrower now owns or shall acquire or create immediately upon the acquisition or creation thereof: all tangible and intangible personal property, including, but not limited to: (a) inventory, (b) equipment, (c) instruments, including promissory notes (d) chattel paper, including tangible chattel paper and electronic chattel paper, (e) documents, (f) letter of credit rights, (g) accounts, including health-care insurance receivables and credit card receivables, (h) deposit accounts, (i) commercial tort claims, (j) general intangibles, including payment intangibles and software and (k) as-extracted collateral as such terms may from time to time be defined in the Uniform Commercial Code. The security interest Borrower grants includes all accessions, attachments, accessories, parts, supplies and replacements for the Collateral, all products, proceeds and collections thereof and all records and data relating thereto. During the year ended December 31, 2021, the Company recorded $2,812 in unpaid interest on this loan.

ABCO acquired the assets of Dr. Fred Air Conditioning services on September 2, 2018, for the total price of $22,000. The allocation of the purchase price was to truck and equipment at $15,000 and the balance was allocated to inventory and the license for period of five or more years. The truck and equipment were financed by Ascentium Capital. The payments on the Ascentium capital note are $435 and the payments on the Donze note are $212 each per month. The balance on the Ascentium note on December 31, 2021 and 2020 was $2,757 and $6,998 respectively.

The Company purchased an automobile from its then President, Charles O'Dowd, with a promissory note in the amount of $6,575 dated August 9, 2018, and the note bears interest at 6% per annum for the three-year payment plan. Mr. O'Dowd is no longer an officer or employee of the Company. The balance on December 31, 2021and 2020 was $0 and $2,560 respectively.

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The Company and its prior President Mr. Charles O'Dowd negotiated the short-term loan the Company received from Mr. O'Dowd on several occasions that totaled $61,052 in principal when Mr. O'Dowd left the Company. On May 20, 2021, the Company issued Mr. O'Dowd a Promissory Note for the balance of his note. The terms of the settlement were that the Company paid $5,000 in cash and agreed to pay $1,500 per month for 48 months for a total settlement of $77,000 including all interest owed at that time. The note did not include a stated interest rate, so no interest is calculated on this note after settlement. The balance on this note was $63,000 on December 31, 2021.

During September 2020 and December 2020, the Company purchased two new Chevrolet trucks for operations. The trucks were financed by GMAC and Mechanics bank for the full purchase price and Mr. Shorey, the President, guaranteed the debt. The balance on the two notes was $19,724 and $20,140 on December 31, 2021 and $23,574 and $24,318 on December 31, 2020.

On April 1, 2021, the promissory note payable to the President in the amount of $311,896, was converted into a secured note covering all assets of the Company. The Note bears interest at the rate 12% per annum and is due on demand. Financing statements are expected to be filed in Pima County, AZ and in Las Vegas County, NV covering the assets which are securing this Note. The note has unpaid interest due in the amount of $83,258. See Exhibit 99.2 for a form of the Note. This note had a balance of $339,521 and $251,340on December 31, 2021 and 2020 respectively.

Note 13 – Stockholder's Deficit

Common Stock

Debenture and warrant holders converted debt of $448,021 into 59,875,189 shares which were issued upon conversion of the notes referred to in Note 10 above for the year ended December 31, 2021, and additional warrants aggregating 5,545,039 shares were issued.

During the year ended December 31, 2021, the following shares were converted from debt.

Capital Company	Shares converted	Dollars converted
Power Up	14,399,082	$ 133,505
Oasis Capital	45,476,107	314,516
Total	59,875,189	$ 448,021

During the year ended December 31, 2021, the following warrants were exercised and shares were issued.

