This chapter focuses on the requirement that the parties to a contract must have the intention to create legal relations for it to become legally binding. It considers how we decide whether the parties to a particular agreement had the intention to enter into legal relations, showing that English law operates by means of rebuttable presumptions. It then examines cases where the presumption is that the parties did not intend to create legal relations—that they intended their transaction to be merely friendly or social, rather than legal. It also discusses commercial transactions, where the presumption is reversed, and more specifically the types of commercial transactions that are structured to place them outside the bounds of legal enforcement. The chapter includes the case of *Balfour v Balfour* [1919] 2 KB 571 (CA).
4. Contracts and informal relations: The intention to create legal relations

Access to the complete content on Law Trove requires a subscription or purchase. Public users are able to search the site and view the abstracts and keywords for each book and chapter without a subscription.

Please subscribe or login to access full text content.

If you have purchased a print title that contains an access code, please see the information provided with the code or instructions printed within the title for information about how to register your code.

For questions on access or troubleshooting, please check our FAQs, and if you can't find the answer there, please contact us.