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SCBT FINANCIAL CORP
Form 11-K
June 25, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20529

FORM 11-K

(Mark one)

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

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from _____ to _____

Commission File Number: 001-12669

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

SOUTH CAROLINA BANK AND TRUST EMPLOYEES' SAVINGS PLAN
950 John C. Calhoun Drive, S. E.
Orangeburg, South Carolina 29115

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

SCBT FINANCIAL CORPORATION
520 Gervais Street
Columbia, South Carolina 29201

SOUTH CAROLINA BANK AND TRUST
EMPLOYEES' SAVINGS PLAN
=====

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2003 AND 2002
AND
INDEPENDENT AUDITORS' REPORT

SOUTH CAROLINA BANK AND TRUST
EMPLOYEES' SAVINGS PLAN
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INDEPENDENT AUDITORS' REPORT

To the Trustees of the
South Carolina Bank and Trust Employees' Savings Plan

We have audited the accompanying statements of net assets available for benefits of the South Carolina Bank and Trust Employees' Savings Plan as of December 31, 2003 and 2002, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the South Carolina Bank and Trust Employees' Savings Plan as of December 31, 2003 and 2002, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2003, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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J. W. Hunt and Company, LLP
 Columbia, South Carolina
 June 21, 2004

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SOUTH CAROLINA BANK AND TRUST
 EMPLOYEES' SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

| | GUARANTEED INTEREST ACCOUNT | INDEXED BOND FUND | ASSET MANAGER FUND | S&P 500 INDEX FUND |
|---|-----------------------------------|-------------------------|--------------------------|--------------------------|
| | ----- | ----- | ----- | ----- |
| ASSETS: | | | | |
| Investments, at fair value: | | | | |
| Mutual funds | \$ - | \$ 274,325 | \$ 2,013,731 | \$ 2,651,38 |
| SCBT Financial Corporation stock | - | - | - | - |
| Certificate of deposit | 946,725 | - | - | - |
| Money market funds | - | - | - | - |
| Investments, at contract value: | | | | |
| New York Life Insurance Company, Investment contract | 2,026,192 | - | - | - |
| Total investments | 2,972,917 | 274,325 | 2,013,731 | 2,651,38 |
| Receivables: | | | | |
| Employer's contribution | 44,718 | 19,015 | 40,818 | 72,20 |
| Interest | 7,717 | - | - | - |
| Total receivables | 52,435 | 19,015 | 40,818 | 72,20 |
| Total assets | 3,025,352 | 293,340 | 2,054,549 | 2,723,59 |
| LIABILITIES: | | | | |
| Benefits payable | - | - | - | - |
| Net assets available for benefits | \$ 3,025,352 | \$ 293,340 | \$ 2,054,549 | \$ 2,723,59 |

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS, DECEMBER 31, 2003

| | SCBT FINANCIAL CORPORATION STOCK | TOTAL |
|----------------|---|-------|
| | ----- | ----- |
| ASSETS: | | |

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Investments, at fair value:

| | | |
|----------------------------------|-----------|--------------|
| Mutual funds | \$ - | \$ 6,518,206 |
| SCBT Financial Corporation stock | 2,248,709 | 2,248,709 |
| Certificate of deposit | - | 946,725 |
| Money market funds | 11,890 | 11,890 |

Investments, at contract value:

| | | |
|---|---|-----------|
| New York Life Insurance Company, Investment contract | - | 2,026,192 |
|---|---|-----------|

| | | |
|-------------------|-----------|------------|
| Total investments | 2,260,599 | 11,751,722 |
|-------------------|-----------|------------|

Receivables:

| | | |
|-------------------------|--------|---------|
| Employer's contribution | 49,665 | 299,988 |
| Interest | - | 7,717 |

| | | |
|-------------------|--------|---------|
| Total receivables | 49,665 | 307,705 |
|-------------------|--------|---------|

| | | |
|--------------|-----------|------------|
| Total assets | 2,310,264 | 12,059,427 |
|--------------|-----------|------------|

LIABILITIES:

| | | |
|------------------|-------|-------|
| Benefits payable | 1,377 | 1,377 |
|------------------|-------|-------|

| | | |
|--------------------------------------|--------------|--------------|
| Net assets available for benefits | \$ 2,308,887 | \$12,058,050 |
|--------------------------------------|--------------|--------------|

