

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934 For the fiscal year ended December 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 333-48402

A. Full title of the plan and the address of the plan, if different  
from that of the issuer named below:

Lakeland Financial Corporation 401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and  
the address of its principal executive office:

Lakeland Financial Corporation  
202 East Center Street, P.O. Box 1387  
Warsaw, Indiana 46581-1387

REQUIRED INFORMATION

Audited statements of net assets available for benefits of the Lakeland  
Financial Corporation 401(k) Plan as of December 31, 2003 and 2002, and the  
related statements of changes in net assets available for benefits for the  
year ended December 31, 2003 are provided as Exhibit 99.1 to this Form 11-K.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

LAKELAND FINANCIAL CORPORATION  
401(k) PLAN

Date: June 28, 2004

By: Lakeland Financial Corporation,  
as Trustee to the Plan

By: /s/ Jill A. DeBatty

LAKELAND FINANCIAL CORPORATION 401(k) PLAN

EXHIBIT INDEX  
TO  
ANNUAL REPORT ON FORM 11-K

| Exhibit<br>No. | Description                                | Sequential<br>Page No. |
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| 99.1           | Financial Statements                       | 6                      |

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CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Lakeland Financial Corporation's Registration Statement on Form S-8 (Registration # 333-48402) of our report, dated April 13, 2004, on the financial statements of the Lakeland Financial Corporation 401(k) Plan which is included in this Annual Report on Form 11-K for the year ended December 31, 2003.

Crowe Chizek and Company LLC

South Bend, Indiana  
June 24, 2004

LAKELAND FINANCIAL CORPORATION  
401(k) PLAN

FINANCIAL STATEMENTS  
December 31, 2003 and 2002

LAKELAND FINANCIAL CORPORATION 401(k) PLAN

Warsaw, Indiana

FINANCIAL STATEMENTS  
December 31, 2003 and 2002

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Lakeland Financial Corporation  
401(k) Plan  
Warsaw, Indiana

We have audited the accompanying statements of net assets available for benefits of the Lakeland Financial Corporation 401(k) Plan ("Plan") as of December 31, 2003 and 2002, and the related statement of changes in net assets available for benefits for the year ended December 31, 2003. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2003 and 2002, and the changes in net assets available for benefits for the year ended December 31, 2003, in conformity with United States generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the 2003 basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the 2003 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2003 basic financial statements taken as a whole.

Crowe Chizek and Company LLC

South Bend, Indiana  
April 13, 2004

LAKELAND FINANCIAL CORPORATION 401(k) PLAN  
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
 December 31, 2003 and 2002

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|                                     | 2003<br>----  | 2002<br>----  |
|-------------------------------------|---------------|---------------|
| ASSETS                              |               |               |
| Investments, at fair value (Note 4) | \$ 25,763,158 | \$ 18,033,505 |
| Receivables                         |               |               |
| Employer contribution               | 379,303       | 317,597       |
| Accrued income                      | 112,168       | 107,340       |
|                                     | -----         | -----         |
|                                     | 491,471       | 424,937       |
|                                     | -----         | -----         |
| Cash                                | -             | 12,482        |
|                                     | -----         | -----         |
| NET ASSETS AVAILABLE FOR BENEFITS   | \$ 26,254,629 | \$ 18,470,924 |
|                                     | =====         | =====         |

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
Year ended December 31, 2003

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Additions to net assets attributed to:

Investment income

Net appreciation in fair value of investments (Note 4) \$ 7,973,195  
Interest 2,699  
Dividends 481,938

-----  
8,457,832

Contributions

Employer 744,875  
Participants 978,002  
Rollovers 1,608

-----  
1,724,485

Total additions 10,182,317

Deductions from net assets attributed to:

Benefits paid directly to participants or their  
beneficiaries 2,394,403  
Administrative expenses 4,209

-----  
2,398,612

Total deductions 2,398,612

Net increase 7,783,705

Net assets available for benefits

Beginning of year 18,470,924

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End of year \$ 26,254,629

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See accompanying notes to financial statements.



