

WEST PHARMACEUTICAL SERVICES INC
Form 11-K
June 25, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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, 2014

OR

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

For the transition period from _____ to _____

Commission File Number 1-8036

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

TECH GROUP PUERTO RICO
SAVINGS AND RETIREMENT PLAN

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

WEST PHARMACEUTICAL SERVICES, INC.
530 HERMAN O. WEST DRIVE
EXTON, PA 19341
610-594-2900

REQUIRED INFORMATION

Items

1 to 3. Not required; see Item 4 below.

4. The following are furnished for the Plan:

(a) The Tech Group Puerto Rico Savings and Retirement Plan is subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and is, therefore, filing Plan financial statements and schedules prepared in accordance with the financial reporting requirements of ERISA.

(b) A written consent of the accountant.

TECH GROUP PUERTO RICO
SAVINGS AND RETIREMENT PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
For the Years Ended December 31, 2014 and 2013

TECH GROUP PUERTO RICO
SAVINGS AND RETIREMENT PLAN

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* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and the Administrator of
Tech Group Puerto Rico Savings and Retirement Plan:

We have audited the accompanying statements of net assets available for benefits of the Tech Group Puerto Rico Savings and Retirement Plan (the "Plan"), as of December 31, 2014 and 2013, 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. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2014, has been subjected to audit procedures performed in conjunction with the audit of Tech Group Puerto Rico Savings and Retirement Plan's financial statement. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements but include supplemental information required by the Department of Labor's Rules and Regulation for Reporting and Disclosure Under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedule is fairly stated in all material respects in relation to the financial statements as a whole.

/s/ Fischer Cunnane & Associates Ltd
Fischer Cunnane & Associates Ltd
Certified Public Accountants

West Chester, Pennsylvania
June 25, 2015

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TECH GROUP PUERTO RICO
 SAVINGS AND RETIREMENT PLAN
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
 AS OF DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS:		
Investments at fair value (Note E):		
Common collective trusts	\$851,552	\$—
Mutual funds	2,253,493	2,822,559
Plan interest in Master Trust	40,289	33,415
Total investments	3,145,334	2,855,974
Receivables:		
Employer contributions	2,192	5,429
Notes receivable from participants	246,561	177,843
Total receivables	248,753	183,272
Total assets	3,394,087	3,039,246
LIABILITIES:		
Excess contributions payable	8,678	4,106
Net assets available for benefits	\$3,385,409	\$3,035,140

The accompanying Notes are an integral part of these statements.

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TECH GROUP PUERTO RICO
 SAVINGS AND RETIREMENT PLAN
 STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
Additions:		
Interest and dividend income	\$103,775	\$82,093
Net appreciation in fair value of investments (Note C)	92,811	404,184
Plan interest in Master Trust net investment income	3,367	10,512
Interest income on notes receivable from participants	8,454	7,126
Contributions:		
Employer	131,298	121,964
Participant	201,364	177,253
Total additions	541,069	803,132
Deductions:		
Benefits paid	189,225	163,133
Plan expenses	1,575	1,260
Total deductions	190,800	164,393
Net increase	350,269	638,739
Net assets available for plan benefits:		
Beginning of the year	3,035,140	2,396,401
End of the year	\$3,385,409	\$3,035,140

The accompanying Notes are an integral part of these statements.

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TECH GROUP PUERTO RICO
SAVINGS AND RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE A - Description of Plan

The following description of the Tech Group Puerto Rico Savings and Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's current provisions.

General

The Plan is a defined contribution plan that was established January 1, 1993, and subsequently amended. The Plan is available to eligible full-time employees of the Tech Group Puerto Rico, LLC (the "Employer") who have completed three months of service and are at least eighteen years of age. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Master Trust

Effective January 3, 2011, West Pharmaceutical Services, Inc. (the "Company" and "Plan Administrator") entered into an agreement with Vanguard Fiduciary Trust Company ("VFTC") to form a master trust ("Master Trust") to hold certain investments of the Plan and the West Pharmaceutical Services, Inc. 401(k) Plan on a commingled basis, for investment purposes only. The sole investment in the Master Trust is common stock of the Company (the "West Stock Fund"). See Note D for more information regarding the Master Trust.

