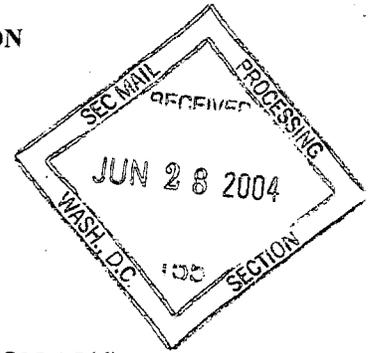




UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



**FORM 11-K**

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

For the fiscal year ended December 31, 2003

OR

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

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

Commission File No: 333-53075

PROCESSED

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

**THE CROGHAN COLONIAL BANK  
401(k) PROFIT SHARING PLAN**

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

Croghan Bancshares, Inc.  
323 Croghan Street  
Fremont, Ohio 43420

*[Handwritten signature]*

## REQUIRED INFORMATION

- (a) The Croghan Colonial Bank 401(k) Profit Sharing Plan ("Plan") is subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). Therefore, in lieu of requirements of Items 1-3 of Form 11-K, the financial statements and supplemental schedules of the Plan for the fiscal year ended December 31, 2003, which have been prepared in accordance with the financial reporting requirements of ERISA, are filed as a part of this Form 11-K report.
- (b) Exhibit  
(23) Consent of Independent Auditor.

## SIGNATURES

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

THE CROGHAN COLONIAL BANK  
401(k) PROFIT SHARING PLAN

By: Plan Administrative Committee



Name: Pamela J. Swint  
(on behalf of the Plan Administrative  
Committee, as Plan Administrator)

June 25, 2004

**The Croghan Colonial Bank  
401(k) Profit Sharing Plan**

**Financial Statements and Supplemental Schedules**

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**Report of Independent Registered Public Accounting Firm**

The Plan Administrator  
The Croghan Colonial Bank 401(k)  
Profit Sharing Plan  
Fremont, Ohio

We have audited the accompanying statements of net assets available for benefits of The Croghan Colonial Bank 401(k) Profit Sharing 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 the standards of the Public Company Accounting Oversight Board (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 financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Croghan Colonial Bank 401(k) Profit Sharing 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 U.S. generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules of loans or fixed income obligations in default or classified as uncollectible and assets (held at end of year) are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

*Clifton Gunderson LLP*

Toledo, Ohio  
May 7, 2004

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
December 31, 2003 and 2002**

	<u>2003</u>	<u>2002</u>
<b>ASSETS</b>		
Investments:		
Participant – directed	\$ 6,094,312	\$ 4,834,096
Nonparticipant – directed	<u>151,068</u>	<u>159,642</u>
Total investments	<u>6,245,380</u>	<u>4,993,738</u>
Receivables:		
Participant contributions	10,339	9,722
Employer contributions	3,607	3,461
Accrued investment income	<u>3,772</u>	<u>3,126</u>
Total receivables	<u>17,718</u>	<u>16,309</u>
Cash	<u>2,360</u>	<u>12,906</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<u>\$ 6,265,458</u>	<u>\$ 5,022,953</u>

These financial statements should be read only in connection with  
the accompanying summary of significant accounting policies  
and notes to financial statements.

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**Years Ended December 31, 2003 and 2002**

	<u>2003</u>	<u>2002</u>
<b>ADDITIONS TO NET ASSETS AVAILABLE FOR BENEFITS</b>		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	\$ 775,760	\$ (559,314)
Interest, including \$61,036 in 2003 and \$73,112 in 2002 from The Croghan Colonial Bank – Savings Account	74,317	94,806
Dividends, including \$12,396 in 2003 and \$9,930 in 2002 from Croghan Bancshares, Inc. common stock	<u>66,698</u>	<u>58,384</u>
Net investment income (loss)	<u>916,775</u>	<u>(406,124)</u>
Contributions:		
Employer	239,759	249,743
Participants, including rollover contributions from other plans of \$15,434 in 2002	<u>232,082</u>	<u>249,256</u>
Total contributions	<u>471,841</u>	<u>498,999</u>
Total additions	1,388,616	92,875
<b>DEDUCTIONS FROM NET ASSETS AVAILABLE FOR BENEFITS</b>		
Benefits paid to participants	<u>146,111</u>	<u>330,265</u>
Net increase (decrease)	1,242,505	(237,390)
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		
Beginning of year	<u>5,022,953</u>	<u>5,260,343</u>
End of year	<u>\$ 6,265,458</u>	<u>\$ 5,022,953</u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to financial statements.