Capital Company	Warrants Exercised	Exercise price	Dollars converted
Power Up	6,319,930	$ .00101	$ 63,724
Oasis Capital	5,545,039	.00807	44,776
Total (weighted average price is $.00915)	11,864,969	.00915	$ 108,500

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Preferred Stock

On September 15, 2017, and on September 15, 2018, the Board of Directors authorized on each such date the issuance of 15,000,000 preferred shares for an aggregate of 30,000,000 shares of Class B Convertible Preferred Stock ["Series B"] to both Directors of the Company and to two Consultants, of which, David Shorey, President of the Company, is the beneficial owner thereof, a total of 30,000,000 shares of Series B. The Company assigned a value of $15,000 for the shares for 2017 and 2018. Of the Series B, 12,000,000 shares were issued to the President and 2,000,000 to Wayne Marx, the Directors. Each Consultant received 8,000,000 shares. See the Company's Schedule 14C filed with the Commission on September 28, 2018. Upon their resignations the shares of Mr. O'Dowd and Mr. Marx were cancelled and reissued to two Consultants. These shares have no market pricing and management assigned an aggregate value of $30,000 to the stock issued based on the par value of $0.001. The 30,000,000 shares of Preferred Stock, each has 200 votes for each Preferred share held by of record. The holders of the Preferred are also entitled to an additional 8,823,930 common shares upon conversion of the Preferred Stock. As a result of owning of these shares of Common and Preferred Stock, the Control Shareholders will have voting control the Company.

At various times the Board of Directors decided to issue shares to insiders in order to provide for financing the operations of the Company. The following preferred shares were converted to common shares and issued to the control group as follows:

Issued to:	Date	Shares	Valuation
Absaroka Communication Corporation – President Shorey controlled corporation	7-7-21	10,000,000	$ 10,000
Absaroka Communication Corporation – President Shorey controlled corporation	8-19-21	12,000,000	12,000
Absaroka Communication Corporation – President Shorey controlled corporation	11-19-21	120,000,000	120,000
Dommer, LLC - Consultant	11-19-21	30,000,000	30,000
Total shares and valuation		172,000,000	$ 172,000

Note 14 – Equity Awards

The following table sets forth information on outstanding option and stock awards held by the named executive officers of the Company on December 31, 2021, and December 31, 2020, including the number of shares underlying both exercisable and un-exercisable portions of each stock option as well as the exercise price and the expiration date of each outstanding option. See Note to Notes to Consolidated Financial Statements.

Outstanding Equity Awards After Fiscal Year-End (1)

Name	Number of securities underlying unexercised options exercisable (1)	Number of securities underlying unexercised options un-exercisable (2)	Option Exercise Price ($)	Option Grant Date	Option Expiration Date
Mikael Mildebrandt	3,704 (3) (4)	8	$ .001	11/01/2019	11/01/2023
Adrian Balinski	3,704 (3) (4)	8	$ .001	11/01/2019	11/01/2023

(1) 7,408 shares were issued for Equity Awards during the year ended December 31, 2020.
(2) All options vest 20% per year beginning on the first anniversary of their grant date.
(3) Messrs. Mildebrandt and Balinski were each awarded 3,704 shares of restricted common stock as of October 31, 2020, for being officers and directors of the Company.
(4) Messer's. Mildebrandt and Balinski have resigned as officers and directors.

An aggregate of 7,408 stock awards is outstanding under the Equity Incentive Plan ("EIP") as of December 31, 2021. An aggregate of 5,000,000 stock awards were issued in 2021, of which, 3,500,000 were held by Consultants controlled by Mr. Shorey, 500,000 were held by Mr. Marx and 1,000,000 which are held by an unrelated consultant.

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Note 15 – Subsequent events

On February 22, 2022, the Board of Directors of the Company deemed it in the best interests of the Company to enter into the Securities Purchase Agreement (the "Agreement") with 6th Street Lending LLC, of Alexandria Virginia, in connection with the issuance of a promissory note of the Company, in the aggregate principal amount of $38,750 (including $3,750 for legal expenses.) (the "Note"), bearing interest at the rate of 12% per annum and convertible into common stock at the rate of 58% of the lowest market price in the 20-trading day period prior to the conversion date.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures.

As of the end of the reporting period, December 31, 2020, we carried out an evaluation, under the supervision and with the participation of our management, including the Company's Chairman and Chief Executive Officer/Principal Accounting Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act"), which disclosure controls and procedures are designed to insure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within required time periods specified by the SEC's rules and forms. Based upon that evaluation, the Chairman/CEO and the Chief Financial Officer concluded that our disclosure controls and procedures are not effective in timely alerting them to material information relating to the Company required to be included in the Company's period SEC filings. The Company is attempting to expand such controls and procedures, however, due to a limited number of resources the complete segregation of duties is not currently in place.

