As answer grows, each use of cons prefixes answer with the next element of things. Hence the list is reversed.

Each use of cons with a list ℓ and an element e as its second argument builds a list such that the cdr of ℓ is not e, but is nil. Thus we attain a list containing the pair ℓ not containing e, and e itself.

By using append, we return the list containing *answer* and the list containing only the element we want. Our program is simply