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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SOUTH CAROLINA BANK AND TRUST
EMPLOYEES' SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS,

| | GUARANTEED INTEREST ACCOUNT | INDEXED BOND FUND | ASSET MANAGER FUND |
|---|-----------------------------------|-------------------------|--------------------------|
| ASSETS: | | | |
| Investments, at fair value: | | | |
| Mutual funds | \$ - | \$ 135,368 | \$1,762,405 |
| SCBT Financial Corporation stock | - | - | - |
| Money market funds | - | - | - |
| Investments, at contract value: | | | |
| New York Life Insurance Company, Investment contract | 2,863,712 | - | - |
| Total investments | 2,863,712 | 135,368 | 1,762,405 |

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| | | | |
|-----------------------------------|--------------|------------|-------------|
| Receivables: | | | |
| Employer's contribution | 31,625 | 7,024 | 36,124 |
| Interest or dividends | - | - | - |
| Total receivables | 31,625 | 7,024 | 36,124 |
| Total assets | 2,895,337 | 142,392 | 1,798,529 |
| LIABILITIES: | | | |
| Benefits payable | - | - | - |
| Net assets available for benefits | \$ 2,895,337 | \$ 142,392 | \$1,798,529 |

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS, DECEMBER 31, 2002

| | INTER- NATIONAL EQUITY FUND | SCBT FINANCIAL CORPORATION STOCK | TOTAL |
|---|--------------------------------------|---|-------------|
| ASSETS: | | | |
| Investments, at fair value: | | | |
| Mutual funds | \$ 132,877 | \$ - | \$4,719,422 |
| SCBT Financial Corporation stock | - | 1,697,904 | 1,697,904 |
| Money market funds | - | 10,708 | 10,708 |
| Investments, at contract value: | | | |
| New York Life Insurance Company, Investment contract | - | - | 2,863,712 |
| Total investments | 132,877 | 1,708,612 | 9,291,746 |
| Receivables: | | | |
| Employer's contribution | 7,152 | 41,664 | 248,618 |
| Interest or dividends | - | 25 | 25 |
| Total receivables | 7,152 | 41,689 | 248,643 |
| Total assets | 140,029 | 1,750,301 | 9,540,389 |
| LIABILITIES: | | | |
| Benefits payable | - | 2,013 | 2,013 |
| Net assets available for benefits | \$ 140,029 | \$ 1,748,288 | \$9,538,376 |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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SOUTH CAROLINA BANK AND TRUST
EMPLOYEES' SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2003

| | GUARANTEED INTEREST ACCOUNT | INDEXED BOND FUND | ASSET MANAGER FUND |
|---|-----------------------------------|-------------------------|--------------------------|
| Additions to net assets attributed to: | | | |
| Investment income: | | | |
| Interest | \$ 138,246 | \$ - | \$ - |
| Dividends | - | 6,742 | 40,071 |
| Net appreciation in fair value of investments | - | 138 | 246,879 |
| Total investment income | 138,246 | 6,880 | 286,950 |
| Contributions: | | | |
| Employer's | 44,718 | 19,015 | 40,818 |
| Participants' | 179,178 | 60,086 | 139,694 |
| Total contributions | 223,896 | 79,101 | 180,512 |
| Total additions | 362,142 | 85,981 | 467,462 |
| Deductions from net assets attributed to: | | | |
| Benefits paid to participants | 338,825 | 3,620 | 111,034 |
| Administrative expenses | 10,717 | - | - |
| Total deductions | 349,542 | 3,620 | 111,034 |
| Net increase prior to interfund transfers | 12,600 | 82,361 | 356,428 |
| Interfund transfers | 117,415 | 68,587 | (100,408) |
| Net increase | 130,015 | 150,948 | 256,020 |
| Net assets available for benefits: | | | |
| Beginning of year | 2,895,337 | 142,392 | 1,798,529 |
| End of year | \$ 3,025,352 | \$ 293,340 | \$2,054,549 |

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2003

| INTER- NATIONAL EQUITY FUND | SCBT FINANCIAL CORPORATION STOCK | TOTAL |
|--------------------------------------|---|-------|
|--------------------------------------|---|-------|