(b) Report of Management on Internal Control over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act. Under the supervision and with the participation of our management including the chief executive officer and the principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the 2013 framework in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO.

Based on our evaluation under the Internal Control-Integrated Framework, our chief executive officer and chief financial officer concluded that our internal control over financial reporting was not effective as of December 31, 2019. Management believes that this conclusion results in a large part from [i] maintaining some segregation of duties within the Company due to its reliance on individuals to fill multiple roles and responsibilities and [ii] the Company having limited personnel to prepare its financial statements. During the year ended December 31, 2021, the Company continued its reliance on the Internal Control – Integrated Framework in the same manner as in prior periods due to the same limitations of personnel.

(c) Changes in Internal Control.

Subsequent to the date of such evaluations as described in subparagraphs (a) and (b) above, there were no changes in our internal controls or other factors that could significantly affect these controls, including any corrective action with regard to significant deficiencies and material weaknesses.

(d) Limitations.

Our management, including our Principal Executive Officer and Principal Financial Officer, does not expect that our disclosure controls or internal controls over financial reporting will prevent all errors or all instances of fraud. However, we believe that our disclosure controls and procedures are designed to provide reasonable assurance of achieving this objective. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and any design may not succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Because of the inherent limitation of a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

ITEM 9B. OTHER INFORMATION

None

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The following table sets forth the name and age of officers and director as of December 31, 2021. Our Executive officers are elected annually by our board of directors. Our executive officers hold their offices until they resign, are removed by the Board, or his successor is elected and qualified. Mr. Marx was a member of the Board and was an Officer prior to the acquisition of Energy Conservation Technologies, Inc. and afterward he was reappointed to the Board on the effective day July 1, 2011. Mr. Marx resigned in November 2021.

David Shorey, President, CEO, Chief Financial Officer, Secretary and Director, is a "Promoter" within the meaning of Rule 405 of Regulation C in that he was instrumental in founding and organizing ABCO Energy, Inc.

Officer's Name	Directors Name	Age	Officer's Position	Appointment date
David Shorey	David Shorey	80	President, CEO, CFO and Director	July 1, 2011
Wayne Marx	Wayne Marx	74	Vice President, Secretary and Director	July 1, 2011

The Board of Directors consists of one individual, David Shorey, President, CEO, CFO, Secretary and Director. Mr. Shorey also serves as Director and Officer of the predecessor companies and all of the Subsidiary Companies. Biographies of the Executive Officers and Members of the Board of Directors are set forth below:

David Shorey, President, CFO and Director

Mr. Shorey is a Veteran of the US Navy and has a Bachelor's degree in Business Administration and Accounting from the University of Oregon. He has been in the solar business for 14 years, was the Founder of ABCO and has been an Executive with ABCO Energy for 12 years. Mr. Shorey practiced as a certified public accountant for over 30 years. He is also an experienced manufacturer of electric components and has audit certification in ISO-9000 quality inspection and training. He has previously been a real estate business broker and owned and operated an electronic manufacturing firm for nine years and a metal building construction company for over ten years.

Wayne Marx, VP, Secretary and Director (Resigned)

Mr. Marx was the founder and owner of "Precision Outdoor Power", power equipment retail and service provider in Tucson and Williams, Arizona. Wayne has more than 40 years of business experience, mostly in retail and government services a self-employed individual and has been a provider of equipment to residential commercial and government users throughout his business career. He has limited experience in the solar industry. Mr. Marx presently brings a representation to our company for fire and emergency service organizations that he presently serves and has worked with for many years. Mr. Marx is Fire Chief for the Sherwood Forest Estates Fire District and Regional Fire Resource Coordinator for Coconino County Fire Department. Mr. Marx joined the Fire District as Fire chief in 2003 and is still employed at this position full time. Mr. Marx does not draw a salary or work as an employee for ABCO Energy at this time and serves as a Vice President without any compensation. He resigned in November 2021.

The Directors will hold office until the next annual meeting of the security holders following their election and until their successors have been elected and qualified. The Board of Directors appoints Officers. Officers hold office until the next annual meeting of our Board of Directors following their appointment and until successors have been appointed and qualified.

Family Relationships

There are no family relationships between any of our directors, executive officers or directors because it is represented by only one individual.

