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

FORM 10-K

X ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d)
---- OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2003

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

For the transition period from ___ to ___

Commission File Number 0-5556

CONSOLIDATED-TOMOKA LAND CO.
(Exact name of registrant as specified in its charter)

Florida	59-0483700
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1530 Cornerstone Boulevard, Suite 100 Daytona Beach, Florida	32117
(Address of principal executive offices)	(Zip Code)

Registrant's Telephone Number, including area code
(386) 274-2202

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF
THE SECURITIES EXCHANGE ACT OF 1934:

Title of each class	Name of each exchange on which registered
COMMON STOCK, $1 PAR VALUE	AMERICAN STOCK EXCHANGE

SECURITIES REGISTERED UNDER SECTION 12(g) OF THE ACT:
NONE
(Title of Class)

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 X NO ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the Registrant is an Accelerated Filer (as defined in Exchange Act Rule 12b-2). YES X NO ---

The aggregate market value of the shares of common stock held by non-affiliates of the Registrant at June 30, 2003, was approximately $141,146,843.

The number of shares of the Registrant's Common Stock outstanding on March 1, 2004 was 5,634,662.

Portions of the Proxy Statement of Registrant, which the Company expects will be dated March 25, 2004, are incorporated by reference in Part III of this report.

"Safe Harbor"

Certain statements contained in this Form 10-K (other than the financial statements and statements of historical fact), are forward-looking statements. The words "believe," "estimate," "expect," "intend," "anticipate," "will," "could," "may," "should," "plan," "potential," "predict," "forecast," "project," and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates on which they were made. Forward-looking statements are made based upon management's expectations and beliefs concerning future developments and their potential effect upon the Company. There can be no assurance that future developments will be in accordance with management's expectations or that the effect of future developments on the Company will be those anticipated by management.

The Company wishes to caution readers that the assumptions which form the basis for forward-looking statements with respect to or that may impact earnings for the year ended December 31, 2004, and thereafter include many factors that are beyond the Company's ability to control or estimate precisely. These risks and uncertainties include, but are not limited to, the market demand of the Company's real estate parcels, income properties, timber and other products; the impact of competitive real estate; changes in pricing by the Company or its competitors; the costs and other effects of complying with environmental and other regulatory requirements; losses due to natural disasters; and changes in national, regional or local economic and political conditions, such as inflation, deflation, or fluctuation in interest rates.

While the Company periodically reassesses material trends and uncertainties affecting its results of operations and financial condition, the Company does not intend to review or revise any particular forward-looking statement referenced herein in light of future events.

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PART I

Item 1. Business

Consolidated-Tomoka Land Co. (the "Company") is primarily engaged in the real estate, income properties and golf businesses through its wholly owned subsidiaries, Indigo Group Inc., Indigo Development Inc., Indigo International Inc., Indigo Group Ltd., and Palms Del Mar Inc. Real estate operations include commercial real estate, land sales and development, residential, forestry operations and leasing properties for oil and mineral exploration. Income properties primarily consists of owning properties leased on a triple-net and double-net basis. Golf operations consist of the operation of two golf courses, clubhouse facility, and food and beverage activities. These operations are predominantly located in Volusia County in Florida, with various income properties located throughout the State of Florida.

The following is information regarding the Company's business segments. The "General, Corporate and Other" category includes general and administrative expenses, income earned on investment securities and other miscellaneous income and expense items.

	2003	2002	2001
		(IN THOUSANDS)	
Revenues of each segment are as follows:			
Real Estate	$25,496	$20,627	$ 3,352
Income Properties	3,276	2,062	1,831
Golf	4,373	4,227	4,065
General, Corporate and Other	1,746	1,615	2,102
	$34,891	$28,531	$11,350
Operating income (loss) before income tax for each segment is as follows:			
Real Estate	$22,774	$16,350	$ 1,252
Income Properties	2,681	1,662	1,403
Golf	(1,185)	(1,264)	(1,329)
General, Corporate and Other	(2,842)	(1,792)	(2,493)
	$21,428	$14,956	$(1,167)
Identifiable assets of each segment are as follows:			
Real Estate	$18,635	$15,774	$15,171
Income Properties	41,434	25,243	22,643
Golf	10,026	10,410	10,769
General, Corporate and Other	27,811	22,899	13,634
	$97,906	$74,326	$62,217

Identifiable assets by segment are those assets that are used in each segment. General corporate assets and those used in the Company's other operations consist primarily of cash, investment securities, notes receivable, and property, plant and equipment.

REAL ESTATE OPERATIONS

COMMERCIAL DEVELOPMENT. In August of 1989, the Company reached an agreement in principle with the Ladies Professional Golf Association ("LPGA") and the City of Daytona Beach, which called for the planning and development of the site for the national headquarters of the LPGA along with two championship golf courses. The mixed-use development plan, located immediately west of Interstate 95 in Daytona Beach, Florida, and known as LPGA International, additionally provided for a clubhouse, resort facilities, and residential communities along with other commercial uses. This development is on approximately 3,000 acres owned by the Company's real estate development subsidiary, Indigo Development Inc. ("IDI"), the City of Daytona Beach, other developers, and individual homesite owners. The LPGA International development is part of a 4,500-acre tract located both east and west of Interstate 95, which received Development of Regional Impact ("DRI") approval in 1993. The LPGA has successfully relocated its headquarters to Daytona Beach and occupies facilities constructed in 1996, within the development. The official opening of the first LPGA International golf course, constructed by the City of Daytona Beach, occurred in July 1994 with the second course constructed by the Company, opening in October 1998. The clubhouse opened for operation in January 2001.

During 1999, the Company sold 180 acres, plus 44 developed lots, surrounding the north golf course to Renar Development Company. In the third quarter of 2002, the Company closed an additional sale of 261 acres of residential land surrounding the south golf course to Morgan Stanley-Kitson Partnership ("MSKP"). The property is expected to be developed into several distinct communities, with lots sold to major builders. The Company maintains its position as master developer of the project.

In early 1996, the Interstate 95 interchange at LPGA Boulevard, which is the north and main entrance to the LPGA International project, was opened for use. At the end of 2002, the Company closed the sale of the first corporate headquarters site, at the Company's new Cornerstone Office Park located at the southeast quadrant of the interchange. Development of the office park was substantially complete by year-end 2003, with the first office building, which includes the Company's corporate office, opened in January 2004.

Indigo Commercial Realty Inc., a commercial real estate brokerage company formed in 1981, is the Company's agent in the marketing and management of commercial properties. In addition to the LPGA development, approximately 44 acres of fully developed sites located in the Daytona Beach area and owned by Indigo Group Inc. were available for sale at December 31, 2003. All development and improvement costs have been completed at these sites.

ITEM 1. BUSINESS (CONTINUED)

RESIDENTIAL. Until December 1993, the Company, through Indigo Group Ltd. ("IG LTD"),operated in residential development, home building and sales. At the end of 1993 IG LTD closed down the development and building functions. IG LTD continues to sell its remaining lot inventory in the following communities: Riverwood Plantation, a 180-acre community in Port Orange, Florida, with 7 lots remaining at December 31, 2003; and Tomoka Heights, a 180-acre development adjacent to Lake Henry in Highlands County, Florida. There are approximately 64 developable lots remaining to be sold, including 21 fully-developed lots.

FOREST PRODUCT SALES. The timber lands encompass approximately 12,500 acres west of Daytona Beach. We believe the geographic location of the timber tract is excellent. In addition to access by major highways (Interstate 95, State Road 40, and International Speedway Boulevard), the internal road system for forestry purposes is good. Income from sales of forest products varies considerably from year-to-year depending on economic conditions and rainfall, which sometimes limits access to portions of the woodlands. In addition, drought conditions sharply increase the potential of forest fires, as occurred during the summer of 1998. The wildfires which ravaged central Florida burned approximately 9,000 acres of the Company's timberland. This and the sale of the approximately 11,000-acre parcel to St. Johns River Water Management District in 1997 have reduced the Company's potential for future income from sales of forest products. Expenses associated with forestry operations consist primarily of real estate taxes, with additional expenses including the costs of installing and maintaining roads and drainage systems, reforestation, and wild fire suppression.

SUBSURFACE INTERESTS. The Company owns full or fractional subsurface oil, gas, and mineral interests in approximately 524,000 "surface" acres of land owned by others in various parts of Florida, equivalent to approximately 288,000 acres in terms of full interest. The Company leases its interests to mineral exploration firms whenever possible.

Leases on 800 acres have reached maturity; but, in accordance with their terms, are held by the oil companies without annual rental payments because of producing oil wells, on which the Company receives royalties.

The purchasers of 82,515 surface acres, in which the Company has a one-half reserved mineral interest, are entitled to releases of the Company's rights if such releases are required for residential or business development. Consideration for such releases on 71,772 of those acres would be at the rate of $2.50 per surface acre. On other acres in Lee and Hendry Counties (where producing oil wells exist), the Company's current policy is to grant no release rights with respect to its reserved mineral rights. Periodically, a release of surface entry rights might be granted upon request of a surface owner who requires such a release for special financing or

ITEM 1. BUSINESS (CONTINUED)

development purposes. In counties other than Lee and Hendry, releases are granted for a percentage of the surface value of a parcel of land. At December 31, 2003, there were two producing oil wells on the Company's interests. Volume in 2003 was 100,098 barrels and volume in 2002 was 115,453 barrels from three producing wells. Production, in barrels, for prior recent years was: 2001 - 116,341, 2000 - 133,280 and 1999 - 141,973.

INCOME PROPERTIES

During 2000, the Company implemented a new business strategy. This strategy involves becoming a company, over time, with a more predictable earnings pattern from geographically dispersed real estate holdings. To this end, the Company has acquired several income properties since 2000. Following is a summary of these properties:

LOCATION	TENANT	AREA (SQUARE FEET)	YEAR PURCHASED
Tallahassee, Florida	Eckerd	10,880	2000
Daytona Beach, Florida	Barnes & Noble	28,000	2001
Lakeland, Florida	Barnes & Noble	18,150	2001
Sanford, Florida	Eckerd	11,900	2001
Palm Bay, Florida	Walgreens	13,905	2001
Clermont, Florida	Eckerd	13,824	2002
Melbourne, Florida	Eckerd	10,908	2003
Sebring, Florida	Eckerd	12,174	2003
Kissimmee, Florida	Walgreens	13,905	2003
Orlando, Florida	Walgreens	15,120	2003
Sanford, Florida	Eckerd	13,813	2003
11 Properties		162,579	

All properties are leased on a long-term, triple-net lease basis, with the exception of the Walgreens' sites in Palm Bay, Kissimmee, and Orlando, Florida, which are leased on a double-net lease basis.

Other rental property is limited to a 12-acre auto dealership site, which is located in Daytona Beach, Florida, along with ground leases for billboards, a communication tower site, and a hunting lease covering 8,300 acres. A portion of the auto dealership site, which was purchased in 2000, was sold in 2001, for a profit approximating $675,000, with the remaining property under an operating lease arrangement. The Company also owned a 17,000 square-foot office building in Daytona Beach, Florida, which was under a lease-purchase agreement. During the fourth quarter of 2003, the ownership was transferred.

GOLF OPERATIONS

On September 1, 1997, responsibility for the operations of the LPGA International golf courses was transferred from the City of Daytona Beach to a wholly owned subsidiary of the Company. The agreement with the City of Daytona Beach provided for the second golf course and a clubhouse to be constructed by the Company in return for a long-term lease from the City on both golf courses.

ITEM 1. BUSINESS (CONTINUED)

The second golf course was constructed by the Company and opened for play in October 1998. The first phase of the clubhouse, which consists primarily of the cart barn, was completed in 1999. Construction of the final phase of the clubhouse, consisting of a 17,000 square-foot facility including a pro shop, locker rooms, informal dining and banquet rooms, and a swimming pool, was completed in December 2000 and opened for business in January 2001.

GENERAL, CORPORATE AND OTHER OPERATIONS

Land development beyond that discussed at "Business - Real Estate Operations" will necessarily depend upon the long-range economic and population growth of Florida and may be significantly affected by fluctuations in economic conditions, prices of Florida real estate, and the amount of resources available to the Company for development.

CITRUS

The Company, under the name Lake Placid Groves, owned and operated approximately 3,900 acres of orange and grapefruit groves located primarily on two large parcels in Highlands County, Florida. On April 7, 1999, the Company's citrus business, Lake Placid Groves, was sold. The Company harvested and sold both fresh and to-be-processed citrus from its groves. In connection with the groves, the Company owned and operated an efficient fresh fruit citrus packing plant, in which the portion of the crop which was sold as fresh fruit was packed. Fresh fruit sales were made by the Company to wholesale produce distributors and retail grocery chains primarily in the Eastern and Midwestern regions of the United States and Canada. In an effort to achieve optimum utilization of the packing facility, the Company also handled the fruit of other growers in the area.