LAKELAND FINANCIAL CORPORATION 401(k) PLAN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2003 and 2002

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NOTE 1 - DESCRIPTION OF PLAN

The following description of the Lakeland Financial Corporation 401(k) Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution 401(k) profit sharing plan covering substantially all employees of Lakeland Financial Corporation ("LFC") and its subsidiary, Lake City Bank (collectively, "employer"). An employee becomes eligible to enter the Plan on January 1, April 1, July 1 and October 1 following attainment of age 18 and completion of one month of service.

The Plan was originally adopted December 13, 1983 and has been amended. Effective October 10, 2000, the Plan was amended and restated. The provisions of the amended and restated Plan state that the employer each year may set the matching percentage as well as any discretionary contributions. The amended and restated Plan also does not permit loans to plan participants. Effective January 1, 2001, the Plan was further amended. The provisions of the amended Plan state the matching contributions shall be allocated to participants who have completed at least one hour of service during the Plan year. The amended Plan also provides for a six-year graded vesting schedule and that employees working at any branch that is sold shall become 100% vested as of the date of the branch sale. Effective January 1, 2003, the Plan was further amended. The January 1, 2003 amendment states that employees become eligible to participate in the Plan following attainment of age 18 and completion of one month of service. Information regarding the changes to the Plan is provided for general information purposes only. Participants should refer to the amended and restated Plan agreement for a more complete description of the Plan's provisions. The Plan provides for retirement, death, disability and termination benefits, and it is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Investment Funds: The Plan consists of nine funds, or investment options, one of which is invested primarily in LFC common stock. The "AIM Constellation Fund", "Enterprise Growth Fund", "Enterprise Small Company Value Fund" and "American Funds AMCAP Fund" are invested primarily in common and preferred stock. The "Franklin Adjustable U.S. Government Securities" is invested primarily in fixed income obligations of United States Government agencies. The "Money Market Fund" is invested primarily in short-term fixed income investments having maturities of one year or less. The "Balanced Fund" is invested primarily in a balanced portfolio, and the "Federated International Equity Fund" is invested primarily in foreign common stocks.

A participant's salary redirection is invested in any of the funds offered at the participant's discretion. Employer matching contributions are initially invested in employer stock. Participants may redirect the matching contributions at their discretion.

(Continued)

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Participant Accounts: Each participant's account is credited with the participant's contribution and an allocation of (a) the Corporation's contributions, (b) Plan earnings and (c) forfeitures of non-vested balances of accounts of participants who have left the plan. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Contributions: The Plan provides that participants may make voluntary pre-tax contributions to the Plan in amounts equal to the maximum amount allowable under the Internal Revenue Code (\$12,000 in 2003 and \$11,000 in 2002). Each year the employer may set a matching percentage of up to 6% of a participant's compensation, as well as make discretionary contributions. For 2003, the matching percentage was set at 100% of the first 6% of compensation an employee contributes to the Plan as a voluntary pre-tax contribution. In addition, no discretionary contributions were made.

Retirement, Death and Disability: A participant is entitled to 100% of his or her account balance upon retirement, death or disability.

Vesting: Participants are 100% vested in salary deferral contributions. Effective January 1, 2001, employer contributions vest according to a six-year graded schedule. Prior to January 1, 2001, employer contributions vested according to a seven-year graded schedule.

Payment of Benefits: On termination of service, a participant may elect to receive either a lump sum or a direct rollover equal to the value of his or her vested interest in the account. For distributions of LFC common stock, distributions are made in stock or cash at the participant's option, with the exception of fractional shares which are paid out in cash. Distributions out of the other funds are made in cash.

Loan Provisions: Prior to the restatement of the Plan effective October 10, 2000, participants were able to borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50 percent of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates equal to the prime interest rate stated in the Wall Street Journal plus 1% at the date the participant applied for the loan.

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The policies and principles which significantly affect the determination of net assets and results of operations are summarized below.