Code of Ethics

We have a Code of Ethics in place for the Company. The Company seeks advice and counsel from outside experts such as our lawyers and accountants on matters relating to corporate governance and financial reporting.

AUDIT COMMITTEE

The Audit Committee for the Company currently consists of the two members of the Board which acts in such capacity and will do so for the immediate future due to the limited size of the Board. The Company intends to increase the size of its Board in the future, at which time it may appoint a separate Audit Committee.

The Audit Committee will be empowered to make such examinations as are necessary to monitor the corporate financial reporting and the external audits of the Company, to provide to the Board of Directors (the "Board") the results of its examinations and recommendations derived there from, to outline to the Board improvements made, or to be made, in internal control, to nominate independent auditors, and to provide to the Board such additional information and materials as it may deem necessary to make the Board aware of significant financial matters that require Board attention.

COMPENSATION COMMITTEE

The Company does not presently have a Compensation Committee and the Board acts in such capacity and will do so for the immediate future due to the limited size of the Board. The Company intends to increase the size of its Board in the future, at which time it may appoint a Compensation Committee.

The Compensation Committee will be authorized to review and make recommendations to the Board regarding all forms of compensation to be provided to the executive officers and directors of the Company, including salary, stock compensation and bonus compensation to all employees.

NOMINATING COMMITTEE

The Company Board acts as the Nominating Committee.

Independence

We are not required to have any independent members of the Board of Directors. The board of directors has determined that each of the Directors has a relationship which, in the opinion of the board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and each is not an "independent director" as defined in the Marketplace Rules of The NASDAQ Stock Market.

Involvement in Certain Legal Proceedings

Our Directors and Executive Officers have not been involved in any of the following events during the past ten years:

1. any bankruptcy petition filed by or against such person or any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

2. any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);

3. being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting his involvement in any type of business, securities or banking activities or to be associated with any person practicing in banking or securities activities;

4. being found by a court of competent jurisdiction in a civil action, the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;

5. being subject of, or a party to, any federal or state judicial or administrative order, judgment decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

6. being subject of or party to any sanction or order, not subsequently reversed, suspended, or vacated, of any self-regulatory organization, any registered entity or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Section 16(a) Beneficial Owner Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and holders of more than 10% of our common stock to file with the SEC reports regarding their ownership and changes in ownership of our securities We believe that, during fiscal 2020, our directors, executive officers and 10% stockholders have complied with all Section 16(a) filing requirements.

ITEM 11. EXECUTIVE COMPENSATION

REMUNERATION OF DIRECTORS AND OFFICERS

Summary Compensation Table

The following table sets forth certain summary information concerning the cash and non-cash compensation awarded to, earned by, or paid to David Shorey as current President and CEO and for Wayne Marx our Vice President and Secretary for the fiscal years ended December 31, 2021 and 2020. Mr. Shorey and Mr. Marx are referred to as the "named executive officers" in this Report.

Name and Principal Position (1)	Year	Compensation Salary ($)	Bonus ($)	Share Awards ($)	All Other Compensation ($)	Total Compensation ($)
David Shorey	2021	$ 60,000	0	145,500,000(1)	145,500	$ 205,500
President						
Wayne Marx	2021	-0-	0	500,000(2)	500	-0-
VP, Director						-0-

(1) Mr. Shorey receives a contractual compensation of $60,000 per year. $37,000 was accrued and unpaid in 2020 and $60,000 was accrued and unpaid in 2021. In addition, Mr. Shorey received 3,500,000 shares as a bonus on March 3, 2021, and received 152,000,000 shares from conversion of preferred shares and recorded compensation totaling $152,000.

(2) Mr. Marx received 500,000 of post-split common shares as a bonus on March 3, 2021.

There is no family relationship between any of the current officers or directors of the Company.

The Company is a Nevada corporation with principal offices located at 2505 N Alvernon Way, Tucson, AZ 85712. On December 31, 2019, the Company purchased an office and warehouse building and land at 2505 North Alvernon, Tucson Arizona. On October 1, 2020, the Company moved all Tucson operations to this location.

On January 15, 2017, the Company's Board of Directors, after careful consideration, approved our 2017 Stock Option and Incentive Stock Plan (the "Plan"), pursuant to which the Company has reserved 200,000,000 shares for issuance thereunder.