That portion of the Company's citrus crop, which was not sold as fresh fruit, was processed by Citrus World Incorporated ("Citrus World"), an agricultural cooperative, under a participating marketing pool agreement. Citrus World, one of the larger processors of citrus products in the United States, pooled its own fruit with the fruit received from the Company and other citrus growers, processed the pooled fruit, and sold the products produced therefrom. Each participant in the pool, including Citrus World, shared ratably in the proceeds from the sales of these products, net of Citrus World's actual processing and marketing costs, plus a per-unit handling fee. Citrus World made periodic payments to all participants on their pro-rata share of net sales proceeds and made final payment after all the products in the pool had been sold.

EMPLOYEES

The Company has sixteen employees and considers its employee relations to be satisfactory.

ITEM 1. BUSINESS (CONTINUED)

AVAILABLE INFORMATION

The Company's website is www.consolidatedtomoka.com. The Company makes available on this website, free of charge, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports as soon as reasonably practicable after the Company electronically files or furnishes such materials to the SEC, and has done so since March 2003, the date that the Company's website became active. The Company will also provide paper copies of these filings free of charge upon a specific request in writing for such filing to the Company's Secretary, P.O. Box 10809, Daytona Beach, Florida 32120-0809.

ITEM 2. PROPERTIES

Land holdings of the Company and its affiliates, all of which are located in Florida, include: approximately 14,100 acres (including commercial/retail sites) in the Daytona Beach area of Volusia County; approximately 60 acres in Highlands County, adjacent to Lake Henry; retail buildings located on 19 acres throughout Florida; and full or fractional subsurface oil, gas, and mineral interests in approximately 524,000 "surface acres" in 20 Florida counties. Approximately 3,000 acres of the lands located in Volusia County are encumbered under a mortgage. The conversion and subsequent utilization of these assets provides the base of the Company's operations.

The Volusia County holdings include approximately 13,200 acres within the city limits of Daytona Beach and small acreages in the Cities of Ormond Beach and Port Orange. During 2003, the Company acquired 946 acres of land, which will be used for wetlands mitigation. Of the 12,800 acres inside the city limits of Daytona Beach, approximately 3,000 acres have received development approval by governmental agencies. The 3,000 acres plus approximately 730 acres owned by the City of Daytona Beach, 15 acres owned by Indigo Community Development District, and 690 acres sold to others for development are the site of a long-term, mixed-use development which includes "LPGA International." LPGA International is made up of the national headquarters of the Ladies Professional Golf Association along with two "Signature" golf courses and a residential community, a clubhouse, and a maintenance facility, and main entrance roads to serve the LPGA community. Construction of homes around the first golf course, on 70 acres of land sold to a residential developer, began in 1995 with the first residences completed in early 1996. In 1999, an additional 180 acres and 44 developed lots in LPGA International were sold to Renar Development Company, with 261 acres sold to MSKP in 2002. The Company continues as master developer. The lands not currently being developed, including those on which development approvals have been received, are involved in an active forestry operation. Except for a 12-acre parcel at the Interstate 95 and Taylor Road interchange in the Port Orange area south of Daytona Beach, the tract straddles Interstate 95 for 6-1/2 miles between International Speedway Boulevard(U. S. Highway 92) and State Road 40, with approximately 12,000 acres west and 2,100 acres east of the interstate. Subsidiaries of the Company are holders of the developed Volusia County properties and are involved in the development of additional lands zoned for residential, commercial, or industrial purposes.

ITEM 2. PROPERTIES (CONTINUED)

In Highlands County, located in south central Florida, along U.S. Highway 27, the Company sold its citrus operation of approximately 3,900 acres in 1999. The remaining Highlands County lands, located adjacent to Lake Henry, Florida, which is about 75 miles east of Sarasota and 150 miles northwest of Miami, total approximately 60 acres of industrial lands and 64 residential lots, of which 21 are fully developed.

The Company's oil, gas, and mineral interests, which are equivalent to full rights on 288,000 acres, were acquired by retaining subsurface rights when acreage was sold many years ago.

From October 1990 until December 1993, IG LTD centered its operations on residential community development, home construction, and sales. In 1993, IG LTD discontinued its home building and sales activities under lot marketing and sales arrangements. Residential lots owned by IG LTD at December 31, 2003 are: 7 lots in Riverwood Plantation, a community of 180 acres in Port Orange, Florida; 21 developed and 43 developable lots at the 180-acre Tomoka Heights development in Highlands County, Florida. IG LTD is developing this community, located adjacent to Lake Henry, and consisting of single-family and duplex units.

The Company also owns and operates properties for leasing. These properties are discussed in "Business-Income Properties."

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company or its subsidiaries are a party.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of the year ended December 31, 2003.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

COMMON STOCK PRICES AND DIVIDENDS

The Company's common stock trades on the American Stock Exchange ("AMEX") under the symbol CTO. The Company has paid dividends on a continuous basis since 1976, the year in which its initial dividends were paid. The following table summarizes aggregate annual dividends paid over the two years ended December 31, 2003:

2003	$.22
2002	$.20

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS (CONTINUED)

Indicated below are high and low sales prices for the quarters of the last two fiscal years. All quotations represent actual transactions.

	2003		2002	
	High	Low	High	Low
	$	$	$	$
First Quarter	21.05	18.90	21.50	19.50
Second Quarter	26.32	20.50	22.90	19.86
Third Quarter	32.00	23.55	20.25	14.65
Fourth Quarter	33.00	29.03	19.25	17.49

Approximate number of shareholders of record as of February 3, 2004 (without regard to shares held in nominee or street name): 1,149.

There have been no sales of unregistered securities within the past three years.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data should be read in conjunction with the Company's Consolidated Financial Statements and Notes along with "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in this report.

Five-Year Financial Highlights
(In thousands except per share amounts)

	2003	2002	2001	2000	1999
	$	$	$	$	$
Summary of Operations:					
Revenues:					
Real Estate	33,145	26,916	9,248	19,860	17,130
Profit on Sales of Other Real Estate Interest	632	151	57	1,379	2,115
Interest and Other Income	1,114	1,464	2,045	1,987	1,854
TOTAL	34,891	28,531	11,350	23,226	21,099
Operating Costs and Expenses	8,875	10,168	7,923	8,045	8,600
General and Administrative Expenses	4,588	3,407	4,594	3,365	2,879
Income Taxes	8,234	5,670	(531)	2,956	3,261
Income (Loss) From Continuing Operations	13,194	9,286	(636)	8,860	6,359
Income from Discontinued Operations (Net of Tax)	--	--	--	--	9,424
Net Income (Loss)	13,194	9,286	(636)	8,860	15,783
Basic and Diluted Earnings per Share:					
Income (Loss) from Continuing Operations	2.35	1.65	(.11)	1.51	1.00
Net Income (Loss)	2.35	1.65	(.11)	1.51	2.48
Dividends Paid Per Share	0.22	0.20	0.20	0.20	0.35
Summary of Financial Position:					
Total Assets	97,906	74,326	62,217	63,354	63,420
Shareholders' Equity	65,658	52,858	45,383	46,555	48,034
Long-Term Debt	8,717	8,932	1,335	9,401	9,854

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OPERATIONS OVERVIEW

The Company is primarily engaged in real estate land sales and development, investment in income property, and golf course operations. The Company is owner of approximately 14,200 acres in Florida, of which approximately 12,800 are located within the City of Daytona Beach and form a substantial portion of the western boundary of Daytona Beach. The Company lands are well located in the growing central Florida Interstate 4 corridor providing an excellent opportunity for reasonably stable land sales in the near term future and following years.

With its substantial land holdings in Daytona Beach, the Company has parcels available for the entire spectrum of real estate uses. Along with land sales, the Company selectively develops parcels primarily for commercial uses. Sales and development activity on and around Company owned lands have been strong in the last two years, 2002 and 2003.

The development, by the Company, of the Cornerstone Office Park at the Interstate 95 interchange at LPGA Boulevard was substantially complete by year-end 2003, with the first office building opened in January 2004. Construction and development of a 92,000 square-foot surgical and imaging facility on LPGA Boulevard, on land sold by the Company in 2002, is underway with opening planned in the first half of 2004. During the fourth quarter of 2003, the Company sold 210 acres to Halifax Medical Center for the future relocation of its hospital and related medical facilities. Also in the fourth quarter, a 25-acre sale for the second phase of the Daytona Beach Auto Mall was completed, along with LPGA Boulevard retail sites sold for a Wendy's restaurant and a CVS Pharmacy. These transactions, all along the Interstate 95 and LPGA Boulevard corridor, compliment other new developments now under construction in the area including a new middle school, Grand Preserve residential community and a professional office park adjacent to the surgical and imaging facility.

Sales closings and development activities tend to spur additional interest by prospective buyers and developers. Interest in Company owned property remains strong with a backlog of contracts in place for closing in 2004. As closings occur, management intends to reinvest proceeds into income properties. As the inventory of these income properties grows management will look to diversify through other real estate investments as opportunities arise.

In the year 2000, the Company initiated a strategy of investing in income properties utilizing the proceeds of land sales qualifying for income tax deferral through like-kind exchange treatment for tax purposes. The inventory of net lease income properties is anticipated to reach $60 million during the first half of 2004. The strong commercial land sales volume in 2002 and 2003 enabled the Company to invest $16.8 million in income properties during 2003, with an additional $19.3 million of cash held by a qualified intermediary for investment in additional properties. At December 31, 2003, the Company owned eleven double or triple-net-lease single tenant properties throughout the State of Florida at a cost approximating $38 million,

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS(CONTINUED)

with an additional five properties either under contract or in negotiation for purchase for approximately $22 million. The five contracts, all fully executed subsequent to December 31, 2003, are scheduled to close in late first quarter or early second quarter 2004, and include two properties in the Atlanta, Georgia area. These two properties represent the first investment by the Company outside the State of Florida. See "Properties" for a schedule of properties owned.

It is currently the Company's intention to continue its strategy of reinvestment of qualifying income tax deferred land sales proceeds into net lease properties. When the $60 million investment base is reached, lease income of about $5 million annually will be generated. Additional net lease income property is expected to decrease earnings volatility in future years and add to overall financial performance. This strategic position will provide the opportunity to consider other forms of real estate investment to diversify and enhance potential returns.

Golf operations consist of the operation of the two golf courses, clubhouse facility, and food and beverage activities within the LPGA International mixed-use residential community on the west side of Interstate 95, south and east of LPGA Boulevard. The Champions course was designed by Reese Jones and the Legends course was designed by Arthur Hills.

Golf revenue and profitability are up slightly over the last two years despite a general (10 to 15%) decline in Florida golf course revenue and profits. Demand for golf had been depressed due to overbuilding of golf courses and a general economic downturn which began to improve in late 2003. Improvement in golf course operation is a function of increased tourist demand, reduction in new golf course construction experienced in the last three years, and increased residential growth in LPGA International, and the adjoining Company land to the west and northwest comprising about 6,000 acres of future residential communities. LPGA International and nearby developments are currently planned to contain about 3,000 additional dwelling units.

Food and banquet service revenues at the clubhouse, which opened in January 2001, have improved over the three-year period, although revenues only increased about 3% for 2003. Significant improvement over time is a function of the same factors impacting the golf courses: increased demand and new home construction. The Company's efforts to maintain and improve revenues and profitability have focused on providing quality products and services while maintaining consistent and stringent cost control for golf course and food service activities.

RISKS AND COMPETITION

The real estate business is subject to a number of economic factors including the impact of rising and falling interest rates which affect the ability of purchasers to obtain financing and population growth, which impacts supply and demand for new homes, as well as goods and services; and hence land to meet those needs. Also impacting the ability to sell land are the availability of roads and utilities, environmental impacts, density limitations, urban growth boundaries,

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS(CONTINUED)

and other factors associated with national, regional or local economic and political conditions. All of these factors have an impact on the Company's three lines of business and their success. Most directly impacted is the real estate sales and development business currently centered in the Daytona Beach market. Pricing levels and changes by the Company and its immediate competitors can affect sales, although the Company generally enjoys a competitive edge due to low costs associated with long time land ownership and a significant ownership position in the immediate market.

SUMMARY OF 2003 OPERATING RESULTS

During 2003, the Company generated earnings of $13,194,395, equivalent to $2.35 per share. These profits represent a 42% increase over 2002's net income totaling $9,285,841, equivalent to $1.65 per share. The favorable results were generated on a 40% increase in profits from commercial land sales coupled with a 61% improvement in bottom line results from income properties.

The Company also uses Earnings Before Depreciation, Amortization and Deferred Taxes ("EBDDT") as a performance measure. The Company's strategy of investing in income properties through the deferred tax like-kind exchange process produces significant amounts of depreciation and deferred taxes.

The following is the calculation of EBDDT.