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**December 31, 2003 and 2002**

Significant accounting policies followed in preparing the financial statements of The Croghan Colonial Bank 401(k) Profit Sharing Plan (the Plan) are presented below.

**BASIS OF PRESENTATION**

The accompanying financial statements of the Plan are prepared under the accrual method of accounting. Such financial statements present the net assets available for benefits and changes in such net assets.

**USE OF ESTIMATES IN PREPARING FINANCIAL STATEMENTS**

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 disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**INVESTMENT VALUATION AND INCOME RECOGNITION**

The Plan's investments are stated at fair value. The fair value of mutual funds is determined using the quoted net asset value of the specific fund. The fair value of Croghan Bancshares, Inc. common stock is determined based on the most recent purchases and sales of the stock transacted by the market intermediary. Participant loans receivable and cash equivalents are valued at cost which approximates fair value.

The net appreciation (depreciation) in fair value of investments includes reinvested capital gain distributions earned on mutual funds during the year, as well as the net appreciation (depreciation) in fair value of investments purchased, sold and held during the year.

Purchases and sales of investments 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**

Benefit payments to participants are recorded upon payment.

**ADMINISTRATIVE EXPENSES**

All administrative expenses incurred in connection with the operation of the Plan are paid directly by the Plan's sponsor, The Croghan Colonial Bank (the Bank).

This information is an integral part of the accompanying financial statements.

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2003 and 2002**

**NOTE 1 - DESCRIPTION OF PLAN**

The following description of the Plan provides only general information. The Plan was adopted from a prototype plan of Bankers Systems, Inc. Participants should refer to the Plan agreement and "Summary Plan Description" for a more complete description of the Plan's provisions.

**General**

The Plan, which was established January 1, 1997, as amended effective January 1, 2002, is a voluntary salary deferral and profit sharing 401(k) plan in which non-collective bargaining unit employees of the Bank who have completed 1,000 hours of service and have attained age 18 are eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Funding Policy**

Plan participants may defer and contribute up to an unspecified percentage of their annual compensation, as defined in the Plan's agreement, subject to certain limitations as specified in the Internal Revenue Code. The Plan presently offers 12 mutual funds, a federally-insured bank savings account, and Croghan Bancshares, Inc. common stock (up to 10% of market value) as investment options for plan participants.

The Bank may make discretionary matching contributions as defined in the Plan's agreement. For the years ended December 31, 2003 and 2002, the Bank elected to contribute 50% of each participant's compensation deferral contribution, up to 6% of the participant's annual compensation (for a maximum matching contribution of 3% of annual compensation). Matching contributions to the Plan amounted to \$89,509 in 2003 and \$91,163 in 2002.

Through December 31, 2002, the Bank made discretionary profit sharing contributions as defined in the Plan agreement. To participate in the Bank's profit sharing contributions through December 31, 2002, the participant must have been employed by the Bank on the last day of the plan year unless the participant died, became disabled or reached normal retirement age during the year. Effective January 1, 2003, the Plan implemented safe harbor provisions with respect to profit sharing contributions. Under the safe harbor provisions, profit sharing contributions are discretionary, but must be at least 3% of annual compensation. Participants are immediately vested in profit sharing contributions made under the safe harbor provisions, and participants are not required to be employed by the Bank on the last day of the plan year to participate in profit sharing contributions.

Profit sharing contributions to the Plan amounted to \$150,250 in 2003 and \$158,580 in 2002.

**Participant Accounts**

Each participant's account is credited with the participant's compensation deferral contribution, an allocation of the Bank's discretionary matching and profit sharing contributions and an allocation of the investment earnings or loss of the funds in which the participant chooses to invest.