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| | | | |
|---|------------|--------------|--------------|
| ----- | | | |
| Additions to net assets attributed to: | | | |
| Investment income: | | | |
| Interest | \$ - | \$ 71 | \$ 138,317 |
| Dividends | 3,273 | 49,084 | 128,596 |
| Net appreciation in fair value of investments | 49,679 | 447,104 | 1,553,567 |
| ----- | | | |
| Total investment income | 52,952 | 496,259 | 1,820,480 |
| ----- | | | |
| Contributions: | | | |
| Employer's | 10,466 | 49,665 | 299,988 |
| Participants' | 43,767 | 179,408 | 1,126,157 |
| ----- | | | |
| Total contributions | 54,233 | 229,073 | 1,426,145 |
| ----- | | | |
| Total additions | 107,185 | 725,332 | 3,246,625 |
| ----- | | | |
| Deductions from net assets attributed to: | | | |
| Benefits paid to participants | 7,081 | 118,739 | 710,766 |
| Administrative expenses | - | 5,468 | 16,185 |
| ----- | | | |
| Total deductions | 7,081 | 124,207 | 726,951 |
| ----- | | | |
| Net increase prior to interfund transfers | 100,104 | 601,125 | 2,519,674 |
| Interfund transfers | 719 | (40,526) | - |
| ----- | | | |
| Net increase | 100,823 | 560,599 | 2,519,674 |
| ----- | | | |
| Net assets available for benefits: | | | |
| Beginning of year | 140,029 | 1,748,288 | 9,538,376 |
| ----- | | | |
| End of year | \$ 240,852 | \$ 2,308,887 | \$12,058,050 |
| ===== | | | |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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SOUTH CAROLINA BANK AND TRUST
EMPLOYEES' SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR
YEAR ENDED DECEMBER 31, 2002

| | GUARANTEED INTEREST ACCOUNT | INDEXED BOND FUND | ASSET MANAGER FUND |
|--|-----------------------------------|-------------------------|--------------------------|
| ----- | | | |
| Additions to net assets attributed to: | | | |
| Investment income: | | | |
| Interest | \$ 141,100 | \$ - | \$ - |
| Dividends | - | 4,183 | 34,877 |

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| | | | |
|--|--------------|------------|-------------|
| Net appreciation in fair value of investments | - | 2,072 | |
| Total investment income | 141,100 | 6,255 | 34,877 |
| Contributions: | | | |
| Employer's | 31,693 | 7,024 | 36,444 |
| Participants' | 115,716 | 30,017 | 137,077 |
| Total contributions | 147,409 | 37,041 | 173,511 |
| Total additions | 288,509 | 43,296 | 208,388 |
| Deductions from net assets attributed to: | | | |
| Benefits paid to participants | 69,841 | - | 19,087 |
| Net depreciation in fair value of investments | - | - | 268,766 |
| Administrative expenses | 8,863 | - | |
| Total deductions | 78,704 | - | 287,853 |
| Net increase (decrease) prior to interfund transfers | 209,805 | 43,296 | (79,465) |
| Interfund transfers | 408,832 | 20,605 | (47,166) |
| Net increase (decrease) | 618,637 | 63,901 | (126,631) |
| Net assets available for benefits: | | | |
| Beginning of year | 2,276,700 | 78,491 | 1,925,155 |
| End of year | \$ 2,895,337 | \$ 142,392 | \$1,798,521 |

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2002

| | INTER- NATIONAL EQUITY FUND | SCBT FINANCIAL CORPORATION STOCK | TOTAL |
|---|--------------------------------------|---|------------|
| Additions to net assets attributed to: | | | |
| Investment income: | | | |
| Interest | \$ - | \$ 103 | \$ 141,203 |
| Dividends | 2,299 | 38,955 | 108,310 |
| Net appreciation in fair value of investments | - | 431,920 | 433,992 |
| Total investment income | 2,299 | 470,978 | 683,505 |
| Contributions: | | | |
| Employer's | 7,152 | 41,664 | 249,267 |
| Participants' | 30,445 | 167,515 | 972,743 |
| Total contributions | 37,597 | 209,179 | 1,222,010 |
| Total additions | 39,896 | 680,157 | 1,905,515 |
| Deductions from net assets attributed to: | | | |
| Benefits paid to participants | 10,859 | 67,125 | 242,646 |
| Net depreciation in fair value of investments | 7,853 | - | 1,202,779 |
| Administrative expenses | - | 3,681 | 12,544 |
| Total deductions | 18,712 | 70,806 | 1,457,969 |

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| | | | |
|---|------------|--------------|-------------|
| Net increase (decrease) prior to interfund transfers | 21,184 | 609,351 | 447,546 |
| Interfund transfers | (5,196) | (49,113) | - |
| Net increase (decrease) | 15,988 | 560,238 | 447,546 |
| Net assets available for benefits: | | | |
| Beginning of year | 124,041 | 1,188,050 | 9,090,830 |
| End of year | \$ 140,029 | \$ 1,748,288 | \$9,538,376 |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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SOUTH CAROLINA BANK AND TRUST
EMPLOYEES' SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF PLAN:

