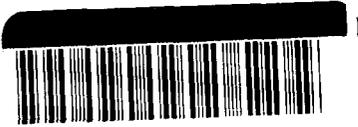


U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

REC'D S.E.C.
JUN 27 2003
1086



03025254

FORM 11-K

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

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED, EFFECTIVE OCTOBER 7, 1996].

For the fiscal year ended December 31, 2002

OR

TRANSACTION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED].

For the transaction period from _____ to _____.

Commission file number: 1-12707

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

Pinnacle Bank Profit Sharing Retirement Plan

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

Pinnacle Bancshares, Inc.
1811 Second Avenue
Jasper, AL 35501

As filed on June 27, 2003

PROCESSED
JUN 30 2003
THOMSON
FINANCIAL

Item 1. Financial Statements and Exhibits.

(a) Financial statements (filed in Exhibit 1 hereto):

Balance Sheet

Income Statement

Supplementary Schedules:

Account Reconciliation

Fund Reconciliation

(b) Exhibits:

1. Financial statements required by Item 1(a)

SIGNATURES

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

PINNACLE BANK
PROFIT SHARING RETIREMENT PLAN

PENSION & BENEFIT TRUST COMPANY
(Trustee)

June 23, 2003

By: 
Ruth M. Roper
Executive Vice President

Exhibit 1
Financial Statements

PINNACLE BANK
PROFIT SHARING RETIREMENT PLAN

BALANCE SHEET
AS OF DECEMBER 31, 2002

ASSETS

Contribution Receivable	\$	0.00
American Century Income & Growth		14,238.83
American Century Short Term Government		4,487.13
American Century Growth		204,851.79
Bond Fund of America		70,643.81
Fidelity Magellan		366,374.03
Fixed Fund		709,757.39
Fundamental Investors		63,972.02
Gartmore Money Market		11,917.43
Gartmore Total Return		1,696.61
Invesco Small Co. Growth		8,104.99
Janus Twenty		70,244.08
Neuberg & Berman Partners		156,107.25
Nationwide S&P 500, Index		37,296.38
Oppenheimer Global		6,963.12
Schwab		246,949.35
Templeton Foreign		<u>75,414.04</u>

TOTAL ASSETS

\$2,049,018.25

LIABILITIES & EQUITY

Liabilities	\$	0.00
Participants' Equity		<u>2,049,018.25</u>
TOTAL LIABILITIES & EQUITY		<u>\$2,049,018.25</u>

PINNACLE BANK
PROFIT SHARING RETIREMENT PLAN

INCOME STATEMENT

FOR THE PERIOD
JANUARY 1, 2002 TO DECEMBER 31, 2002

INCOME

Contributions		
EE Salary Deferrals	\$149,200.36	
ER Safe Harbor Matching	73,971.18	
Interest	35,909.08	
Unrealized Gain/Loss	<u>(223,899.27)</u>	
TOTAL INCOME		\$ 35,181.35

EXPENSES

Distributions	\$ 73,458.81	
Insurance Premiums	<u>1,626.60</u>	
TOTAL EXPENSES		\$ <u>75,085.41</u>
NET LOSS		\$ <u>(39,904.06)</u>

Assets as of January 1, 2002	\$2,088,922.31
Minus Net Loss	<u>(39,904.06)</u>
Assets as of December 31, 2002	<u>\$2,049,018.25</u>

PINNACLE BANK PROFIT SHARING RETIREMENT PLAN

Valuation Period From 1/01/2002 - 12/31/2002

Fund Reconciliation

<i>Fund</i>	<i>1/01/02 Balance</i>	<i>Gains Losses</i>	<i>Contributions</i>	<i>Beneficial Transfers</i>	<i>Transfers</i>	<i>Withdrawals</i>	<i>12/31/02 Balance</i>
<i>Am Cent In & Grwth AC</i>	13,892.68	(3,610.11)	7,227.65	(133.65)	1,968.26	(5,106.00)	14,238.83
<i>American Century Govt</i>	1,160.42	99.89	1,419.17	(20.90)	1,859.90	(31.35)	4,487.13
<i>American Century Growth</i>	278,777.34	(76,921.00)	22,399.39	(172.93)	(17,346.18)	(1,884.83)	204,851.79
<i>Bond Fund America</i>	55,111.02	3,385.24	7,300.96	0.00	4,846.59	0.00	70,643.81
<i>Cash</i>	43,711.70	0.00	0.00	0.00	(43,711.70)	0.00	0.00
<i>Fidelity Magellan</i>	415,745.63	(108,316.85)	52,530.92	(192.27)	13,051.73	(6,445.13)	366,374.03
<i>Fixed</i>	645,894.97	35,909.08	36,303.68	(75.83)	26,123.85	(34,398.36)	709,757.39
<i>Fundamental Investors Fnd</i>	89,360.21	(17,288.32)	12,764.05	(226.65)	(17,471.76)	(3,165.51)	63,972.02
<i>Gartmore Money Market IC</i>	0.00	5.04	1,107.96	0.00	10,804.43	0.00	11,917.43
<i>Gartmore Total Return</i>	661.94	(222.19)	1,151.61	0.00	105.25	0.00	1,696.61
<i>Insurance</i>	0.00	0.00	1,626.60	0.00	0.00	(1,626.60)	0.00
<i>Invesco Small Co.</i>	2,334.37	(1,840.16)	6,766.80	0.00	843.98	0.00	8,104.99
<i>Janus 20</i>	76,390.20	(20,147.58)	17,782.99	(155.16)	(541.87)	(3,084.50)	70,244.08
<i>Money Market</i>	9,148.38	40.64	8,660.43	1,349.15	(9,383.24)	(9,815.36)	0.00
<i>N&B Partners Fund</i>	185,082.12	(50,657.51)	20,116.38	(217.31)	4,873.82	(3,090.25)	156,107.25
<i>Nationwide S&P 500</i>	15,990.11	(4,615.78)	3,950.18	0.00	21,971.87	0.00	37,296.38
<i>Oppenheimer Global</i>	3,309.17	(1,401.48)	4,360.59	0.00	694.84	0.00	6,963.12
<i>SCHWAB</i>	171,449.98	65,585.31	13,315.30	0.00	0.00	(3,401.24)	246,949.35
<i>Temp Foreign Fnd</i>	80,902.07	(7,994.41)	4,386.88	(154.45)	1,310.23	(3,036.28)	75,414.04
Totals	5,218,972.41	(517,990.39)	4,285,172.34	(240.00)	33,560.22	(323,884.46)	4,708,101.92

PINNACLE BANK PROFIT SHARING RETIREMENT PLAN

Valuation Period From 1/01/2002 - 12/31/2002

Account Reconciliation

SOURCE	Gain/Loss		Contributions	Forfeitures	Transfers	Withdrawals	Ending Balance
	Beginning Balance	Ending Balance					
Discretionary	332,124.16	(40,032.39)	0.00	0.00	0.00	(6,938.42)	285,153.35
Deferral	1,231,909.96	(74,937.21)	149,200.36	0.00	0.00	(43,450.72)	1,262,722.39
Match	509,051.86	(66,083.54)	0.00	0.00	0.00	(23,134.50)	419,833.82
Safe Harbor	0.00	(4,225.85)	73,971.18	0.00	0.00	(1,561.77)	68,183.56
Rollover	15,836.33	(2,711.20)	0.00	0.00	0.00	0.00	13,125.13
Totals	1,888,922.31	(183,989.19)	149,200.36	0.00	0.00	(74,084.91)	1,844,052.27