

APPENDIX 7

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Entergy Arkansas, Inc. and Subsidiaries
Little Rock, Arkansas

We have audited the accompanying consolidated balance sheets of Entergy Arkansas, Inc. and Subsidiaries (the "Company") as of December 31, 2011 and 2010, and the related consolidated income statements, consolidated statements of cash flows, and consolidated statements of changes in common equity (pages 274 through 278 and applicable items in pages 53 through 194) for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company'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, such consolidated financial statements present fairly, in all material respects, the financial position of Entergy Arkansas, Inc. and Subsidiaries as of December 31, 2011 and 2010, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 27, 2012 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

ENTERGY ARKANSAS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2011	2010
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	\$4,712	\$4,250
Temporary cash investments	17,887	101,852
Total cash and cash investments	22,599	106,102
Securitization recovery trust account	3,890	2,412
Accounts receivable:		
Customer	90,940	79,905
Allowance for doubtful accounts	(26,155)	(24,402)
Associated companies	58,030	82,583
Other	66,838	61,135
Accrued unbilled revenues	70,715	74,227
Total accounts receivable	260,368	273,448
Deferred fuel costs	209,776	61,502
Fuel inventory - at average cost	48,889	37,699
Materials and supplies - at average cost	143,343	140,095
Deferred nuclear refueling outage costs	49,047	23,099
System agreement cost equalization	36,800	52,160
Prepaid taxes	-	86,693
Prepayments and other	8,562	7,877
TOTAL	783,274	791,087
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	541,657	520,841
Non-utility property - at cost (less accumulated depreciation)	1,677	1,684
Other	3,182	14,176
TOTAL	546,516	536,701
UTILITY PLANT		
Electric	8,079,732	7,787,348
Property under capital lease	1,234	1,303
Construction work in progress	120,211	114,324
Nuclear fuel	272,593	188,611
TOTAL UTILITY PLANT	8,473,770	8,091,586
Less - accumulated depreciation and amortization	3,833,596	3,683,001
UTILITY PLANT - NET	4,640,174	4,408,585
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Regulatory asset for income taxes - net	87,357	98,836
Other regulatory assets (includes securitization property of \$105,762 as of December 31, 2011 and \$118,505 as of December 31, 2010)	1,126,911	892,449
Other	27,980	23,710
TOTAL	1,242,248	1,014,995
TOTAL ASSETS	\$7,212,212	\$6,751,368

See Notes to Financial Statements.

ENTERGY ARKANSAS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2011	2010
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	\$-	\$35,000
Short-term borrowings	33,914	62,777
Accounts payable:		
Associated companies	228,163	92,627
Other	138,054	114,454
Customer deposits	81,074	72,535
Taxes accrued	36,281	-
Accumulated deferred income taxes	124,267	82,820
Interest accrued	29,881	27,020
Other	23,305	21,115
TOTAL	694,939	508,348
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	1,708,760	1,661,365
Accumulated deferred investment tax credits	42,939	44,928
Other regulatory liabilities	133,960	140,801
Decommissioning	640,228	602,164
Accumulated provisions	5,640	7,970
Pension and other postretirement liabilities	539,016	415,925
Long-term debt (includes securitization bonds of \$113,761 as of December 31, 2011 and \$124,066 as of December 31, 2010)	1,875,921	1,828,910
Other	10,335	20,701
TOTAL	4,956,799	4,722,764
Commitments and Contingencies		
Preferred stock without sinking fund	116,350	116,350
COMMON EQUITY		
Common stock, \$0.01 par value, authorized 325,000,000 shares; issued and outstanding 46,980,196 shares in 2011 and 2010	470	470
Paid-in capital	588,444	588,444
Retained earnings	855,210	814,992
TOTAL	1,444,124	1,403,906
TOTAL LIABILITIES AND EQUITY	\$7,212,212	\$6,751,368

See Notes to Financial Statements.