The following description of the South Carolina Bank and Trust (a wholly-owned subsidiary of SCBT Financial Corporation) Employees' Savings Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

GENERAL:

The Plan is a contributory defined contribution plan covering all employees of South Carolina Bank and Trust, N.A. (the "Company") and all affiliates of the Company who work 20 or more hours per week, have six months of service and are age twenty-one or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

CONTRIBUTIONS:

Each year, participants may contribute up to 50 percent of pretax annual base compensation, as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified retirement plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company contributes 50 percent of the first 4 percent of base compensation that a participant contributes to the Plan up to a maximum matching contribution of 2 percent of base compensation. Employer contributions may be made from current or accumulated net profits. Contributions are subject to certain limitations.

PARTICIPANT ACCOUNTS:

Each participant's account is credited with the participant's contribution, the Company's matching contribution and allocations of Plan earnings. Allocations are based on account balances, as defined by the Plan. The

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benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

VESTING:

Participants' accounts are fully vested.

PAYMENT OF BENEFITS:

On termination of service due to death, disability, retirement, or other reasons, a participant may receive a lump-sum amount equal to the value of his or her account.

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SOUTH CAROLINA BANK AND TRUST EMPLOYEE'S SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF PLAN (CONTINUED):

INVESTMENT OPTIONS:

Upon enrollment in the Plan, a participant may direct employee contributions in any of the following investment options:

GUARANTEED INTEREST ACCOUNT - Funds are invested in guaranteed investment contracts (GIC) with an insurance company and certificate of deposit with the Company.

INDEXED BOND FUND - Funds are invested primarily in fixed income securities of the Citigroup Broad Investment Grade Bond Index.

ASSET MANAGER FUND - Funds are invested primarily in domestic and foreign common stocks, U.S. Treasuries and agencies, investment-grade corporate bonds, mortgage pass-through securities, asset-backed securities and money market instruments.

S&P 500 Index Fund - Funds are invested in common stocks replicating the Standard and Poor's 500 Composite Index.

ALL CAP GROWTH FUND - Funds are invested primarily in stocks issued by companies with investment characteristics such as: participation in expanding markets, increasing return on investment, increasing unit sales volume, and higher growth in revenue and earnings per share relative to the average of common stocks comprising indices such as the Standard and Poor's 500 Composite Index.

INTERNATIONAL EQUITY FUND - Funds are invested primarily in non-U.S. common stocks with an emphasis on large, well-established companies. A value approach is used for country selection, with a broad diversification of holdings within each country. Stocks of both established economies and emerging market countries may be included. As further described in Note I, the International Equity Fund was liquidated effective January 26, 2004.

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SCBT FINANCIAL CORPORATION STOCK FUND - The SCBT Financial Corporation Stock Fund invests only in SCBT Financial Corporation common shares and money market equivalents.

NOTE B - SUMMARY OF ACCOUNTING POLICIES:

BASIS OF ACCOUNTING:

The financial statements of the Plan are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

INVESTMENT VALUATION:

The Plan's investments are stated at fair value except for its benefit-responsive investment contract, which is valued at contract value (Note D). Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year end.

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SOUTH CAROLINA BANK AND TRUST EMPLOYEE'S SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

NOTE B - SUMMARY OF ACCOUNTING POLICIES (CONTINUED):

INVESTMENT VALUATION (CONTINUED):

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

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

PAYMENT OF BENEFITS:

Benefits are recorded when paid.

ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and the disclosure or contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

NOTE C - INVESTMENTS:

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

| | Dece 2003 |
|---|--------------|
| MainStay Asset Manager Fund, 164,790 and 165,174 shares, respectively | \$ 2,013,731 |
| MainStay S&P 500 Index Fund, 103,489 and 92,700 shares, respectively | 2,651,385 |
| MainStay All Cap Growth Fund, 69,077 and 53,235 shares, respectively | 1,348,379 |
| SCBT Financial Corporation common stock, 74,932 and 70,746 shares, respectively | 2,248,709 |
| Investment Contract with New York Life Insurance Company, #11433 | 2,026,192 |
| Certificate of deposit, South Carolina Bank and Trust, N.A. | 946,725 |

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SOUTH CAROLINA BANK AND TRUST EMPLOYEES' SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE C - INVESTMENTS (CONTINUED):