	Year Ended	
	December 31, 2003	December 31, 2002
Net Income	$13,194,395	$ 9,285,841
Add Back:		
Depreciation & Amortization	1,120,153	806,842
Deferred Taxes	8,500,771	5,970,949
	$22,815,319	$16,063,632

EBDDT is not a measure of operating results or cash flows from operating activities as defined by accounting principles generally accepted in the United States of America. Further, EBDDT is not necessarily indicative of cash availability to fund cash needs and should not be considered as an alternative to cash flow as a measure of liquidity. The Company believes, however, that EBDDT provides relevant information about operations and is useful, along with net income, for an understanding of the Company's operating results.

EBDDT is calculated by adding depreciation, amortization and deferred income taxes to net income as they represent non-cash charges.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS(CONTINUED)

When compared to prior year, EBDDT improved 42% for the twelve months of 2003. This increase was not only due to the improved operating results, but also due to the increased depreciation and amortization add back and most notably due to the significant deferral of income taxes. The change in deferred taxes was primarily the result of deferring gains realized on the sale of land during the year through the like-kind exchange process for income tax purposes, with increased depreciation due to the purchase of new properties during 2003 and late 2002.

RESULTS OF OPERATIONS
2003 Compared to 2002

Real Estate Operations

Real Estate Sales

Profits from real estate sales totaled $22,774,040 for the year ended December 31, 2003. These profits represented a 39% increase over 2003's profits from real estate sales amounting to $16,349,512. During 2003, 653 acres of land were sold compared to 621 acres of land sold during 2002's calendar year. Prices for property vary from property to property based on location, use and other factors. The average price increase per acre was the primary cause of a 24% increase in land sales revenues to $25,495,664 for 2003. During 2003, the average sales price per acre of land sold increased to $39,091 from $31,390 in 2002.

Income Properties

For the twelve months of 2003 profits from income properties totaled $2,681,542 on revenues amounting to $3,276,062. These profits and revenues represented increases of 61% and 59%, respectively, when compared to 2002 results. These significantly improved results were the result of the addition of five new income properties during 2003 and one new property during the fourth quarter of 2002. Income properties costs and expenses increased 49% to $594,520 for 2003 due to higher depreciation on the addition of the new properties.

Golf Operations

Bottom line results from golf operations improved 6% to a loss of $1,185,364 for calendar year 2003. This loss compared to 2002's loss of $1,263,847. Revenues from golf operations gained 3% with both golf activities and food and beverage activities contributing to the increase. The average rate per round played increased 7% for the year, while the number of rounds played declined 5%. Golf costs and expenses rose 1% when compared to the prior year. This increase was attributed to higher food and beverage volume along with increased insurance and land lease expenses.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS(CONTINUED)

General, Corporate and Other

The Company recognized $631,875 from the release of subsurface rights on 8,909 acres during 2003. This compared to profits on the sale of other real estate interest totaling $150,865 during 2002's calendar year on the sale of 7 acres of land and the release of subsurface rights on two acres of property.

Interest and other income declined 24% to $1,114,074 in 2003 compared to $1,463,820 earned for the twelve months of 2002. Lower earnings were the result of lower investment interest on decreased investment balances during the year and decreased interest on mortgage notes receivable.

Compensation expenses associated with stock options and stock appreciation rights, due to a 70% increase in the Company's stock price, were the principal cause of the 35% increase in general and administrative expenses in 2003 when compared to 2002.

LIQUIDITY AND CAPITAL RESOURCES

The Company's balance sheet reflects cash and restricted cash totaling $20,385,308 at December 31, 2003, an increase of $7,025,805 over the amounts held at December 31, 2002. The increase in funds was primarily generated from the sale of land and other operating activities. Of these funds on hand $19,359,098 is held by a qualified intermediary to complete the acquisition of income properties through the like-kind exchange process. During 2003, the Company invested $16,915,007 in income properties and other property, plant and equipment ($1,325,229 was allocated to intangible assets to reflect the value of the leases in place). In addition to the funds invested in property, plant and equipment approximately $4,600,000 was expended on development activities, including the site development of the Cornerstone Office Park and construction of roads on Company owned lands. Funds from development activities are shown on the statement of cash flow as an operating activity as the cost is expected to be recovered from land sales in the near term.

At December 31, 2003, the Company had total debt borrowings of $10,129,951, including $1,209,085 outstanding on a $10,000,000 unsecured revolving line of credit and $7,720,866 on a 10-year term mortgage loan. The line of credit has an additional $2,576,942 capacity reserved against it for letters of credit outstanding which guarantee development projects in process. The term loan is secured by 3,000 acres of the Company's most western lands.

Capital expenditures projected for 2004 approximate $25,400,000. These expenditures include $22,000,000 for five income properties currently under contract and expected to close in the first half of 2004. In addition to the income properties, approximately $3,000,000 is planned for development activities including the continued construction of roads on Company owned lands. Capital to

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

fund these planned expenditures will be provided by available cash and investment securities, as they mature, operating activities, and current financing sources in place. In addition to these sources, the Company has the ability to borrow against its existing income properties on a non-recourse basis as they are free of debt to this date. As additional funds become available through qualified sales, the Company expects to invest in additional income properties.

Contractual Obligations

As of December 31, 2003, the Company had the following contractual obligations:

Contractual Obligations	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Long-Term Debt	$10,129,951	$1,412,767	$1,655,664	$525,665	$6,535,855
Operating Lease	8,279,719	429,109	793,276	726,234	6,331,100
Income Properties Purchase Contracts	7,858,015	7,858,015	--	--	--
Total	$26,267,685	$9,699,891	$2,448,940	$1,251,899	$12,866,955

Since December 31, 2003, the Company has entered into contracts totaling $13,988,000 for the purchase of income properties.

Critical Accounting Policies

The profit on sales of real estate is accounted for in accordance with the provisions of SFAS No. 66 "Accounting for Sales of Real Estate." The Company recognizes revenue from the sale of real estate at the time the sale is consummated unless the property is sold on a deferred payment plan and the initial payment does not meet criteria established under SFAS No. 66, or the Company retains some form of continuing involvement with the property. Income of $1,131,135 was deferred for the year ended December 31, 2003, as the initial payment did not meet the criteria established under SFAS No. 66. No income was deferred for the years ended December 31, 2002 and December 31, 2001 as sales met the established criteria.

In accordance with SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets," the Company has reviewed the recoverability of long-lived assets, including real estate held for development and sale and property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may or may not be recoverable. Real estate held for development and sale is evaluated for impairment by estimating sales prices less costs to sell. Impairment on income properties and other property, plant, and equipment is measured using an undiscounted cash flow approach. There has been no material impairment of long-lived assets reflected in the consolidated financial statements.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

At the time the Company's debt was refinanced, the Company entered into an interest rate swap agreement. This swap arrangement changes the variable-rate cash flow exposure on the debt obligations to fixed cash flows so that the Company can manage fluctuations in cash flows resulting from interest rate risk. This swap arrangement essentially creates the equivalent of fixed-rate debt. The above referenced transaction is accounted for under SFAS No. 133 "Accounting for Derivative Instruments and Certain Hedging Activities" and SFAS No. 138 "Accounting for Certain Derivative Instruments and Certain Hedging Activity, an Amendment of SFAS No. 133." The accounting requires the derivative to be recognized on the balance sheet at its fair value and the changes in fair value to be accounted for as other comprehensive income or loss. The Company measures the ineffectiveness of the interest rate swap derivative by comparing the present value of the cumulative change in the expected future cash flows on the variable leg of the swap with the present value of the cumulative change in the expected future interest cash flows on the floating rate liability. This measure resulted in no ineffectiveness for the two years ended December 31, 2003. A liability in the amount of $992,580 and $1,245,626 at December 31, 2003 and 2002 has been established on the Company's balance sheet. The change in fair value, net of applicable taxes, in the amount of $609,694 and $765,127 at December 31, 2003 and 2002, respectively, has been recorded as accumulated other comprehensive loss, a component of shareholders' equity.

RESULTS OF OPERATIONS
2002 Compared to 2001

Real Estate Operations

Real Estate Sales

The sale of 621 acres of commercial land during the twelve months of 2002 produced profits approximating $16,350,000. These results represented a substantial improvement over 2001's calendar year results when profits of $1,250,000 were realized on the sale of 82 acres of property. The average sales price per acre of land sold increased to $31,390 per acre in 2002 from $29,378 per acre in 2001.

Forestry operations produced a loss of $78,000 in 2002 compared to a loss of $12,000 in the prior year. Both years produced nominal revenues on limited harvesting due to depressed prices along with damage sustained from the 1998 fires, which burned approximately 9,000 acres of timber on the Company's lands.

Golf Operations

Revenues from golf operations rose 4% in 2002 to $4,227,000. This gain in revenues was primarily achieved on a 22% increase in revenues realized from food and beverage operations increased activity.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

This increase was somewhat offset by a 2% decrease in revenues from golf course operations. The decrease from golf occurred on a 12% decline in number of rounds played, although the average rate per round increased 10%. Operating expenses increased 2% for the twelve-month period when compared to the prior year. The rise in expenses, to $5,490,000, was attributed to additional costs associated with the increased food and beverage activity. Overall golf operations posted a loss of $1,264,000 in 2002, which represented a 5% improvement over the $1,329,000 loss recorded in 2001.

Income Properties

For the twelve months of 2002 profits from income properties totaled $1,662,000. These profits represented an 18% increase over the profits of $1,403,000 generated in 2001. Revenues rose 13% to $2,063,000 in 2002. Revenues from income properties posted in 2001 totaled $1,831,000. The higher revenues and profits were predominantly due to the acquisition of new properties during 2001 and 2002. Four properties were purchased throughout the year in 2001 with one new property added in 2002. Somewhat offsetting these improved results was lower rental income due to the sale of a portion of the auto dealership site located in Daytona Beach, Florida.

General, Corporate and Other

Profits on the sale of other real estate interests totaled $150,865 during 2002. This profit was realized on the sale of 7 acres of property and the release of 2 acres of subsurface interest rights. The sale of 1 acre of property and the release of subsurface interests on 34 acres produced $56,607 for the year ended December 31, 2001.

Interest and other income declined 32% to $1,463,820 in 2002, from $2,044,825 one year earlier. Interest and other income for 2001 included $675,000 realized on the sale of a portion of the auto dealership site in Daytona Beach, Florida.

General and administrative expenses decreased 26% in 2002 when compared to 2001. This decrease was primarily the result of charges in 2001 amounting to $1,256,695 from the exercise of stock options, along with an increase in expense from stock appreciation rights, due to the rise in the Company's stock price.

Net Income and Earnings Before Depreciation and Deferred Taxes

Net Income of $9,285,841, equivalent to $1.65 per share, for the year ended December 31, 2002 represented a significant improvement over the net loss of $635,896 posted in 2001. This turnaround was primarily due to the substantial improvement in profits from land sales. Also contributing to the favorable results were increased profits from income properties due to the increased rental property inventory in place and decreased general and administrative expenses.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Following is the calculation of EBDDT:

	Year Ended December 31, 2002	Year Ended December 31, 2001
Net Income	$ 9,285,841	$(635,896)
Add Back:		
Depreciation	806,842	739,007
Deferred Taxes	5,970,949	701,341
Earnings Before Depreciation and Deferred Taxes	$16,063,632	$ 804,452

EBDDT improved notably for the calendar year 2002, not only due to the improved operating results, but also due to a significant change in deferred taxes. The change in deferred taxes was predominantly the result of deferring gains on land sales closed during the year for income tax purposes through the like-kind exchange process along with the payout and deduction of some deferred compensation expenses during the year.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The principal market risk (i.e., the risk of loss arising from adverse changes in market rates and prices) to which the Company is exposed is interest rates. The objective of the Company's asset management activities is to provide an adequate level of liquidity to fund operations and capital expansion, while minimizing market risk. The Company utilizes overnight sweep accounts and short-term investments to minimize the interest rate risk. The Company does not actively invest or trade in equity securities. The Company does not believe that its interest rate risk related to cash equivalents and short-term investments is material due to the nature of the investments.

The Company manages its debt, considering investment opportunities and risk, tax consequences and overall financial strategies. The Company is primarily exposed to interest rate risk on its $8,000,000 long-term mortgage. The borrowing bears a variable rate of interest based on market rates. Management's objective is to limit the impact of interest rate changes on earnings and cash flows and to lower the overall borrowing costs. To achieve this objective the Company entered into an interest rate swap agreement during the second quarter of 2002.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Company's Consolidated Financial Statements appear beginning on page F-1 of this report. See Item 15 of this report.

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

There were no disagreements with accountants on accounting and financial disclosures.

ITEM 9A. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, an evaluation was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e)). Based on that evaluation, the CEO and CFO have concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities and Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. There were no changes in the Company's internal controls over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f)) during the fourth fiscal quarter covered by this report that have materially effected, or are reasonably likely to materially effect, the Company's internal control over financial reporting.