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

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2003 and 2002**

**NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)**

**Investment Options**

Participants may direct the investment of the assets in their individual account into various investment funds which have been approved by the plan administrator.

**Vesting**

Participants are vested immediately in their deferred contributions and safe harbor profit sharing contributions made by the Bank, as well as actual earnings or losses thereon. Vesting in the Bank's discretionary matching and profit sharing contributions, other than safe harbor profit sharing contributions, plus earnings or losses thereon, is based on years of continuous service. A participant is fully vested after seven years of credited service.

**Participant Loans**

Participants may borrow from their account a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their account balance, whichever is less. Loan terms may not extend beyond 5 years or the retirement of the individual participant. Loans are secured by the balance in the participant's account and bear interest at the Bank's prime rate plus 1%. Principal and interest is paid ratably through payroll deductions. Loans which are more than 30 days delinquent as to principal and interest are considered in default. The Plan had one defaulted loan with an outstanding balance amounting to \$3,284, at December 31, 2003 and 2002.

**Payment of Benefits**

The normal retirement date is the date a participant reaches age 65. When a participant reaches the normal retirement date, or reaches age 55 with 15 years of service, terminates employment with the Bank, becomes totally disabled or dies while participating in the Plan, they are entitled to receive the vested amount in their individual account.

If a participant dies before receiving all of the benefits in their account, the surviving spouse will receive the remainder in the participant's account as an annuity, a lump sum, or in installments. If the participant is not married at the time of death, the participant's beneficiary may elect to receive the remainder in the account in either a lump sum or in installments.

If benefits are elected to be received in installments, the installments may be made annually or quarterly over a period not to exceed the participant's life expectancy or the joint-life expectancy of the participant and designated beneficiary at the time the election is made.

The plan, as amended, also provides for in-service withdrawals for active participants.

**Forfeited Accounts**

Forfeited nonvested accounts amounted to \$1,425 in 2003 and \$7,798 in 2002. Such amounts are typically allocated to the accounts of active participants as additional contributions during the first quarter of the subsequent plan year.

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2003 and 2002**

**NOTE 2 - INVESTMENTS**

The fair value of individual investments that represent 5% or more of the Plan's net assets available for benefits as of December 31, 2003 and 2002, are as follows:

	<u>2003</u>	<u>2002</u>
Cash equivalents:		
The Croghan Colonial Bank – Savings Account	\$ 1,686,819	\$ 1,723,582
Common stock – Croghan Bancshares, Inc.	404,211	287,777
Mutual funds:		
Fidelity Advisor Equity Income Fund	571,665	434,014
Federated (Fortress) Bond Fund	459,962	415,098
Janus Worldwide Fund	605,577	593,345
Legg Mason Value Trust Fund	532,975	279,147
Dodge & Cox Balanced Fund	374,865	-
Vanguard 500 Index Fund	588,830	428,423

The Plan's investments, including gains and losses on investments bought and sold, as well as held during the year, appreciated (depreciated) in value as follows:

	<u>2003</u>	<u>2002</u>
Mutual funds	\$ 697,017	\$(592,490)
Common stock	<u>78,743</u>	<u>33,176</u>
<b>Net appreciation (depreciation) in fair value</b>	<u>\$ 775,760</u>	<u>\$(559,314)</u>

**NOTE 3 - NONPARTICIPANT-DIRECTED INVESTMENTS**

Information about the significant components of net assets and changes in net assets available for benefits relating to nonparticipant-directed investments as of and for the years ended December 31, 2003 and 2002, are as follows:

	<u>2003</u>	<u>2002</u>
Net assets:		
Federated Prime Obligation Money Market Fund	<u>\$ 151,068</u>	<u>\$ 159,642</u>
Changes in net assets:		
Interest	\$ 859	\$ 1,465
Contributions	150,250	158,580
Transfers to participant-directed investments	<u>(159,683)</u>	<u>(153,098)</u>
<b>Net change in nonparticipant-directed net assets available for benefits</b>	<u>\$ (8,574)</u>	<u>\$ 6,947</u>

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2003 and 2002**

**NOTE 4 - TERMINATION**

Although the Bank has not expressed any intention to do so, the Bank 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 termination of the Plan, participants become fully vested in their account balance.