**Accounting Method:** The accounting practices and principles followed by the Plan and the methods of applying those principles conform to accounting principles generally accepted in the United States of America.

**Investments Valuation and Income Recognition:** Investments are stated at fair value. The fair values of mutual fund investments and LFC common stock are based upon quoted market prices. Money market fund investments and participant loans are reported at cost, which approximates fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**Net Appreciation (Depreciation) in Fair Value of Investments:** In accordance with the policy of stating investments at fair value, net unrealized appreciation (depreciation) for the year along with gains and losses on sales of investments are reflected in the statement of changes in net assets available for benefits as net appreciation (depreciation) in fair value of investments. Unrealized appreciation (depreciation) for investments held as of the end of the current fiscal year is the difference between the current value of those investments and the value of those investments as of the end of the prior fiscal year or the purchase date for investments purchased during the year.

**Administrative Expenses:** Trustee expenses have been waived by Lake City Bank, the Plan Trustee.

**Estimates:** The preparation of financial statements in conformity with United States generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures, and actual results may differ from these estimates. It is at least reasonably possible that a significant change may occur in the near term for the estimates of investment valuation.

**Concentration of Credit Risk:** At December 31, 2003 and 2002, the majority of the Plan's assets were invested in LFC common stock.

**Risk and Uncertainties:** The Plan provides for various investment options including any combination of certain mutual funds, stocks, and money market funds. The underlying investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits and participant's individual account balances.

(Continued)

NOTE 3 - PLAN TERMINATION

Although it has not expressed any intent to do so, LFC has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA and its related regulations. In the event of termination, participants will become 100% vested in their accounts.

NOTE 4 - INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets.

|   | December 31,  |               |
|---|---------------|---------------|
|   | 2003          | 2002          |
|   | ----          | ----          |
| LFC common stock, 590,356 and<br>631,411 shares, respectively | \$ 20,851,367 | \$ 14,806,592 |

The following table presents the net appreciation (depreciation) (including investments bought, sold and held during the year) in fair value for each of the Plan's investment categories for the year ended December 31, 2003.

|                  |              |
|------------------|--------------|
| Mutual funds     | \$ 629,589   |
| LFC common stock | 7,343,606    |
|                  | -----        |
|                  | \$ 7,973,195 |

All of the Plan's investments are uninsured.

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor Regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. Fees paid by the Plan to AMI Benefit Plan Administrators, Inc. for accounting services amounted to \$4,209 for the year ended December 31, 2003.

(Continued)

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS (Continued)

During 2003, the Plan purchased 52,929 shares of Lakeland Financial Corporation common stock at a cost ranging from \$23.54 to \$41.18 per share. In 2003, the Plan sold 74,337 shares of Lakeland Financial Corporation common stock at a sales price ranging from \$19.58 to \$36.41 per share and distributed 19,647 shares of common stock to employees due to termination or retirement.

At December 31, 2003 and 2002, the Plan held the following party-in-interest investments (at estimated fair value):

2003:

|   |               |
|---|---------------|
| Lakeland Financial Corporation common<br>stock - 590,356 shares | \$ 20,851,367 |
| Loans to participants   | 3,440         |

2002:

|   |               |
|---|---------------|
| Lakeland Financial Corporation common<br>stock - 631,411 shares | \$ 14,806,592 |
| Loans to participants   | 3,970         |

NOTE 6 - TAX STATUS

The Plan is maintained using a prototype plan document sponsored by AMI Benefit Plan Administrators, Inc. The Internal Revenue Service has ruled in a letter dated September 18, 2001, that the prototype plan qualifies under Section 401 of the Internal Revenue Code (IRC) and is, therefore, not subject to tax under present income tax law. The plan administrator believes that the Plan is being operated in compliance with applicable requirements of the IRC.

NOTE 7 - TERMINATED PARTICIPANTS

Included in net assets available for benefits are amounts allocated to individuals who have withdrawn from the Plan and requested a distribution prior to year end. Amounts allocated to these participants were approximately \$3,185,218 and \$36,801 at December 31, 2003 and 2002.