PART III

The information required by Items 10, 11, 12, 13, and 14 is incorporated herein by reference to the Company's 2004 annual meeting proxy statement pursuant to Instruction G to Form 10-K. On March 25, 2004, the Company anticipates filing with the Commission, pursuant to Regulation 14A under the Securities Exchange Act of 1934, its definitive proxy statement to be used in connection with its 2004 annual meeting of shareholders at which directors will be elected for the ensuing year.

EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers of the Company, their ages at January 31, 2004, their business experience during the past five years, and the year first elected as an executive officer of the Company are as follows:

William H. McMunn, 57, president of the Company since January 2000 and chief executive officer since April 2001; chief operating officer of the Company from January 2000 to April 2001; president, Indigo Development Inc., a subsidiary of the Company, since December 1990.

Bruce W. Teeters, 58, senior vice president-finance and treasurer, since January 1988.

Robert F. Apgar, 56, senior vice president-general counsel since January 2003; assistant corporate secretary, since February 2002; and vice president-general counsel from December 1990 to January 2003.

All of the above are elected annually as provided in the By-laws.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

1. Financial Statements

The following financial statements are filed as part of this report:

2. Financial Statement Schedules

Included in Part IV on Form 10-K:

Schedule III - Real Estate and Accumulated Depreciation on page 25 of Form 10-K
Schedule IV - Mortgage Loans on Real Estate on page 26 of Form 10-K

Other Schedules are omitted because of the absence of conditions under which they are required, materiality or because the required information is given in the financial statements or notes thereof.

3. Exhibits

See Index to Exhibits on page 23 of this Annual Report on Form 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONSOLIDATED-TOMOKA LAND CO.
(Registrant)

3/12/04 By: /s/ William H. McMunn

William H. McMunn
President and Chief
Executive 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.

3/12/04 Chairman of the Board and Director By: /s/Bob D. Allen

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3/12/04	President and Chief Executive Officer (Principal Executive Officer) and Director	/s/William H. McMunn --------------------
3/12/04	Senior Vice President-Finance, Treasurer (Principal Financial and Accounting Officer), and Director	/s/Bruce W. Teeters --------------------
3/12/04	Director	/s/John C. Adams, Jr. --------------------
3/12/04	Director	/s/William J. Voges --------------------

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

EXHIBITS

TO

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, 2003
COMMISSION FILE NO. 0-5556

CONSOLIDATED-TOMOKA LAND CO.

(Exact name of registrant as specified in the charter)

EXHIBIT INDEX

Exhibit	Description	Page No.
(2.1)	Agreement of Merger and Plan of Merger and Reorganization dated April 28, 1993 between Consolidated-Tomoka Land Co. and CTLC, Inc. filed with the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1993 and incorporated by this reference.	*
(2.2)	Certificate of Merger dated April 28, 1993 filed with the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1993 and incorporated by this reference.	*
(3.1)	Articles of Incorporation of CTLC, Inc. dated February 26, 1993 and Amended Articles of Incorporation dated March 30, 1993 filed with the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1993 and incorporated by this reference.	*
(3.2)	By-laws of CTLC, Inc. filed with the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1993 and incorporated by this reference.	*
10	Material Contracts:	
(10.1)	The Consolidated-Tomoka Land Co. Unfunded Deferred Compensation Plan filed with the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1981 and incorporated by this reference.	*
(10.2)	The Consolidated-Tomoka Land Co. Unfunded Deferred Compensation Plan executed on October 25, 1982 filed with the registrant's Annual Report on Form 10-K for the year ended December 31, 1982 and incorporated by this reference.	*
(10.3)	The Consolidated-Tomoka Land Co. 2001 Stock Option Plan effective April 25, 2001, filed with the Registrant's Form S-8 filed on June 20, 2001 and incorporated by this reference.	*
(10.4)	Lease Agreement dated August 28, 1997 between the City of Daytona Beach and Indigo International Inc., a wholly owned subsidiary of Consolidated-Tomoka Land Co., filed on Form 10-K for the year ended December 31, 1997 and incorporated by this reference.	*
(10.5)	Development Agreement dated August 18, 1997 between the City of Daytona Beach and Indigo International Inc., a wholly owned subsidiary of Consolidated-Tomoka Land Co., filed on Form 10-K for the year ended December 31, 1997 and incorporated by this reference.	*
(10.6)	Purchase and Sale Agreement dated December 28, 1998 between Alton D. Rogers and Wade H. Walker and Consolidated-Tomoka Land Co. filed on Form 10-K for the year ended December 31, 1998 and incorporated by this reference.	*
(10.7)	Master Loan and Security Agreement Between Consolidated-Tomoka Land Co. and SunTrust Bank dated July 1, 2002, filed on Form 10-Q for the quarter ended June 30, 2002 and incorporated by this reference.	*
(10.8)	Master Loan and Security Agreement Between Consolidated-Tomoka Land Co. and SunTrust Bank dated May 31, 2002, filed on Form 10-Q for the quarter ended June 30, 2002 and incorporated by this reference.	*

EXHIBIT INDEX (CONTINUED)

* - Incorporated by Reference

SCHEDULE III
REAL ESTATE AND ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2003

DESCRIPTION	INITIAL COST TO COMPANY: ENCUMBRANCES	INITIAL COST TO COMPANY: LAND	INITIAL COST TO COMPANY: BUILDINGS & IMPROVEMENTS	COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION: IMPROVEMENTS	COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION: CARRYING COSTS
Income Properties:					
Gary Yeomans Ford, Daytona Beach, FL	-0-	$ 435,121	$ 743,902	$ -0-	-0-
Eckerd, Tallahassee, FL	-0-	590,800	1,595,000	-0-	-0-
Eckerd, Sanford, FL	-0-	1,565,176	1,890,671	-0-	-0-
Barnes & Noble, Daytona Beach, FL	-0-	1,798,600	3,803,000	-0-	-0-
Barnes & Noble, Lakeland, FL	-0-	1,242,300	1,884,200	-0-	-0-
Walgreens, Palm Bay, FL	-0-	1,102,640	3,157,360	-0-	-0-
Eckerd, Clermont, FL	-0-	1,493,985	1,452,823	-0-	-0-
Eckerd, Sebring, FL	-0-	1,312,472	1,722,559	-0-	-0-
Eckerd, Melbourne, FL	-0-	1,567,788	919,186	-0-	-0-
Eckerd, Sanford, FL	-0-	2,361,091	1,275,625	-0-	-0-
Walgreens, Kissimmee, FL	-0-	1,327,847	1,770,986	-0-	-0-
Walgreens, Orlando, FL	-0-	2,280,841	1,148,507	-0-	-0-
Miscellaneous	-0-	670,385	-0-	1,314,145	-0-
	-0-	$17,749,046	$21,363,819	$1,314,145	-0-

	GROSS AMOUNT AT WHICH CARRIED AT CLOSE OF PERIOD: LAND AND IMPROVEMENTS	BUILDINGS	TOTAL	ACCUMULATED DEPRECIATION	DATE OF COMPLETION OF CONSTRUCTION	DATE ACQUIRED	DEPR LIFE
	$	$	$	$			
Income Properties:							
Gary Yeomans Ford, Daytona Beach, FL	435,121	743,902	1,179,023	58,893	N/A	10/31/00	40Yrs.
Eckerd, Tallahassee, FL	590,800	1,595,000	2,185,800	122,948	N/A	12/13/00	40Yrs.
Eckerd, Sanford, FL	1,565,176	1,890,671	3,455,847	102,411	N/A	11/15/01	40Yrs.
Barnes & Noble, Daytona Beach, FL	1,798,600	3,803,000	5,601,600	285,225	N/A	01/11/01	40Yrs.
Barnes & Noble, Lakeland, FL	1,242,300	1,884,200	3,126,500	141,315	N/A	01/11/01	40Yrs.
Walgreens, Palm Bay, FL	1,102,640	3,157,360	4,260,000	203,913	N/A	06/12/01	40Yrs.
Eckerd, Clermont, FL	1,493,985	1,452,823	2,946,808	41,094	N/A	11/22/02	40Yrs.
Eckerd, Sebring, FL	1,312,472	1,722,559	3,035,031	39,475	N/A	02/04/03	40Yrs.
Eckerd, Melbourne, FL	1,567,788	919,186	2,486,974	19,150	N/A	03/05/03	40Yrs.
Eckerd, Sanford, FL	2,361,091	1,275,625	3,636,716	2,658	N/A	09/17/03	40Yrs.
Walgreens, Kissimmee, FL	1,327,847	1,770,986	3,098,833	40,585	N/A	02/12/03	40Yrs.
Walgreens, Orlando, FL	2,280,841	1,148,507	3,429,348	26,320	N/A	02/13/03	40Yrs.
Miscellaneous	1,984,530	-0-	1,984,530	362,024	Various	N/A	5-30Yrs.
	19,063,191	21,363,819	40,427,010	1,446,011			

	2003	2002	2001
Cost:			
Balance at Beginning of Year	$24,923,263	$21,715,945	$ 7,817,603
Improvements	15,507,188	3,207,318	16,524,370
Cost of Real Estate Sold	(3,441)	--	(2,626,028)
Balance at End of Year	$40,427,010	$24,923,263	$ 21,715,945
Accumulated Depreciation:			
Balance at Beginning of Year	$ 866,741	$ 527,193	$ 273,665
Depreciation and Amortization	579,270	399,548	301,822
Depreciation on Real Estate Sold	--	--	(48,294)
Balance at End of Year	$1,446,011	$ 866,741	$ 527,193

SCHEDULE IV
CONSOLIDATED-TOMOKA LAND CO.
MORTGAGE LOANS ON REAL ESTATE
DECEMBER 31, 2003

DESCRIPTION	INTEREST RATE	FINAL MATURITY DATE	PERIODIC PAYMENT TERMS	PRIOR LIENS	FACE AMOUNT	CARRYING AMOUNT (A)	PRINCIPAL AMOUNT OF LOANS DELINQUENT
MORTGAGE N/R SECURED BY REAL ESTATE:							
Volusia Co.	7.50%	01/04	Balloon of $ 242,152	--	$ 284,050	$ 242,152	--
Volusia Co.	6.00%	10/04	Balloon of $ 838,414	--	967,051	838,414	--
Volusia Co.	5.00%	10/04	Balloon of $1,652,472	--	1,805,424	1,652,472	--
Volusia Co.	7.00%	12/06	Level, Plus Balloon of $2,289,841	--	2,790,250	2,451,260	--
Volusia Co.	4.00%	12/04	Balloon of $ 546,450	--	575,250	546,450	--
Volusia Co.	--	12/04	Balloon of $1,142,720	--	1,142,720	1,142,720	--
Highlands Co.	6.00%	04/09	Level, Plus Balloon of $1,753,415	--	2,550,000	2,246,749	--
Highlands Co.	--	Various	Balloon of $ 30,000	--	30,000	30,000	--
				--	$10,144,745	$9,150,217	--

(A) FOR FEDERAL INCOME TAX PURPOSES, THE AGGREGATE BASIS OF THE LISTED MORTGAGES WAS $9,150,217.

(B) A RECONCILIATION OF THE CARRYING AMOUNT OF MORTGAGES FOR THE THREE YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 IS AS FOLLOWS:

	2003	2002	2001
BALANCE AT BEGINNING OF YEAR	$9,611,326	$9,191,679	$11,526,249
NEW MORTGAGE LOANS	1,142,720	2,066,981	2,792,250
COLLECTIONS OF PRINCIPAL	(1,603,829)	(1,647,334)	(5,126,820)
BALANCE AT END OF YEAR	$9,150,217	$9,611,326	$ 9,191,679

EXHIBIT 21

Subsidiaries of the Registrant

	Organized Under Laws of	Percentage of Voting Securities Owned by Immediate Parent
Consolidated-Tomoka Land Co.	Florida	--
Indigo Group Inc.	Florida	100.0
Indigo Group Ltd. (A Limited Partnership)	Florida	99.0*
Indigo Development Inc.	Florida	100.0
Indigo Commercial Realty Inc.	Florida	100.0
Palms Del Mar Inc.	Florida	100.0
Indigo International Inc.	Florida	100.0

* Consolidated-Tomoka Land Co. is the limited partner of Indigo Group Ltd., and owns 99.0% of the total partnership equity. Indigo Group Inc. is the managing general partner of the partnership and owns an additional 1.0% of the partnership equity.

All subsidiaries are included in the Consolidated Financial Statements of the Company and its subsidiaries appearing elsewhere herein.

EXHIBIT 23

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENT SCHEDULES

TO BOARD OF DIRECTORS AND SHAREHOLDERS
OF CONSOLIDATED-TOMOKA LAND CO.