During 2003 and 2002, the Plan's investments (including investments bought, sold, and held during the year) appreciated (depreciated) in value as follows:

| | 2003 | 2002 |
|---------------------------------|--------------|----------------|
| Mutual funds | \$ 1,106,463 | \$ (1,200,707) |
| Common stock | 447,104 | 431,920 |
| Net appreciation (depreciation) | 1,553,567 | (768,787) |

The number of employees participating in each of the Plan's investment options at December 31, 2003 and 2002, is as follows:

| | 2003 | 2002 |
|--------------------|------|------|
| Fixed Income Fund | 172 | 141 |
| Indexed Bond Fund | 107 | 74 |
| Asset Manager Fund | 217 | 217 |
| S&P 500 Index Fund | 249 | 270 |

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| | | |
|---------------------------------------|-----|-----|
| All Cap Growth Fund | 192 | 195 |
| International Equity Fund | 65 | 60 |
| SCBT Financial Corporation Stock Fund | 223 | 227 |

NOTE D - INVESTMENT CONTRACT WITH INSURANCE COMPANY:

The Plan has a benefit-responsive investment contract with New York Life Insurance Company (New York Life). New York Life, as the Plan's custodian, maintains the assets in a pooled account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses charged by New York Life. The contract is included in the financial statements at contract value as reported to the Plan by New York Life. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield and crediting interest rates ranged from 4.73 percent to 7.20 percent for 2003 and 2002. The crediting interest rates are based on a formula agreed upon with the issuer and are reviewed on an annual basis for resetting.

NOTE E - RELATED PARTY TRANSACTIONS:

Certain Plan investments are shares of SCBT Financial Corporation common stock held by the Plan sponsor's Trust Department. Fees of \$5,468 were paid by the Plan to the Trust Department for the year ended December 31, 2003. Dividends received from SCBT Financial Corporation were \$49,110 for the year ended December 31, 2003.

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SOUTH CAROLINA BANK AND TRUST EMPLOYEES' SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

NOTE E - RELATED PARTY TRANSACTIONS (CONTINUED):

The Plan has also invested in a three-year certificate of deposit with South Carolina Bank and Trust, N.A. maturing April 1, 2006. The Plan earned \$21,674 of interest on the certificate of deposit for the year ended December 31, 2003. As of December 31, 2003, the certificate of deposit was earning interest at a rate of 3.31 percent.

NOTE F - PLAN TERMINATION:

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

NOTE G - TAX STATUS:

The Internal Revenue Service has determined and informed the Company by a letter dated November 4, 1992, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and

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is currently being operated in compliance with the applicable requirements of the IRC.

NOTE H - PLAN OPERATING COSTS:

The Company pays certain operating costs of the Plan such as legal, audit, and administrative fees.

NOTE I -SUBSEQUENT EVENTS:

The Mainstay International Equity Fund was liquidated effective January 26, 2004. The American Funds EuroPacific Growth Fund became a replacement investment option as of April 1, 2004 .

Effective April 1, 2004, the Company's contribution rate increased to 50 percent of the first 6 percent of base compensation that a participant contributes to the Plan up to a maximum matching contribution of 3 percent of base compensation.

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SUPPLEMENTARY INFORMATION

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SOUTH CAROLINA BANK AND TRUST EMPLOYEES' SAVINGS PLAN -----

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2003

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| IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE |
|--|---|
| New York Life Insurance Company | Guaranteed Investment Contract #11433 |
| New York Life Investment Management LLC | MainStay Indexed Bond Fund, 25,030 shares |
| New York Life Investment Management LLC | MainStay Asset Manager Fund, 164,790 shares |
| New York Life Investment Management LLC | MainStay S&P 500 Index Fund, 103,489 shares |
| New York Life Investment Management LLC | MainStay All Cap Growth Fund, 69,077 shares |
| New York Life Investment Management LLC | MainStay International Equity Fund, 21,234 |
| *SCBT Financial Corporation | 74,932 common shares |
| Federated Prime Obligation Principal Fund | Money Market Fund |
| *South Carolina Bank and Trust, N.A. | Certificate of Deposit |

Note: Cost information is not required for participant-directed investments.

* Indicates a party in interest

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SIGNATURES

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

South Carolina Bank and Trust Employees' Savings Plan

Date: June 25, 2004

/s/ Richard C. Mathis

Richard C. Mathis
Trustee

EXHIBIT INDEX

| EXHIBIT NO. | DESCRIPTION | LOCATION |
|-------------|-------------|----------|
|-------------|-------------|----------|

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Independent Auditors' Consent

Filed herewith