The Plan enables the Board to provide equity-based incentives through grants of Awards to the Company's present and future employees, directors, consultants and other third-party service providers. Shares issued under the Plan through the settlement, assumption or substitution of outstanding Awards or obligations to grant future Awards as a condition of acquiring another entity will not reduce the maximum number of shares of Common Stock reserved for issuance under the Plan. In addition, the number of shares of Common Stock subject to the Plan, any number of shares subject to any numerical limit in the Equity Incentive Plan, and the number of shares and terms of any incentive award may be adjusted in the event of any change in our outstanding Common Stock by reason of any stock dividend, spin-off, split-up, stock split, reverse stock split, recapitalization, reclassification, merger, consolidation, liquidation, business combination or exchange of shares or similar transaction.

Outstanding Equity Awards at Fiscal Year End

There were no stock awards outstanding under the Equity Incentive Plan as of December 31, 2021.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following tables set forth certain information regarding beneficial ownership of our securities by (i) each person who is known by us to own beneficially more than five percent (5%) of the outstanding shares of each class of our voting securities, (ii) each of our directors and executive officers, and (iii) all of our directors and executive officers as a group. We believe that each individual or entity named has sole investment and voting power with respect to the securities indicated as beneficially owned by them, subject to community property laws, where applicable, except where otherwise noted.

Name and Address of Owner (1)	Title of Securities	Amount and nature of common stock	Percent of class (3)	Amount and nature of preferred stock (2) (4)	Percentage of class (5)
David Shorey	Common	141,504,707(6)	55%	12,800,000	100%
All Officers, Directors and 5% Shareholders - As a Group	Common	(141,504,707)	55%	12,800,000	100%

(1) The address is c/o ABCO Energy, Inc., 2505 N. Alvernon Way, Tucson, AZ 85712
(2) Beneficial Ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Shares of common stock subject to options or warrants currently exercisable or convertible, or exercisable or convertible within 60 days of March 31, 2019 (none are eligible) are deemed outstanding for computing the percentage of the person holding such option or warrant but are not deemed outstanding for computing the percentage of any other person.
(3) Based upon 255,308,636 shares outstanding on December 31, 2021.
(4) These shares are convertible into 128,000,000 shares of common stock at an exercise price of $.001 per share.
(5) Based upon 12,800,000 shares of Preferred Stock, outstanding as December 31, 2021.
(6) These shares are held of record by a corporate entity owned by David Shorey.

The aggregate of 0 stock awards were outstanding under the Equity Incentive Plan as of December 31, 2021.

On September 15, 2017, and on August 30, 2018, the Board of Directors authorized the issuance of an aggregate of 30,000,000 shares of Class B Convertible Preferred Stock [“Series B”] to Mr. O’Dowd and to Wayne Marx of the Company and to two Consultants owned by David Shorey, President, CEO, CFO and Director. Of the Series B, 12,000,000 shares were issued to Charles O’Dowd and 2,000,000 to Wayne Marx, the Directors. Each Consultant received 8,000,000 shares. See the Company’s Schedule 14C filed with the Commission on September 28, 2018. Upon his resignation Mr. O’Dowd’s preferred shares were cancelled and issued to the two consultants. These preferred shares have no market pricing and management assigned the value of $15,000 to the stock issue based on the par value of the preferred stock of $0.001. Mr. Marx’s preferred stock was re-issued to a consultant upon his resignation in November 2021. The 30,000,000 shares of Preferred Stock had 200 votes for each share of record. The holders of the Preferred are also entitled to be issued additional 300,000,000 common shares upon conversion of the Preferred Stock. The Series B have anti-dilution provisions. Accordingly, as a result of owning these shares of Common and Preferred Stock, the Control Shareholders will have voting control the Company. During 2021, David Shorey converted 17,200,000 shares of preferred stock into 172,000,000 shares of common stock and distributed 32,000,000 shares to a consultant of the company.