Under date of January 23, 2004, we reported on the consolidated balance sheets of Consolidated-Tomoka Land Co. and its subsidiaries as of December 31, 2003 and December 31, 2002, and the related consolidated statements of income, shareholders' equity, and cash flows for the two years ended December 31, 2003, as contained in the 2003 annual report on Form 10-K. In connection with our audit of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedules as listed in Item 15(a)2 of the 2003 annual report on Form 10-K. These financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement schedules based on our audit.

In our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

KPMG LLP
Orlando, Florida
January 23, 2004

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON FINANCIAL STATEMENT SCHEDULES

TO CONSOLIDATED-TOMOKA LAND CO.:

We have audited in accordance with generally accepted auditing standards, the consolidated financial statements of Consolidated-Tomoka Land Co. included in this Form 10-K, and have issued our report thereon dated January 25, 2002. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in item 14(a)2 are the responsibility of the Company's management and are presented for purposes of complying with the Securities and Exchange Commission's rules and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, fairly state in all material respects the financial data, required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

Arthur Andersen LLP
Orlando, Florida
January 25, 2002

THE REPORT ABOVE IS A COPY OF A REPORT PREVIOUSLY ISSUED BY ARTHUR ANDERSEN LLP. THE REPORT HAS NOT BEEN REISSUED BY ARTHUR ANDERSEN LLP NOR HAS ARTHUR ANDERSEN LLP PROVIDED A CONSENT TO THE INCLUSION OF ITS REPORT IN THIS FORM 10-K.

EXHIBIT 23.2

INDEPENDENT AUDITORS' CONSENT

TO BOARD OF DIRECTORS
CONSOLIDATED-TOMOKA LAND CO.

We consent to the incorporation by reference in Registration Statement Nos. 33-62679 and 333-63400 on Form S-8 of Consolidated-Tomoka Land Co. of our reports dated January 23, 2004, with respect to the consolidated balance sheets of Consolidated-Tomoka Land Co. as of December 31, 2003 and December 31, 2002, and the related consolidated statements of income, shareholders' equity, and cash flows for the two years ended December 31, 2003 and 2002, and all related financial statement schedules, which reports appear in the December 31, 2003 annual report on Form 10-K of Consolidated-Tomoka Land Co.

KPMG LLP

Orlando, Florida
March 12, 2004

EXHIBIT 23.3

NOTICE REGARDING CONSENT OF ARTHUR ANDERSEN LLP

Section 11(a) of the Securities Act of 1933 provides that if any part of a registration statement at the time such part becomes effective contains an untrue statement of a material fact or an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, any person acquiring a security pursuant to such registration statement (unless it is provided that at the time of such acquisition such person knows of such untruth or omission) may sue, among others, every accountant who has consented to be named as having prepared or certifies any part of the registration statement, or as having prepared or certified any report or valuation, which is used in connection with the registration statement, report or valuation which purports to have been prepared or certified by the accountant.

This Annual Report on Form 10-K is incorporated by reference into Registration Statement File Nos. 33-6279 and 333-63400 on Form S-8 (collectively, the "Registration Statements") of Consolidated-Tomoka Land Co. (The "Company") and, for purposes of determining any liability under the Securities Act, is deemed to be a new registration statement for each Registration Statement into which it is incorporated by reference.

On July 24, 2002, the Company dismissed Arthur Andersen LLP ("Andersen") as the Company's independent auditors. Despite the Company's reasonable efforts, representatives of Andersen are not available to provide any written consent to the incorporation by reference into the Registration Statements of it audit reports with respect to the Company's financial statements as of and for the fiscal year ended December 31, 2001.

Under these circumstances, Rule 437a under the Securities Act permits the Company to file this Form 10-K without a written consent from Andersen. However, as a result, with respect to transactions in the Company's securities pursuant to the Registration Statements that occur subsequent to the date this Annual Report on Form 10-K is filed with the Securities and Exchange Commission, Andersen will not have any liability under Section 11(a) of the Securities Act for any untrue statements of a material fact contained in the financial statements audited by Andersen or any omissions of a material fact required to be stated therein. Accordingly, you would be unable to assert a claim against Andersen under Section 11(a) of the Securities Act because it has not consented to the incorporation by reference of its previously issued reports into the Registration Statements. To the extent provided in Section 11(b)(3)(C) of the Securities Act, however, other persons who are liable under Section 11(a) of the Securities Act, including the Company's officers and directors, may still rely on Andersen's original audit reports.

CONSOLIDATED-TOMOKA LAND CO.

INDEX TO FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Consolidated-Tomoka Land Co.

We have audited the 2003 and 2002 consolidated financial statements of Consolidated-Tomoka Land Co. and subsidiaries, as listed in the accompanying index. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. The 2001 consolidated financial statements of Consolidated-Tomoka Land Co. and subsidiaries, as listed in the accompanying index, were audited by other auditors who have ceased operations. Those auditors expressed an unqualified opinion on those financial statements in their report dated January 25, 2002.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 2003 and 2002 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Consolidated-Tomoka Land Co. and subsidiaries as of December 31, 2003 and 2002, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

KPMG LLP

Orlando, Florida
January 23, 2004

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders of
Consolidated-Tomoka Land Co.

We have audited the accompanying consolidated balance sheets of Consolidated-Tomoka Land Co. and subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of income, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Consolidated-Tomoka Land Co. and subsidiaries as of December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

Arthur Andersen LLP

Orlando, Florida
January 25,2002

THE REPORT ABOVE IS A COPY OF A REPORT PREVIOUSLY ISSUED BY ARTHUR ANDERSEN LLP. THE REPORT HAS NOT BEEN REISSUED BY ARTHUR ANDERSEN LLP NOR HAS ARTHUR ANDERSEN LLP PROVIDED A CONSENT TO THE INCLUSION OF ITS REPORT IN THIS FORM 10-K.

Consolidated Balance Sheets

	December 31, 2003	December 31, 2002
Assets		
Cash	$ 1,026,210	$ 1,019,976
Restricted Cash (Note 1)	19,359,098	12,339,527
Investment Securities (Note 2)	3,891,697	5,013,224
Notes Receivable (Note 4)	9,150,217	9,640,676
Real Estate Held for Development and Sale (Note 5)	11,659,581	7,453,628
Refundable Income Taxes (Note 3)	--	815,503
Intangible Assets, Net (Note 1)	1,270,307	--
Other Assets	2,665,653	3,684,860
	49,022,763	39,967,394
Property, Plant and Equipment		
Land, Timber and Subsurface Interests	1,984,529	1,958,550
Golf Buildings, Improvements and Equipment	11,277,853	11,259,631
Income Properties: Land, Buildings and Improvements	38,442,481	22,964,712
Other Furnishings and Equipment	954,575	886,767
Total Property, Plant and Equipment	52,659,438	37,069,660
Less Accumulated Depreciation and Amortization	(3,776,223)	(2,710,992)
Net Property, Plant and Equipment	48,883,215	34,358,668
Total Assets	$97,905,978	$74,326,062
Liabilities		
Accounts Payable	$ 105,922	$ 304,480
Accrued Liabilities	3,510,824	3,085,131
Income Taxes Payable (Note 3)	25,868	--
Deferred Income Taxes (Note 3)	17,344,499	8,843,728
Deferred Profit (Note 1)	1,131,135	--
Notes Payable (Note 6)	10,129,951	9,235,072
Total Liabilities	32,248,199	21,468,411
Commitments and Contingencies (Note 11)		
SHAREHOLDERS' EQUITY		
Preferred Stock - 50,000 Shares Authorized, $100 Par Value; None Issued	--	--
Common Stock - 25,000,000 Shares Authorized; $1 Par Value; 5,623,442 and 5,615,579 Shares Issued and Outstanding at December 31, 2003 and 2002, respectively	5,623,442	5,615,579
Additional Paid-In Capital	1,514,339	835,750
Retained Earnings	59,129,692	47,171,449
Accumulated Other Comprehensive Loss	(609,694)	(765,127)
Total Shareholders' Equity	65,657,779	52,857,651
Total Liabilities and Shareholders' Equity	$97,905,978	$74,326,062

The accompanying notes are an integral part of these consolidated statements.

Consolidated Statements of Income

	Calendar Year		
	December 31, 2003	December 31, 2002	December 31, 2001
Income:			
Real Estate Operations:			
Real Estate Sales			
Sales and Other Income	$25,495,664	$20,626,879	$3,351,893
Costs and Other Expenses	(2,721,624)	(4,277,367)	(2,100,264)
	22,774,040	16,349,512	1,251,629
Income Properties			
Leasing Revenues and Other Income	3,276,062	2,062,552	1,831,344
Costs and Other Expenses	(594,520)	(400,157)	(428,473)
	2,681,542	1,662,395	1,402,871
Golf Operations			
Sales and Other Income	4,373,414	4,226,608	4,065,318
Costs and Other Expenses	(5,558,778)	(5,490,455)	(5,393,977)
	(1,185,364)	(1,263,847)	(1,328,659)
Total Real Estate Operations	24,270,218	16,748,060	1,325,841
Profit On Sales of Other Real Estate Interests	631,875	150,865	56,607
Interest and Other Income	1,114,074	1,463,820	2,044,825
Operating Income	26,016,167	18,362,745	3,427,273
General and Administrative Expenses	(4,588,034)	(3,407,175)	(4,594,330)
Income (Loss) Before Income Taxes	21,428,133	14,955,570	(1,167,057)
Income Taxes (Note 3)	(8,233,738)	(5,669,729)	531,161
Net Income (Loss)	$13,194,395	$ 9,285,841	$(635,896)
Per Share Information (Note 10):			
Net Income (Loss)	$2.35	$1.65	$(0.11)

The accompanying notes are an integral part of these consolidated statements.

Consolidated Statements of Shareholders' Equity

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity	Comprehensive Income
Balance, December 31, 2000	$5,584,684	$ --	$40,969,889	$ --	$46,554,573	
Net Loss	--	--	(635,896)	--	(635,896)	$(635,896)
Cash Dividends ($.20 per share)	--	--	(1,117,648)	--	(1,117,648)	
Repurchase of 18,900 Shares	(18,900)	--	(207,621)	--	(226,521)	
Issuance of 49,795 Shares Pursuant to Exercise of Stock Options	49,795	626,173	--	--	675,968	
Tax Benefit of Stock Options Exercised	--	132,297	--	--	132,297	
Balance, December 31, 2001	$5,615,579	$758,470	$39,008,724	$ -	$45,382,773	
Net Income	--	--	9,285,841	--	9,285,841	$9,285,841
Other Comprehensive Loss: Cash Flow Hedging Derivative, Net of Tax	--	--	--	(765,127)	(765,127)	(765,127)
Comprehensive Income						$8,520,714
Stock Options	--	77,280	--	--	77,280	
Cash Dividends ($.20 per share)	--	--	(1,123,116)	--	(1,123,116)	
Balance, December 31, 2002	$5,615,579	$835,750	$47,171,449	$(765,127)	$52,857,651	
Net Income	--	--	13,194,395	--	13,194,395	$13,194,395
Other Comprehensive Income: Cash Flow, Hedging Derivative, Net of Tax	--	-	--	155,433	155,433	155,433
Comprehensive Income						$13,349,828
Stock Options	7,863	678,589	--	--	686,452	
Cash Dividends ($.22 per share)	--	--	(1,236,152)	--	(1,236,152)	
Balance, December 31, 2003	$5,623,442	$1,514,339	$59,129,692	$(609,694)	$65,657,779	

The accompanying notes are an integral part of these consolidated statements.