**NOTE 5 - FEDERAL INCOME TAXES**

The Internal Revenue Service has determined, in a letter dated October 17, 1998, that the prototype plan of Bankers Systems, Inc. is designed in accordance with applicable sections of the Internal Revenue Code. The plan administrator believes that the Plan continues to qualify as a tax-exempt plan.

This information is an integral part of the accompanying financial statements.

**SUPPLEMENTAL INFORMATION**

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**FEIN: 34-1415683 – PLAN 002**  
**SCHEDULE G, PART I**  
**SCHEDULE OF LOANS OR FIXED INCOME OBLIGATIONS**  
**IN DEFAULT OR CLASSIFIED AS UNCOLLECTIBLE**  
**Year Ended December 31, 2003**

<u>Identity and Description</u>	<u>Original amount of loan</u>	<u>Amount received during reporting year</u>		<u>Unpaid balance at end of year</u>	<u>Description</u>
		<u>Principal</u>	<u>Interest</u>		
Participant loan: Shellhammer, Douglas L. 207 York Street Bellevue, OH 44811	\$ 3,358	\$ -	\$ -	\$ 3,284	Loan issued 12/1/99, 9.25%, maturity date 12/1/04, default date 5/23/00.

NOTE: Participant has been unable to make payments on loan due to financial hardship. The plan administrator expects to eventually recover the loan from the balance of the participant's account.

**THE CROGHAN COLONIAL BANK 401(k) PROFIT SHARING PLAN**  
**FEIN: 34-1415683 – PLAN 002**  
**SCHEDULE H, LINE 4i –**  
**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**December 31, 2003**

<u>Shares/ units</u>	<u>Description</u>	<u>Cost</u>	<u>Fair value</u>
	Cash equivalents:		
\$ 1,686,819	* The Croghan Colonial Bank – Savings Account	\$ -	\$ 1,686,819
151,068	Federated Prime Obligation Money Market Fund	151,068	151,068
2,877	Federated Trust for U.S. Treasury Obligations	-	<u>2,877</u>
			<u>1,840,764</u>
	* Common stock – Croghan Bancshares, Inc.	-	<u>404,211</u>
	Mutual funds:		
5,132	Dodge and Cox Balanced Fund	-	374,865
21,886	Fidelity Advisor Equity Income Fund	-	571,665
13,559	Federated Kaufman Fund	-	67,252
4,099	Fidelity Low-Price Stock Fund	-	143,374
50,214	Federated (Fortress) Bond Fund	-	459,962
18,770	Federated GNMA Trust Fund	-	212,107
2,177	Harbor International Fund	-	80,108
15,316	Janus Worldwide Fund	-	605,577
8,476	Legg Mason Value Trust Fund	-	532,975
14,136	PBHG Growth Fund	-	251,756
5,026	Vanguard LT Corporate Bond Fund	-	46,587
5,735	Vanguard 500 Index Fund	-	<u>588,830</u>
			<u>3,935,058</u>
	Participant loans, with interest ranging from 5.0% to 9.5%, payable bi-weekly through October 2008	-	<u>65,347</u>
	<b>TOTAL ASSETS (HELD AT END OF YEAR)</b>		<u><b>\$ 6,245,380</b></u>

\* Party-in-interest

NOTES:

- (1) Total number of units for each account are rounded to the nearest whole unit.
- (2) The cost for participant-directed investments is not required to be reported.

## EXHIBITS INDEX

Exhibit No.	Description	Page No.
23	Consent of Independent Auditor	16

**Consent of Independent Auditor**

The Plan Administrator  
The Croghan Colonial Bank 401(k)  
Profit Sharing Plan  
Fremont, Ohio

We consent to the incorporation by reference in the Registration Statement (Form S-8, No. 333-53075) pertaining to The Croghan Colonial Bank 401(k) Profit Sharing Plan of our report dated May 7, 2004, with respect to the financial statements and supplemental schedules of The Croghan Colonial Bank 401(k) Profit Sharing Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2003.

*Clifton Gunderson LLP*

Toledo, Ohio  
June 24, 2004