

Additional Paid in Capital = APIC (Finance)

[@wikipedia](#)

Irrevocable cash inflow from [shareholders](#) to the company account which aims to support and develop the future benefits from the [Business](#).

Basically this is in-house investment from [Business](#) owners.

The only difference with initial capital in is the later timing of this cash inflow.

The main reasons of the [APIC](#) are:

- a substantial [Business](#) growth opportunity
- a sudden loss of [Equity](#), usually due to the [Impairment Losses](#)

The alternative mechanism is the Shareholder Loan.

See also

[Business](#) / [Business Administration](#) / [Financial Management](#) / [Financial Accounting](#) / [Statement of Financial Position \(Balance Sheet\)](#)