Consolidated Statements of Cash Flows

	Calendar Year December 31, 2003	Calendar Year December 31, 2002	Calendar Year December 31, 2001
Cash Flow from Operating Activities:			
Net Income (Loss)	$ 13,194,395	$ 9,285,841	$(635,896)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	1,120,153	806,842	739,007
Non-Cash, Stock-Based Compensation	678,589	77,280	660,834
Loss (Gain) on Sale of Property, Plant, and Equipment	--	55,624	(675,280)
Decrease (Increase) in Assets:			
Notes Receivable	490,459	(395,100)	2,356,901
Real Estate Held for Development	(4,205,953)	1,735,981	578,026
Refundable Income Taxes	815,503	596,054	(535,459)
Other Assets	1,019,207	(1,370,720)	202,495
(Decrease) Increase in Liabilities:			
Accounts Payable	(198,558)	122,768	(38,803)
Accrued Liabilities	581,126	(2,001,735)	(239,822)
Income Taxes Payable	25,868	--	--
Deferred Income	1,131,135	--	--
Deferred Income Taxes	8,500,771	5,970,949	701,341
Net Cash Provided by Operating Activities	23,152,695	14,883,784	3,113,344
Cash Flow from Investing Activities:			
Acquisition of Property, Plant and Equipment	(15,589,778)	(3,471,135)	(17,452,183)
Intangible Assets	(1,325,229)	--	--
Increase in Restricted Cash for Acquisitions Through the Like-Kind Exchange Process	(7,019,571)	(11,584,290)	(755,237)
Proceeds from Calls or Maturities of Investment Securities	2,180,465	5,666,603	18,539,679
Acquisition of Investment Securities	(1,058,938)	(5,192,775)	(15,848,545)
Proceeds from Sale of Property, Plant and Equipment	--	20,900	3,253,015
Net Cash Used In Investing Activities	(22,813,051)	(14,560,697)	(12,263,271)
Cash Flow from Financing Activities:			
Proceeds from Notes Payable	8,528,000	11,410,908	845,000
Payments on Notes Payable	(7,633,121)	(11,633,534)	(1,233,129)
Cash Proceeds from Exercise of Stock Options	7,863	--	15,134
Funds Used to Repurchase Common Stock	--	--	(226,521)
Dividends Paid	(1,236,152)	(1,123,116)	(1,117,648)
Net Cash Used In by Financing Activities	(333,410)	(1,345,742)	(1,717,164)
Net Increase (Decrease) in Cash	6,234	(1,022,655)	(10,867,091)
Cash, Beginning of Year	1,019,976	2,042,631	12,909,722
Cash, End of Year	$ 1,026,210	$ 1,019,976	$ 2,042,631

Consolidated Statements of Cash Flows (continued)

Supplemental Disclosure of Operating Activities:

In connection with the sale of real estate and income properties, the Company received, as consideration, mortgage notes receivable of $1,142,720, $2,087,381, and $2,792,250, for the years 2003, 2002, and 2001, respectively.

In addition, the Company received an irrevocable letter of credit totaling $191,759 as consideration for real estate sales in 2002, which is included in other assets.

Total interest paid was $715,774, $779,974, and $839,631, for the years 2003, 2002, and 2001, respectively.

Income taxes of $1,010,791, $1,377,774 and $697,044 were refunded in 2003, 2002 and 2001, respectively.

In connection with the exercise of stock options the Company recorded compensation expense and income tax benefit of $660,834 and $132,297, respectively for the year 2001.

The accompanying notes are an integral part of these consolidated statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2003, 2002 and 2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of Consolidated-Tomoka Land Co., a Florida corporation, and its wholly owned subsidiaries: Indigo Group Inc., Indigo Group Ltd., Indigo International Inc., Indigo Development Inc. and Palms Del Mar Inc. (collectively, the Company). All significant intercompany accounts and transactions have been eliminated in consolidation.

NATURE OF OPERATIONS

The Company is primarily engaged, through its wholly owned subsidiaries, in the real estate industry. Real estate operations, which are primarily commercial in nature, also include residential, golf operations, income properties, leasing properties for oil and mineral exploration, and forestry operations. These operations are predominantly located in Volusia County, Florida, with various income properties owned throughout the State of Florida.

USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RESTRICTED CASH

The Company's qualified intermediary held $19,359,098 and $12,339,527 in escrow, for the benefit of the Company, at December 31, 2003 and 2002, respectively, to complete the purchase of income properties through the deferred tax like-kind exchange process.

In the event that such transactions are not completed, these funds will become unrestricted and deferred income taxes on the like-kind transaction will become currently payable.

REAL ESTATE HELD FOR DEVELOPMENT AND SALE

The carrying value of real estate held for development and sale includes the initial acquisition costs of land, improvements thereto, and other costs incidental to the acquisition or development of land. These costs are allocated to properties on a relative sales value basis and are charged to costs of sales as specific properties are sold. Due to the nature of the business, real estate held for development and sale has been classified as an operating activity on the consolidated statement of cash flows.

Interest of $71,514 was capitalized to real estate held for development and sale during 2003, with no interest capitalized in 2002. No real estate taxes were capitalized for either period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INTANGIBLE ASSETS

Intangible assets consist of the market lease value associated with single-tenant income properties owned by the Company. This value is amortized over the remaining term of the lease at the time the properties are purchased. At December 31, 2003, the market lease value totaled $1,270,307, which is net of amortization of $54,922 for 2003.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and amortization. Such properties are depreciated on a straight-line basis over their estimated useful lives. Renewals and betterments are capitalized to property accounts. The cost of maintenance and repairs is expensed as incurred. The cost of property retired or otherwise disposed of, and the related accumulated depreciation or amortization, are removed from the accounts, and any resulting gain or loss is taken into income.

The amount of depreciation and amortization of property, plant, and equipment recognized for the years 2003, 2002 and 2001 was $1,065,231, $806,842, and $739,007, respectively.

The range of estimated useful lives for property, plant and equipment is as follows:

Golf Buildings and Improvements	10-40 Years
Golf Equipment	5-10 Years
Income Properties Buildings and Improvements	40 Years
Other Furnishings and Equipment	5-25 Years

LONG-LIVED ASSETS

The Company has reviewed the recoverability of long-lived assets, including real estate held for development and sale, and property, plant and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. There has been no material impairment of long-lived assets reflected in the consolidated financial statements for the three years ended December 31, 2003.

In August 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting For the Disposal or Impairment of Long-Lived Assets." SFAS No. 144 supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," and requires that one accounting impairment model be used for long-lived assets to be disposed of by sales, whether previously held and used or newly acquired, and broadens the presentation of discontinued operations to include more disposal transactions. SFAS No. 144 is effective for fiscal years beginning after December 15, 2001. The Company adopted SFAS No. 144 on January 1, 2002. There were no adjustments from the adoption of SFAS No. 144 for the year ended December 31, 2002.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SALE OF REAL ESTATE

The profit on sales of real estate is accounted for in accordance with the provisions of SFAS No. 66, "Accounting for Sales of Real Estate." The Company recognizes revenue from the sale of real estate at the time the sale is consummated unless the property is sold on a deferred payment plan and the initial payment does not meet criteria established under SFAS No. 66, or the Company retains some form of continuing involvement in the property. Income of $1,131,135 was deferred for the year ended December 31, 2003, as the initial payment did not meet the criteria established under SFAS No. 66. No income was deferred for the years ended December 31, 2002 and 2001.

INCOME PROPERTIES

The rental of the Company's income properties generally are classified as operating leases. The Company recognizes lease income on these properties on a straight-line basis over the term of the lease.

GOLF OPERATIONS

The Company operates two golf courses and a clubhouse facility, including food and beverage operations. Revenues from this operation, including greens fees, cart rentals, merchandise, and food and beverage sales, are recognized at the time of sale. Membership dues are recognized over the life of the membership.

UNFUNDED DEFERRED COMPENSATION PLANS

The Company maintains two unfunded deferred compensation plans. One plan is established for the Board of Directors of the Company, with the second plan established for the officers and key employees of the Company. Under the plans, any member of the Board of Directors, officer or key employee may elect to defer all or a portion of their compensation. The amount of deferred compensation shall increase annually by an amount which is equal to interest on the deferred compensation at the rate of return earned by the Company on its short-term investments. Compensation credited to a participant shall be deferred until such participant ceases to be a member of the Board of Directors, officer or key employee, at which time the amounts accumulated shall be distributed in the manner elected. The plans are non-qualified plans as defined by the Internal Revenue Service. The amount of deferred compensation reflected in accrued liabilities on the consolidated balance sheets at December 31, 2003 and 2002 was $1,386,348 and $1,243,917, respectively. Deferred compensation expense for the three years ended December 31, 2003 were $99,046, $135,240 and $242,214, respectively.

PENSIONS

The Company has a funded, non-contributory defined benefit pension plan covering all eligible employees. The Company's method of funding and accounting for pension costs is to fund and accrue all normal costs plus an amount necessary to amortize past service cost over a period of 30 years. (See Note 7 "Pension Plan").

STOCK OPTION PLAN

The Company applies the intrinsic value-based method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations including FASB Interpretation No. 44, "Accounting for Certain Transactions Involving Stock Compensation, an Interpretation of

NOTE 1   SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

APB Opinion No. 25," issued in March 2000, to account for its variable plan stock options. Under this method, compensation expense is recorded on the date of grant only if the current market price of the underlying stock exceeded the exercise price, except for stock appreciation rights and other variable stock option plans. Compensation expense relating to such variable plans shall be measured at the end of each period as the amount which the quoted market value of shares covered by a grant exceeds the option price. The Company accounts for its plan as a variable plan. SFAS No. 123, "Accounting for Stock-Based Compensation," established accounting and disclosure requirements using a fair value-based method of accounting for stock-based employee compensation plans. As allowed by SFAS No. 123, the Company has elected to continue to apply the intrinsic value-based method of accounting described above, and has adopted the disclosure requirements of SFAS No. 123.

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure - an Amendment to FASB Statement No. 123." SFAS No. 148 provides alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, the Statement amends the disclosure requirements of Statement No. 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. SFAS No. 148 is effective for financial statements for fiscal years ending after December 15, 2002 and such disclosures have been made.

INCOME TAXES

The Company uses the asset and liability method to account for income taxes. Deferred income taxes result primarily from the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes (see Note 3, "Income Taxes").

EARNINGS PER COMMON SHARE

Basic and diluted earnings per common share are presented in accordance with SFAS No. 128, "Earnings Per Share". Basic earnings per common share is computed by dividing net income by the weighted average number of shares outstanding. Diluted earnings per common share includes the dilutive effect of stock options (see Note 10, "Earnings Per Share").

CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash, investment securities, accounts receivables, and notes receivable.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial assets and liabilities, including cash, accounts receivable and accounts payable at December 31, 2003 and 2002, approximate fair value because of the short maturity of these instruments. The carrying amount of the Company's notes receivable and notes payable approximates fair value at December 31, 2003 and 2002, since the notes are at floating rates

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

or fixed rates which approximate current market rates for notes with similar risks and maturities. The interest rate swap derivative is carried at its fair value at December 31, 2003 and 2002.

DERIVATIVE INSTRUMENTS AND CERTAIN HEDGING ACTIVITY
The Company accounts for derivatives and hedging activity under Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Certain Hedging Activities," and SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activity, an Amendment of SFAS 133."

All derivatives are recognized on the balance sheet at their fair value. On the date the derivative contract is entered into, the Company designates the derivative as a hedge of the variability of cash flows to be paid related to a recognized liability ("cash flow hedge"). The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as cash-flow hedges to specific liabilities on the balance sheet. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items. When it is determined that a derivative is not highly effective as a hedge or that it has ceased to be a highly effective hedge, the Company discontinues hedge accounting prospectively.

Changes in the fair value of a derivative that is highly effective and that is designated and qualifies as a cash-flow hedge are recorded in other comprehensive income, until earnings are affected by the variability in cash flows of the designated hedged item.

The Company discontinues hedge accounting prospectively when it is determined that the derivative is no longer effective in offsetting changes in the cash flows of the hedged item, the derivative expires or is sold, terminated, or exercised, the derivative is re-designated as a hedging instrument or management determines that designation of the derivative as a hedging instrument is no longer appropriate.

When hedge accounting is discontinued, the Company continues to carry the derivative at its fair value on the balance sheet, and recognizes any changes in its fair value in earnings.

NOTE 2 INVESTMENT SECURITIES

The Company accounts for investment securities under SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." This standard requires classification of the investment portfolio into three categories: held to maturity, trading, and available for sale. The Company classifies as held to maturity those securities which the Company has the intent and ability to hold through their stated maturity date. Investment securities which are classified as held to maturity are carried at cost, adjusted for amortization of premiums

NOTE 2 INVESTMENT SECURITIES (CONTINUED)

and accretion of discounts. Gains and losses are determined using the specific identification method. For the years ended December 31, 2003, 2002, and 2001, losses of $722, $25,411, and $57,380, respectively, were recognized on the disposition of investment securities.

Investment securities as of December 31, 2003 and 2002 are as follows:

	2003	2002
Investments Held to Maturity		
Debt Securities Issued by States and Political Subdivisions of States	$3,762,453	$4,486,743
Preferred Stocks	129,244	526,481
Total Investments Held to Maturity	$3,891,697	$5,013,224

The contractual maturities of investment securities held to maturity are as follows:

Maturity Date	Amount
Within 1 year	$ 353,471
1-5 Years	1,129,358
6-10 Years	755,220
After 10 Years	1,653,648
	$3,891,697

The amortized cost, gross unrealized holding gains, gross unrealized holding losses, and fair value of held-to-maturity securities by major security type and class of security at December 31, 2003 were as follows:

	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
At December 31, 2003				
Debt Securities Issued by States and Political Subdivisions of State	$3,762,453	$12,698	$(238,948)	$3,536,203
Preferred Stocks	129,244	--	(41,169)	88,075
	$3,891,697	$12,698	$(280,117)	$3,624,278

NOTE 2 INVESTMENT SECURITIES (CONTINUED)

The following table shows the Company's investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2003. The unrealized losses on investments in debt securities issued by states and political subdivisions of states were caused by interest rate increases. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than the amortized cost of the investment. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities						
Debt Securities Issued by States and Political Subdivisions of States	$1,326,807	$29,768	$2,209,396	$209,180	$3,536,203	$238,948
Preferred Stocks	--	--	88,075	41,169	88,075	41,169
	$1,326,807	$29,768	$2,297,471	$250,349	$3,624,278	$280,117

NOTE 3 INCOME TAXES

The Company accounts for income taxes under SFAS No. 109, "Accounting for Income Taxes."

