

TELKONET INC  
Form 8-K/A  
May 23, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 8-K/A**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest reported) March 9, 2007

**TELKONET, INC.**

(Exact name of registrant as specified in its charter)

Utah  
(State or other jurisdiction  
of incorporation)

000-27305  
Commission  
file number

87-0627421  
(IRS Employer  
Identification No.)

20374 Seneca Meadows Parkway, Germantown, Maryland 20876  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (240) 912-1800

Not Applicable

(Former name or former address, if changed since last report).

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR 240.14d-2(b))
  - .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR 240.13e-4(c))
-

**EXPLANATORY NOTE**

This Current Report on Form 8-K/A amends the Current Report on Form 8-K filed on March 9, 2007 to include the financial statements required by Item 9.01 of Form 8-K. The information previously reported in the Form 8-K is hereby incorporated by reference into this Form 8-K/A.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

The following pro forma financial information is being filed as part of this report:

(a) Financial Statements of Business Acquired

The following information is attached hereto as Exhibit 99.1 is filed herein by reference:

(i) Audited Financial Statements of Smart Systems International, Inc. as of December 31, 2006.

(b) Pro Forma Financial Information

The following information is attached hereto as Exhibit 99.2 and incorporated herein by reference:

(i) Unaudited Pro Forma Condensed Combined Financial Statements of Telkonet, Inc. giving effect to the acquisition of Smart Systems International, Inc.

(d) Exhibits

99.1 Audited Financial Statements of Smart Systems International, Inc. as of December 31, 2006

99.2 Unaudited Pro Forma Condensed Combined Financial Statements of Telkonet, Inc.

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TELKONET, INC.

Date: May 23, 2007

By:

/s/ Richard J. Leimbach

Richard J. Leimbach

Vice President of Finance