The shareholders on January 11, 2021, authorized an increase in authorized common shares to 2,000,000,000 from 29,411,765 shares. Our board of directors believes that it is desirable to have additional authorized shares of common stock available for possible future financings, acquisition transactions, joint ventures and other general corporate purposes. Our board of directors believes that having such additional authorized shares of common stock available for issuance in the future will give us greater flexibility and may allow such shares to be issued without the expense and delay of a special shareholders’ meeting unless such approval is expressly required by applicable law. Although such issuance of additional shares with respect to future financings and acquisitions would dilute existing shareholders, management believes that such transactions would increase the overall value of the Company to its shareholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Other than as disclosed below, during the last two fiscal years, there have been no transactions, or proposed transactions, which have materially affected or will materially affect us in which any director, executive officer or beneficial holder of more than 5% of the outstanding common, or any of their respective relatives, spouses, associates or affiliates, has had or will have any direct or material indirect interest. We have no policy regarding entering into transactions with affiliated parties.

Other than as disclosed below, during the last two fiscal years, there have been no transactions, or proposed transactions, which have materially affected or will materially affect us in which any director, executive officer or beneficial holder of more than 5% of the outstanding common, or any of their respective relatives, spouses, associates or affiliates, has had or will have any direct or material indirect interest. We have no policy regarding entering into transactions with affiliated parties.

Any future material transactions and loans will be made or entered into on terms that are no less favorable to the Company that those that can be obtained from unaffiliated third parties. Any forgiveness of loans must be approved by a majority of the Company's independent directors who do not have an interest in the transactions and who have access, at the Company's expense, to Company's or independent counsel. Until the Company has more than two directors, this policy will not be in effect.

Officers and director's loans are demand notes with accrued interest totaling $ 533,244 as of December 31, 2021, and $311,340 as of December 31, 2020. The total consists of two notes from Officer/Directors in 2021 and 2020.

The following table indicates the balances due on demand notes and the accrued interest on these notes. Related party notes payable as of December 31, 2021, and December 31, 2020, consists of the following:

Description	December 31, 2021	December 31, 2020
Notes payable – Director bearing interest at 12% per annum, unsecured, demand notes.	$ 60,000	$ 60,000
Note payable – President bearing interest at 12% per annum, unsecured, demand note.	339,521	251,340
Total	$ 399,521	$ 311,340

The first note in the amount of $60,000 provides for interest at 12% per annum and is unsecured. This note resulted in an interest charge of $50,465 accrued and unpaid on December 31, 2021, and $43,263 on December 31, 2020.

The second note has a current balance of $339,521 as of December 31, 2021. The note is an unsecured demand note and bears interest at 12% per annum. This note resulted in an interest charge of $83,258 accrued and unpaid on December 31, 2021, and $53,117 on December 31, 2020.

The combined total funds due to Officers and related parties totaled $533,244 with principal and interest on December 31, 2021.

Any future material transactions and loans will be made or entered into on terms that are no less favorable to the Company that those that can be obtained from unaffiliated third parties. Any forgiveness of loans must be approved by a majority of the Company's independent directors who do not have an interest in the transactions and who have access, at the Company's expense, to Company's or independent counsel. Until the Company has more than two directors, this policy will not be in effect.

Charles O'Dowd, former Director of the Company, David Shorey, President, CEO, CFO and Director and Wayne Marx, a former Vice President and Director of the Company are each "Promoters" as defined in Rule 405 of Regulation C. In 2009 Mr. O'Dowd now has 5,413 shares of Company stock in exchange for services rendered which were valued at $4,000 and Mr. Marx purchased his 100,000 shares for $50,000 cash in 2010 and now owns a total of 1,000,589 common shares.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

Audit Fees

The aggregate fees contracted by our auditors, for professional services rendered for the audit of our annual consolidated financial statements during the years ended December 31, 2021, and 2020, and for the reviews of the consolidated financial statements included in our Quarterly Reports on Form 10-Q during the fiscal years.

During 2020 and 2021, the Company paid Slack & Company CPA, LLC $10,000 for the audit for the fiscal year ended December 31, 2020 and has paid Hudgens CPA a total of $5,000 as of the date of this report.

Audit-Related Fees

Our independent registered public accounting firms did not bill us during the years ended December 31, 2021, and 2020 for non- audit related services.

Tax Fees

Our independent registered public accounting firms did not bill us during fiscal years ended December 31, 2021, and 2020 for tax related services.

All Other Fees

Our independent registered public accounting firms did not bill us during the years ended December 31, 2021, and 2020 for other services.