Contributions

Participants may contribute up to 50% of pre-tax annual compensation and 10% of after-tax annual compensation with no combined limit, subject to Puerto Rico Internal Revenue Code of 1994 ("PR Code") limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Employer matches 100% of the first 3% of base compensation that a participant contributes to the Plan and 50% of the next 2% of contributions.

Investments

The Plan offers twelve mutual funds, twelve common collective trusts, and the West Stock Fund as investment options for participants. The Company periodically reviews and may make changes to the investment alternatives available. In 2014, the Plan replaced its series of twelve Vanguard target-date mutual funds with twelve lower-cost Vanguard target-date common collective trust funds.

Participants may change or transfer their investment options at any time. Participants may not allocate future contributions to, or make purchases into, the West Stock Fund if their current balance in the fund exceeds 20% of their total account balance. Employer matching contributions are invested according to the investment allocations made for participant contributions.

Participant Accounts

Individual accounts are maintained for each Plan participant. Each account is self-directed and is credited with the participant's contribution, the Employer's matching contribution and an allocation of Plan earnings (losses), and charged with certain administrative expenses. Allocations are based on participant earnings or account balances, as

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

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TECH GROUP PUERTO RICO
SAVINGS AND RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE A - Description of Plan - continued

Vesting

Participants are immediately vested in their contributions and Employer matching contributions, plus earnings thereon.

Notes Receivable from Participants

Participants may borrow from their fund accounts a maximum amount equal to the lesser of \$50,000 or 50% of the vested portion of their account balances. The loans are secured by the balance in the participant's account. Loan terms generally range from one to five years, except for loans to purchase a principal residence which may be repaid over fifteen years, and bear interest at the prevailing interest rate determined by the Plan Administrator on the date the loan is made. At December 31, 2014 and 2013, interest rates on outstanding loans ranged from 4.25% to 9.25%. Principal and interest are paid ratably through payroll deductions.

Benefits

Benefits are payable upon termination of a participant's employment, or termination of service due to death, disability or retirement. Participants may make annual in-service withdrawals of after-tax and rollover contributions, and matching contributions that have been in the Plan for at least two years. Participants may also make in-service withdrawals after attaining age 59 ½ or upon a hardship. Generally, any benefit due shall be paid as soon as administratively feasible.

NOTE B - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan are prepared using the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Actual results could differ from these estimates.

Valuation of Investments and Income Recognition

The Plan's investments, including the Master Trust, are stated at fair value (see Note E). Purchases and sales of investments are recorded on a trade-date basis. The Plan presents in the statements of changes in net assets available for benefits the net appreciation in the fair value of its investments which consists of both realized and unrealized gains and losses.

Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income. Interest income is accrued when earned.

Payment of Benefits

Benefits are recorded when paid. Delinquent notes receivable from participants are treated as distributions based upon the terms of the Plan document.

Plan Expenses

Certain expenses of the Plan are paid by the Employer.

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TECH GROUP PUERTO RICO
 SAVINGS AND RETIREMENT PLAN
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE B - Summary of Significant Accounting Policies - continued

New Accounting Pronouncement

In May 2015, the Financial Accounting Standards Board issued amended guidance on the disclosure requirements for certain investments whose fair value was measured using the net asset value per share practical expedient. In addition, the guidance eliminates the requirement to categorize such investments within the fair value hierarchy table. This guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. Management does not expect this adoption to have a material impact on the Plan's financial statements.

NOTE C - Investments

Investments that represented 5% or more of the Plan's net assets as of December 31 were as follows:

	2014	2013
Vanguard Prime Money Market Fund	\$175,269	\$162,148
Templeton Foreign Fund R6	234,275	*
Vanguard Capital Opportunity Fund Admiral Shares	325,031	*
Vanguard Extended Market Index Fund Institutional Shares	288,436	*
Vanguard Institutional Index Fund	325,098	*
Vanguard Morgan Growth Fund Admiral Shares	174,821	*
Vanguard Total Bond Market Index Fund Institutional Shares	336,486	*
Vanguard Target Retirement 2020 Trust II	405,783	