The provisions for income taxes are summarized as follows:

	2003		2002		2001	
	Current	Deferred	Current	Deferred	Current	Deferred
Federal	$(24,154)	$7,204,198	$(369,928)	$5,218,805	$(1,284,978)	$821,226
State	(145,266)	1,198,160	68,708	752,144	52,476	(119,885)
Total	$(169,420)	$8,403,158	$(301,220)	$5,970,949	$(1,232,502)	$701,341

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

NOTE 3   INCOME TAXES (CONTINUED)

The sources of these differences and the related deferred income tax assets (liabilities) are summarized as follows:

	Deferred Taxes 2003	Deferred Taxes 2002
Depreciation	$(85,799)	$(127,936)
Sales of Real Estate	(20,039,104)	(11,283,840)
Deferred Compensation	534,784	479,841
Basis Difference In Joint Venture	1,126,402	1,159,102
Revolving Fund Certificates	100,579	192,595
Charitable Contributions Carryforward	780,642	758,579
Interest Rate Swap	382,886	480,499
Other	635,753	256,011
Less-Valuation Allowance	(780,642)	(758,579)
	$(17,344,499)	$(8,843,728)

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the realization of future taxable income during the periods in which those temporary differences become deductible. Management considers past history, the scheduled reversal of taxable temporary differences, projected future taxable income, and tax planning strategies in making this assessment. As of December 31, 2003 and 2002, management believes it is more likely than not that a portion of the Company's deferred tax assets will not be realized. A valuation allowance for deferred tax assets is provided when it is more likely than not that some portion of all of the deferred tax assets will not be realized. As of December 31, 2003 and 2002, the valuation allowance was $780,642 and $758,579, respectively.

Following is a reconciliation of the income tax computed at the federal statutory rate of 35% for 2003, 2002 and 2001:

	Calendar Year 2003	Calendar Year 2002	Calendar Year 2001
Income Tax Expense (Benefit) Computed at Federal Statutory Rate	$7,499,847	$5,234,450	$(408,470)
Increase (Decrease) Resulting from:			
State Income Tax, Net of Federal Income Tax Benefit	765,971	533,554	(43,816)
Tax Exempt Interest Income	(81,258)	(87,423)	(86,959)
Adjustment to Valuation Allowance	22,063	--	30,000
Other Reconciling Items	27,115	(10,852)	(21,916)
Provision (Benefit) for Income Taxes	$8,233,738	$5,669,729	$(531,161)

NOTE 3 INCOME TAXES (CONTINUED)

During 2002, the Company generated a net operating loss for income tax purposes. For Federal income tax, this loss can be carried back to prior years, when the Company generated taxable income. For State income tax purposes, the net operating loss can only be carried forward against future taxable income. The Company had a net operating loss carry forward of $6,539,524 for state income tax purposes at December 31, 2003, which can be carried forward indefinitely.

NOTE 4 NOTES RECEIVABLE

Notes Receivable consisted of the following:

	December 31, 2003	December 31, 2002
MORTGAGE NOTES RECEIVABLE		
Various notes with interest rates ranging from 4% to 7.50% with payments due from 2003 through 2009. Collateralized by real estate mortgages held by the Company	$7,977,497	$9,006,076
Various Notes with Interest at 0% Due in 2004	1,172,720	--
Various Notes with Interest at 0% Due 2003	--	605,250
OTHER NOTES RECEIVABLE		
Interest at prime rate, receivable in monthly installments of principal and interest to amortize the original note over a period of 15 years, due January 2004, received in 2003	--	29,350
Total Notes Receivable	$9,150,217	$9,640,676

The prime rate of interest was 4.00% and 4.25% at December 31, 2003 and 2002, respectively.

The required annual principal receipts are as follows:

Year ending December 31,	Amount
2004	$ 4,617,704
2005	176,206
2006	2,388,174
2007	104,233
2008	110,487
2009 and Thereafter (cumulative)	1,753,413
	$ 9,150,217

NOTE 5 REAL ESTATE HELD FOR DEVELOPMENT AND SALE

Real estate held for development and sale as of December 31, 2003 and 2002 is summarized as follows:

	December 31, 2003	December 31, 2002
Undeveloped Land	$ 1,002,370	$ --
Land and Land Development	10,560,186	7,356,603
Completed Houses	97,025	97,025
	$11,659,581	$7,453,628

NOTE 6 NOTES PAYABLE

Notes Payable consisted of the following:

	December 31, 2003	December 31, 2002
MORTGAGE NOTES PAYABLE		
Mortgage notes payable are collateralized by real estate mortgages held by the respective lenders. As of December 31, 2003 and 2002, mortgage notes payable consisted of the following:		
Payable monthly based on 20-year amortization interest floating based on the 30-day LIBOR Market Index rate plus 1.25%. Principal balance due July 2012 (See discussion of interest rate swap)	$7,720,866	$7,910,343
Interest payable quarterly at 10%, principal and outstanding interest due October 2005	1,200,000	1,200,000
INDUSTRIAL REVENUE BONDS		
Industrial revenue bonds payable are collateralized by real estate. Interest at 80.65% of prime rate, payable in monthly installments of principal and interest to amortize the original debt over a period of 18 years, due January 2004	--	124,729
LINE OF CREDIT		
A line of credit totaling $10,000,000 at December 31, 2003 and $7,000,000 at December 31, 2002 payable on demand expiring July 2004, with interest at the lower of the 30-DAY LIBOR Market Index rate plus 1.5% or 1% below the prime commercial lending rate	1,209,085	--
	$10,129,951	$9,235,072

The required annual principal payments on notes payable are as follows:

Year Ending December 31,	Amount
2004	$ 1,412,767
2005	1,419,382
2006	236,282
2007	254,009
2008 and Thereafter (cumulative)	6,807,511
	$10,129,951

Interest expense was $715,774, $779,974, and $839,631, for 2003, 2002, and 2001, respectively.

On April 8, 2002, the Company entered into an interest rate swap agreement to mitigate the interest rate risk on the variable rate debt of the Company. The Company expects the cash flows related to the swap to be highly effective in offsetting the changes in the cash flows of the variable rate debt.

On July 1, 2002, the Company entered into an $8,000,000 long-term financing arrangement. The new variable rate debt is for a ten-year term, which has been fixed at a rate of 7.35% through the use of an interest rate swap and secured by approximately 3,000 acres of the Company's most westerly lands. The funds were used to pay off the $7,860,000, 8.8% term note, which became due July 1, 2002.

The change in the fair value of the interest rate swap, from its inception, has resulted in the recording of an accrued liability in the amount of $992,580 and $1,245,626 at December 31, 2003 and 2002, respectively. The change in fair value, net of applicable taxes, in the amount of $609,694 and $765,127 at December 31, 2003 and 2002, respectively, has been recorded as accumulated other comprehensive loss, a component of shareholders' equity. This activity represents a non-cash transaction.

In addition, the Company has placed its unsecured $10,000,000 revolving line of credit with the same financing source. There was no outstanding balance on the line of credit at December 31, 2002, which was $7,000,000. The line of credit agreement contains restrictive covenants in regards to debt service coverage ratio and minimum liquidity, both of which have been met as of and for the periods ended December 31, 2003 and 2002. The Company had letters of credit outstanding totaling $2,576,942 and $1,632,897 at December 31, 2003 and 2002, respectively. These letters of credit reserve capacity under the line of credit and guarantee development work will be completed. The balance available to borrow on the line of credit was $6,213,973 and $5,367,103 at December 31, 2003 and 2002, respectively.

NOTE 7 PENSION PLAN

The Company maintains a defined benefit plan for all employees who have attained the age of 21 and completed one year of service. The pension benefits are based primarily on years of service and the average compensation for the highest five years during the final ten years of employment. The benefit formula generally provides for a life annuity benefit.

NOTE 7 PENSION PLAN (CONTINUED)

The Company's net periodic pension cost included the following components:

	December 31, 2003	2002	2001
Service Cost	$192,179	$182,503	$157,384
Interest Cost on Projected Benefit Obligation	300,656	311,793	286,748
Actual Return on Plan Assets	(894,153)	(32,453)	(719,855)
Net Amortization	510,320	(405,033)	295,619
Net Periodic Pension Cost	$109,002	$ 56,810	$ 19,896

The change in projected benefit obligation is as follows:

	December 31, 2003	2002
Benefit Obligation at Beginning of Year	$ 4,749,486	$ 4,309,898
Service Cost	192,179	182,503
Interest Cost	300,656	311,793
Actuarial Loss	159,361	286,602
Benefits and Plan Expenses Paid	(375,269)	(585,142)
Plan Amendments	--	243,832
Benefit Obligation at End of Year	$ 5,026,413	$ 4,749,486
The change in plan assets is as follows:		
Fair Value of Plan Assets at Beginning of Year	$ 4,570,692	$ 5,123,381
Actual Return on Plan Assets	894,153	32,453
Employer Contribution	--	--
Plan Expenses Paid	(78,722)	(82,195)
Benefits Paid	(296,547)	(502,947)
Fair Value of Plan Assets at End of Year	$ 5,089,576	$ 4,570,692
The accrued pension asset consists of the following:		
Plan (Liability) Assets In Excess of Projected Benefit Obligation	$ 63,163	$(178,794)
Unrecognized Prior Service Cost	204,657	225,875
Unrecognized Net Loss (Gain)	(91,813)	245,415
Unrecognized Transition Obligation	(60,417)	$(67,904)
Prepaid Pension Asset	$ 115,590	$ 224,592

Accumulated benefits obligation as of December 31, 2003, was $4,545,011.

The actuarial assumptions made to determine the projected benefit obligation and the fair value of plan assets are as follows:

	December 31, 2003	2002
Weighted Average Discount Rate	6.0%	6.5%
Weighted Average Asset Rate of Return	9.0%	9.0%
Compensation Scale	5.0%	5.0%

OTHER PENSION PLAN DISCLOSURE INFORMATION

Amortization Periods:

The transition liability (asset) re-established in January 1, 2001 is being amortized in level amounts over 11.07 years.

The excess of the unrecognized (gain) or loss (if any) over the larger of 10% of the projected benefit obligation or 10% of the market related value of assets is amortized in level amounts over 13.89 years.

The prior service cost re-established on January 1, 2001 is being amortized in level amounts over 11.07 years.

The prior service cost established on January 1, 2002 is being amortized in level amounts over 11.67 years.

Funding Policy:

Periodic employer contributions are made in conformance with minimum funding requirements and maximum deductible limitations.

Benefit Payments and Other Disbursements:

During the measurement period, disbursements from plan assets were as follows:

Benefit Payments	$296,547
Administrative Expenses	78,722
Total	$375,269

Unrecognized (Gain) or Loss:

The unrecognized (gain) or loss determined subsequent to last year's measurement date is determined as follows:

Liability loss determined from the January 1, 2003 census and included this year's net periodic cost:	$ 29,292
Asset gain occurring over the measurement period:	(496,589)
Loss due to Assumption Change effective as of December 31, 2003	130,069
Total unrecognized gain:	$(337,228)

NOTE 7 PENSION PLAN (CONTINUED)

Plan Assets:

The plan's weighted average asset allocations at December 31, 2003 and December 31, 2002 by asset category are as follows:

	December 31, 2003	December 31, 2002
Equity Securities:	51%	50%
Fixed Income Securities:	41%	46%
Cash and Money Market Funds:	8%	4%
Total	100%	100%

Cash Flows:

Contributions

The Company expects the plan to be fully funded for 2004. As a result, no contribution is anticipated during this period.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid.

2004	$ 244,133
2005	262,284
2006	263,648
2007	270,468
2008	290,207
Years 2009-2013	$2,279,463

The following assumptions have been made regarding estimated benefit payments:

All currently retired participants survive through 2013.

All currently active participants survive and retire on their normal retirement dates.

Compensation is assumed to increase at the rate of 5% per year for active participants to their normal retirement dates.

NOTE 8 POST-RETIREMENT BENEFIT PLANS OTHER THAN PENSIONS

The Company sponsors two defined benefit post-retirement plans of certain health care and life insurance benefits for eligible retired employees. All full-time employees become eligible to receive life benefits if they retire after reaching age 55 with 20 or more years of service, and supplemental medicare benefits if they reach age 65 and 20 years of service. The post-retirement health care plan is contributory, with retiree contributions adjusted annually; the life insurance plan is non-contributory up to $5,000 of coverage.

