

FORM 5

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

OMB APPROVAL	
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- Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
- Form 3 Holdings Reported
- Form 4 Transactions Reported

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person * QUEEN KATHRYN M		2. Issuer Name and Ticker or Trading Symbol DIGICORP [DGCO.OB]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director _____ 10% Owner __X__ Officer (give title below) _____ Other (specify below) President of Operations				
(Last) (First) (Middle) 1800 CENTURY PARK EAST, SUITE 200		3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 12/31/2005						
(Street) LOS ANGELES, CA 90067		4. If Amendment, Date Original Filed(Month/Day/Year)		6. Individual or Joint/Group Reporting (check applicable line) __X__ Form Filed by One Reporting Person ____ Form Filed by More than One Reporting Person				
(City) (State) (Zip)		Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned						
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
N/A			3(1)	Amount	(A) or (D) Price	0	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of Issuer's Fiscal Year (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Options (right to buy)	\$ 0.25	07/20/2005		A4	750,000	(2)	07/20/2005	07/20/2015	Common Stock	750,000	\$ 0	750,000	D	
Stock Options (right to buy)	\$ 0.25	07/20/2005		A4	750,000	(3)	12/31/2005	12/31/2015	Common Stock	750,000	\$ 0	750,000	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
QUEEN KATHRYN M 1800 CENTURY PARK EAST SUITE 200 LOS ANGELES, CA 90067			President of Operations	

Signatures

/s/ Kathryn M. Queen	03/14/2006
Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Reporting person was appointed as President of Operations on April 26, 2005, and resigned as President of Operations on December 29,

(1) 2005.

(2) 237,500 of the reported options have vested and the remaining 512,500 were cancelled on December 29, 2005.

(3) Options subject to milestones being achieved prior to vesting on December 31, 2006. All 750,000 of the reported options were cancelled on December 29, 2005.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.

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