The Board of Directors has considered whether the provision of non-audit services is compatible with maintaining the principal accountant's independence.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibit No.	Description of Exhibit
3(i)	Articles of Incorporation, as amended (1)
3(ii)	By-Laws (1)
5	Legal Opinion of John F. Wolcott, Esq. (11)
10(a)	Share Exchange Agreement dated July 15, 2011 (1)
10(b)	12% $40,000 Convertible Note dated March 16, 2016 (4)
10(c)	8% $25,000 Convertible Note dated March 23, 2016 (4)
10(d)	10% $55,000 Convertible Note dated April 1, 2016 (5)
10(e)	5% $42,000 Convertible Note dated April 5, 2016 (5)
10(f)	10% $40,000 Convertible Note dated May 3, 2016 (5)
10(g)	8% $30,000 Convertible Note dated May 6, 2016 (5)
10(h)	Consulting Agreement between ABCO Energy, Inc. and Benchmark Advisory Partners effective September 20, 2016 (6)
10(i)	Agreement effective October 19, 2016 between the Company and Joshua Tyrell (7)
10(j)	Amendment No. 1 to Consulting Agreement effective November 11, 2016 between the Company and Joshua Tyrell (8)
10(k)	Securities Purchase Agreement dated as of November 7, 2016 between the Company and Blackbridge Capital Growth Fund (9)
10(l)	Equity Purchase Agreement dated August 6, 2018 between the Company and Oasis Capital (10)
10(m)	Registration Rights Agreement dated August 6, 2018 between the Company and Oasis Capital (10)
10(n)	7% $150,000 Convertible Note dated August 6, 2018 (10)
21	Subsidiaries of Registrant (1)
23.1	Consent of Slack and Company CPAs, LLC (11)
31.01	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (2)
31.02	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (2)
32.01	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (2)
99.1	Equity Purchase Agreement dated 12/1/21 among the Company, Absaroka Communications Corporation (“ACC”) AND Domer LLC (12)
99.2	Registration Rights Agreement dated 12/1/21 among Company, ACC and Domer LLC (12)
101 INS	Inline XBRL Instance Document
101 SCH	Inline XBRL Taxonomy Extension Schema Document
101 CAL	Inline XBRL Taxonomy Calculation Linkbase Document
101 DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101 LAB	Inline XBRL Taxonomy Labels Linkbase Document
101 PRE	Inline XBRL Taxonomy Labels Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

(1)	Previously filed with the Company’s Form 10, SEC File No. 000-55235 filed on July 1, 2014, and incorporated herein by this reference as an exhibit to this Form S-1.
(2)	Attached.
(3)	Previously filed with Pre-Effective Amendment No. 1 to Form S-1 Registration Statement File No. 333-231047, filed with the Commission on May 3, 2019.
(4)	Previously filed with the Company’s Form 10-K, File No. 000-55235, filed with the Commission on April 11, 2016 and incorporated herein by this reference.
(5)	Previously filed with the Company’s Form 10-Q, File No. 000-55235, filed with the Commission on May 20, 2016 and incorporate herein by this reference.
(6)	Previously filed with and incorporated herein by this reference the Company’s Form 8-K, filed with the Commission on October 24, 2016.
(7)	Previously filed with and incorporated herein by this reference the Company’s Form 8-K filed with the Commission on October 24, 2016.
(8)	Previously filed with and incorporated herein by this reference the Company’s Form 8-K, filed with the Commission on November 29, 2016.
(9)	Previously filed with and incorporated herein by this reference the Company’s Form 8-K, filed with the Commission on November 29, 2016.
(10)	Previously filed with and incorporated herein by this reference to the Company’s Form 8-K filed with the Commission on September 7, 2018.
(11)	Previously filed with Pre-Effective Amendment No. 1 to Form 1 Registration Statement filed with the Commission on January 19, 2022
(12)	Previously filed with Pre-Effective Amendment No. 2 to Form Registration Statement filed with the Commission on January 28, 2022.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	ABCO ENERGY, INC.
Date: April 19, 2022	By: /s/ DAVID SHOREY David Shorey Chief Executive Officer
Date: April 19, 2022	By: /s/ DAVID SHOREY David Shorey Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date	**Position**	**Name**
April 19, 2022	Chief Executive Officer, President, Secretary and Director	/s/ DAVID SHOREY David Shorey