The accounting for the health care plan reflects caps on the amount of annual benefit to be paid to retirees as stipulated by the plan. The Company pays for the plan as costs are incurred.

The Company recognizes post-retirement expenses in accordance with adopted SFAS No. 106, "Employers' Accounting for Post-retirement Benefits Other Than Pensions," which requires that expected costs of post-retirement benefits be charged to expense during the years the employees render service. The Company elected to amortize the unfunded obligation measured at adoption of SFAS No. 106 over a period of 20 years. The effect of this amortization expense recognized in 2003, 2002, and 2001 was $36,000, $36,000, and $64,590, respectively. The accrued post-retirement benefit cost reflected in the consolidated balance sheet at December 31, 2003 and 2002 was $125,232 and $119,609, respectively.

NOTE 9 STOCK OPTION PLAN

The Company maintains a stock option plan ("the Plan") pursuant to which 500,000 shares of the Company's common stock may be issued. The Plan in place was approved at the April 25, 2001 Shareholders' meeting and replaces the previous stock option plan which expired in 2000. Provisions under both plans are materially the same. Under the Plan, the option exercise price equals the stock market price on the date of grant. The options vest over five years and all expire after ten years. The Plan provides for the grant of (1) incentive stock options which satisfy the requirements of Internal Revenue Code (IRC) Section 422, and (2) non-qualified options which are not entitled to favorable tax treatment under IRC Section 422. No optionee may exercise incentive stock options in any calendar year for shares of common stock having a total market value of more than $100,000 on the date of grant (subject to certain carryover provisions). In connection with the grant of non-qualified options, a stock appreciation right for each share covered by the option may also be granted. The stock appreciation right will entitle the optionee to receive a supplemental payment, which may be paid in whole or in part in cash or in shares of common stock equal to a portion of the spread between the exercise price and the fair market value of the underlying share at the time of exercise.

NOTE 9 STOCK OPTION PLAN (CONTINUED)

A summary of the status of the Company's stock options for the three years ended December 31, 2003 and changes during the years then ended is as follows:

	2003		2002		2001	
	Shares	Wtd Avg Ex Price	Shares	Wtd Avg Ex Price	Shares	Wtd Avg Ex Price
Outstanding at beginning of year	94,000	$17.31	46,000	$14.45	220,000	$15.95
Granted	58,000	$20.12	48,000	$20.05	46,000	$14.45
Exercised	(17,600)	$14.70	--		(220,000)	$15.95
Expired	--		--		--	
Outstanding at end of year	134,400	$18.86	94,000	$17.31	46,000	$14.45
Exercisable at end of year	10,400	$19.19	9,200	$14.45	--	
Weighted average fair value of options granted during the year	$6.56		$7.16		$5.08	

Stock appreciation rights totaling 58,000, 48,000 and 46,000 were issued in 2003, 2002, and 2001, respectively. Stock appreciation rights outstanding at December 31, 2003, 2002, and 2001 were 134,400, 94,000, and 46,000, respectively.

Of the 134,400 options outstanding at December 31, 2003, 10,400 of them were exercisable and they had a contractual life of 8.25 years.

Of the 220,000 options exercised in 2001, 170,205 options were surrendered in payment of the cash exercise price of the remaining options. The option exercise and accrual of stock appreciation rights resulted in compensation expense of $660,834 and $595,862 in 2001, respectively, included in general and administrative expenses. Additionally, the exercise resulted in $605,192 of income tax benefit, of which $132,297 was recorded as an addition to additional paid-in capital.

The Company accounts for stock options using the intrinsic value method. SFAS No. 123, "Accounting for Stock-Based Compensation," provides an alternative method of accounting for stock-based compensation, which establishes a fair value method of accounting for employee stock options. The Company uses the Black-Scholes option pricing model to estimate the grant date fair value of its option grants.

NOTE 9 STOCK OPTION PLAN (CONTINUED)

Had compensation cost for these options been determined in accordance with SFAS No. 123, the Company's net earnings (loss) and earnings (loss) per share would have been as follows:

	2003	2002	2001
Net Earnings (Loss):			
As Reported	$13,194,395	$ 9,285,841	$(635,896)
(Deduct) Add:			
Difference in Stock-Based Compensation Determined Under Fair Value Based Method And Intrinsic Value Method	326,648	(45,009)	404,847
Pro Forma	$13,521,043	$ 9,240,832	$(231,049)
Basic and Diluted Earnings (Loss) Per Share:			
As Reported	$2.35	$1.65	$(0.11)
Pro Forma	$2.41	$1.65	$(0.04)

The fair value of stock options was estimated at the date of grant using a Black-Scholes option pricing model with the following assumptions:

	2003	2002	2001
Risk Free Interest Rate	3.11%	4.34%	4.76%
Dividend Yield	.99%	1.0%	1.38%
Volatility	28.77%	29.10%	29.47%
Expected Option Life	7 years	7 years	7 years

NOTE 10 EARNINGS PER SHARE

Basic earnings per common share were computed by dividing income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share were determined based on the assumption of the conversion of stock options using the treasury stock method at average market prices for the periods.

	2003	2002	2001
Income (Loss) Available to Common Shareholders:	$13,194,395	$9,285,841	$(635,896)
Weighted Average Shares Outstanding	5,619,245	5,615,579	5,587,752
Common shares Applicable to Stock Options Using the Treasury Stock Method	34,123	11,542	--
Total Shares Applicable to Diluted Earnings Per Share	5,653,368	5,627,121	5,587,752
Earnings Per Share			
Basic	$2.35	$1.65	$(0.11)
Diluted	$2.33	$1.65	$(0.11)

NOTE 11 COMMITMENTS AND CONTINGENCIES

The Company leases certain equipment, land and improvements under operating leases.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of December 31, 2003, are summarized as follows:

Year Ending December 31,	Amounts
2004	$ 429,109
2005	406,317
2006	386,959
2007	320,107
2008	406,127
2009 and Thereafter (Cumulative)	6,331,100
	$8,279,719

Rental expense under all operating leases amounted to $512,057, $501,707, and $523,866, for the years ended December 31, 2003, 2002, and 2001, respectively.

Additionally, the Company, as lessor, leases certain land, buildings and improvements under operating leases.

Minimum future rental receipts under non-cancelable operating leases having remaining terms in excess of one year as of December 31, 2003, are summarized as follows:

Year Ending December 31,	Amounts
2004	$ 3,489,012
2005	3,530,498
2006	3,459,327
2007	3,462,321
2008	3,455,136
2009 and Thereafter (Cumulative)	74,574,963
	$91,971,257

Rental income under all operating leases amounted to $3,275,342, $2,061,833, and $1,830,689, for the years ended December 31, 2003, 2002, and 2001, respectively.

NOTE 12 BUSINESS SEGMENT DATA

The Company primarily operates in three business segments: real estate, income properties and golf. Real estate operations include commercial real estate, real estate development, residential, leasing properties for oil and mineral exploration, and forestry operations.

NOTE 12 BUSINESS SEGMENT DATA (CONTINUED)

The Company evaluates performance based on profit or loss from operations before income taxes. The Company's reportable segments are strategic business units that offer different products. They are managed separately because each segment requires different management techniques, knowledge and skills.

Information about the Company's operations in different segments for each of the three years ended December 31 is as follows (amounts in thousands):

	2003	2002	2001
Revenues:			
Real Estate	$25,496	$20,627	$ 3,352
Income Properties	3,276	2,062	1,831
Golf	4,373	4,227	4,065
General, Corporate and Other	1,746	1,615	2,102
	$34,891	$28,531	$11,350
Income (Loss):			
Real Estate	$22,774	$16,350	$ 1,252
Income Properties	2,681	1,662	1,403
Golf	(1,185)	(1,264)	(1,329)
General, Corporate and Other	(2,842)	(1,792)	(2,193)
	$21,428	$14,956	$(1,167)
Identifiable Assets:			
Real Estate	$18,635	$15,774	$15,171
Income Properties	41,434	25,243	22,643
Golf	10,026	10,410	10,769
General, Corporate and Other	27,811	22,899	13,634
	$97,906	$74,326	$62,217
Depreciation and Amortization:			
Real Estate	$ 114	$ 46	$ 10
Income Properties	548	330	303
Golf	410	408	403
General, Corporate and Other	48	23	23
	$ 1,120	$ 807	$ 739
Capital Expenditures:			
Real Estate	$ 29	$ 141	$ 133
Income Properties	15,478	3,156	16,444
Golf	18	50	801
General, Corporate and Other	65	124	74
	$15,590	$ 3,471	$17,452

NOTE 12 BUSINESS SEGMENT DATA (CONTINUED)

Income represents income (loss) from continuing operations before income taxes. Identifiable assets by industry are those assets that are used in the Company's operations in each industry. General corporate assets and assets used in the Company's other operations consist primarily of cash, investment securities, notes receivable and property, plant and equipment.

QUARTERLY FINANCIAL DATA (Unaudited)

	THREE MONTHS ENDED							
	March 31,		June 30,		September 30,		December 31,	
	2003	2002	2003	2002	2003	2002	2003	2002
	$	$	$	$	$	$	$	$
Income:								
Real Estate Operations:								
Real Estate Sales								
Sales and Other Income	3,318,469	726,832	720,303	5,280,343	807,471	7,211,979	20,649,421	$7,407,725
Costs and Other Expenses	(662,861)	(474,960)	(574,176)	(890,198)	(443,087)	(1,237,675)	(1,041,500)	(1,674,534)
	2,655,608	251,872	146,127	4,390,145	364,384	5,974,304	19,607,921	5,733,191
Income Properties								
Leasing Revenues and Other Income	715,737	464,984	826,385	464,434	877,368	619,900	856,572	513,234
Costs and Other Expenses	(130,470)	(102,751)	(147,161)	(97,357)	(145,132)	(97,694)	(171,757)	(102,355)
	585,267	362,233	679,224	367,077	732,236	522,206	684,815	410,879
Golf Operations								
Sales and Other Income	1,272,718	1,290,212	1,173,970	1,142,487	847,139	822,747	1,079,587	971,162
Costs and Other Expenses	(1,361,788)	(1,322,594)	(1,471,569)	(1,393,440)	(1,345,242)	(1,285,171)	(1,380,179)	(1,489,250)
	(89,070)	(32,382)	(297,599)	(250,953)	(498,103)	(462,424)	(300,592)	(518,088)
Total Real Estate Operations	3,151,805	581,723	527,752	4,506,269	598,517	6,034,086	19,992,144	5,625,982
Profit on Sales of Other Real Estate Interests	359,112	--	164,039	149,866	12,500	1,000	96,224	--
Interest and Other Income	257,007	228,973	228,583	236,995	209,393	244,286	419,091	753,565
	3,767,924	810,696	920,374	4,893,130	820,410	6,279,372	20,507,459	6,379,547
General and Administrative Expenses	(977,534)	(998,754)	(1,291,073)	(791,927)	(997,333)	(738,023)	(1,322,094)	(878,471)
Income (Loss) Before Income Taxes	2,790,390	(188,058)	(370,699)	4,101,203	(176,923)	5,541,349	19,185,365	5,501,076
Income Taxes	(1,057,691)	68,829	138,643	(1,515,830)	66,323	(2,082,945)	(7,381,013)	(2,139,783)
Net Income (Loss)	1,732,699	(119,229)	(232,056)	2,585,373	(110,600)	3,458,404	11,804,352	3,361,293
Per Share Information Basic and Diluted	$0.31	$(0.02)	$(0.04)	$0.46	$(0.02)	0.62	$2.10	$0.59

EXHIBIT 31.1
CERTIFICATION

I, William H. McMunn, certify that:

1. I have reviewed this annual report on Form 10-K of Consolidated-Tomoka Land Co. ("registrant");

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

CERTIFICATION (CONTINUED)
- ------------------------

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2004

By:/s/William H. McMunn

William H. McMunn
President and
Chief Executive Officer

EXHIBIT 31.2
CERTIFICATION

I, Bruce W. Teeters, certify that:

1. I have reviewed this annual report on Form 10-K of Consolidated-Tomoka Land Co. ("registrant");

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

CERTIFICATION (CONTINUED)

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2004

By:/s/ Bruce W. Teeters

Bruce W. Teeters
Sr. Vice President-Finance
and Treasurer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Consolidated-Tomoka Land Co. (The "Company") on Form 10-K for the period ending December 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William H. McMunn, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirement of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William H. McMunn
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William H. McMunn
President and
Chief Executive Officer

March 12, 2004

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Consolidated-Tomoka Land Co. (The "Company") on Form 10-K for the period ending December 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bruce W. Teeters, Senior Vice President - Finance and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirement of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bruce W. Teeters

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Bruce W. Teeters
Senior Vice President-
Finance and Treasurer

March 12, 2004